INDEPENDENT AUDITOR'S REPORT

To the Members of ACC Limited

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the accompanying standalone financial statements of ACC Limited ("the Company"), which comprise the Balance sheet as at March 31 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the fifteen months financial year then ended (Refer Note 56), and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the 'Basis for Qualified Opinion' section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, its profit including other comprehensive income, its cash flows and the changes in equity for the fifteen months financial year ended on that date.

Basis for Qualified Opinion

We refer to Note 58 of the accompanying standalone financial statements. Management has represented to us that the Adani group has performed an internal assessment and obtained opinion from an independent law firm in respect of evaluating relationships with parties having transactions with the Company and referred to in the short seller's report. However, pending the completion of proceedings before the Hon'ble Supreme Court and regulatory investigations, we are unable to comment on the possible consequential effects thereof, if any, on these standalone financial statements.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as 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 Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone financial statements.

Emphasis of Matter

We draw your attention to Note 40(A)(a) and Note 40(A)(b) of the accompanying standalone financial statements which describes the uncertainty related to the outcome of ongoing litigations with the Competition Commission of India. Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the fifteen months financial year ended March 31, 2023. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the 'Basis for Qualified Opinion' section we have determined the matters described below to be the key audit matters to be communicated in our report. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the standalone financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying standalone financial statements.

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2">Litigation and Claims (as described in Notes 1(K), 1(Y)(I) , 40(A) and 41 of the standalone financial statements)</td></tr>
<tr><td>The Company has significant ongoing legal proceedings for various complex matters relating to direct tax, indirect tax, government incentive claims and other legal matters under various laws prevailing in India.

Due to the magnitude and complexity involved in these matters, management's judgement regarding recognition and measurement of provisions for these legal proceedings is inherently uncertain and might change over time as the outcome of the legal cases are determined. Accordingly, it has been considered as a key audit matter.</td><td>Our audit procedures included the following:
• Read the Company's accounting policies with respect to contingent liabilities and provisions and assessing its compliance with Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets".
• Obtained understanding of the Company's process and controls to identify and monitor all litigations, including Company's process of assessment of litigations as 'probable', 'possible' and 'remote' and reporting to the board of directors / Audit Committee.
• Held discussions with the management including the person responsible for legal and compliance to obtain an understanding of the matters involved and development in these matters compared to previous year. For significant direct and indirect tax matters and government incentive claims, we assessed the management conclusion with the support of specialists.
• For other significant legal matters, assessed management conclusion basis the related documentation / correspondence and opinions from external legal experts (where applicable), as provided by the management.
• Obtained direct legal confirmations for significant matters from external law firms handling such matters to corroborate management conclusions.
• Assessed the objectivity and competence of the external legal experts / law firms as referred above.
• Reviewed the disclosures made by the Company in the standalone financial statements.</td></tr>
<tr><td colspan="2">Physical verification of bulk inventories (as described in Notes 1(D), 1(Y)(VII) and 10 of the standalone financial statements)</td></tr>
<tr><td>Bulk inventory for the Company primarily comprises of coal, petcoke and clinker which are used during the production process at the Company's plants. Company has laid down a policy for physical verification defining, amongst other things, the frequency, responsibility and tolerance limits for all category of inventories, including bulk inventories. Company also performs regular calibration checks of measuring equipment involved in determining physical quantities of bulk inventories and also engages independent third party to perform physical quantity checks.

Determination of physical quantities of bulk inventories is done based on volumetric measurements and involves special considerations with respect to physical measurement, density calculation, moisture, etc.

Considering the inherent risk involved in determining physical quantities of bulk inventories, we have considered this as a key audit matter.</td><td>Our audit procedures included the following:
• Obtained an understanding of the Company's process and controls with respect to physical verification of bulk inventories and evaluated the design effectiveness and operating effectiveness of these controls.
• On a test basis, reviewed the equipment calibration check reports.
• Obtained reports of physical verification performed for bulk inventories by management during the fifteen months financial year and at year end and assessed, on a test basis, that adjustments, if any, have been recorded for differences as compared to the inventory records as per the books.
• Assessed the frequency of physical verification performed by independent third party in line with the Company's policy and on a test basis, reviewed the reports issued.
• On a test basis, observed physical verification performed by the management at or near year end.</td></tr>
</table>

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the fifteen months financial 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.

Other Matter

The standalone financial statements of the Company for the year ended December 31, 2021, included in these standalone financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on February 9, 2022.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report that:

(a) We have sought and except for the possible effects, if any, of the matter described in the Basis for Qualified Opinion paragraph, we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) Except for the possible effects, if any, of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;

(d) Except for the possible effects, if any, of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;

(f) On the basis of the written representations received from the directors as on March 31, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;

(g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph and paragraph (b) above;

(h) With respect to the adequacy of the internal financial controls with reference to standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(i) In our opinion, the managerial remuneration for the fifteen months financial year ended March 31, 2023 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.

(j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 40(A) to the standalone financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

iv. a) The management has represented that, to the best of its knowledge and belief, 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 Company 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, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the

Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, 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; and

c) Based on such audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and sub-clause (b) contain any material misstatement.

v. The final dividend paid by the Company during the fifteen months financial year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 52 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the fifteen months financial year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

vi. As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only w.e.f. April 1, 2023, reporting under this clause is not applicable.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Abhishek Agarwal**

Partner

Membership Number: 112773

UDIN: 23112773BGRIEI3943

Place of Signature: Mumbai

Date: April 27, 2023

Annexure '1'

referred to in paragraph under the heading "Report on Other Legal and Regulatory Requirements" of our independent auditor's report of even date

Re: ACC Limited ("the Company")

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipments.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a programme of verification of property, plant and equipments to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain property, plant and equipments were physically verified by the management during the fifteen months financial year ended March 31, 2023. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) The title deeds of immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in Note 2 and Note 4 to the standalone financial statements are held in the name of the Company as at March 31, 2023 except for as indicated below:-.

(Rs in Crore)

Description of Property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in the name of Company
Freehold mining land	131.53	Karnataka Industrial Area Development Board	No	June 30, 2015 to date	Company is in the process of obtaining the title deeds
Building	4.45	Supertech realtors Pvt. Ltd.	No	March 1, 2021 to date	Company is in the process of obtaining the title deeds
Freehold land	3.59	Title deed not available with the Company			
Building	16.83	Title deed not available with the Company			
Leasehold land	3.53	Title deed not available with the Company			

(d) The Company has not revalued its Property, Plant and Equipments (including Right of use assets) or intangible assets during the fifteen months financial year ended March 31, 2023.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the fifteen months financial year ended March 31, 2023. In our opinion, the coverage and the procedure of such verification by the management is appropriate. No discrepancies of 10% or more in aggregate for each class of inventory were noticed on such physical verification.

(b) The Company has not been sanctioned working capital limits in excess of Rs. five Crore in aggregate from banks or financial institutions during any point of time of the year on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.

(iii) (a) During the fifteen months financial year ended March 31, 2023, the Company has provided loans, advances in the nature of loans, stood guarantee and provided security to companies as follows:-

Particulars	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount granted/ provided during the fifteen months financial year				
- Subsidiaries	Rs. 0.20 Crore	Rs. Nil	Rs. 0.25 Crore	Rs Nil
- Others	Rs Nil	Rs Nil	Rs Nil	Rs. 1,547.84 Crore
Balance outstanding as at balance sheet date in respect of above cases				
- Subsidiaries	Rs. 1.07 Crore	Rs. Nil	Rs. 1.13 Crore	Rs. Nil
- Others	Rs. Nil	Rs. Nil	Rs. Nil	Rs. 975.00 Crore

During the fifteen months financial year ended March 31, 2023, the Company has not provided loans, advances in the nature of loans, stood guarantee and provided security to firms, limited liability partnerships or any other parties.

(b) During the fifteen months financial year ended March 31, 2023, the Company has granted advances of Rs. 1,326.00 Crore for procurement of fuel (balance outstanding as at balance sheet date Rs. 975.00 Crore) and Rs. 221.84 Crore for the procurement of property, plant and equipments (balance outstanding as at balance sheet date Rs. Nil) which are in the nature of loans, the terms and conditions of which are not prejudicial to the Company's interest. Further, during the fifteen months financial year ended March 31, 2023, the Company has provided loans and guarantees to its subsidiaries, the terms and conditions of which are not prejudicial to the Company's interest. The Company has not made investments and provided security to companies, firms, limited liability partnerships or any other parties during the fifteen months financial year ended March 31, 2023.

(c) The Company has granted loans during the fifteen months financial year ended March 31, 2023 to its subsidiaries where the schedule of repayment of principal and payment of interest has been stipulated and the repayments or receipts are regular. Further, as stated in clause 3(iii)(b), given that advances in the nature of loans are towards procurement of fuel and property, plant and equipments, reporting on clause 3(iii)(c) for the same is not applicable.

(d) There are no amounts of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days. Further, as stated in clause 3(iii)(b), given that advances in the nature of loans are towards procurement of fuel and property, plant and equipments, reporting on clause 3(iii)(d) for the same is not applicable.

(e) There were no loans granted to companies, firms, limited liability partnerships or any other parties which had fallen due during the fifteen months financial year ended March 31, 2023, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties. Further, as stated in clause 3(iii)(b), given that advances in the nature of loans are towards procurement of fuel and property, plant and equipments, reporting on clause 3(iii)(e) for the same is not applicable.

(f) As disclosed in Note 14 to the standalone financial statements, during the fifteen months financial year ended March 31, 2023, the Company has granted loans which are repayable on demand. Of these, following are the details of the aggregate amount of loans granted to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013:

Particulars	Related Parties
Aggregate amount of loans Repayable on demand to subsidiary companies (Rs in Crore)	1.13
Percentage of loans to the total loans given	9.6%

Further, as stated in clause 3(iii)(b), given that advances in the nature of loans are towards procurement of fuel and property, plant and equipment, reporting on clause 3(iii)(f) for the same is not applicable. The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to firms, limited liability partnerships or any other parties.

(iv) Loans, investments, guarantees and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable have been complied with by the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act, 2013 and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture of cement, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, goods and services tax, duty of custom, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues that have not been deposited on account of any dispute, are as follows:

(Rs in Crore)

Name of Statute	Nature of Dues	Forum where dispute is pending	Period to which the amount related	Amount Unpaid
Income Tax Act,1961	Income Tax and Interest	Commissioner	2001-02 to 2004-05	25.96
		Assessing Officer	2012-13 to 2020-21	246.11
			2002-03	0.66
			2019-20	21.12
Custom Act,1962	Custom Duty, Penalty and Interest	Appellate authorities & Tribunal	2012-2013	0.47
Entry Tax	Demand for constitutional validity for entry tax and other miscellaneous demand	Appellate authorities & Tribunal	2007-2017	41.96
		High Court		120.31
Mines and Mineral (Development and Regulation) Act, 1957	Demand for the compensation for use of government land	High Court	1997-2019	207.21
Goods and Service Tax Act,2017	Goods and Service Tax	Appellate authorities & Tribunal	2014-2018	83.28
		High Court	2014-2018	71.60
Sales Tax/Value Added Tax	Sales Tax, VAT,penalty and interest	Appellate authorities & Tribunal	1984-2018	216.29
		Commissioner	1990-2018	21.76
		High Court	1984-2018	131.15
The Central Excise Act,1944	Excise Duty, Penalty and Interest	Appellate authorities & Tribunal	1994-2018	131.45
		Commissioner	2001-2018	1.58
		High Court	2001-2013	56.84
Others	Tax, interest and penalty	Various	Various	38.75

Refer Note 40(A)(a) and Note 40(A)(b) for demand under the Competition Act, 2002

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the fifteen months financial year ended March 31, 2023. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) The Company did not have any term loans outstanding during the fifteen months financial year ended March 31, 2023 hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(d) On an overall examination of the standalone financial statements of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

(f) The Company has not raised loans during the fifteen months financial year ended March 31, 2023 on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Hence, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the fifteen months financial year ended March 31, 2023 by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the fifteen months financial year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the fifteen months financial year ended March 31, 2023. We are unable to comment on the possible consequential effects, if any, arising out of the pending Hon'ble Supreme Court proceedings and regulatory investigations as stated in the 'Basis for Qualified Opinion' paragraph of our audit report.

(b) During the fifteen months financial year ended March 31, 2023, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the fifteen months financial year ended March 31, 2023 while determining the nature, timing and extent of audit procedures.

(xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards, except for the possible effects, if any, of the matter referred to in the 'Basis for Qualified Opinion' paragraph of our audit report.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The internal audit reports of the Company issued till the date of the audit report, for the period under audit have been considered by us.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) There is no Core Investment Company as a part of the Group, hence, the requirement to report on clause 3(xvi)(d) of the Order is not applicable to the Company.

(xvii) The Company has not incurred cash losses in the current fifteen months financial year as well as the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the fifteen months financial year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in Note 60 to the standalone financial statements, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act, 2013 (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. Refer Note 35(3) to the standalone financial statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act, 2013. Refer Note 35(3) to the standalone financial statements.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Abhishek Agarwal**

Partner

Membership Number: 112773

UDIN: 23112773BGRIEI3943

Place of Signature: Mumbai

Date: April 27, 2023

Annexure '2'

To the independent auditor's report of even date on the standalone financial statements of ACC Limited

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

We have audited the internal financial controls with reference to standalone financial statements of ACC Limited ("the Company") as of March 31, 2023, in conjunction with our audit of the standalone financial statements of the Company for the fifteen months financial year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). 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 Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements 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") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. 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 these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company's internal financial controls with reference to these standalone financial statements.

Meaning of Internal Financial Controls With Reference to Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements

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

Qualified Opinion

According to the information and explanations given to us and based on our audit, as stated in the 'Basis for Qualified Opinion' paragraph of our audit report, considering the ongoing proceedings before the Hon'ble Supreme Court and regulatory investigations and the consequential impact, if any, it may have on Company's processes and internal controls including procurements, related party transactions and compliance with laws and regulations, to that extent we are unable to comment on whether there exists any material weakness in the Company's internal controls as at March 31, 2023.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control with reference to standalone financial statements, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the matter described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls with reference to these standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as of March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Explanatory paragraph

We also have audited, in accordance with the Standards on Auditing issued by ICAI, as specified under Section 143(10) of the Act, the standalone financial statements of ACC Limited, which comprise the Balance Sheet as at March 31, 2023, and the related Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the fifteen months financial year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information. The matter described above was considered in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2023 standalone financial statements of ACC Limited and this report affect our report dated April 27, 2023, which expressed modified opinion on those financial statements.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Abhishek Agarwal**

Partner

Membership Number: 112773

UDIN: 23112773BGRIEI3943

Place of Signature: Mumbai

Date: April 27, 2023

Balance Sheet

Rs. in Crore

Particulars	Note No.	As at March 31, 2023 (Refer Note 56)	As at December 31, 2021
A. ASSETS			
1) Non-current assets			
a) Property, plant and equipments	2	7,080.59	6,518.42
b) Capital work-in-progress	2	1,683.05	1,212.10
c) Other Intangible assets	3	144.08	49.77
d) Right of use assets	4	261.62	154.61
e) Investments in subsidiaries, associates and joint ventures	5	174.33	174.33
f) Financial assets			
(i) Investments	6	18.40	18.40
(ii) Loans	7	4.87	6.08
(iii) Other financial assets	8	1,229.72	914.45
g) Non-Current Tax Assets (Net)		1,003.94	1,002.11
h) Other non-current assets	9	681.25	623.60
Total Non-current assets		**12,281.85**	**10,673.87**
2) Current assets			
a) Inventories	10	1,623.50	1,273.31
b) Financial assets			
(i) Trade receivables	11	874.74	462.42
(ii) Cash and cash equivalents	12	128.85	7,247.24
(iii) Bank balances other than cash and cash equivalents	13	157.90	155.63
(iv) Loans	14	6.89	7.46
(v) Other financial assets	15	3,069.31	286.81
c) Other current assets	16	2,263.34	809.94
		8,124.53	**10,242.81**
d) Non-current assets classified as held for sale	17	2.13	2.33
Total Current assets		**8,126.66**	**10,245.14**
TOTAL - ASSETS		**20,408.51**	**20,919.01**
B. EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	18	187.99	187.99
b) Other equity	19	13,855.01	14,040.44
Total Equity		**14,043.00**	**14,228.43**
Liabilities			
Non-current liabilities			
a) Financial liabilities			
Lease liabilities		125.68	101.37
b) Provisions	20	176.26	214.30
c) Deferred tax liabilities (Net)	21	433.14	382.74
Total Non-current liabilities		**735.08**	**698.41**
Current Liabilities			
a) Financial liabilities			
(i) Trade payables			
Total outstanding dues of micro and small enterprises	22,44	20.14	25.33
Total outstanding dues of trade payable other than micro and small enterprises	22	1,472.02	1,873.88
(ii) Lease liabilities		27.36	24.21
(iii) Other financial liabilities	23	1,189.53	1,127.20
b) Other current liabilities	24	2,373.66	2,259.57
c) Provisions	25	10.08	15.70
d) Current Tax Liabilities (Net)		537.64	666.28
Total current liabilities		**5,630.43**	**5,992.17**
Total Liabilities		**6,365.51**	**6,690.58**
TOTAL - EQUITY AND LIABILITIES		**20,408.51**	**20,919.01**
Significant accounting policies	1		
See accompanying notes to the financial statements			

As per our report of even date

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No.: 324982E/E300003

per **ABHISHEK AGARWAL**
Partner
Membership No.: 112773

Mumbai, April 27, 2023

For and on behalf of the Board of Directors of ACC Limited,

KARAN ADANI
Chairman
DIN: 03088095

AJAY KAPUR
Wholetime Director & Chief Executive Officer
DIN: 03096416

VINOD BAHETY
Chief Financial Officer

Ahmedabad, April 27, 2023

Statement of Profit and Loss

Rs. in Crore

	Particulars	Note No.	For the fifteen months ended March 31, 2023 (Refer Note 56)		For the Year ended December 31, 2021
	INCOME				
1	Revenue from operations	26	22,209.97		16,151.35
2	Other income	27	337.18		204.76
3	**Total Income (1+2)**			**22,547.15**	**16,356.11**
4	**EXPENSES**				
	a) Cost of materials consumed	28	3,347.19		2,120.28
	b) Purchase of stock-in-trade	29	2,300.95		921.19
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	30	(193.19)		(174.25)
	d) Employee benefits expense	31	1,036.20		834.02
	e) Power and fuel		5,738.27		3,360.80
	f) Freight and forwarding expense	32	5,168.26		3,844.71
	g) Finance costs	33	77.18		54.63
	h) Depreciation and amortisation expense	34	835.09		597.28
	i) Other expenses	35	2,912.17		2,268.65
			21,222.12		13,827.31
	Captive consumption of cement		(18.87)		(24.45)
	Total Expenses			**21,203.25**	**13,802.86**
5	**Profit before exceptional items and tax (3-4)**			1,343.90	2,553.25
6	Exceptional items (Refer Note - 55 and 45(i))			161.77	92.86
7	**Profit before tax (5-6)**			**1,182.13**	**2,460.39**
8	**Tax expense**	21			
	a) Current tax		272.27		635.41
	b) Deferred tax charge / (credit)		39.95		4.71
				312.22	640.12
9	**Profit after tax (7-8)**			**869.91**	**1,820.27**
10	**Other comprehensive income (OCI)**				
	(i) Items that will not be reclassified to profit and loss: Re-measurement gain / (loss) on defined benefit plans	37	41.50		7.27
	(ii) Income tax relating to items that will not be reclassified to profit and loss	21	(10.45)		(1.83)
	Other comprehensive income for the year, net of tax			31.05	5.44
11	**Total comprehensive income for the year (9+10)**			**900.96**	**1,825.71**
12	**Earnings per equity share of Rs. 10 each:**	36			
	Basic Rs.			46.32	96.93
	Diluted Rs.			46.20	96.67
	Significant accounting policies	1			
	See accompanying notes to the financial statements				

As per our report of even date

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No.: 324982E/E300003

per **ABHISHEK AGARWAL**
Partner
Membership No.: 112773

Mumbai, April 27, 2023

For and on behalf of the Board of Directors of ACC Limited,

KARAN ADANI
Chairman
DIN: 03088095

AJAY KAPUR
Wholetime Director & Chief Executive Officer
DIN: 03096416

VINOD BAHETY
Chief Financial Officer

Ahmedabad, April 27, 2023

Statement of changes in Equity

A. EQUITY SHARE CAPITAL

	Note No.	Rs. in Crore
As at January 01, 2021	18	187.99
Changes during the year		-
As at December 31, 2021	18	187.99
Changes during the year		-
As at March 31, 2023	**18**	**187.99**

B. OTHER EQUITY

For the year ended March 31, 2023

Rs. in Crore

	Reserves and surplus (Refer Note - 19)					
	Capital reserve	Securities premium	General reserve	Capital contribution from parent	Retained earnings	Total other equity
As at January 01, 2022	67.81	845.03	2,723.30	7.47	10,396.83	14,040.44
Profit for the year	-	-	-	-	869.91	869.91
Other Comprehensive Income for the year, net of tax	-	-	-	-	31.05	31.05
Total comprehensive income for the year	-	-	-	-	900.96	900.96
Employee share based payments (Refer Note - 53)	-	-	-	2.78	-	2.78
Dividend paid (Refer Note - 52)	-	-	-	-	(1,089.17)	(1,089.17)
As at March 31, 2023	67.81	845.03	2,723.30	10.25	10,208.62	13,855.01

For the year ended December 31, 2021

Rs. in Crore

	Reserves and surplus (Refer Note - 19)					
	Capital reserve	Securities premium	General reserve	Capital contribution from parent	Retained earnings	Total other equity
As at January 01, 2021	67.81	845.03	2,723.30	3.29	8,834.02	12,473.45
Profit for the year	-	-	-	-	1,820.27	1,820.27
Other Comprehensive Income for the year, net of tax	-	-	-	-	5.44	5.44
Total comprehensive income for the year	-	-	-	-	1,825.71	1,825.71
Employee Share based payments (Refer Note - 53)	-	-	-	4.18	-	4.18
Dividend paid (Refer Note - 52)	-	-	-	-	(262.90)	(262.90)
As at December 31, 2021	67.81	845.03	2,723.30	7.47	10,396.83	14,040.44

See accompanying notes to the financial statements

As per our report of even date

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No.: 324982E/E300003

per **ABHISHEK AGARWAL**
Partner
Membership No.: 112773

Mumbai, April 27, 2023

For and on behalf of the Board of Directors of ACC Limited,

KARAN ADANI
Chairman
DIN: 03088095

AJAY KAPUR
Wholetime Director & Chief Executive Officer
DIN: 03096416

VINOD BAHETY
Chief Financial Officer

Ahmedabad, April 27, 2023

Statement of Cash Flow

Rs. in Crore

Particulars	For the fifteen months ended March 31, 2023 (Refer Note - 56)	For the year ended December 31, 2021
A. Cash flow from operating activities		
Profit before tax	1,182.13	2,460.39
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expense	835.09	597.28
Impairment of investment in subsidiary Company	-	38.10
Provision for restructuring cost	66.42	47.42
(Profit) / Loss on sale / write off of property, plant and equipments and other Intangible assets (net)	(95.20)	(1.68)
Gain on termination of leases	(0.97)	(0.61)
Gain on sale of current financial assets measured at FVTPL	(14.83)	(8.41)
Dividend income	(2.30)	(1.56)
Interest income	(223.83)	(192.27)
Finance costs	77.18	54.63
Impairment losses / (reversal) on trade receivables (net)	14.84	(10.87)
Provision for slow and non moving Stores & Spares (net)	0.93	6.85
Provision no longer required written back	(12.32)	(7.33)
Net gain on fair valuation of current financial assets measured at FVTPL	(0.06)	(0.23)
Employee share based payments	2.78	4.18
Unrealised exchange loss (net)	3.82	0.90
Operating profit before working capital changes	1,833.68	2,986.79
Changes in Working Capital:		
Adjustments for Decrease / (Increase) in operating assets:		
(Increase) / Decrease in Inventories	(283.19)	(379.69)
(Increase) / Decrease in trade receivable	(427.16)	(26.78)
(Increase) / Decrease in other assets	(1,739.93)	(190.75)
Adjustments for Increase / (Decrease) in operating liabilities:		
Increase / (Decrease) in Trade payables	(398.55)	489.34
Increase / (Decrease) in provisions	(16.88)	(2.68)
Increase / (Decrease) in other liabilities	196.00	240.28
Cash generated from operations	(836.03)	3,116.51
Direct taxes paid including interest on income tax - (Net of refunds)	(402.74)	(284.89)
Net cash flow (used in) / from operating activities	**(1,238.77)**	**2,831.62**
B. Cash flow from investing activities		
Loans to subsidiary companies	(0.06)	(0.04)
Intercorporate deposit taken	200.00	-
Intercorporate deposit repaid	(200.00)	-
Purchase of property, plant and equipment and other intangible assets (Including capital work-in-progress and capital advances)	(2,102.52)	(1,172.89)
Proceeds from sale of property, plant and equipment and other intangible assets	123.75	22.02
Investment in equity shares	-	(10.20)
Net proceeds from sale of mutual funds	14.83	8.41
(Investment) / redemption in bank and margin money deposits (having original maturity for more than 3 months)	(2,890.78)	(12.50)
Dividend received from associate / joint venture	2.30	1.56
Interest received	210.50	174.63
Net cash used in investing activities	**(4,641.98)**	**(989.01)**
C. Cash flow from financing activities		
Interest paid	(59.63)	(31.63)
Payment of lease liabilities (including interest)	(88.90)	(35.99)
Dividend paid	(1,089.17)	(262.90)
Net cash used in financing activities	**(1,237.70)**	**(330.52)**
Net increase / (decrease) in cash and cash equivalents	**(7,118.45)**	**1,512.09**
Add: Cash and cash equivalents at the beginning of the year	7,247.24	5,734.92
Add: Adjustment for gain on fair valuation of current financial assets measured at FVTPL	0.06	0.23
Cash and cash equivalents at the end of the year	**128.85**	**7,247.24**
See accompanying notes to the financial statements		

As per our report of even date

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No.: 324982E/E300003

per **ABHISHEK AGARWAL**
Partner
Membership No.: 112773

Mumbai, April 27, 2023

For and on behalf of the Board of Directors of ACC Limited,

KARAN ADANI
Chairman
DIN: 03088095

AJAY KAPUR
Wholetime Director & Chief Executive Officer
DIN: 03096416

VINOD BAHETY
Chief Financial Officer

Ahmedabad, April 27, 2023

Notes to the Financial Statements

for the year ended March 31, 2023

CORPORATE INFORMATION

ACC Limited ('the Company') is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India. The registered office of the Company is located at Cement House, 121, Maharshi Karve Road, Mumbai – 400 020, India. The Company's principal activity is to manufacture and market cement and cement related products.

STATEMENT OF COMPLIANCE AND BASIS OF PREPARATION

A. Statement of compliance

The financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act.

B. Basis of preparation

The financial statements have been prepared on going concern basis using historical cost, except for certain items for which accounting policies has been mentioned in Note 3 below.

Historical cost is the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition, or the amount of proceeds received in exchange for the obligation, or at the amount of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

The accounting policies are applied consistently to all the periods presented in the financial statements.

Financial statements are presented in Rs. which is the functional currency, and all values are rounded to the nearest Crore as per the requirement of Schedule III to the Companies Act, 2013, except where otherwise indicated.

These financial statements were approved for issue in accordance with the resolution of the Board of Directors on April 27, 2023.

1. SIGNIFICANT ACCOUNTING POLICIES

A. Property, plant and equipments

I. Measurement and Recognition

a. Property, plant and equipments are stated at their cost of acquisition / installation / construction net of accumulated depreciation, and impairment losses, if any, except freehold non-mining land which is carried at cost less accumulated impairment losses.

Subsequent expenditures are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. When significant parts of plant and equipments are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipments 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. 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 provisions are met.

b. Spares which meet the definition of property, plant and equipments are capitalised as on the date of acquisition. The corresponding old spares are derecognised on such date with consequent impact in the statement of profit and loss.

c. Property, plant and equipments not ready for their intended use as on the balance sheet date are disclosed as "Capital work-in-progress". Such items are classified to the appropriate category of property, plant and equipments when completed and ready for their intended use. Advances given towards acquisition / construction of property, plant and equipments outstanding at each balance sheet date are disclosed as Capital Advances under "Other non-current assets".

II. Depreciation on property, plant, and equipments

a. Depreciation is provided as per the useful life of assets which are determined based on technical parameters / assessment. Depreciation is calculated using "Written down value method" for assets related to Captive Power Plant and using "Straight line method" for other assets.

b. The Company identifies and depreciates cost of each component / part of the asset separately, if the component / part have a cost, which is significant to the total cost of the asset and has a useful life that is materially different from that of the remaining asset.

c. Depreciation on additions to property, plant and equipments is provided on a pro-rata basis from the date of acquisition, or installation, or construction, when the asset is ready for intended use.

d. Depreciation on an item of property, plant and equipments sold, discarded, demolished or scrapped,

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

is provided upto the date on which the said asset is sold, discarded, demolished or scrapped.

e. Capitalised spares are depreciated over their own estimated useful life or the estimated useful life of the parent asset whichever is lower.

f. The Company reviews the residual value, useful lives and depreciation method on each reporting date and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

g. In respect of an asset for which impairment loss, if any, is recognised, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

h. Property, plant, and equipments, constructed by the Company, but ownership of which vests with the Government / Local authorities:

   i. Expenditure on Power lines is depreciated over the period as permitted in the Electricity Supply Act, 1948 / 2003 as applicable.

   ii. Expenditure on Marine structures is depreciated over the period of the agreement.

j. Estimated useful lives of the assets are as follows:

Assets	Useful lives
Land (freehold)	No depreciation except on land with mineral reserves. Cost of mineral reserves embedded in the cost of freehold mining land is depreciated in proportion of actual quantity of minerals extracted to the estimated quantity of extractable mineral reserves
Leasehold mining land	Amortised over the period of lease on a straight line basis
Buildings, roads and water works	3 – 60 years
Plant and equipments	8 – 30 years
Railway sidings and locomotives	8 – 15 years
Furniture, office equipments and tools	3 – 10 years
Vehicles	6 – 8 years

a. The useful life as estimated above is as per the prescribed useful life specified under Schedule II to the Companies Act, 2013 except for the following case:

Particulars	Useful Life estimated by the management	Useful Life as per Schedule II
Plant and Equipments related to Captive Power Plant	20 years	40 years

The Management believes that the useful lives as given above reflect fair approximation of the period over which the assets are likely to be used.

IIII. Derecognition of property plant and equipments

An item of Property, Plant and Equipments and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the Statement of Profit and Loss when the asset is derecognised.

B. Intangible assets

I. Recognition and Measurement

a. Intangible assets acquired separately are measured on initial recognition at cost. Cost comprises the purchase price (net of tax / duty credits availed wherever applicable) and any directly attributable cost of bringing the assets to its working condition for its intended use. 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.

b. The useful lives of intangible assets are assessed as either finite or indefinite.

c. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed during each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

d. Intangible assets with indefinite useful lives and Goodwill 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 to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.

Notes to the Financial Statements

for the year ended March 31, 2023

e. Stripping Cost - Stripping costs are allocated and included as a component of the mine asset when they represent significantly improved access to limestone, provided all the following conditions are met:

   a. it is probable that the future economic benefit associated with the stripping activity will be realised.

   b. the component of the limestone body for which access has been improved can be identified; and

   c. the costs relating to the stripping activity associated with the improved access can be reliably measured.

II. Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset, if any, are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

III. Contract based Intangibles

The Company recognises contract-based intangible asset when the economic benefit under the contract starts flowing to the entity and control over the intangible asset is established. Till the time such economic benefits start flowing to entity, it is disclosed under Other Non-current assets as "Payment under Long term supply arrangement". The Company reclassifies such balance to intangible assets once the economic benefit start accruing to the Company.

Contract based intangibles are initially recognised initially at cost. Subsequent to initial recognition, contract-based intangibles are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

The useful life of the contract-based intangibles for purpose of its amortisation is considered to be shorter of the period of contractual rights or period over which entity expects to obtain economic benefits from the asset. Further, at every reporting date, the contract-based intangibles are also tested for impairment in case of an indication that the contract-based intangibles might be impaired.

IV. Amortisation of intangible assets

A summary of the policies applied to the Company's intangible assets are, as follows:

Intangible assets	Useful life	Amortisation method used
Water drawing rights	Finite (10-30 years)	Amortised on a straight-line basis over the useful life
Computer software	Finite (upto 5 years)	Amortised on a straight-line basis over the useful life
Mining rights	Finite (upto 90 years)	Over the period of the respective mining agreement
Sponsorship Rights	Finite (upto 5 years)	Amortised based on occurrence of event

c) Impairment of non-financial assets

The carrying amounts of other non-financial assets, other than inventories and deferred tax assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss, if any, is recognised in the statement of profit and loss wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less cost of disposal and 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 of or Group of assets. 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 risks specific to the assets. 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. A previously recognised impairment loss, if any, is reversed when there is an indication of reversal, however, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation / amortisation if there was no impairment.

D. Inventories

Inventories are valued at the lower of cost and net realisable value, as follows:

I. Raw materials, stores and spare parts, fuel and packing material:

Cost includes purchase price, other costs incurred in bringing the inventories to their present location and condition, and includes non-refundable taxes. Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a moving weighted average basis.

II. **Work-in-progress, finished goods and stock in trade:**

Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity but excluding borrowing costs. Cost of Stock-in-trade includes cost of purchase and other cost incurred in bringing the inventories to the present location and condition. Cost is determined on a moving weighted average basis.

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

E. Business combination

Business combinations are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of acquisition date fair values of the assets transferred, liabilities incurred to the former owner of the acquiree and the equity interests issued in exchange of control of the acquiree.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured on the basis indicated below:

I. Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 "Income Tax" and Ind AS 19 "Employee Benefits" respectively.

II. Liabilities or equity instruments related to share-based payment arrangements of the acquiree or share – based payments arrangements of the Company entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 "Share-based Payments" at the acquisition date.

III. Assets (or disposal Groups) that are classified as held for sale in accordance with Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations" are measured in accordance with that standard.

When the Company acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and fair value of any previously held interest in acquiree, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred (bargain purchase), the Company 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 in Other Comprehensive Income (OCI) and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

When a business combination is achieved in stages, the Company's previously held equity interest in the acquiree is re-measured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in the statement of profit and loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to the statement of profit and loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Company reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

Business combination of entities under common control

Business combinations involving entities that are controlled by the company 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 interest's method as follows:

Notes to the Financial Statements

for the year ended March 31, 2023

I. The assets and liabilities of the combining entities are reflected at their carrying amounts.

II. No adjustments are made to reflect fair values, or recognise any new assets or liabilities. Adjustments are only made to harmonise accounting policies.

III. 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.

IV. 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.

V. The identity of the reserves are preserved and the reserves of the transferor become the reserves of the transferee.

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

F. Goodwill

Goodwill arising on an acquisition of a business is carried at cost less accumulated impairment losses, if any.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company'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.

Cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. The recoverable amount is the higher of the assets fair value less cost of disposal and value in use. Any impairment loss for goodwill is recognised in the statement of profit and loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

G. Investment in subsidiaries, associates and joint ventures

Investment in subsidiaries, associates and joint ventures are measured at cost less impairment as per Ind AS 27 - 'Separate Financial Statements'.

H. Fair value measurement

The Company measures some of its financial instruments 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.

All assets and liabilities for which fair value is measured as disclosed in the financial statements are categorised within the fair value hierarchy described in Note 49.E. 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 initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through the statement of profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through the statement of profit and loss are recognised immediately in the statement of profit and loss.

I. Financial assets

a. Initial recognition and measurement of financial assets

The Company recognises a financial asset in its balance sheet when it becomes party to the contractual provisions of the instrument. All financial assets are recognised initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis, i.e., the date that the Company commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

Notes to the Financial Statements

for the year ended March 31, 2023

b. Subsequent measurement of financial assets

For purposes of subsequent measurement, financial assets are classified in the following categories:

i. Financial assets at amortised cost

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

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- 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. The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment if any are recognised in the statement of profit and loss.

ii. Debt instrument at fair value through other comprehensive income (FVTOCI)

A debt instrument is classified as at the FVTOCI if both of the following criteria are met:

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

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognises interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to the statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

iii. Debt instruments at fair value through the statement of profit and loss (FVTPL)

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for classification as at amortised cost or as fair value through other comprehensive income (FVTOCI), is classified as FVTPL.

Debt instruments that meet the amortised cost criteria or debt instruments that meet the FVTOCI criteria, may be designated as at FVTPL as at initial recognition if such designation reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument at FVTPL.

Debt instruments at FVTPL are measured at fair value at the end of each reporting period, with any gains and losses arising on re-measurement are recognised in the statement of profit and loss.

Equity instruments

All equity investments in scope of Ind AS 109 "Financial Instruments" are measured at FVTPL with all changes in fair value recognised in the statement of profit and loss.

iv. Equity instruments measured at fair value through other comprehensive income (FVTOCI)

For all investments in equity instruments other than held for trading, at initial recognition, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis.

If the Company decides to classify an equity instrument as at FVTOCI, 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 statement of profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

The Company has not designated investments in any equity instruments as FVTOCI.

c. Derivative Financial Instruments

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risk. 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 at the end of each reporting period. Any changes therein are recognised in the Statement of Profit and Loss unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the Statement of Profit and Loss depends on the nature of the hedging relationship and the nature of the hedged item. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The Company does not hold derivative financial instruments for speculative purposes.

d. Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognised when:

i. The rights to receive cash flows from the asset have expired, or

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

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the statement of profit and loss if such gain or loss would have otherwise been recognised in the statement of profit and loss on disposal of that financial asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered 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 the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

On derecognition of a financial asset other than in its entirety (e.g., when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in the statement of profit and loss if such gain or loss would have otherwise been recognised in the statement of profit and loss on disposal of that financial asset.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

e. Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets which are measured at amortised cost.

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables resulting from transactions within the scope of Ind-AS 115 "Revenue from Contracts with Customers", if they do not contain a significant financing component.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines 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.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls) discounted at the original EIR. ECL impairment loss allowance (or reversal) recognised during the period is recognised as income / expense in the statement of profit and loss.

For financial assets measured as at amortised cost, ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

II. Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

a. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

b. Financial liabilities

i. Initial recognition and measurement

The Company recognises a financial liability in its balance sheet when it becomes party to the contractual provisions of the instrument.

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.

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or at amortised cost as appropriate.

ii. Subsequent measurement of financial liabilities at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent reporting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest rate method.

iii. Subsequent measurement of financial liabilities at fair value through profit or loss (FVTPL)

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. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

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

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. The Company has not designated any financial liability as at fair value through profit or loss.

iv. Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. 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.

vi. Embedded derivatives

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 "Financial Instruments" to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in the Statement of Profit and Loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows.

Company Overview
Value Creation at Acc
Capital-wise Performance
Statutory Reports
Financial Statements

III. Offsetting 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.

J. Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income/ interest expenses over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts/ payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

K. Provisions and contingencies

I. Provisions

A provision is recognised for a present obligation (legal or constructive) as a result of past events if it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and in respect of which a reliable estimate can be made. The amounts recognised as provisions are determined based on best estimate of the amount required to settle the obligation at the balance sheet date. These estimates are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

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.

Restructuring provisions are recognised only when the Company has a constructive obligation, which is when: (i) a detailed formal plan identifies the business or part of the business concerned, the location and number of employees affected, a detailed estimate of the associated costs, and the timeline; and (ii) the employees affected have been notified of the plan's main features.

Mines reclamation

The Company provides for the costs of restoring a mine where a legal or constructive obligation exists. The estimated future costs for known restoration requirements are determined on a mine-by-mine basis and are calculated based on the present value of estimated future cash out flows.

The restoration provision before exploitation of the raw materials has commenced is included in Property, Plant and Equipments and depreciated over the life of the related asset.

The effect of any adjustments to the provision due to further environmental damage as a result of exploitation activities is recorded through the Statement of Profit and Loss over the life of the related asset, in order to reflect the best estimate of the expenditure required to settle the obligation at the end of the reporting period.

Changes in the measurement of a provision that result from changes in the estimated timing or amount of cash outflows, or a change in the discount rate, are added to or deducted from the cost of the related asset to the extent that they relate to the asset's installation, construction or acquisition.

Provisions are discounted to their present value. The unwinding of the discount is recognised as a finance cost in the Statement of Profit and Loss.

II. Contingent liability

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

L. Foreign exchange gains and losses

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of transaction. Foreign currency monetary items are reported using the closing rate and the exchange difference are recognised in the profit and loss. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Exchange differences arising on the settlement of monetary items at rates different from those at which they were initially recorded during the year or reported in previous financial statements, are recognised as income or expense in the year in which they arise.

Notes to the Financial Statements

for the year ended March 31, 2023

M. Revenue recognition

Revenue is recognised on the basis of approved contracts regarding the transfer of goods or services to a customer for an amount that reflects the consideration to which the entity expects to be entitled in exchange of those goods or services.

I. Sale of goods

Revenue from the sale of the goods is recognised when delivery has taken place and control of the goods has been transferred to the customer according to the specific delivery term that have been agreed with the customer and when there are no longer any unfulfilled obligations. Revenue is measured after deduction of any discounts, price concessions, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts, price concessions and rebates. No element of financing is deemed present as the sales are made with credit terms largely ranging between 30 days and 60 days depending on the specific terms agreed with customers.

Contract balances

Trade Receivables and Contract Assets

A trade receivable is recognised when the products are delivered to a customer and consideration becomes unconditional.

Contract assets are recognised when the company has a right to receive consideration that is conditional other than the passage of time.

Contract Liabilities

Contract liabilities is a Company's obligation to transfer goods or services to a customer which the entity has already received consideration. Contract liabilities are recognised as revenue when the company performs under the contract.

II. Rendering of services

Income from services rendered is recognised based on agreements/arrangements with the customers as the services is performed and there are no unfulfilled obligations.

III. Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

IV. Dividends

Dividend income is recognised when right to receive is established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

N. Retirement and other employee benefits

I. Defined contribution plan

Employee benefits in the form of contribution to Superannuation Fund, Provident Fund managed by government authorities, Employees State Insurance Corporation and Labour Welfare Fund are considered as defined contribution plans and the same are charged to the statement of profit and loss for the year in which the employee renders the related service.

II. Defined benefit plan

The Company's gratuity fund scheme, additional gratuity scheme and post-employment benefit scheme are considered as defined benefit plans. The Company's liability is determined on the basis of an actuarial valuation using the projected unit credit method as at the balance sheet date.

Employee benefit, in the form of contribution to provident fund managed by a trust set up by the Company, is charged to statement of profit and loss for the year in which the employee renders the related service. The Company has an obligation to make good the shortfall, if any, between the return from the investment of the trust and interest rate notified by the Government of India. Such shortfall is recognised in the statement of profit and loss based on actuarial valuation.

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

a. The date of the plan amendment or curtailment, and

b. The date that the Company recognises related restructuring costs

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

a. Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

b. Net interest expense or income

c. Re-measurements, comprising actuarial gains and losses, the effect of the asset ceiling (if any), and the return on plan assets (excluding net interest), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to the statement of profit and loss in subsequent periods.

III. Short term employee benefits

a. Short term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised as an expense at the undiscounted amount in the statement of profit and loss of the year in which the related service is rendered.

b. Accumulated Compensated absences, which are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service, are treated as short term employee benefits. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

IV. Other long-term employee benefits

Compensated absences are provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the date of the balance sheet. Actuarial gains / losses, if any, are immediately recognised in the statement of profit and loss.

Long service awards and accumulated compensated absences which are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are treated as other long term employee benefits for measurement purposes.

V. Employee share-based payments

The erstwhile Ultimate holding Company (Holcim Group) of the Company operates various equity-settled performance share plans. Senior executive of the Company received remuneration in the form of share-based payments, whereby employee render service as consideration for equity instruments (equity settled transactions). The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

The cost of equity settled transactions is recognised in the Statement of Profit and Loss, together with a corresponding increase in equity, representing contribution received from the ultimate holding company, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and Company's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the Statement of Profit and Loss for a period represents movement in the cumulative expenses recognised as at the beginning and end of that period.

In case of forfeiture/lapse stock option, which is not vested, amortised portion is reversed by credit to employee compensation expense. In a situation where the stock option expires unexercised, the related balance standing to the credit of the Capital Contribution from Parent is transferred to other equity.

VI. Termination benefits

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognises termination benefits at the earlier of the following:

a. when the Company can no longer withdraw the offer of those benefits; b. when the Company recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits.

In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

VII. Presentation and disclosure

For the purpose of presentation of defined benefit plans, the allocation between the short term and long-term provisions have been made as determined by an actuary. Obligations under other long-term benefits are classified as short-term provision, if the Company does not have an unconditional right to defer the settlement of the obligation beyond 12 months from the reporting date. The Company presents the entire compensated absences as short-term provisions since employee has an unconditional right to avail the leave at any time during the year.

O. Non-current assets held for sale

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use and the sale is highly probable. Management must be committed to the sale, which should be expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded as met only when the asset is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

I. The appropriate level of management is committed to a plan to sell the asset,

II. An active programme to locate a buyer and complete the plan has been initiated,

III. The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,

IV. The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and

V. Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet.

Property, plant and equipments and intangible assets once classified as held for sale are not depreciated or amortised.

Gains and losses on disposals of non-current assets are determined by comparing proceeds with carrying amounts, and are recognised in the statement of profit and loss.

P. Borrowing Costs

Borrowing cost directly attributable to acquisition and construction of assets that necessarily take substantial period of time to get ready for their intended use or sale are capitalised as part of the cost of such assets up to the date when such assets are ready for intended use or sale. All other borrowing costs are expensed in the period in which they occur. Borrowing cost consists of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Q. Taxation

Tax expense comprises current income tax and deferred income tax and includes any adjustments related to past periods in current and / or deferred tax adjustments that may become necessary due to certain developments or reviews during the relevant period.

I. Current income tax

Current income tax is measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside the statement of profit and loss is recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and recognise expense where appropriate.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

II. Deferred tax

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

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

a. 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.

b. In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, 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 only to the extent that it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realised, except:

a. 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.

b. In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, 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 are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain that sufficient future taxable income will be available.

Deferred tax assets and liabilities are measured based on 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 the statement of profit and loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

The Company applies significant judgment in identifying uncertainties over income tax treatments. Uncertain tax positions are reflected in the overall measurement of the Company's tax expense and are based on the most likely amount or expected value that is to be disallowed by the taxing authorities whichever better predict the resolution of uncertainty. Uncertain tax balances are monitored and updated as and when new information becomes available, typically upon examination or action by the taxing authorities or through statute expiration.

In the situations where one or more units of the Company are entitled to a tax holiday under the tax law, no deferred tax (asset or liability) is recognised in respect of temporary differences which reverse during the tax holiday period, to the extent the concerned unit's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognised in the year in which the temporary differences originate. However, the Company restricts recognition of deferred tax assets to the extent it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realised. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.

R. Leases

The Company assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

i. Company as a lessee:

Right-of-use assets

At the date of commencement of the lease, the Company recognises a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for short-term leases and leases of low-value assets.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset:

Right of use assets	Terms (in years)
Buildings	8
Land	8-99
Furniture and vehicles	5
Plant and Equipments	6

The right of use assets is also subject to impairment. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

Lease liabilities

Lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The Company uses the incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability include fixed payments, variable lease payments that depend on an index or a rate known at the commencement date; and extension option payments or purchase options payments which the Company is reasonably certain to exercise.

Variable lease payments that do not depend on an index or rate are not included in the measurement the lease liability and the ROU asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "Other expenses" in the Statement of Profit or Loss.

The lease term comprises the non-cancellable lease term together with the period covered by extension options, if assessed as reasonably certain to be exercised, and termination options, if assessed as reasonably certain not to be exercised. For lease arrangement in respect of ships, the non-lease components are not separated from lease components and instead account for each lease component, and any associated non-lease component as a single lease component.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liabilities, reducing the carrying amount to reflect the lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

i. The lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

ii. A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

ROU asset and lease liabilities have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value (range different for different class of assets). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term. The related cash flows are classified as Operating activities in the Statement of Cash Flows.

ii. Company as a lessor:

Leases for which the Company is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

In respect of assets provided on finance leases, amounts due from lessees are recorded as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases. In respect of assets given on operating lease, lease rentals are accounted in the Statement of Profit and Loss, on accrual basis in accordance with the respective lease agreements.

Notes to the Financial Statements

for the year ended March 31, 2023

S. Segment reporting

a. Segment Policies

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

b. Identification of segments

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Company's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available.

The Board of Directors of the Company has appointed Management Committee (ManCom) which has been identified as being the CODM. The ManCom assesses the financial performance and position of the Company and makes strategic decisions.

The Company's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

c. Allocation of common costs

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

d. Inter-segment transfers

Inter-segment revenue has been accounted for based on the transaction price agreed to between segments which is based on current market prices.

e. Unallocated items

Revenue, expenses, assets, and liabilities which relate to the Company as a whole and not allocable to segments on reasonable basis have been included under 'unallocated revenue / expenses / assets / liabilities'.

T. Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, cash at banks, demand deposits from banks and short-term, highly liquid instruments. As part of Company's cash management policy to meet short term cash commitments, it parks its surplus funds in short-term highly liquid instruments that are generally held for a period of three months or less from the date of acquisition. These short-term highly liquid instruments are open-ended debt funds that are readily convertible into known amounts of cash and are subject to insignificant risk of changes in value.

U. Government grants and subsidies

Government grants are recognised when there is a reasonable assurance that the grant will be received, and all attaching conditions will be complied with.

Where the grants relate to an item of expense, they are recognised as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate.Where the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to the statement of profit and loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

V. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share are computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares.

W. Classification of current / non-current assets and liabilities

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the

Schedule III to the Companies Act, 2013 and Ind AS 1 "Presentation of financial statements".

I. **Assets - An asset is classified as current when it satisfies any of the following criteria:**

a. it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle.

b. it is held primarily for the purpose of trading.

c. it is expected to be realised within twelve months after the reporting date; or

d. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

II. **Liabilities - A liability is classified as current when it satisfies any of the following criteria:**

a. it is expected to be settled in the Company's normal operating cycle.

b. it is held primarily for the purpose of trading.

c. it is due to be settled within twelve months after the reporting date; or

d. the Company does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

III. **Others**

a. All other assets/ liabilities are classified as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

b. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash or cash Equivalents, the Company has ascertained its normal operating cycle as twelve months for the purpose of Current / Non-current classification of assets and liabilities.

X. Exceptional items

An item of income or expense which based on its size, nature or incidence requires separate disclosure in order to improve an understanding of the performance of the Company is disclosed separately as an exceptional item in the financial statements.

Y. Use of estimates and judgments

The preparation of the Company'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.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period. Revisions in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

The estimates and assumptions that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities are summarised below:

I. **Classification of legal matters and tax litigations (Refer Note 40)**

The litigations and claims to which the Company is exposed to are assessed by management with assistance of the legal department and in certain cases with the support of external specialised lawyers. Determination of the outcome of these matters into "Probable, Possible and Remote" require judgement and estimation on case to case basis.

II. **Defined benefit obligations (Refer Note 37)**

The cost of defined benefit gratuity plans, and post-retirement medical benefit is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

III. **Useful life of property, plant and equipments (Refer Note 2)**

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value. Increasing an asset's expected life or its residual value would result in a reduced depreciation charge in the statement of profit and loss. The useful lives of the Company's assets are determined by management at the time the asset is acquired and reviewed at least annually for appropriateness. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

IV. Impairment of Property, plant and equipments (Refer Note 2)

Determining whether the property, plant and equipments are impaired requires an estimate of the value of use. In considering the value in use, the management has anticipated the capacity utilisation of plants, operating margins, mineable resources and availability of infrastructure of mines, and other factors of the underlying businesses / operations. Any subsequent changes to the cash flows due to changes in the above-mentioned factors could impact the carrying value of property, plant and equipments.

V. Incentives under the State Industrial Policy (Refer Note 26)

The Company's manufacturing units in various states are eligible for incentives under the respective State Industrial Policy. The Company accrues these incentives as refund claims in respect of VAT/GST paid, on the basis that all attaching conditions were fulfilled by the Company and there is reasonable assurance that the incentive claims will be disbursed by the State Governments.

The Company measures expected credit losses in a way that reflects the time value of money. Any subsequent changes to the estimated recovery period could impact the carrying value of Incentives receivable.

VI. Discounts / rebate to customers (Refer Note 8 and 15)

The Company provides discount and rebates on sales to certain customers. Revenue from these sales is recognised based on the price charged to the customer, net of the estimated pricing allowances, discounts, rebates, and other incentives. In certain cases, the amount of these discount and rebates are not determined until claims with appropriate evidence is presented by the customer to the Company, which may be some time after the date of sale. Accordingly, the Company estimates the amount of such incentives basis the terms of contract, incentive schemes, historical experience adjusted with the forward looking, business forecast and the current economic conditions. To estimate the amount of incentives, the Company uses the most likely method. Such estimates are subject to the estimation uncertainty.

VII. Physical verification of Inventory (Refer Note 10)

Bulk inventory for the Company primarily comprises of coal, petcoke and clinker which are primarily used during the production process at the manufacturing locations. Determination of physical quantities of bulk inventories is done based on volumetric measurements and involves special considerations with respect to physical measurement, density calculation, moisture, etc. which involve estimates / judgments.

AA. Standards Issued and Effective

MCA issued notification dated March 24, 2021, to amend Schedule III to the Companies Act, 2013 to enhance the disclosures required to be made by the Company in its financial statements. These amendments are applicable to the Company for the financial year starting January 01, 2022. The Company has implemented the same in the financial statement.

The Company applied for the first-time certain amendments (including Companies (Indian Accounting Standard) Amendment Rules 2022 and Companies (Indian Accounting Standards) Amendment Rules, 2021) to the Ind AS which are effective for annual periods beginning on or after 1 April 2021. These amendments had no material impact on the financial statements of the Company.

AB. Amendments not yet effective:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

(i) Ind AS 1 – Disclosure of material accounting policies:

The amendments related to shifting of disclosure of erstwhile "significant accounting policies" to "material accounting policies" in the notes to the financial statements requiring companies to reframe their accounting policies to make them more "entity specific". This amendment aligns with the "material" concept already required under International Financial Reporting Standards (IFRS).

(ii) Ind AS 8 – Definition of accounting estimates:

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a "change in accounting estimates" has been replaced with a definition of "accounting estimates." Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty." Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.

(iii) Ind AS 12 – Income Taxes

The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12. At the date of transition to Ind ASs, a first-time adopter shall recognise a deferred tax asset to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. Similarly, a deferred tax liability for all deductible and taxable temporary differences associated with:

a) right-of-use assets and lease liabilities

b) decommissioning, restoration and similar liabilities and the corresponding amounts recognised as part of the cost of the related asset.

Therefore, if a company has not yet recognised deferred tax on right-of-use assets and lease liabilities or has recognised deferred tax on net basis, the same need to recognise on gross basis based on the carrying amount of right-of-use assets and lease liabilities

(iv) Ind AS 103 – Common control Business Combination

The amendments modify the disclosure requirement for business combination under common control in the first financial statement following the business combination. It requires to disclose the date on which the transferee obtains control of the transferor is required to be disclosed.

The amendments are extensive and the Company is in the process of evaluating the impact of the above amendments on the financial statements.

NOTE 2: PROPERTY, PLANT AND EQUIPMENT

Rs. in Crore

Particulars	Gross Carrying Value				Accumulated Depreciation				Accumulated Impairment (Refer Note-3)		Net Carrying Value	
	As at January 01, 2022	Additions	Disposals / Adjustments	As at March 31, 2023	As at January 01, 2022	Depreciation charge for the year	Disposals / Adjustments	As at March 31, 2023	As at January 01, 2022	As at March 31, 2023	As at March 31, 2023	As at December 31, 2021
Tangible Assets :												
Freehold non-mining land	139.27	37.67	27.48	149.46	-	-	-	-	-	-	149.46	139.27
Freehold mining land	351.83	14.96	-	366.79	1.49	7.00	-	8.49	-	-	358.30	350.34
Buildings	1,870.83	135.95	0.92	2,005.86	440.81	106.99	0.65	547.15	33.38	33.38	1,425.33	1,396.64
Plant and equipment	7,312.79	1,156.56	32.60	8,436.75	2,783.47	620.70	22.45	3,381.72	127.27	127.27	4,927.76	4,402.05
Railway sidings	281.17	16.56	-	297.73	118.52	27.51	-	146.03	1.43	1.43	150.27	161.22
Furniture and fixtures	34.28	11.58	0.24	45.62	20.96	4.47	0.19	25.24	0.30	0.30	20.08	13.02
Vehicles	100.02	9.68	1.26	108.44	57.57	12.38	1.10	68.85	10.14	10.14	29.45	32.31
Office equipment	84.45	9.81	1.18	93.08	60.35	13.42	1.16	72.61	0.53	0.53	19.94	23.57
Total	**10,174.64**	**1,392.77**	**63.68**	**11,503.73**	**3,483.17**	**792.47**	**25.55**	**4,250.09**	**173.05**	**173.05**	**7,080.59**	**6,518.42**

Rs. in Crore

Particulars	Gross Carrying Value				Accumulated Depreciation				Accumulated Impairment (Refer Note-3)			Net Carrying Value
	As at January 01, 2021	Additions	Disposals / Adjustments	As at December 31, 2021	As at January 01, 2021	Depreciation charge for the year	Disposals / Adjustments	As at December 31, 2021	As at January 01, 2021	Transferred from Capital work in progress	As at December 31, 2021	As at December 31, 2021
Tangible Assets :												
Freehold non-mining land	138.24	1.03	-	139.27	-	-	-	-	-	-	-	139.27
Freehold mining land	343.92	7.91	-	351.83	1.26	0.23	-	1.49	-	-	-	350.34
Buildings	1,765.08	112.69	6.94	1,870.83	363.42	80.27	2.88	440.81	29.27	4.11	33.38	1,396.64
Plant and equipment	6,870.76	487.77	45.74	7,312.79	2,367.59	439.40	23.52	2,783.47	116.75	10.52	127.27	4,402.05
Railway sidings	272.62	8.55	-	281.17	96.87	21.65	-	118.52	1.43	-	1.43	161.22
Furniture and fixtures	33.22	1.35	0.29	34.28	18.22	2.96	0.22	20.96	0.27	0.03	0.30	13.02
Vehicles	94.88	6.23	1.09	100.02	47.85	10.59	0.87	57.57	10.14	-	10.14	32.31
Office equipment	70.40	17.78	3.73	84.45	52.61	11.41	3.67	60.35	0.53	-	0.53	23.57
Total	**9,589.12**	**643.31**	**57.79**	**10,174.64**	**2,947.82**	**566.51**	**31.16**	**3,483.17**	**158.39**	**14.66**	**173.05**	**6,518.42**

Notes:-

1. Buildings include cost of shares Rs. 10,550 *(Previous Year - Rs. 12,050)* in various Co-operative Housing Societies residential flats.
2. Title deeds not in the name of the Company

Assets category	Title deeds in name of	Reason for not being transferred in the name of Company	Property held since	Gross carrying value as on March 31, 2023	Gross carrying value as on December 31, 2021
Freehold mining land	Karnataka Industrial Area Development Board	Company is in the process of obtaining the title deeds	June 30, 2015	131.53	131.53
Building	Supertech realtors Pvt Ltd	Company is in the process of obtaining the title deeds	March 01, 2021	4.45	4.45
Freehold land	Title deed not available with the Company			3.59	1.37
Building	Title deed not available with the Company			16.83	16.45

Notes to the Financial Statements

for the year ended March 31, 2023

3 In an earlier year, considering lower profitability due to higher input cost, the Company had recognised impairment loss (including capital work in progress) for its cement manufacturing facility at Madukkarai. There is no change on re -assessment in the current year.

4 Capital work in progress as at March 31, 2023 is Rs. 1,683.05 Crore *(Previous year - Rs. 1,212.10 Crore)* comprises of various projects and expansions spread over all units.

a) Movement in Capital work in progress

	Amount Rs. in Crore
Opening balance as on January 01, 2021	**516.65**
Add - Additions during the year	1,347.25
Less - Capitalised during the year	(651.80)
Closing balance as on December 31, 2021	**1,212.10**
Add - Additions during the year	1,914.89
Less - Capitalised during the year	(1,443.94)
Closing balance as on March 31, 2023	**1,683.05**

b) Ageing of capital Work-in-progress

Rs. in Crore

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2023					
Projects in progress	858.04	730.44	40.27	51.69	1,680.44
Projects temporarily suspended	0.35	-	0.15	2.11	2.61
Total	**858.39**	**730.44**	**40.42**	**53.80**	**1,683.05**
As at December 31, 2021					
Projects in progress	1,000.90	94.11	77.78	37.05	1,209.84
Projects temporarily suspended	-	0.15	-	2.11	2.26
Total	**1,000.90**	**94.26**	**77.78**	**39.16**	**1,212.10**

c) Expected completion schedule of Capital work-in-progress where cost or time overrun has exceeded original plan

	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
As at March 31, 2023				
Projects in progress				
Greenfield project at Ametha	1,297.64	-	-	-
As at December 31, 2021				
Projects in progress	-	-	-	-

5 Depreciation charge for the year include Rs. 0.55 Crore *(Previous year - Rs. 0.07 Crore)* capitalised as pre-operative expenses (Refer Note - 48).

6 For contractual commitment with respect to Property, plant and equipments, Refer Note - 39.

7 On transition to Ind AS , the Company has elected to continue with the carrying value of all Property, plant and equipments measured as per the previous GAAP and use that carrying value as the deemed cost of Property, plant and equipments.

NOTE 3: OTHER INTANGIBLE ASSETS

Rs. in Crore

Particulars	Gross carrying value				Accumulated amortisation				Net carrying value	
	As at January 01, 2022	Additions	Disposals	As at March 31, 2023	As at January 01, 2022	Amortisation charge for the year	Disposals	As at March 31, 2023	As at March 31, 2023	As at December 31, 2021
Intangible Assets :										
Computer software	6.32	2.69	-	9.01	4.01	2.70	-	6.71	2.30	2.31
Sponsorship rights (Refer Note - 42)	-	50.28	-	50.28	-	-	-	-	50.28	-
Mining rights	67.26	48.48	-	115.74	19.80	4.44	-	24.24	91.50	47.46
Total	**73.58**	**101.45**	**-**	**175.03**	**23.81**	**7.14**	**-**	**30.95**	**144.08**	**49.77**

Rs. in Crore

Particulars	Gross carrying value				Accumulated amortisation				Net carrying value
	As at January 01, 2021	Additions	Disposals	As at December 31, 2021	As at January 01, 2021	Depreciation charge for the year	Disposals	As at December 31, 2021	As at December 31, 2021
Intangible Assets :									
Computer software	3.76	2.59	0.03	6.32	2.73	1.31	0.03	4.01	2.31
Mining rights	60.65	6.61	-	67.26	15.88	3.92	-	19.80	47.46
Total	**64.41**	**9.20**	**0.03**	**73.58**	**18.61**	**5.23**	**0.03**	**23.81**	**49.77**

NOTE 4. RIGHT OF USE ASSETS

Rs. in Crore

Particulars	Gross carrying value				Accumulated depreciation					
	As at January 01, 2022	Additions	Disposals	As at March 31, 2023	As at January 01, 2022	Depreciation charge for the year	Disposals	As at March 31, 2023	As at March 31, 2023	As at December 31, 2021
Leasehold land	139.85	123.28	1.02	262.11	25.12	18.02	0.98	42.16	219.95	114.73
Buildings	3.89	-	0.13	3.76	1.10	0.62	0.13	1.59	2.17	2.79
Plant and equipment	55.68	25.01	8.46	72.23	18.71	17.27	3.25	32.73	39.50	36.97
Vehicles	0.44	-	0.22	0.22	0.32	0.12	0.22	0.22	-	0.12
Total	**199.86**	**148.29**	**9.83**	**338.32**	**45.25**	**36.03**	**4.58**	**76.70**	**261.62**	**154.61**

Rs. in Crore

Particulars	Gross carrying value				Accumulated depreciation				
	As at January 01, 2021	Additions	Disposals	As at December 31, 2021	As at January 01, 2021	Depreciation charge for the year	Disposals	As at December 31, 2021	As at December 31, 2021
Leasehold land	111.02	31.01	2.18	139.85	13.96	13.34	2.18	25.12	114.73
Buildings	4.95	-	1.06	3.89	1.46	0.70	1.06	1.10	2.79
Plant and equipment	39.35	20.36	4.03	55.68	10.29	11.41	2.99	18.71	36.97
Vehicles	0.44	-	-	0.44	0.16	0.16	-	0.32	0.12
Total	**155.76**	**51.37**	**7.27**	**199.86**	**25.87**	**25.61**	**6.23**	**45.25**	**154.61**

Lease deeds not in the name of the Company

Notes to the Financial Statements

for the year ended March 31, 2023

NOTE 5: INVESTMENTS IN SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES (MEASURED AT COST)

	As at March 31, 2023			As at December 31, 2021	
	Numbers	Rs. in Crore		Numbers	Rs. in Crore
Investment in Unquoted equity instruments					
Investment in subsidiaries					
Face value Rs. 10 each fully paid					
Bulk Cement Corporation (India) Limited (94.65% shareholding)	3,18,42,050	37.27		3,18,42,050	37.27
Singhania Minerals Private Limited (100% shareholding)	5,20,000	5.50		5,20,000	5.50
Face value Rs. 100 each fully paid					
Lucky Minmat Limited (100% shareholding)	3,25,000	38.10		3,25,000	38.10
Less: Impairment {Refer Note - 45 (i)}		38.10			38.10
		-			-
ACC Mineral Resources Limited (100% shareholding)	1,21,95,000	106.80		1,21,95,000	106.80
Less: Accumulated impairment {Refer Note - 45 (ii)}		42.81			42.81
		63.99			63.99
Investment in Associates					
Face value Rs. 10 each fully paid					
Alcon Cement Company Private Limited (40% shareholding)	4,08,001	22.25		4,08,001	22.25
Asian Concretes and Cements Private Limited (45% shareholding)	81,00,000	36.81		81,00,000	36.81
Investment in Joint Ventures					
Face value Rs. 10 each fully paid					
Aakaash Manufacturing Company Private Limited (40% shareholding)	4,401	6.01		4,401	6.01
OneIndia BSC Private Limited (50% shareholding)	25,01,000	2.50		25,01,000	2.50
TOTAL			**174.33**		**174.33**

Notes	(I)	Aggregate carrying value of unquoted Investments	174.33	174.33
	(II)	Aggregate carrying value of impairment in value of investments in unquoted equity shares	80.91	80.91

(III) Each of the above Companies is incorporated in India and principal activities are cement and cement related products and services.

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

NOTE 6: NON-CURRENT – INVESTMENTS

	As at March 31, 2023			As at December 31, 2021		
	Numbers	Rs. in Crore		Numbers	Rs. in Crore	
Investment at fair value through profit or loss (FVTPL)						
Investment in equity instruments (fully paid)						
Unquoted						
Face value Rs. 10 each fully paid						
Solbridge Energy Private Limited (Refer Note - II below)	80,23,803	10.20		80,23,803	10.20	
Amplus Green Power Private Limited	25,78,592	4.50		25,78,592	4.50	
Kanoria Sugar & General Mfg. Company Limited*	4	-		4	-	
Gujarat Composites Limited*	60	-		60	-	
Rohtas Industries Limited*	220	-		220	-	
The Jaipur Udyog Limited*	120	-		120	-	
Digvijay Finlease Limited*	90	-		90	-	
The Travancore Cement Company Limited*	100	-		100	-	
Ashoka Cement Limited*	50	-		50	-	
Face value Rs. 5 each fully paid						
The Sone Valley Portland Cement Company Limited*	100	-		100	-	
			14.70			14.70
Investment at amortised cost						
Investment in Unquoted bonds						
Face value Rs. 1,000,000 each fully paid						
5.13% Himachal Pradesh Infrastructure						
Development Board Bonds	37	3.70	3.70	37	3.70	
Total			**18.40**			**18.40**

Notes:

(I) Aggregate carrying value of unquoted investments 18.40 18.40

(II) During the previous year, the Company has subscribed 80,23,803 equity shares in Solbridge Energy Private Limited (SEPL) representing 19.06% holding for a total consideration of ₹10.20 Crore. The SEPL has set up a solar power plant in the State of Chhattisgarh of which the Company's Jamul plant would be one of the consumers.

(III) *Each of such investments is carried at value less than ₹50,000.

NOTE 7: NON CURRENT - LOANS
Considered good - unsecured

₹ in Crore

	As at March 31, 2023	As at December 31, 2021
Loans to employees	4.87	6.08
Total	**4.87**	**6.08**

Notes to the Financial Statements

for the year ended March 31, 2023

NOTE 8: OTHER NON-CURRENT FINANCIAL ASSETS

Rs. in Crore

	As at March 31, 2023	As at December 31, 2021
Government Grant Receivable (Net) {Refer Note - 50(i)}	846.57	717.09
Security deposits	166.30	149.92
Bank deposits with remaining maturity of more than 12 months*	200.17	31.60
Margin money deposit with remaining maturity of more than 12 months**	16.68	15.84
Total	**1,229.72**	**914.45**

*Placed as security with government authorities of Rs. 32.29 Crore *(Previous year - Rs. 31.44 Crore)*.

**Margin money deposit is against bank guarantees given to government authorities.

NOTE 9: OTHER NON-CURRENT ASSETS

Unsecured, considered good, unless otherwise stated

Rs. in Crore

	As at March 31, 2023	As at December 31, 2021
Capital advances (Refer Note 59)	379.24	317.41
Advance other than capital advances		
Claim receivables from Government and others		
Unsecured, considered good	27.42	30.07
Considered doubtful	4.21	4.21
Less: Allowance for doubtful receivables	(4.21)	(4.21)
	27.42	**30.07**
Deposits with Government bodies and others		
Unsecured, considered good	274.59	276.12
Considered doubtful	3.33	3.33
Less: Allowance for doubtful receivables	(3.33)	(3.33)
	274.59	276.12
Total	**681.25**	**623.60**

NOTE 10: INVENTORIES

At lower of cost and net realisable value

Rs. in Crore

	As at March 31, 2023	As at December 31, 2021
Raw materials	173.03	165.56
{Including goods-in-transit Rs. 4.89 Crore *(Previous year - Rs. 9.09 Crore)*}		
Work-in-progress	421.88	302.98
Finished goods	174.97	129.19
Stock-in-trade	44.65	16.14
{Including goods-in-transit Rs. 5.35 *(Previous year - Rs. Nil)*}		
Stores and Spares (Net of provision of Rs. 116.52 Crore *(Previous year - Rs. 117.45 Crore)*	275.79	213.72
{Including goods-in-transit Rs. 8.05 Crore *(Previous year - Rs. 12.70 Crore)*}		
Packing materials	30.36	40.42
Fuels	502.82	405.30
{Including goods-in-transit Rs. 106.04 Crore *(Previous year - Rs. 100.05 Crore)*}		
Total	**1,623.50**	**1,273.31**

During the year ended March 31, 2023 the Company has recognised Rs. (0.93) Crore *(previous year - Rs. 6.85 Crore)* as an (income) / expenses for the provision related to stores and spares inventory.

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

NOTE 11: TRADE RECEIVABLES

Rs. in Crore

	As at March 31, 2023	As at December 31, 2021
Considered good - secured	193.58	21.53
Considered good - unsecured	681.16	440.89
Receivables which have significant increase in credit risk {Refer Note 50(i)}	59.11	50.25
	933.85	**512.67**
Less : Allowance for doubtful receivables	(59.11)	(50.25)
Total	**874.74**	**462.42**

Trade receivable ageing schedule is as given below:

Rs. in Crore

	Outstanding for following periods from transaction date					
	Less than 6 months	6 months - 1 years	1-2 years	2-3 years	More than 3 years	Total
Balance as at March 31, 2023						
Undisputed trade receivables – considered good	853.06	20.12	1.52	0	0.04	874.74
Undisputed trade receivables – having significant increase in credit risk	-	18.38	13.12	4.31	23.30	59.11
Total	**853.06**	**38.50**	**14.64**	**4.31**	**23.34**	**933.85**
Balance as at December 31, 2021						
Undisputed trade receivables – considered good	458.50	3.75	0.03	0.13	0.01	462.42
Undisputed trade receivables – having significant increase in credit risk	0.05	8.50	12.63	16.03	13.04	50.25
Total	**458.55**	**12.25**	**12.66**	**16.16**	**13.05**	**512.67**

NOTE 12: CASH AND CASH EQUIVALENTS

Rs. in Crore

	As at March 31, 2023	As at December 31, 2021
Balances with banks:		
In current accounts	48.78	144.65
Deposits with original maturity of less than three months	-	6,507.35
	48.78	**6,652.00**
Deposit with other than banks with original maturity of less than three months	-	250.00
Post office saving accounts	0.01	0.01
	48.79	**6,902.01**
Investments in liquid mutual funds measured at FVTPL	80.06	345.23
Total	**128.85**	**7,247.24**

NOTE 13: BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Rs. in Crore

	As at March 31, 2023	As at December 31, 2021
Other bank balances		
*Deposits with original maturity for more than 3 months but less than 12 months	133.91	131.83
#On unpaid dividend accounts	23.99	23.80
Total	**157.90**	**155.63**

*Represents fixed deposit lien in favor of National Company Law Appellate Tribunal (NCLAT) - Refer Note - 40 (A) (a)}.

#These balances are available for use only towards settlement of corresponding unpaid dividend liabilities.

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

NOTE 14: CURRENT - LOANS
Considered good - unsecured

Rs. in Crore

	As at March 31, 2023	As at December 31, 2021
Loans and advances to related parties (Refer Note - 42)	1.13	0.86
Loans to employees	5.76	6.60
Total	**6.89**	**7.46**

Loans and advances granted to related parties that are repayable on demand:

	Outstanding as at		% to the total loans as at	
Type of Borrower	March 31, 2023	December 31, 2021	March 31, 2023	December 31, 2021
Related Parties	1.13	0.86	10%	6%

NOTE 15: OTHER CURRENT FINANCIAL ASSETS

Rs. in Crore

	As at March 31, 2023	As at December 31, 2021
Government grant receivables (Net) {Refer Note - 50(i)}	169.06	187.66
Security deposits	114.01	57.74
Other receivable		
Unsecured, considered good	38.98	26.76
Considered doubtful	5.26	5.04
Less : Allowance for doubtful receivable	(5.26)	(5.04)
	38.98	**26.76**
Bank deposits with remaining maturity of less than 12 months	2,719.29	-
Other accrued interest	27.97	14.64
Total	**3,069.31**	**286.81**

NOTE 16: OTHER CURRENT ASSETS
Considered Good - Unsecured, unless otherwise stated

Rs. in Crore

	As at March 31, 2023	As at December 31, 2021
Advance to suppliers*	1,577.87	326.87
Prepaid expenses	40.17	46.32
Gratuity net assets (funded) (Refer Note - 37)	11.39	-
Balances with statutory / Government authorities	623.66	422.34
Other receivables	10.25	14.41
Total	**2,263.34**	**809.94**

* Includes Rs 975.00 Crore *(Previous year - Rs. Nil)* to a coal trader for supply of fuel under long term supply agreement.

NOTE 17. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

Rs. in Crore

	As at March 31, 2023	As at December 31, 2021
Plant and equipments	1.28	1.28
Building	0.85	1.05
Total	**2.13**	**2.33**

During the year, the Company sold a flat for Rs. 9.78 Crore *(Previous year - Rs. 4.25 Crore)* having Book Value Rs. 0.20 Crore *(Previous year - Rs. 0.32 Crore)* which was classified as held for sale. The resultant gain of Rs. 9.58 Crore *(Previous year - Rs. 3.93 Crore)* has been disclosed in statement of profit and loss under Other income.

Notes to the Financial Statements

for the year ended March 31, 2023

NOTE 18: EQUITY SHARE CAPITAL

Rs. in Crore

	As at March 31, 2023	As at December 31, 2021
Authorised		
22,50,00,000 *(Previous year - 22,50,00,000)* equity shares of Rs. 10 each	225.00	225.00
10,00,00,000 *(Previous year - 10,00,00,000)* preference shares of Rs. 10 each	100.00	100.00
Issued		
18,87,93,243 *(Previous year - 18,87,93,243)* equity shares of Rs. 10 each	188.79	188.79
Subscribed and Paid-up		
18,77,87,263 *(Previous year - 18,77,87,263)* equity shares of Rs. 10 each fully paid	187.79	187.79
Add : 3,84,060 *(Previous year - 3,84,060)* equity shares of Rs. 10 each forfeited - amount originally paid	0.20	0.20
Total	**187.99**	**187.99**

i) Reconciliation of number of equity shares outstanding

	Equity shares	
	No. of shares	Rs. in Crore
As at January 01, 2021	18,77,87,263	187.79
Increase/ (decrease) during the year	-	-
As at December 31, 2021	18,77,87,263	187.79
Increase/ (decrease) during the year	-	-
As at March 31, 2023	18,77,87,263	187.79

ii) Terms / rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend

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

iii) Equity shares held by immediate holding company/ ultimate holding company and/ or their subsidiaries/ associates

Rs. in Crore

	As at March 31, 2023	As at December 31, 2021
Ambuja Cements Limited, immediate holding company 9,39,84,120 *(Previous year - 9,39,84,120)* Equity shares Rs. 10 each fully paid	93.98	93.98
Holderind Investments Ltd, Mauritius, the holding company of Ambuja Cements Limited* 84,11,000 *(Previous year - 84,11,000)* equity shares Rs. 10 each fully paid	8.41	8.41
Endeavour Trade and Investment Limited, the holding company of Holderind Investments Ltd, Mauritius 40,61,807 *(Previous year - Nil)* equity shares Rs. 10 each fully paid	4.06	-

*On September 15, 2022, Endeavour Trade and Investment Limited (an entity of Adani family) has acquired 100% shareholding in Holderind Investments Limited from Holderfin B.V (an entity of the Holcim Group). Consequently, the Board of Directors was reconstituted on 16th September 2022.

iv) Details of shareholders holding more than 5% shares in the Company

Rs. in Crore

	As at March 31, 2023		As at December 31, 2021	
	No. of shares	% holding	No. of shares	% holding
Ambuja Cements Limited, immediate holding company	9,39,84,120	50.05	9,39,84,120	50.05
Life Insurance Corporation of India	1,20,33,771	6.41	1,08,27,402	5.77

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

v) **Equity shares held by Promoters**

Rs. in Crore

	As at March 31, 2023			As at December 31, 2021		
	No. of shares	% holding	% Change during the year	No. of shares	% holding	% Change during the year
Ambuja Cements Limited,	9,39,84,120	50.05	-	9,39,84,120	50.05	-
Holderind Investments Ltd, Mauritius	84,11,000	4.48	-	84,11,000	4.48	-
Endeavour Trade and Investment Limited,	40,61,807	2.16	100.00	-	-	-

vi) There are no shares allotted as fully paid-up by way of bonus shares or allotted as fully paid-up pursuant to contract without payment being received in cash, or bought back during the period of five years immediately preceding the reporting date.

There are no securities which are convertible into equity shares.

NOTE 19: OTHER EQUITY

Refer statement of changes in equity for detailed movement in balance.

Rs. in Crore

	As at March 31, 2023	As at December 31, 2021
Capital reserve	67.81	67.81
Securities premium	845.03	845.03
General reserve	2,723.30	2,723.30
Capital contribution from parent	10.25	7.47
Retained earnings	10,208.62	10,396.83
Total	**13,855.01**	**14,040.44**

The description of the nature and purpose of each reserve within equity is as follows:

Capital Reserve: It represents the gains of capital nature which mainly includes the excess of value of net assets acquired over consideration paid by the Company for business amalgamation transaction in earlier years.

Securities Premium: The amount received in excess of face value of the equity shares is recognised in securities premium. The reserve is utilised in accordance with the specific provisions of the Companies Act, 2013.

General Reserve: General reserve is used to transfer profits from retained earnings for appropriation purposes. The amount is to be utilised in accordance with the provision of the Companies Act, 2013

Capital Contribution from parent : Capital contribution from parent represents the fair value of the employee performance share plan. These shares are granted by the erstwhile parent company "Holcim Ltd" to the executives and senior management of the Company.

Retained earnings: Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings includes re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to profit and loss.

NOTE 20: NON-CURRENT PROVISIONS

Rs. in Crore

	As at March 31, 2023	As at December 31, 2021
Provision for employee benefits		
Provision for gratuity (Refer Note - 37)	88.16	94.65
Provision for provident fund (Refer Note - 37)	50.13	76.94
Provision for long service award	4.39	4.94
Other Provisions		
Provision for site restoration (Refer Note - 20.1 below)	33.58	37.77
Total	**176.26**	**214.30**

Notes to the Financial Statements

for the year ended March 31, 2023

Note 20.1

Mines reclamation expenses are incurred on an ongoing basis until the respective mines are not fully restored, in accordance with the requirements of the mining agreement. The actual expenses may vary based on the nature of reclamation and the estimate of reclamation expenses. Movement of provisions for site restoration during the year is as under :

Rs. in Crore

	As at March 31, 2023	As at December 31, 2021
Opening Balance	37.77	39.14
Provision/(reversal) during the year (net)	(6.91)	(1.57)
Utilised during the year	(0.47)	(1.37)
Unwinding of interest	3.19	1.57
Closing Balance	**33.58**	**37.77**

NOTE 21. INCOME TAX

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2023:

Rs. in Crore

	For the year ended March 31, 2023		For the year ended December 31, 2021	
	Rs. in Crore	In %	Rs. in Crore	In %
Profit before tax	1,182.13		2,460.39	
At India's statutory income tax rate	297.53	25.17	619.28	25.17
Effect of exempt income for tax purpose				
Dividends	(0.58)	(0.05)	(0.39)	(0.02)
Effect of Non-deductible expenses				
Corporate social responsibility expenses	11.44	0.97	9.05	0.37
Others	3.83	0.32	12.18	0.50
	14.69	1.24	20.84	0.85
At the effective income tax rate	312.22	26.41	640.12	26.02
Income tax expense reported in the statement of profit and loss	**312.22**	**26.41**	**640.12**	**26.02**

The rate used for the calculation of Deferred tax is 25.17% for the year ended March 31, 2023 and December 31, 2021

The major components of deferred tax liabilities / assets arising on account of timing differences are as follows:

Rs. in Crore

	Balance as on January 01, 2022	Recognised in statement of Profit and Loss	Recognised in OCI	Balance as on March 31, 2023
Deferred tax liabilities:				
Depreciation and amortisation differences	622.98	47.06	-	670.04
	622.98	**47.06**	**-**	670.04
Deferred tax assets:				
Provision for employee benefits	47.77	0.60	(10.45)	37.92
Expenses allowed for tax purposes in the following years	62.16	2.84	-	65.00
Allowance for obsolescence of Stores and Spares	7.12	-	-	7.12
Allowance for doubtful receivables and other assets	16.92	2.46	-	19.38
Right of use assets and lease liabilities differences	2.64	1.21	-	3.85
Expected credit loss on incentives receivable from government	32.45	-	-	32.45
Other temporary differences (including interest on income tax)	71.18	-	-	71.18
	240.24	**7.11**	**(10.45)**	**236.90**
Net deferred tax liabilities	**382.74**	**39.95**	**10.45**	**433.14**

Notes to the Financial Statements

for the year ended March 31, 2023

Rs. in Crore

	Balance as on January 01, 2021	Recognised in statement of Profit and Loss	Recognised in OCI	Balance as on December 31, 2021
Deferred tax liabilities:				
Depreciation and amortisation differences	622.74	0.24	-	622.98
	622.74	**0.24**	**-**	622.98
Deferred tax assets:				
Provision for employee benefits	48.25	1.35	(1.83)	47.77
Expenses allowed for tax purposes in the following years	70.69	(8.53)	-	62.16
Allowance for obsolescence of Stores and Spares	7.12	-	-	7.12
Allowance for doubtful receivables and other assets	19.20	(2.28)	-	16.92
Right of use assets and lease liabilities differences	3.03	(0.39)	-	2.64
Expected credit loss on incentives receivable from government	32.45	-	-	32.45
Other temporary differences (including interest on income tax)	65.80	5.38	-	71.18
	246.54	**(4.47)**	**(1.83)**	**240.24**
Net deferred tax liabilities	**376.20**	**4.71**	**1.83**	**382.74**

NOTE 22.TRADE PAYABLES

Trade payables ageing schedule

Rs. in Crore

	Outstanding for following periods from transaction date				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Balance as at March 31, 2023					
Total outstanding dues of micro and small enterprises (Undisputed)	20.14	-	-	-	20.14
Total outstanding dues of trade payable other than micro and small enterprises (Undisputed)	1,325.20	56.67	10.15	80	1472.02
Balance as at December 31, 2021					
Total outstanding dues of micro and small enterprises (Undisputed)	25.02	0.08	0.17	0.07	25.34
Total outstanding dues of trade payable other than micro and small enterprises (Undisputed)	1,605.87	112.21	48.33	107.47	1,873.88

NOTE 23: OTHER CURRENT FINANCIAL LIABILITIES

Rs. in Crore

	As at March 31, 2023	As at December 31, 2021
Financial liabilities at amortised cost		
Interest accrued	0.04	13.33
Unpaid dividends*	23.99	23.80
Security deposits and retention money	959.82	792.37
Liability for capital expenditure	59.00	135.07
Liability for employees	146.68	137.18
Others	-	25.45
Total	**1,189.53**	**1,127.20**

*Investor Education and Protection Fund ('IEPF') - outstanding aggregating of Rs. 0.45 Crore (December 31, 2021 - Rs. 0.36 Crore) is pending to be transferred to the 'IEPF'on account of disputes and legal cases.

Notes to the Financial Statements

for the year ended March 31, 2023

NOTE 24: OTHER CURRENT LIABILITIES

Rs. in Crore

	As at March 31, 2023	As at December 31, 2021
Contract liability*		
Advance from customers	169.69	252.32
Other liability		
Statutory dues payable	784.37	675.15
Rebates to customers	654.90	592.68
Other payables	764.70	739.42
(including interest on income tax, etc.)		
Total	**2,373.66**	**2,259.57**

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

NOTE 25: CURRENT PROVISIONS

Rs. in Crore

	As at March 31, 2023	As at December 31, 2021
Provision for employee benefits		
Provision for gratuity (Refer Note - 37)	8.48	11.59
Provision for compensated absences	0.93	3.18
Provision for long service award	0.67	0.93
Total	**10.08**	**15.70**

NOTE 26: REVENUE FROM OPERATIONS

Rs. in Crore

	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Revenue from contracts with customers		
Sale of manufactured products	18,982.19	14,724.78
Sale of traded products	2,772.73	1,086.28
Income from services rendered	12.37	3.34
	21,767.29	**15,814.40**
Other Operating Revenue		
Provision no longer required written back	12.32	7.33
Scrap sales	75.27	56.61
Government grants	207.11	154.74
Miscellaneous income	147.98	118.27
Total	**22,209.97**	**16,151.35**

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

Rs. in Crore

	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Revenue as per contract price	24,543.78	18,226.76
Less: Discounts and incentives	(2,776.49)	(2,412.36)
Revenue from contract with customers	**21,767.29**	**15,814.40**

Notes to the Financial Statements

for the year ended March 31, 2023

Remaining performance obligation :

The Company does not have any remaining performance obligation under contracts entered for sale of goods or services which remains unsatisfied as at March 31, 2023. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognised corresponds directly with the value to the customer of the entity's performance completed to date.

Disaggregation of revenue:

Refer Note 43 for disaggregated revenue information. The management determines that the segment information reported is sufficient to meet the disclosure objective with respect to disaggregation of revenue under Ind AS 115 Revenue from contract with customers.

NOTE 27: OTHER INCOME

Rs. in Crore

	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Interest income using the effective interest rate method		
Interest on bank deposits	218.78	175.75
Interest on Income Tax	-	12.68
Other interest	5.05	3.84
	223.83	**192.27**
Dividend income from associates / joint ventures	2.30	1.56
Other non-operating income		
Gain on sale of current financial assets measured at FVTPL (net)	14.83	8.41
Gain on fair valuation of current financial assets measured at FVTPL (net)	0.06	0.23
Others	95.19	1.68
Gain on termination of leases	0.97	0.61
Total	**337.18**	**204.76**

NOTE 28: COST OF MATERIALS CONSUMED

Rs. in Crore

	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Inventories at the beginning of the year	165.56	115.54
Add: Purchases	3,354.66	2,170.30
	3,520.22	2,285.84
Less: Inventories at the end of the year	173.03	165.56
Total	**3,347.19**	**2,120.28**

NOTE 29: PURCHASES OF STOCK-IN-TRADE

Rs. in Crore

	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Cement and others	2,293.99	918.35
Ready mix concrete	6.96	2.84
Total	**2,300.95**	**921.19**

Notes to the Financial Statements

for the year ended March 31, 2023

NOTE 30. CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Rs. in Crore

	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Inventories at the end of the year		
Stock-in-trade	44.65	16.14
Finished goods	174.97	129.19
Work-in-progress	421.88	302.98
	641.50	**448.31**
Inventories at the beginning of the year		
Stock-in-trade	16.14	14.48
Finished goods	129.19	111.74
Work -in-progress	302.98	147.84
	448.31	274.06
Total	**(193.19)**	**(174.25)**

NOTE 31: EMPLOYEE BENEFITS EXPENSE

Rs. in Crore

	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Salaries and wages (Refer Note - 48)	874.98	719.75
Contributions to provident and other funds	79.71	66.29
Employee share based payments (Refer Note - 53)	2.78	4.18
Staff welfare expenses	78.73	43.80
Total	**1,036.20**	**834.02**

NOTE 32: FREIGHT AND FORWARDING EXPENSE

Rs. in Crore

	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
On clinker transfer	853.62	584.33
On finished and semi finished products	4,314.64	3,260.38
Total	**5,168.26**	**3,844.71**

NOTE 33: FINANCE COSTS

Rs. in Crore

	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Interest		
- On income tax	3.16	3.67
- On Defined benefit obligation (Net) - (Refer Note - 37)	11.53	8.95
- Interest on deposits from dealers carried at amortised cost	25.70	16.19
- Interest on lease liabilities carried at amortised cost	12.96	9.37
- Others	20.64	14.88
Unwinding of discount on site restoration provision (Refer Note - 20.1)	3.19	1.57
Total	**77.18**	**54.63**

Notes to the Financial Statements

for the year ended March 31, 2023

NOTE 34: DEPRECIATION AND AMORTISATION EXPENSE

Rs. in Crore

	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Depreciation on property, plant and equipments	791.92	566.44
Amortisation of intangible assets	7.14	5.23
Depreciation on Right of use assets	36.03	25.61
Total	**835.09**	**597.28**

NOTE 35: OTHER EXPENSES

Rs. in Crore

	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Consumption of stores and spare parts	385.27	277.26
Consumption of packing materials	656.37	552.03
Rent (Refer Note - 38)	140.49	107.26
Rates and taxes	100.25	96.75
Repairs	236.66	155.29
Insurance	51.36	39.10
Royalty on minerals	302.68	264.33
Advertisement	118.63	86.37
Technology and know-how fees (Refer Note - 42) and Note 1 below.	115.35	154.51
Impairment losses on trade receivables {(including reversals of impairment losses) (Refer Note - 50(i))}	14.84	(10.87)
Corporate social responsibility expense (Refer Note 3 below)	45.47	35.95
Miscellaneous expenses (Refer Note - 48 and 2 below)	744.80	510.67
Total	**2,912.17**	**2,268.65**

Notes

1. The Company with effect from September 16, 2022, has terminated its agreement with Holcim Technology Limited for payment of technology and know-how fees @ 1% of eligible net sales
2. Payments to statutory auditors (excluding applicable taxes)

Rs. in Crore

	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
As auditors		
Audit fees (including for quarterly limited reviews, additional work and financial statements for tax filing purposes)	4.26	3.18
Other services	0.08	0.05
Reimbursement of expenses	0.05	0.02
	4.39	3.25

3. Details of Corporate Social Responsibility (CSR) expenses:

   The Company has spent Rs. 45.47 Crore *(Previous Year - Rs. 35.95 Crore)* towards various schemes of CSR. The details are:

   (a) The amount required to be spent under Section 135 of the Companies Act, 2013 for the year is Rs. 42.66 Crore *(Previous year - Rs. 35.44 Crore)*

   (b) No amount has been spent on construction / acquisition of an asset.

Notes to the Financial Statements

for the year ended March 31, 2023

(c) Details of excess amount spent under Section 135(5) of the Companies Act, 2013

Rs. in Crore

	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Balance excess spent as at beginning of the year	-	-
Amount required to be spent during the year	42.66	35.44
Amount spent during the year	45.47	35.95
CSR expenses claimed in the current year	45.47	35.95
Balance excess spent as at end of the Year	-	-

(d) Details of CSR expenses

Rs. in Crore

	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Water governance & management	10.30	-
Sustainable livelihood	15.62	16.60
Social Inclusion	17.40	17.65
Administrative Overheads	2.15	1.70
	45.47	**35.95**

NOTE 36: EARNINGS PER SHARE - [EPS]

The following reflects the income and share data used in the basic and diluted EPS computations:

Rs. in Crore

		For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Profit attributable to equity shareholders		869.91	1,820.27
Weighted average number of equity shares for EPS computation			
Number of shares for Basic EPS		18,77,87,263	18,77,87,263
Effect of dilution:			
Number of shares held in abeyance		5,02,957	5,06,656
(Movement in number of shares is on account of change in average fair value of share)			
Weighted average number of equity shares adjusted for the effect of dilution		18,82,90,220	18,82,93,919
EPS			
Face value per share	Rs.	10.00	10.00
Basic	Rs.	46.32	96.93
Diluted	Rs.	46.20	96.67

NOTE 37: EMPLOYEE BENEFITS

a) **Defined contribution plans –** Amount recognised and included in Note 31 "contributions to provident and other funds" of Statement of Profit and Loss Rs. 18.42 Crore *(Previous year - Rs. 15.10 Crore)*

b) **Defined benefit plans**

The Company has defined benefit gratuity, additional gratuity and Trust managed provident fund plan.

The gratuity and provident fund plan is in the form of a trust and it is governed by the Board of Trustees. The Board of Trustees is responsible for the administration of the plan assets including investment of the funds. The trust has developed policy guidelines for the allocation of assets to different classes with the objective of controlling risk and maintaining the right balance between risk and long-term returns in order to limit the cost to the Company of the benefits provided. To achieve this, investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.

Each year, the Board of Trustees and the Company review the level of funding. Such a review includes the asset-liability matching strategy and assessment of the investment risk. The Company decides its contribution based on the results of this annual review.

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

The plans in India typically expose the Company to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk - As the plan assets include significant investments in quoted debt and equity instruments, the Company is exposed to the risk of impacts arising from fluctuation in interest rates and risks associated with equity market and related impairment.

Interest risk - A decrease in the bond interest rate will increase the plan liability, however, this will be partially offset by an increase in the return on the plan's debt investments.

Longevity risk - The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk - The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Gratuity and additional gratuity

i. The Company operates a Gratuity Plan through a trust for all its employees. Employee who has completed minimum five years of service is entitled to gratuity at 15 days salary for each completed year of service in accordance with Payment of Gratuity Act, 1972. The scheme is funded with insurance companies in the form of qualifying insurance policies.

ii. Every eligible employee who has joined the Company before December 01, 2006 and gets separated on retirement or on medical grounds is entitled to additional gratuity provided he has completed minimum 25 years of service . The scheme is non funded.

Rs. in Crore

		Gratuity (Including additional gratuity)	
		Funded	Non Funded
I	**Expense recognised in the statement of profit and loss**		
1	Current service cost	18.79	9.90
		16.05	*8.93*
2	Past service cost	0.19	-
		-	-
3	Net Interest cost	1.01	7.46
		0.48	*6.16*
4	Gain on settlements	-	-
		-	*(10.34)*
5	Net benefit expense included in profit and loss	19.99	17.36
		16.53	*4.75*
6	Actuarial (gains) / losses arising from change in financial assumptions	(5.82)	(3.55)
		(7.53)	*(3.83)*
7	Actuarial (gains) / losses arising from change in experience adjustments	(2.10)	3.92
		(2.01)	*2.18*
8	(Gain) / Loss on plan assets (Excluding amount included in net interest expenses)	(0.38)	
		(0.40)	-
9	Sub-total - Included in OCI	(8.30)	0.37
		(9.94)	*(1.65)*
10	Total expense (5 + 9)	11.69	17.73
		6.59	*3.10*
II	**Amount recognised in Balance Sheet**		
1	Present value of Defined Benefit Obligation	(185.18)	(96.64)
		(207.94)	*(94.22)*
2	Fair value of plan assets	196.57	-
		195.92	-
3	Funded status {Surplus/(Deficit)}	11.39	(96.64)
		(12.02)	*(94.22)*
4	Net asset/(liability)	11.39	(96.64)
		(12.02)	*(94.22)*

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

Rs. in Crore

		Gratuity (Including additional gratuity)	
		Funded	Non Funded
III	**Present value of Defined Benefit Obligation**		
1	Present value of Defined Benefit Obligation at beginning of the year	207.94	94.22
		221.90	*102.23*
2	Current service cost	18.79	9.90
		16.05	*8.93*
3	Past service cost	0.19	-
		-	-
4	Interest cost	16.28	7.46
		13.01	*6.16*
5	(Gain) on settlements	-	-
		-	*(10.34)*
6	Actuarial (gains) / losses arising from changes in financial assumptions	(5.82)	(3.55)
		(7.53)	*(3.83)*
7	Actuarial (gains) / losses arising from experience adjustments	(2.10)	3.92
		(2.01)	*2.18*
8	Benefits Payments	(50.10)	(15.31)
		(33.48)	*(11.11)*
9	Present value of Defined Benefit Obligation at the end of the year	185.18	96.64
		207.94	*94.22*
IV	**Fair value of Plan Assets**		
1	Plan assets at the beginning of the year	195.92	-
		214.29	-
2	Interest income	15.27	-
		12.53	-
3	Actual benefits paid	(15.00)	-
		(31.30)	-
4	Actuarial gains / (losses) arising from changes in financial assumptions	0.38	-
		0.40	-
5	Plan assets at the end of the year	196.57	-
		195.92	-
V	**Weighted Average duration of Defined Benefit Obligation**	9 Years	10 Years
		10 Years	*10 Years*

(Figures in italics pertains to previous year)

VI Sensitivity Analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Sensitivity Analysis as at March 31, 2023

Rs. in Crore

	Gratuity - Funded		Gratuity - Unfunded	
Particulars	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(10.95)	12.42	(6.98)	8.04
Future salary growth (1% movement)	12.33	(11.07)	7.78	(6.92)

Notes to the Financial Statements

for the year ended March 31, 2023

Sensitivity Analysis as at December 31, 2021

	Gratuity - Funded		Gratuity - Unfunded	
Particulars	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(13.66)	15.59	(6.98)	8.07
Future salary growth (1% movement)	15.40	(13.75)	7.76	(6.86)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation recognised in the Balance Sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from previous year.

VII The major categories of plan assets as a percentage of total plan (%)

	Gratuity	
	As at March 31, 2023	As at December 31, 2021
Insurer managed funds	100%	100%
	100%	**100%**

VIII Actuarial assumptions:

		As at March 31, 2023	As at December 31, 2021
1	Discount rate	7.20%	6.75%
2	Salary increase rate	7.00%	7.00%
b)	Demographic Assumptions		
1	Retirement age	58 - 60 years	60 years
2	Mortality pre-retirement	Indian Assured Lives Mortality (2012-14) (Modified) Ultimate	Indian Assured Lives Mortality (2012-14) (Modified) Ultimate

c) The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations.

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

e) Expected cash flows:

Rs. in Crore

	Funded Gratuity		Unfunded Gratuity	
Particulars	As at March 31, 2023	As at December 31, 2021	As at March 31, 2023	As at December 31, 2021
1. Expected employer contribution in the next year	-	-	NA	NA
2. Expected benefit payments				
Year 1	16.49	29.81	8.49	11.58
Year 2	20.06	23.56	7.26	8.30
Year 3	34.04	23.93	9.08	8.15
Year 4	22.50	21.90	9.48	8.95
Year 5	20.95	17.65	8.05	8.41
Next 5 years	107.07	77.96	40.21	35.96
Total expected payments	**221.11**	**194.81**	**82.57**	**81.35**

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

f) Other Long term employee benefits - Amount recognised as an expense under employee benefit expenses in the Statement of Profit and Loss in respect of compensated absences and long service award is Rs. 24.86 Crore. *(Previous year - Rs. 8.57 Crore)* Following are the actuarial assumptions used for valuation of other long term employee benefits.

Particulars		As at March 31, 2023	As at December 31, 2021
a)	**Financial Assumptions**		
	1 Discount rate	7.20%	6.75%
	2 Salary increase rate	7.00%	7.00%
b)	**Demographic Assumptions**		
	1 Expected average remaining working lives of employees	9 years	10 years

Provident Fund

Provident Fund for certain eligible employees is managed by the Company through a trust "The Provident Fund of ACC Ltd.", in line with the Provident Fund and Miscellaneous Provisions Act, 1952. The plan guarantees interest at the rate notified by the Provident Fund Authorities. The contribution by the employer and employee together with the interest accumulated thereon are payable to employees at the time of separation from the Company or retirement, whichever is earlier. The benefits vests immediately on rendering of the services by the employee. The minimum interest rate payable by the trust to the beneficiaries every year is notified by the Government. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust (including investment risk fall) and the notified interest rate.

Rs. in Crore

Particulars		For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
I	**Components of expense recognised in the Statement of Profit and Loss**		
1	Current service cost	39.60	29.47
2	Past service cost	(1.82)	-
3	Interest cost (net off income on plan assets)		
4	Net benefit expense	40.84	31.78
	Components recognised in other comprehensive income (OCI)		
5	Actuarial (gains) / losses arising from changes in financial assumptions on Liability	(26.51)	(19.22)
6	Actuarial (gains) / losses arising from changes in financial assumptions on Plan Assets	(7.06)	23.54
7	Sub-total - Included in OCI	(33.57)	4.32
8	Total expense (4 + 7)	7.27	36.10
II	**Amount recognised in Balance Sheet**		
1	Present value of Defined Benefit Obligation	(854.98)	(871.44)
2	Fair value of plan assets*	804.85	794.50
3	Funded status {Surplus/(Deficit)}	(50.13)	(76.94)
4	Net asset/(liability) as at end of the year	(50.13)	(76.94)
III	**Present Value of Defined Benefit Obligation**		
1	Present value of Defined Benefit Obligation at beginning of the year	871.44	848.58
2	Current service cost	39.60	29.47
3	Past service cost	(1.82)	-
4	Interest cost	69.85	68.10
5	Employee Contributions	82.82	57.58
6	Actuarial (gains) / losses arising from changes in financial assumptions	(15.90)	(2.41)
7	Actuarial (gains) / losses arising from experience adjustments	(10.61)	(16.81)
8	Benefits Payments	(205.32)	(122.98)
9	Increase/ (Decrease) due to effect of any transfers	24.92	9.91
10	Present value of Defined Benefit Obligation at the end of the year	854.98	871.44

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

Rs. in Crore

	Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
IV	**Fair Value of Plan Assets**		
1	Plan assets at the beginning of the year	794.50	782.27
2	Interest income	66.79	65.79
3	Contributions by Employer	34.08	25.46
4	Contributions by Employee	82.82	57.58
5	Actual benefits paid	(205.32)	(122.98)
6	Net transfer in / (out)	24.92	9.91
7	Actuarial gains / (losses) arising from changes in financial assumptions	7.06	(23.53)
8	Plan assets at the end of the year	804.85	794.50
V	**Weighted Average duration of Defined Benefit Obligation**	9 years	10 years

* The Provident Fund of ACC Limited had invested Rs. 49.00 Crore in perpetual bonds of IL&FS Financial Services Limited. In view of uncertainties regarding recoverability, in an earlier year, the Company has provided Rs. 49.00 Crore towards probable incremental employee benefit liability that may arise on the Company on account of any likely shortfall of the Trust in meeting its obligations.

VI The major categories of plan assets as a percentage of total plan

Rs. in Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Debt instruments		
Government securities	48%	56%
Debentures and bonds	22%	12%
Equity instruments	14%	12%
Cash and Cash equivalent	16%	20%
	100%	**100%**

VII The assumptions used in determining the present value of obligation of the interest rate guarantee under deterministic approach are:

Rs. in Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Discounting rate	7.20%	6.75%
Guaranteed interest rate	8.10%	8.50%
Yield on assets based on the Purchase price and outstanding term of maturity	8.10%	8.10%

VIII Sensitivity analysis for factors mentioned in Actuarial Assumptions

Rs. in Crore

	As at March 31, 2023		As at December 31, 2021	
Particulars	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(1.76)	2.03	(4.26)	5.03
Interest rate guarantee (1% movement)	36.78	(16.59)	58.05	(30.17)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation recognised in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from previous year.

IX The Company expects to contribute Rs. 24.00 Crore *(Previous year - Rs. 25.00 Crore)* to trust managed provident fund in the next year.

Notes to the Financial Statements

for the year ended March 31, 2023

NOTE 38: LEASES

Company as lessee

The Company's lease asset classes primarily consist of leases for grinding facility, godowns, flats, land, Plant and Equipment, office premises and other premises. There are no restrictions imposed by lease arrangements. There are no subleases.

(I) The movement in lease liabilities during the year ended March 31, 2023 is as follows:

Rs. in Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Balance at the January 01	125.58	102.48
Additions during the year	109.62	51.37
Finance cost accrued during the year	12.96	9.37
Payment of lease liabilities	(88.90)	(35.99)
Termination of lease contracts	(6.22)	(1.65)
Balance at year end	**153.04**	**125.58**
Current lease liabilities	27.36	24.21
Non-current lease liabilities	125.68	101.37

(II) The maturity analysis of lease liabilities are disclosed in Note 50 (ii) - Liquidity risk

(III) Lease expenses recognised in Statement of Profit and Loss

Rs. in Crore

Particulars	For the year ended March 31, 2023	For the year ended December 31, 2021
Depreciation of Right-of-use assets	36.03	25.61
Interest on lease liabilities	12.96	9.37
Expense relating to short-term and low value leases	84.94	65.23
Expense in respect of variable lease payments	55.55	42.03
	189.48	**142.24**

NOTE 39: CAPITAL AND OTHER COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account and not provided for:

Rs. in Crore

Particulars	As at March 31, 2023	As at December 31, 2021
A) Estimated value of contracts on capital account remaining to be executed (Net of advance)	850.61	933.85

NOTE 40: CONTINGENT LIABILITIES

(A) Claims against the Company not acknowledged as debt:

Rs. in Crore

Nature of Statute	Brief description of contingent liabilities	As at March 31, 2023	As at December 31, 2021
Competition Act, 2002	CCI matters - Refer Notes a and b below	2,039.64	1,878.34
Income tax Act, 1961	Income tax matter related to excise duty incentives - Refer Note e below	604.44	604.44
Service tax - Finance Act, 1994	Dispute regarding place of removal - Refer Note c below	82.64	91.89
Central excise Act	Demand of differential excise duty on clearance of ready mix concrete	25.69	25.69
	Other excise matters	29.09	24.76
Mineral Concession Rules	Compensation for use of government land - Refer Note d below	212.22	212.22
Government incentive	Sales tax incentive - Refer Note f below	64.45	64.45
	Other sales tax incentive	8.40	8.40
Good and service tax Act	Denial of transitional credit of clean energy cess	62.67	15.04

Notes to the Financial Statements

for the year ended March 31, 2023

Rs. in Crore

Nature of Statute	Brief description of contingent liabilities	As at March 31, 2023	As at December 31, 2021
Sales tax Act / Commercial tax Act of various states	Packing material - differential rate of tax. matters pending with various authorities.	11.53	11.53
	Other sales tax matters	37.19	37.19
Customs duty - The Customs Act, 1962	Demand of duty on import of steam coal during 2001 to 2013 classifying it as bituminous coal.	30.97	30.97
Other statutes/ other claims	Claims by suppliers regarding supply of raw material.	28.80	28.80
	Demand of water drawal charges	-	9.80
	Various other cases pertaining to claims related to railways, labour laws, etc	30.82	34.77
Mines and minerals (development and regulation) Act	Demand of additional royalty on limestone based on ratio of cement produced vis a vis consumption of limestone.	7.93	7.93
	TOTAL	**3,276.48**	**3,086.22**

In respect of above matters, future cash outflows are determinable only on receipt of judgments pending at various forums / authorities.

a) In 2012, the Competition Commission of India ('CCI') issued an Order imposing penalty on certain cement manufacturers, including the Company, concerning alleged contravention of the provisions of the Competition Act, 2002 and imposed a penalty of Rs. 1,147.59 Crore *(Previous Year - Rs. 1,147.59 Crore)* on the Company. On Company's appeal, Competition Appellate Tribunal ('COMPAT') (who initially stayed the penalty), by its final order dated December 11, 2015, set aside the order of the CCI and remanded the matter back to the CCI for fresh adjudication and for passing a fresh order.

   After hearing the matter, the CCI, by its order dated August 31, 2016, held that the cement companies and the Cement Manufacturers Association are guilty and in violation of the Section 3(1) read with section 3(3)(a) and Sec 3 (3)(b) of the Competition Act and imposed a penalty of Rs. 1,147.59 Crore *(Previous Year - Rs. 1,147.59 Crore)* on the Company.

   The Company had appealed against the penalty to the COMPAT which granted a stay on November 07, 2016 with a condition to deposit 10% of the penalty amount, (which was deposited) and levy of interest of 12% p.a. in case the appeal is decided against the appellant (the "Interim order"). Interest amount on penalty as on March 31, 2023 is Rs. 856.73 Crore *(Previous Year - Rs. 695.43 Crore)*. COMPAT was replaced by the National Company Law Appellate Tribunal (NCLAT) effective May 26, 2017 who, vide its judgment dated July 25, 2018, dismissed the Company's appeal and upheld the CCI's order.

   Against the above judgment of NCLAT, the Company appealed before the Hon'ble Supreme Court, which by its order dated October 05, 2018 had admitted the appeal and directed that the interim order passed by the COMPAT will continue in the meantime.

   Based on the advice of external legal counsel, the Company believes it has a strong case on merits for successful appeal in this matter. Accordingly, the Company is of the view that no provision is necessary in the financial statements.

b) In a separate matter, the Director, Supplies and Disposal, Haryana filed information that seven cement companies had engaged in collusive bidding in contravention of the Competition Act, 2002. CCI, by its order dated January 19, 2017, imposed a penalty of Rs. 35.32 Crore *(Previous year - Rs. 35.32 Crore)* on the Company. On Company's filing an appeal, COMPAT had stayed the penalty. Matter is now listed before NCLAT and is pending for hearing.

   Based on the advice of external legal counsel, the Company believes it has a strong case on merits for a successful appeal in this matter. Accordingly, the Company is of the view that no provision is necessary in the financial statements.

c) The dispute is regarding whether the "place of removal" is the "factory gate / Depot" or "destination point of customer" for availment of Service tax credit on "Outward Transportation cost" of Cement when sales is on F.O.R. basis. The department has alleged that the freight cost for transportation of cement beyond factory gate and depot being the place of removal is not "Input Service" and therefore the Service tax credit on such services cannot be availed. The Service tax department issued show cause notice (SCN) and demand orders against which the Company has filed appeal with the CESTAT.

   Based on the advice of the external legal counsel, conflicting decisions of courts and Central Board of Indirect Taxes and Customs circular, the Company is of the view that no provision is necessary in the financial statements.

d) The Company has received demand notice from the Government of Tamil Nadu and an order by the Collector, Coimbatore seeking annual compensation for the period from April 01, 1997 to March 31, 2014 and April 01, 2014 to March 31, 2019, amounting to Rs. 73.46 Crore *(Previous Year - Rs. 73.46 Crore)* and Rs. 138.76 Crore *(Previous Year - Rs. 138.76 Crore)* respectively for use of the Government land for mining, which the Company occupies on the basis of the mining leases. The Company has challenged the demands by way of revision under the Mineral Concession Rules and has filed writ petitions before the Hon'ble High Court of Tamil Nadu at Chennai.

Pending the same the High Court of Tamil Nadu, in the group writ petitions of other cement manufacturers viz Dalmia Cements, Madras Cements and others, has passed a judgement allowing annual compensation to be collected by the state. The Company has filed a writ appeal against the judgement.

One of the above petition challenging the demand for the period April 01, 2014 to March 31, 2019, is disposed of against the Company by the High Court vide order dated December 14, 2021 in line with the above judgment. The Company has filed a writ appeal before the divisional bench of High Court against this judgement.

The Company has assessed the matter as "possible" and has obtained legal opinion for the said matter."

e) The Company was entitled to excise duty incentives for the assessment years 2006-07 to 2015-16 for its Gagal plant located in the state of Himachal Pradesh. ACC has been contending that the said incentives are in the nature of capital receipts and hence not liable to income tax. However, the Income tax department had consistently denied the position and considered these incentives as a taxable receipt. Appeals were filed by ACC against the orders of the assessing officer which were pending before the Commissioner of Income Tax (Appeals) / Income Tax Appellate Tribunal (ITAT).

In March 2023, for the matters pending with the Income Tax Appellate Tribunal (ITAT), the Company has received favourable orders. Pending final closure of the matter, the amount of Rs. 500.63 Crore *(Previous year - Rs. 500.63 Crore)* along with interest payable of Rs. 103.81 Crore *(Previous year - Rs. 103.81 Crore)* has been disclosed as contingent liability."

f) The Company had availed sales tax incentives in respect of its new 1 MTPA Plant (Gagal II) under the Himachal Pradesh (HP) State Industrial Policy, 1991. The Company had accrued sales tax incentives aggregating Rs. 56.30 Crore *(Previous year - Rs. 56.30 Crore)*. The Sales tax authorities introduced certain restrictive conditions after commissioning of the unit stipulating that incentive is available only for incremental amount over the base revenue and production of Gagal I prior to the commissioning of Gagal II. The Company contends that such restrictions are not applicable to the unit as Gagal II is a new unit, as decided by the HP Hon'ble High Court and confirmed by the Hon'ble Supreme Court while determining the eligibility for transport subsidy. The Department recovered Rs. 64.45 Crore *(Previous year - Rs. 64.45 Crore)* (tax of Rs. 56.30 Crore and interest of Rs. 8.15 Crore) which is considered as recoverable.

The HP Hon'ble High Court, had, in 2012, dismissed the Company's appeal. The Company has been advised by legal experts that there is no change in the merits of the Company's case. Based on such advice, the Company filed a Special Leave Petition (SLP) before the Hon'ble Supreme Court, which is pending for hearing. The Company has assessed the matter as "possible".

(B) Guarantees excluding financial guarantees

Rs. in Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Guarantees given to government bodies on behalf of subsidiary companies	1.07	0.87

NOTE 41: MATERIAL DEMANDS AND DISPUTES CONSIDERED AS REMOTE

Based on case by case assessment, the Group has disclosed certain matters below, where the outflow of resources embodying economic benefits has been assessed as remote.

a) The Company was eligible for certain incentives in respect of its investment towards modernisation and expansion of the Chaibasa cement unit under the State Industrial Policy of Jharkhand. Accordingly, the Company has made claims for refund of VAT paid. However, no disbursals were made (except an amount of Rs. 7.00 Crore representing part of the one time lumpsum capital subsidy claim of Rs. 15.00 Crore) as the authorities have raised new conditions and restrictions. The Company had filed two writ appeals before the Jharkhand Hon'ble High Court against these conditions, restrictions and disputes.

Notes to the Financial Statements

for the year ended March 31, 2023

Jharkhand Hon'ble High Court, while dealing with appeals by both the Company and the State Government allowed the Company's appeal while dismissing the Government's appeal,

The Government of Jharkhand had filed an Special leave petition (SLP) in the Hon'ble Supreme Court which vide its interim order stayed disbursement of 40% of the amount due. Consequently, as of date, the Company received Rs. 64.00 Crore *(Previous year - Rs. 64.00 Crore)* out of total Rs. 235.00 Crore *(Previous year - Rs. 235.00 Crore)* in part disbursement from the Government of Jharkhand.

The Company is of the view and has been advised legally, that the merits are strongly in its favour and it expects that the SLP will be rejected upholding the order of Jharkhand Hon'ble High Court.

The Company has assessed the matter as ""remote"" and has obtained legal opinion for the said matter.

b) The Company is eligible for incentives for one of its cement plants situated in Maharashtra under a Package scheme of incentives of the Government of Maharashtra. The scheme inter alia, includes refund of royalty paid by the Company on extraction or procurement of various raw materials (minerals). The Department of Industries has disputed the Company's claim for refund of royalty basis interpretation of the sanction letter issued to the Company. The Company has accrued an amount of Rs. 133.00 Crore *(Previous year - Rs. 133.00 Crore)* for such incentive. The Company has filed an appeal before the Hon"ble Bombay High Court challenging the stand of the Government, which is admitted and pending before the High Court for hearing. The Company has assessed the matter as "remote" and has obtained legal opinion for the said matter.

c) The Company had set up a captive power plant ('Wadi TG 2') in the year 1995-96. This plant was sold to Tata Power Co Ltd, in the year 1998-99 and was subsequently repurchased from it in the year 2004-05. The Company had purchased another captive power plant ('Wadi TG 3', set up by Tata Power Co Ltd in the year 2002-03) in 2004-05. Both these power plants were eligible for tax holiday under the provisions of Section 80-IA of the Income-tax Act, 1961. The Income tax department has disputed the Company's claim of deduction under Section 80-IA of the Act, on the ground that the conditions prescribed under the section are not fulfilled. In case of Wadi TG 2, in respect of the demand of Rs. 56.66 Crore (net of provision) *(Previous year – Rs. 56.66 Crore)*, the Company is in appeal before the Income Tax Appellate Tribunal (ITAT). In case of Wadi TG 3, demand of Rs. 115.62 Crore *(Previous year – Rs. 115.62 Crore)* was set aside by the Income Tax Appellate Tribunal (ITAT) and department is in appeal against the said decision. The Company has assessed the matter as "remote".

d) One of the Company's cement manufacturing plants located in Himachal Pradesh was eligible under the State Industrial Policy for deferral of its sales tax liability. The Excise department disputed the eligibility of the Company to such deferment on the ground that the Company also manufactures an intermediate product, viz. Clinker and such intermediate product was in the negative list. A demand of Rs. 82.37 Crore *(Previous year - Rs. 82.37 Crore)* was raised by the department. The Company filed a writ petition before the Hon'ble High Court of Himachal Pradesh against the demand. The case has been admitted and the hearing is in process. The Company has assessed the matter as "remote".

e) The Company was contesting the renewal of mining lease in state of Jharkhand for two of its quarries on lease. There was an unfavourable order by the Hon'ble Supreme Court in case of another Company restricting the ""deemed renewal"" provision of captive mining leases. The Company received demand from district mining officer for Rs. 881.00 Crore *(Previous year - Rs. 881.00 Crore)* as penalty for alleged illegal mining activities carried out by the Company during January 1991 to September 2014.

On January 02, 2015, the Central Government promulgated the Mines and Minerals (Development and Regulation) Amendment) Ordinance, 2015 [subsequently enacted as Mines and Minerals (Development and Regulation) (Amendment) Act, 2015 in March 2015] amending mining laws with retrospective effect, and decided that all leases granted prior to ordinance will deemed to have been automatically renewed until prescribed period therein.

The Company then filed a writ petition with High Court of Jharkhand for directing the State government to renew both the leases upto March 2030 as per the Ordinance. On October 31, 2015 the High Court passed an interim order in terms of Section 8A(5) of the Ordinance for quarry II extending the lease upto March 2030 permitting the Company to commence mining operations after depositing Rs. 48.00 Crore subject to the outcome of the petition filed by the Company.

The Company has assessed the matter as "remote" and has obtained legal opinion for the said matter.

Notes to the Financial Statements

for the year ended March 31, 2023

NOTE 42: RELATED PARTY DISCLOSURE

(A)	Names of the Related parties:	Nature of Relationship
1	Holderind Investments Ltd, Mauritius	Holding Company of Ambuja Cements Limited
2	Holcim Ltd, Switzerland (Erstwhile LafargeHolcim)	Ultimate Holding Company (upto September 15, 2022)
3	Ambuja Cements Limited	Immediate Holding Company
(B)	**Names of the Related parties where control / joint control exists:**	**Nature of Relationship**
1	Bulk Cement Corporation (India) Limited	Subsidiary Company
2	Lucky Minmat Limited	Subsidiary Company
3	Singhania Minerals Private Limited	Subsidiary Company
4	ACC Mineral Resources Limited	Subsidiary Company
5	OneIndia BSC Private Limited	Joint venture Company
6	Aakaash Manufacturing Company Private Limited	Joint venture Company
(C)	**Others - With whom transactions have taken place during the current and/or previous year or has outstanding balance:**	
(a)	**Names of other Related parties**	**Nature of Relationship**
1	Alcon Cement Company Private Limited	Associate Company
2	Asian Concretes and Cements Private Limited	Associate Company
3	Adani Estate Management Private Limited	Entities over which key management personnel/ their relatives having control / significant influence (w.e.f. September 16, 2022)
4	Adani Green Energy Limited	Entities over which key management personnel/ their relatives having control / significant influence (w.e.f. September 16, 2022)
5	Adani Infrastructure And Developers Pvt Ltd	Entities over which key management personnel/ their relatives having control / significant influence (w.e.f. September 16, 2022)
6	Adani Power Maharashtra Limited	Entities over which key management personnel/ their relatives having control / significant influence (w.e.f. September 16, 2022)
7	Adani Wilmar Limited	Entities over which key management personnel/ their relatives having control / significant influence (w.e.f. September 16, 2022)
8	Udupi Power Corporation Limited	Entities over which key management personnel/ their relatives having control / significant influence (w.e.f. September 16, 2022)
9	Adani Power Rajasthan Ltd	Entities over which key management personnel/ their relatives having control / significant influence (w.e.f. September 16, 2022)
10	Raipur Energen Limited	Entities over which key management personnel/ their relatives having control / significant influence (w.e.f. September 16, 2022)
11	Esteem Construction Private Limited	Entities over which key management personnel/ their relatives having control / significant influence (w.e.f. September 16, 2022)
12	The Dhamra Port Company Limited	Entities over which key management personnel/ their relatives having control / significant influence (w.e.f. September 16, 2022)
13	Adani Petronet (Dahej) Port Limited	Entities over which key management personnel/ their relatives having control / significant influence (w.e.f. September 16, 2022)
14	Adani Enterprises Limited	Entities over which key management personnel/ their relatives having control / significant influence (w.e.f. September 16, 2022)
15	Budhpur Buildcon Pvt Ltd	Entities over which key management personnel/ their relatives having control / significant influence (w.e.f. September 16, 2022)
16	Adani Infra (India) Pvt Ltd	Entities over which key management personnel/ their relatives having control / significant influence (w.e.f. September 16, 2022)
17	Adani Properties Pvt Ltd	Entities over which key management personnel/ their relatives having control / significant influence (w.e.f. September 16, 2022)

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

18	Raigarh Energy Generation Ltd	Entities over which key management personnel/ their relatives having control / significant influence (w.e.f. September 16, 2022)
19	Parsa Kente Collieries Ltd	Entities over which key management personnel/ their relatives having control / significant influence (w.e.f. September 16, 2022)
20	Adani Tracks Management Services Pvt Ltd	Entities over which key management personnel/ their relatives having control / significant influence (w.e.f. September 16, 2022)
21	Adani Green Energy Six Limited	Entities over which key management personnel/ their relatives having control / significant influence (w.e.f. September 16, 2022)
22	Belvedere Golf And Country Club Pvt Ltd	Entities over which key management personnel/ their relatives having control / significant influence (w.e.f. September 16, 2022)
23	Adani Sportsline Pvt Ltd	Entities over which key management personnel/ their relatives having control / significant influence (w.e.f. September 16, 2022)
24	Holcim Services (South Asia) Limited	Fellow Subsidiary (upto September 15, 2022)
25	Holcim Group Services Ltd, Switzerland	Fellow Subsidiary (upto September 15, 2022)
26	Holcim Technology Ltd, Switzerland	Fellow Subsidiary (upto September 15, 2022)
27	LafargeHolcim Energy Solutions SAS, France	Fellow Subsidiary (upto April 30, 2021)
28	LafargeHolcim Bangladesh Ltd, Bangladesh	Fellow Subsidiary (upto September 15, 2022)
29	Lafarge SA, France	Fellow Subsidiary (upto September 15, 2022)
30	Holcim Trading Ltd ,Switzerland (Erstwhile LH Trading Ltd)	Fellow Subsidiary (upto September 15, 2022)
31	LH Global Hub Services Private Limited	Fellow Subsidiary (upto September 15, 2022)
32	Holcim International Services Singapore Pte Ltd,Singapore (Erstwhile Lafarge)	Fellow Subsidiary (upto September 15, 2022)
33	Lafargeholcim Investment Co. Ltd, China	Fellow Subsidiary (upto September 15, 2022)
34	Counto Microfine Products Private Limited	Joint venture of Ambuja Cements Limited
35	Asian Fine Cement Private Limited	Subsidiary of an associate (Asian Concretes and Cements Private Limited)
36	The Provident Fund of ACC Ltd	Trust (Post-employment benefit plan)
37	ACC limited Employees Group Gratuity scheme	Trust (Post-employment benefit plan)
38	ACC Trust	Trust (Corporate Social Responsibility Trust)
39	Adani Foundation	Trust (Corporate Social Responsibility Trust)

In accordance with the provisions of Ind AS 24 "Related Party Disclosures" and the Companies Act, 2013, following Personnel are considered as Key Management Personnel (KMP).

(b)	**Name of the Related Parties:**	**Nature of Relationship**
1	Mr. Karan Adani	Chairman & Non Executive /Non Independent Director (w.e.f September 16, 2022)
2	Mr. Ajay Kapur	Whole Time Director & Chief Executive Officer (w.e.f. December 3,2022)
3	Mr. Neeraj Akhoury	Non Executive/Non Independent Director (up to September 16, 2022)
4	Mr. Sridhar Balakrishnan	Whole Time Director & Chief Executive Officer (upto December 3,2022)
5	Ms. Rajani Kesari	Chief Financial Officer (upto August 31, 2020)
6	Mr. Yatin Malhotra	Chief Financial Officer (upto August 31, 2022)
7	Mr. Rajiv Choubey	Company Secretary (upto April 27, 2022)
8	Ms. Rashmi Khandelwal	Company Secretary (w.e.f April 28,2022 upto November 15, 2022)
9	Mr. Vinay Prakash	Non Executive /Non Independent Director (w.e.f September 16, 2022)
10	Mr. Arun Kumar Anand	Non Executive /Non Independent Director (w.e.f September 16, 2022)
11	Mr. Sandeep Singhi	Independent Director (w.e.f September 16, 2022)
12	Mr. Nitin Shukla	Independent Director (w.e.f September 16, 2022)
13	Mr. Rajeev Agarwal	Independent Director (w.e.f September 16, 2022)
14	Mr. N S Sekhsaria	Chairman, Non Executive / Non Independent Director(upto September 16,2022)

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

15	Mr. Jan Jenisch	Deputy Chairman, Non Executive / Non Independent Director (upto September 16, 2022)
16	Mr. Martin Kriegner	Non Executive /Non Independent Director (upto September 16,2022)
17	Mr. Shailesh Haribhakti	Independent Director (upto September 16,2022)
18	Mr. Sushil Kumar Roongta	Independent Director (upto September 16,2022)
19	Ms. Falguni Nayar	Independent Director (upto September 16,2022)
20	Mr. Damodarannair Sundaram	Independent Director (upto September 16,2022)
21	Mr. Vinayak Chatterjee	Independent Director (upto September 16,2022)
22	Mr. Sunil Mehta	Independent Director (upto September 16,2022)
23	Ms. Ameera Shah	Independent Director (w.e.f December 03, 2022)
24	Mr. M. R. Kumar	Non Independent Director (upto September 16,2022)

(D) Transactions with Subsidiary Companies

Rs. in Crore

	Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
1	**Purchase of raw material**	**2.73**	**1.50**
	Singhania Minerals Private Limited	2.73	1.50
2	**Sale of finished goods**	**-**	**0.02**
	Bulk Cement Corporation (India) Limited	-	0.02
3	**Reimbursement of expenses paid/payable**	**0.13**	**0.72**
	Bulk Cement Corporation (India) Limited	0.13	0.72
4	**Reimbursement of expenses received/receivable**	**2.61**	**1.54**
	Bulk Cement Corporation (India) Limited	2.61	1.54
5	**Rendering of services**	**2.98**	**2.09**
	Bulk Cement Corporation (India) Limited	2.98	2.09
6	**Receiving of services**	**26.26**	**21.86**
	Bulk Cement Corporation (India) Limited	26.26	21.86
7	**Interest income on inter corporate deposit**	**0.10**	**0.07**
	Singhania Minerals Private Limited	0.08	0.06
	Lucky Minmat Limited	0.02	0.01
8	**Inter corporate deposits given**	**0.05**	**0.04**
	Lucky Minmat Limited	0.05	0.04
9	**Conversion of outstanding interest into inter corporate deposits**	**0.20**	**-**
	Singhania Minerals Private Limited	0.16	-
	Lucky Minmat Limited	0.04	-
10	**Guarantee given (net)**	**0.20**	**0.83**
	Singhania Minerals Private Limited	-	0.73
	Bulk Cement Corporation (India) Limited	0.20	0.10

Outstanding balances with Subsidiary Companies

Rs. in Crore

		As at March 31, 2023	As at December 31, 2021
1	**Guarantee outstanding**	**1.07**	**0.87**
	Singhania Minerals Private Limited	0.77	0.77
	Bulk Cement Corporation (India) Limited	0.30	0.10
2	**Inter Corporate Deposits**	**1.13**	**0.86**
	Singhania Minerals Private Limited	0.87	0.71
	Lucky Minmat Limited	0.26	0.15
3	**Interest receivables**	**0.06**	**0.19**
	Singhania Minerals Private Limited	0.06	0.17
	Lucky Minmat Limited	-	0.02
4	**Outstanding receivables**	**3.89**	**0.31**
	Bulk Cement Corporation (India) Limited	3.16	0.14
	Singhania Minerals Private Limited	0.73	0.17

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

Rs. in Crore

		As at March 31, 2023	As at December 31, 2021
5	**Outstanding payables**	**5.01**	**3.96**
	Bulk Cement Corporation (India) Limited	5.01	3.92
	Singhania Minerals Private Limited	-	0.04

(E) Transactions with Joint Venture Companies

Rs. in Crore

		For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
1	**Purchase of finished goods**	**197.09**	**126.19**
	Aakaash Manufacturing Company Private Limited {Refer Note 46 (ii)}	197.09	126.19
2	**Sale of finished goods**	**-**	**1.69**
	Aakaash Manufacturing Company Private Limited	-	1.69
3	**Sale of raw material**	**0.15**	**0.18**
	Aakaash Manufacturing Company Private Limited	0.15	0.18
4	**Dividend received**	**1.75**	**1.13**
	Aakaash Manufacturing Company Private Limited	1.75	1.13
5	**Reimbursement of expenses paid/payable**	**-**	**0.30**
	Aakaash Manufacturing Company Private Limited	-	0.21
	OneIndia BSC Private Limited	-	0.09
6	**Reimbursement of expenses received/receivable**	**5.79**	**-**
	Aakaash Manufacturing Company Private Limited	5.79	-

Outstanding balances with joint venture Companies

Rs. in Crore

		As at March 31, 2023	As at December 31, 2021
1	**Outstanding receivables**	**0.01**	**0.22**
	Aakaash Manufacturing Company Private Limited	0.01	0.22
2	**Outstanding payables**	**19.30**	**36.66**
	Aakaash Manufacturing Company Private Limited	19.30	36.66

(F) Transactions with Associate Companies

Rs. in Crore

		For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
1	**Purchase of finished goods**	**70.67**	**56.56**
	Alcon Cement Company Private Limited	70.67	56.56
2	**Sale of finished goods**	**-**	**0.03**
	Alcon Cement Company Private Limited	-	0.03
3	**Purchase of raw materials**	**14.73**	**8.50**
	Asian Concretes and Cements Private Limited	14.73	8.50
4	**Sale of semi-finished goods**	**23.73**	**17.08**
	Alcon Cement Company Private Limited {Refer Note - 46 (i)}	23.73	16.15
	Asian Fine Cement Private Limited	-	0.93
5	**Dividend received**	**0.55**	**0.43**
	Alcon Cement Company Private Limited	0.55	0.43
6	**Receiving of services**	**66.78**	**54.40**
	Asian Concretes and Cements Private Limited	66.78	54.40
7	**Reimbursement of expenses received/receivable**	**16.37**	**16.23**
	Alcon Cement Company Private Limited	16.37	16.23
8	**Reimbursement of expenses paid/payable**	**0.25**	**0.34**
	Alcon Cement Company Private Limited	0.25	0.34

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

Outstanding balances with Associate Companies

Rs. in Crore

		As at March 31, 2023	As at December 31, 2021
1	**Outstanding receivables**	**5.96**	**8.74**
	Alcon Cement Company Private Limited	5.96	8.74
2	**Outstanding payables**	**11.05**	**24.30**
	Asian Concretes and Cements Private Limited	6.17	16.41
	Alcon Cement Company Private Limited	4.88	7.58
	Asian Fine Cement Private Limited	-	0.31

(G) Details of Transactions relating to Ultimate Holding and Holding Companies

Rs. in Crore

		For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
1	**Dividend paid**	**593.89**	**143.36**
	Ambuja Cements Limited	545.11	131.58
	Holderind Investments Limited	48.78	11.78
2	**Purchase of Raw materials**	**89.89**	**17.10**
	Ambuja Cements Limited	89.89	17.10
3	**Purchase of Finished / Semi-finished goods**	**2,065.45**	**676.82**
	Ambuja Cements Limited	2,065.45	676.82
4	**Purchase of stores & spares**	**3.21**	**3.39**
	Ambuja Cements Limited	3.21	3.39
5	**Purchase of Property, plant and equipments**	**-**	**14.77**
	Ambuja Cements Limited	-	14.77
6	**Sale of finished / semi-finished goods**	**1,060.47**	**366.60**
	Ambuja Cements Limited	1,060.47	366.60
7	**Sale of raw material**	**87.82**	**6.17**
	Ambuja Cements Limited	87.82	6.17
8	**Sale of stores & spares**	**2.63**	**1.18**
	Ambuja Cements Limited	2.63	1.18
9	**Sale of Property, plant and equipments**	**2.62**	**0.62**
	Ambuja Cements Limited	2.62	0.62
10	**Rendering of services**	**75.26**	**58.92**
	Ambuja Cements Limited	75.26	58.92
11	**Receiving of services**	**54.16**	**38.96**
	Ambuja Cements Limited	54.16	38.96
12	**Reimbursement of expenses received / receivable**	**2.72**	**0.70**
	Ambuja Cements Limited	2.72	0.70
13	**Reimbursement of expenses paid / payable**	**28.14**	**8.12**
	Ambuja Cements Limited	28.14	8.12
14	**Inter corporate deposits received**	**200.00**	**-**
	Ambuja Cements Limited	200.00	-
15	**Inter corporate deposits repaid**	**200.00**	**-**
	Ambuja Cements Limited	200.00	-
16	**Interest paid on inter corporate deposit**	**1.07**	**-**
	Ambuja Cements Limited	1.07	-

Outstanding balances with Ultimate Holding and Holding Companies

Rs. in Crore

		As at March 31, 2023	As at December 31, 2021
1	**Outstanding receivables**	**251.72**	**37.99**
	Ambuja Cements Limited	251.72	37.99
2	**Outstanding payables**	**268.84**	**100.32**
	Ambuja Cements Limited	268.84	100.32

Notes to the Financial Statements

for the year ended March 31, 2023

(H) Details of Transactions relating to other related parties

Rs. in Crore

		For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
1	**Purchase of raw materials**	**436.73**	**167.56**
	Holcim Trading Ltd	429.33	167.01
	Counto Microfine Products Private Limited	1.89	0.55
	Adani Power Rajasthan Ltd	0.24	-
	Adani Enterprises Limited	5.23	-
	Adani Petronet (Dahej) Port Limited	0.01	-
	Udupi Power Corporation Limited	0.03	-
2	**Purchase of stores & spares**	**0.19**	**-**
	Adani Wilmar Limited	0.19	-
3	**Sale of finished / unfinished goods**	**3.93**	**-**
	Adani Power Maharashtra Limited	1.46	-
	Adani Wilmar Limited	1.22	-
	Udupi Power Corporation Limited	0.16	-
	Raipur Energen Limited	0.86	-
	Adani Infra (India) Pvt Ltd	0.23	-
4	**Sale of Readymix concrete (RMC)**	**4.54**	**-**
	Adani Estate Management Private Limited	1.39	-
	Adani Infrastructure And Developers Pvt Ltd	0.78	-
	Esteem Construction Private Limited	1.03	-
	Budhpur Buildcon Pvt Ltd	0.10	-
	Adani Green Energy Six Limited	1.24	-
5	**Purchase of sponsorship rights**	**50.28**	**-**
	Adani Sportsline Pvt Ltd	50.28	-
6	**Sale of stores & spares**	**0.14**	**-**
	Adani Wilmar Limited	0.12	-
	The Dhamra Port Company Limited	0.02	-
7	**Technology and know-how fees**	**115.35**	**154.51**
	Holcim Technology Ltd (Refer Note - 35)	115.35	154.51
8	**Receiving of services**	**81.36**	**65.94**
	Holcim Services (South Asia) Limited	46.28	41.00
	Lafarge SA	-	0.37
	Holcim Technology Ltd	0.45	0.32
	LH Global Hub Services Private Limited	17.26	23.55
	Lafargeholcim Investment Ltd	0.01	0.70
	Adani Enterprises Limited	17.28	-
	Adani Green Energy Limited	0.08	-
9	**Rendering of services**	**3.01**	**3.48**
	Holcim Services (South Asia) Limited	3.01	3.48
10	**Rental income**	**2.06**	**-**
	Adani Enterprises Limited	2.06	-
11	**Long term security deposit**	**68.00**	**-**
	Adani Properties Pvt Ltd	32.00	-
	Adani Estate Management Private Limited	36.00	-
12	**Lease premium for leasehold land**	**29.00**	**-**
	Adani Properties Pvt Ltd	14.00	-
	Adani Estate Management Private Limited	15.00	-
13	**Settlement of arbitration matter**	**13.14**	**-**
	Udupi Power Corporation Limited	13.14	-

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

Rs. in Crore

		For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
14	**Reimbursement of expenses paid / payable**	**2.17**	**1.03**
	Lafargeholcim Energy Solutions SAS	-	0.45
	Lafarge SA	0.06	-
	Holcim International Services Singapore Pte Ltd	0.96	0.38
	Holcim Group Services Ltd	-	0.20
	Holcim Trading Ltd	1.12	-
	Adani Tracks Management Services Pvt Ltd	0.02	-
	Belvedere Golf And Country Club Pvt Ltd	0.01	-
15	**Reimbursement of expenses received / receivable**	**9.05**	**1.08**
	Lafargeholcim Energy Solutions SAS	-	0.75
	Holcim Technology Ltd	0.01	-
	LH Global Hub Services Private Limited	-	0.31
	Holcim Trading Ltd	0.77	0.02
	Adani Power Maharashtra Limited	7.62	-
	Raigarh Energy Generation Ltd	0.10	-
	Adani Cement Industries Ltd	0.55	-

Outstanding balances with other related parties

Rs. in Crore

		As at March 31, 2023	As at December 31, 2021
1	**Outstanding receivables**	**86.39**	**2.67**
	Holcim Services (South Asia) Limited	-	2.65
	LafargeHolcim Bangladesh Ltd	-	0.02
	Adani Enterprises Limited	7.18	-
	Adani Wilmar Limited	0.06	-
	Adani Power Maharashtra Limited	6.10	-
	Adani Power Rajasthan Limited	0.02	-
	Adani Estate Management Private Limited	36.78	-
	Adani Infrastructure And Developers Pvt Ltd	0.77	-
	Parsa Kente Collieries Lid	0.42	-
	Udupi Power Corporation Limited	0.09	-
	Raipur Energen Limited	0.48	-
	Esteem Construction Private Limited	0.05	-
	Adani Petronet (Dahej) Port Limited	0.15	-
	Adani Properties Pvt Ltd	32.00	-
	Budhpur Buildcon Pvt Ltd	0.06	-
	Adani Infra (India) Pvt Ltd	0.08	-
	Adani Green Energy Limited	1.47	-
	Raigarh Energy Generation Ltd	0.13	-
	Adani Cement Industries Ltd	0.55	-
2	**Outstanding payables**	**13.52**	**170.65**
	Holcim Trading Ltd	-	130.21
	LafargeHolcim Energy Solutions SAS	-	1.21
	Holcim Technology Ltd	-	31.35
	Counto Microfine Products Private Limited	0.28	0.17
	Holcim Services (South Asia) Limited	-	5.51
	Holcim Group Services Ltd	-	0.02
	Lafarge SA	-	0.44
	LH Global Hub Services Private Limited	-	1.57
	Lafargeholcim Investment Ltd	-	0.17
	Adani Tracks Management Services Pvt Ltd	0.02	-
	Adani Green Energy Limited	0.08	-
	Udupi Power Corporation Limited	13.14	-

Notes to the Financial Statements

for the year ended March 31, 2023

(I) Details of Transactions with Key Management Personnel

Rs. in Crore

		For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
1	**Remuneration***	**21.84**	**10.02**
	Mr. Sridhar Balakrishnan	16.88	5.15
	Mr. Yatin Malhotra	2.77	2.07
	Mr. Rajiv Choubey	1.32	1.95
	Ms. Rashmi Khandelwal	0.87	-
	Mr. Neeraj Akhoury^	-	0.57
	Ms. Rajani Kesari^	-	0.28
	Breakup of remuneration	**21.84**	**10.02**
	Short term employee benefits	20.47	8.99
	Post employment benefits (including defined contribution and defined benefits)*	0.29	0.36
	Employee share based payments (Refer Note - 53)	1.08	0.67
2	**Other Payment to Key Management Personnel**		
	Commission paid	**1.77**	**2.99**
	Mr. N S Sekhsaria	0.14	0.50
	Mr. Martin Kriegner #	-	-
	Mr. Shailesh Haribhakti	0.14	0.36
	Mr. Sushil Kumar Roongta	0.14	0.36
	Mr. Jan Jenisch	0.14	0.20
	Ms. Falguni Nayar	0.14	0.20
	Mr. Sunil Mehta	0.14	0.36
	Mr. Damodarannair Sundaram	0.14	0.45
	Mr. Vinayak Chatterjee	0.14	0.36
	Mr. M R. Kumar	0.14	0.20
	Mr. Sandeep Singhi	0.11	-
	Mr. Nitin Shukla	0.11	-
	Mr. Rajeev Agarwal	0.11	-
	Ms. Ameera Shah	0.07	-
	Mr. Arun Kumar Anand	0.11	-
	Sitting fees	**0.81**	**0.52**
	Mr. N S Sekhsaria	0.05	0.05
	Mr. Martin Kriegner #	-	-
	Mr. Shailesh Haribhakti	0.08	0.08
	Mr. Sushil Kumar Roongta	0.10	0.08
	Mr. Jan Jenisch	0.02	0.02
	Ms. Falguni Nayar	0.04	0.04
	Mr. Sunil Mehta	0.09	0.07
	Mr. Damodarannair Sundaram	0.08	0.08
	Mr. Vinayak Chatterjee	0.08	0.08
	Mr. M. R. Kumar	0.01	0.02
	Mr. Arun Kumar Anand	0.03	-
	Mr. Sandeep Mohanraj Singhi	0.08	-
	Mr. Rajeev kumar Agarwal	0.07	-
	Mr. Nitin Shukla	0.08	-

* Provision for contribution to gratuity fund, leave encashment on retirement and other defined benefits which are made based on actuarial valuation on an overall Company basis are not included in remuneration to key management personnel.

^ Paid performance incentive for the year 2020 in April 2021.

Waived his right to receive Directors' commission and sitting fees.

The Company makes monthly contributions to provident fund managed by "The Provident Fund of ACC Ltd" for certain eligible employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. During the year, the Company contributed Rs. 34.08 Crore *(Previous Year - Rs. 25.46 Crore)*. Refer Note - 37 for fair value as at current and previous year end.

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

The Company maintains gratuity trust for the purpose of administering the gratuity payment to its employees (ACC limited Employees Group Gratuity scheme).The Company has not contributed any amount towards Employees Group Gratuity scheme in the current and previous year. Refer Note - 37 for fair value as at current and previous year end.

During the year the Company has contributed Rs. 3.03 Crore *(Previous Year - Rs. 16.00 Crore)* to ACC Trust towards Corporate social responsibility obligations.

During the year the Company has contributed Rs. 3.50 Crore *(Previous Year - Nil)* to Adani Foundation towards Corporate social responsibility obligations.

Refer Note - 5 for detail of investments in subsidiaries, associates and joint ventures.

Transaction with related parties disclosed are exclusive of applicable taxes.

Terms and conditions of transactions with related parties

The Company's material related party transactions and outstanding balances are with related parties with whom the Company routinely enters into transactions in the ordinary course of business. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash other than disclosed in the financial statements. Transactions relating to dividends were on the same terms and conditions as applied to other shareholders.

NOTE 43: SEGMENT REPORTING

For management purposes, the Company is organised into business units based on the nature of the products and the differing risks and returns. The Company has two reportable segments which are as follows:

(a) **Cement -** Cement is manufactured from clinker by mixing the raw materials such as limestone, clay, iron ore, fly ash, bauxite, gypsum etc, in determined ratios.

(b) **Ready Mix Concrete -** Ready Mix Concrete is concrete that is manufactured in a batch plant according to a set engineered mix design.

The Chief Operating Decision Maker ("CODM") monitors the operating results of its business units 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. However, the Company's financing (including finance costs and finance income) and income taxes are managed on a Company basis and are not allocated to operating segments.

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

Rs. in Crore

	Cement		Ready Mix Concrete		Total	
	Fifteen months ended March 31, 2023	Year ended December 31, 2021	**Fifteen months ended March 31, 2023**	Year ended December 31, 2021	**Fifteen months ended March 31, 2023**	Year ended December 31, 2021
Revenue						
External sales	19,925.50	14,572.74	1,841.79	1,241.66	21,767.29	15,814.40
Inter-segment sales	296.66	199.62	3.75	6.32	300.41	205.94
Other operating revenue	436.80	333.08	5.88	3.87	442.68	336.95
	20,658.96	**15,105.44**	**1,851.42**	**1,251.85**	**22,510.38**	**16,357.29**
Less: Elimination	296.66	199.62	3.75	6.32	300.41	205.94
Total revenue	**20,362.30**	**14,905.82**	**1,847.67**	**1,245.53**	**22,209.97**	**16,151.35**
Segment result	**1,145.98**	**2,354.10**	**43.32**	**55.81**	**1,189.30**	**2,409.91**
Unallocated income (net of unallocated expenditure)					5.65	4.14
Finance costs					(77.18)	(54.63)
Interest and dividend income					226.13	193.83
Exceptional items {Refer Note - 55 and 45(i)}					(161.77)	(92.86)
Tax expenses (Refer Note - 21)					(312.22)	(640.12)

Notes to the Financial Statements

for the year ended March 31, 2023

Rs. in Crore

	Cement		Ready Mix Concrete		Total	
	Fifteen months ended March 31, 2023	Year ended December 31, 2021	Fifteen months ended March 31, 2023	Year ended December 31, 2021	Fifteen months ended March 31, 2023	Year ended December 31, 2021
Profit after tax					**869.91**	**1,820.27**
Capital expenditure (including capital work-in-progress and capital advances)	2,073.66	1,164.27	28.86	8.62	2,102.52	1,172.89
Depreciation and amortisation	780.51	555.54	54.58	41.74	835.09	597.28
Other non-cash expenses						
Impairment loss		38.10	-	-	-	38.10
Others	9.24	10.53	12.57	(9.13)	21.81	1.40
Segment assets	15,454.00	11,746.35	503.72	509.67	15,957.72	12,256.02
Unallocated assets					4,450.79	8,662.99
Total assets					20,408.51	20,919.01
Segment liabilities	4,525.34	4,709.63	436.02	501.91	4,961.36	5,211.54
Unallocated liabilities					1,404.15	1,479.04
Total liabilities					**6,365.51**	**6,690.58**

Revenue from external customer

Rs. in Crore

	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Within India	22,209.96	16,149.25
Outside India*	0.01	2.10
Total	**22,209.97**	**16,151.35**

No single customer contributed 10% or more to the Company's revenue for the fifteen months ended March 31, 2023 and year ended December 31, 2021.

All the non current assets are located within India.

NOTE 44. DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006*

Rs. in Crore

		As at March 31, 2023	As at December 31, 2021
a.	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year:		
	Principal amount due to micro and small enterprises (Not overdue)	16.38	17.11
	Principal amount due to micro and small enterprises (overdue)	3.76	8.22
	Interest due on overdue	0.50	0.20
b.	The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
c.	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
d.	The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
e.	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 Micro, Small and Medium Enterprises Development Act, 2006.	-	-

*This information has been determined to the extent such parties have been identified on the basis intimation received from the "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006.

Notes to the Financial Statements

for the year ended March 31, 2023

NOTE 45.

(i) The Company had invested Rs. 38.10 Crore *(Previous year - Rs. 38.10 Crore)* in equity shares of Lucky Minmat Limited (LML), a wholly owned subsidiary of the Company. In view of no mining activity being carried out and ongoing litigation on transfer of lease rights and amendments brought in to the Mines and Minerals (Development and Regulations) Amendment Act, 2021, the Company has reassessed the value of investments and accordingly, during the previous year ended December 31, 2021, the Company has recognised an impairment loss of Rs. 38.10 Crore in the value of investment.

(ii) The Company has investment in ACC Mineral Resources Limited (AMRL), a wholly-owned subsidiary of Rs. 106.80 Crore *(Previous year - Rs. 106.80 Crore)*. AMRL, through its joint operations had secured development for four coal blocks allocated to Madhya Pradesh State Mining Corporation Ltd. These allocations stand cancelled pursuant to the judgment of Supreme Court dated August 25, 2014 read with its order dated September 24, 2014.

The Government of India has commenced auctioning process for all such blocks in a phased manner. The auctioning for Bicharpur, being one of the four blocks, was completed, with the block being awarded to the successful bidder vide vesting order dated March 23, 2015. AMRL had filed a writ petition with the Delhi High Court against the compensation fixed by Ministry of Coal. The revised valuation of Company's claim by the Ministry of Coal is still awaited. The auction of remaining three coal blocks has not yet taken place till date.

The Company had assessed the recoverability of amount incurred on development of these coal blocks and accordingly investment of Rs. 42.81 Crore was impaired in the previous years. Based on above the Company has concluded that no further impairment is necessary.

NOTE 46.

(i) The Company has arrangements with an associate company whereby it sells clinker and purchases cement manufactured out of such clinker. While the transactions are considered as individual sale/purchase transactions for determination of taxable turnover and tax under GST laws. Considering the accounting treatment prescribed under various accounting guidance, revenue for sale (excluding GST) of such clinker of Rs. 23.73 Crore *(Previous year - Rs. 16.15 Crore)* has not been recognised as a part of the turnover but has been adjusted against cost of purchase of Cement so converted.

(ii) The Company has arrangement with a Joint venture company whereby it purchases Ready Mix Concrete and sells that to external customers. While the transactions are considered as individual sale / purchase transactions for determination of taxable turnover and tax under GST laws. Considering the accounting treatment prescribed under various accounting guidance, revenue for sale (excluding GST) of such Ready Mix Concrete to customer of Rs. 197.09 Crore *(Previous year - Rs. 126.19 Crore)* has not been recognised as Revenue from operations but has been adjusted against cost of purchase of Ready Mix Concrete.

NOTE 47. DISCLOSURE PURSUANT TO SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECTION 186 (4) OF THE COMPANIES ACT, 2013:

Rs. in Crore

Nature of the transaction (loans given/investment made/ guarantee given/security provided)	Purpose for which the loan/ guarantee / security is proposed to be utilised by the recipient	As at March 31, 2023*	Maximum Balance during the Year*	As at December 31, 2021*	Maximum Balance during the Previous Year*
(a) Loans to wholly owned Subsidiaries –					
Singhania Minerals Private Limited	Working Capital	0.87	0.87	0.71	0.71
Lucky Minmat Limited	Working Capital	0.26	0.26	0.15	0.15

* Balance does not include outstanding interest

(b) Details of Investments made are given in Note 5.

(c) Guarantee given on behalf of Singhania Minerals Private Limited, wholly owned subsidiary company, of Rs. 0.77 Crore *(Previous Year - Rs. 0.77 Crore)* are for the purpose of approval of mining plan.

(d) Guarantee given on behalf of Bulk Cement Corporation (India) Limited, subsidiary company, of Rs. 0.30 Crore *(Previous Year - Rs. 0.10 Crore)* is for the compliance of Pollution Control.

(e) The above loans are repayable on demand and carries rate of interest at 7 % p.a. *(Previous year - 7% p.a.)*

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

NOTE 48. CAPITALISATION OF EXPENDITURE

During the year, the following amount of expenditures are recognised in the carrying amount of Property, Plant and Equipment / Capital work in progress (CWIP) in the course of its construction. Consequently, expensesdisclosed under the respective notes to the Statement of Profit and Loss are net of amounts capitalised by the Company.

Rs. in Crore

	As at March 31, 2023	As at December 31, 2021
Balance at the beginning of the year	59.29	39.09
Expenditure during construction for projects:		
Employee benefits expense*	25.59	27.75
Power and fuel**	2.04	1.22
Depreciation	0.55	0.07
Miscellaneous expenses**	-	1.41
Total	**87.47**	**69.54**
Less : Capitalised during the year	44.40	10.25
Balance at the end of the year	**43.07**	**59.29**

* Employee benefits expense represents cost of employees associated with the projects which are directly attributable to the construction and acquisition of Property, Plant and Equipment.

** Miscellaneous expenses and power and fuel are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

NOTE 49: FINANCIAL INSTRUMENTS

(A) Categories of financial instruments

Rs. in Crore

Particulars	Carrying value As at March 31, 2023	fair Value As at March 31, 2023	Carrying value As at December 31, 2021	fair Value As at December 31, 2021
Financial assets #				
1. Measured at Fair value through profit or loss (FVTPL)				
Investment in Unquoted equity shares	14.70	14.70	14.70	14.70
Cash and cash equivalents - Mutual funds	80.06	80.06	345.23	345.23
2. Measured at amortised cost				
Cash and cash equivalents (Certificates of deposits and other deposits)	-	-	250.00	250.00
Other Cash and cash equivalents (Balances with banks)	48.79	48.79	6,652.01	6,652.01
Bank balances other than Cash and Cash Equivalents	157.90	157.90	155.63	155.63
Investments in Bonds	3.70	3.70	3.70	3.70
Security deposits (Current and Non-Current)	280.31	280.31	207.66	207.66
Loans and Other financial assets (Current and Non-Current)	4,030.47	4,030.47	1,007.13	1,007.13
Trade receivables	874.74	874.74	462.42	462.42
Total	**5,490.67**	**5,490.67**	**9,098.48**	**9,098.47**

Other than investments in subsidiaries, associates and joint ventures

Rs. in Crore

Particulars	Carrying value As at March 31, 2023	Fair value As at March 31, 2023	Carrying value As at December 31, 2021	Fair value As at December 31, 2021
Financial liabilities				
Measured at amortised cost				
Trade payables	1,492.16	1,492.16	1,899.21	1,899.21
Security deposits and retention money	959.82	959.82	792.37	792.37
Lease Liabilities	153.04	153.04	125.58	125.58
Other financial liabilities	229.71	229.71	334.83	334.83
Total	**2,834.73**	**2,834.73**	**3,151.99**	**3,151.99**

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

(B) Income, Expenses, Gains or Losses on Financial Instruments

Interest income and expenses, gains or losses recognised on financial assets and liabilities in the Statement of Profit and Loss are as follows:

Rs. in Crore

Particulars	For the fifteen months ended March 31, 2023	For the Year ended December 31, 2021
Income on financial instruments		
Financial assets measured at amortised cost		
Interest income	(223.83)	(179.59)
Impairment losses on trade receivables (including reversals of impairment losses)	-	(10.87)
Financial assets measured at cost		
Dividend income from associates / joint ventures	(2.30)	(1.56)
Financial assets measured at fair value through profit or loss		
Gain on sale of current financial assets	(14.83)	(8.41)
Net gain on fair valuation of current financial assets	(0.06)	(0.23)
Expenses on financial instruments		
Financial liabilities measured at amortised cost		
Net exchange losses on revaluation or settlement of items denominated in foreign currency (trade payable)	11.87	3.20
Interest expenses on deposits from dealers	25.70	16.19
Interest expenses on lease liabilities	12.96	9.37
Impairment losses on trade receivables (including reversals of impairment losses)	14.84	-
Derivatives - Foreign exchange forward contracts		
Net loss / (gain) on foreign currency forward contracts	(2.62)	1.29
Net gain recognised in Statement of Profit and Loss	**(178.27)**	**(170.60)**

(C) Fair Value Hierarchy

The Company uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

Level 1: This level includes those financial instruments which are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: This level includes financial assets and liabilities measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: This level includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

Rs.in Crore

	Level 1	Level 2	Level 3	Total
As at March 31, 2023				
Financial assets				
Measured at Fair value through profit or loss (FVTPL)				
Investment in Unquoted equity shares	-	-	14.70	14.70
Cash and cash equivalents - Mutual funds	80.06	-	-	80.06
As at December 31, 2021				
Financial assets				
Measured at Fair value through profit or loss (FVTPL)				
Investment in Unquoted equity shares	-	-	14.70	14.70
Cash and cash equivalents - Mutual funds	345.23	-	-	345.23

Notes to the Financial Statements

for the year ended March 31, 2023

Reconciliation of Level 3 fair value measurement of unquoted equity shares

	Unlisted shares carried at FVTPL	
	For the fifteen months ended March 31, 2023	For the Year ended December 31, 2021
Opening balance	14.70	4.50
Purchases during the year	-	10.20
Gain/(Loss)		
- in Other comprehensive income	-	-
- in profit and loss	-	-
- changes on purchase of equity shares	-	-
Closing Balance	**14.70**	**14.70**

Description of significant unobservable inputs to valuation:

	Valuation techniques	Significant unobservable inputs	Sensitivity of the input to fair value
Investments in unquoted equity shares	Price of recent transaction (PORT)	Transaction price	5% (March 31, 2023: 5%) increase (decrease) in the transaction price would result in increase (decrease) in fair value by Rs. 0.74 Crore *(Previous year - Rs. 0.74 Crore)*

During the reporting period ending March 31, 2023 and December 31, 2021, there was no transfer between level 1 and level 2 fair value measurement.

The following methods and assumptions were used to estimate the fair values:

Level 1: Investments in liquid and short-term mutual funds, which are classified as FVTPL are measured using net asset values at the reporting date multiplied by the quantity held.

Level 2: The fair value of forward foreign exchange contracts is calculated as the present value determined using forward exchange rates at the reporting date.

Level 3: The fair value of unquoted instruments is estimated by discounting future cash flow or price of recent transaction.

Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The management consider the carrying values of Other Cash and cash equivalents, Bank balances other than cash and cash equivalents, investment in bonds, security deposits, loans and other financial assets, trade receivables, trade payables, security deposits and retention money and other financial liabilities (except derivative financial instruments) approximate their carrying amounts largely due to the short-term maturities of these instruments.

NOTE 50: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial risk evaluation and management is an ongoing process within the Company. The Company has a system based risk management framework to identify, monitor, mitigate and minimise risks arising from financial instruments.

The Company is exposed to market, credit and liquidity risks. The Board of Directors ('Board') oversee the management of these risks through its Risk Management Committee. The Company's Risk Management policy has been formulated by the Risk Management Committee and approved by the Board. The Policy articulates on the Company's approach to address uncertainties in its endeavour to achieve its stated and implicit objectives. It also prescribes the roles and responsibilities of the Company's management, the structure for managing risks and the framework for risk management. The framework seeks to identify, assess and mitigate risks in order to minimise potential adverse effects on the Company's financial performance.

All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes shall be undertaken. The Board of Directors reviews and agrees on policies for managing each of these risks, which are summarised below. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

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

(i) Credit risk

Credit risk is the risk that the counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities, including deposits placed with banks and financial institutions and other financial instruments.

Financial assets other than trade receivables

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with it's policy. Surplus funds are parked only within approved investment categories with well defined limits. Investment category is periodically reviewed by the Company's Board of Directors.

Credit risk arising from short term liquid funds, other balances with banks and other cash equivalents is limited and no collaterals are held against these because the counterparties are banks and recognised financial institutions with high credit ratings assigned by the credit rating agencies. None of the financial instruments of the Company result in material concentration of credit risks.

Other financial assets mainly include incentives receivable from the government, loans and security deposits given. There are no indications that defaults in payment obligations would occur in respect of these financial assets.

Incentives receivable from the Government

The Company has manufacturing units in various states; mainly those in Maharashtra, Uttar Pradesh and Jharkhand are eligible for incentives under the respective State Industrial Policy. The Company has been accruing these incentives as refund claims in respect of VAT / GST paid.

The Company has estimated the expected credit loss based on time period to recover these incentives and carries a provision of Rs. 128.92 Crore as at March 31, 2023 *(Previous year - Rs. 128.92 Crore)*.

The Company is confident about the ultimate realisation of the dues from the State Governments and there is no risk of default.

Movement of Incentives under Government schemes

	Rs. in Crore
As at January 01, 2021	863.14
Incentive accrued (Net)	153.89
Incentive received	(112.28)
As at December 31, 2021 (Refer Note - 8 & 15)	**904.75**
Incentive accrued (Net)	207.11
Incentive received	(96.23)
As at March 31, 2023 (Refer Note - 8 & 15)	**1,015.63**

Trade receivables

Customer credit risk is managed as per the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. The requirement for impairment is analysed at each reporting date on an individual basis for major customers. The management is also monitoring the receivables levels by having frequent interactions with responsible persons for highlighting potential instances where receivables might become overdue.

Trade receivables consist of a large number of customers spread across India with no significant concentration of credit risk. Ongoing credit evaluation is performed on the financial condition of accounts receivable. The Company has adopted a policy of only dealing in creditworthy counterparties and obtaining collateral i.e. security deposit. No single customer accounted for 10% or more of the Company's net sales. Therefore, the Company does not expect any material risk on account of non-performance by any of its counterparties.

For Company's exposure to credit risk by age of the outstanding from various customers refer note - 11.

Notes to the Financial Statements

for the year ended March 31, 2023

Expected credit loss assessment

For trade receivables, as a practical expedient, the Company compute credit loss allowance based on a provision matrix. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated. Accordingly, loss allowances on trade receivables are measured using provision matrix at an amount equal to life time expected losses i.e. expected cash shortfall.

The following table summarises the change in the loss allowances measured using simplified approach model expected credit loss assessment:

Rs. in Crore

As at January 01, 2021	62.25
Provided during the year	1.52
Amounts utilised	(1.13)
Reversals of provision	(12.39)
As at December 31, 2021	**50.25**
Provided during the year	15.22
Amounts utilised	(5.98)
Reversals of provision	(0.38)
As at March 31, 2023	**59.11**

No significant changes in estimation techniques or assumptions were made during the reporting period

Credit impaired

For expected credit loss as at each reporting date the Company assesses position for the assets for which credit risk has not significantly increased from initial recognition, assets for which credit risk has increased significantly but are not credit impaired and for assets for which credit risk has increased significantly and are credit impaired. The Company assesses detrimental impacts on the estimated future cash flows of the financial asset including loans, receivables and other assets. Based on the assessment of the observable data relating to significant financial difficulty and creditworthiness of the counterparties, the management believes that there are no financial assets which are credit impaired except as disclosed in the notes to the financial statements.

(ii) Liquidity risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's treasury team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows. The Company has investments in short term liquid funds which can be redeemed at a very short notice and hence carry negligible liquidity risk.

The table summarises the details regarding the remaining contractual maturities of financial liabilities at the reporting date based on the contracted undiscounted cash payments.

Rs. in Crore

	Carrying amount	Less than 1 year	1 -5 Years	More than 5 years	Total
As at March 31, 2023					
Other financial liabilities*	1,189.53	1,219.12	-	-	1,219.12
Lease Liabilities	153.04	39.09	91.42	107.88	238.39
Trade payables	1,492.16	1,492.16	-	-	1,492.16
	2,834.73	**2,750.37**	**91.42**	**107.88**	**2,949.67**

Rs. in Crore

Notes to the Financial Statements

for the year ended March 31, 2023

	Carrying amount	Less than 1 year	1 -5 Years	More than 5 year	Total
As at December 31, 2021					
Other financial liabilities*	1,127.20	1,145.41	-	-	1,145.41
Lease Liabilities	125.58	32.58	87.24	53.73	173.55
Trade payables	1,899.21	1,899.21	-	-	1,899.21
	3,151.99	**3,077.20**	**87.24**	**53.73**	**3,218.17**

*Other financial liabilities includes deposits received from customers amounting to Rs. 657.52 Crore *(Previous year Rs. 628.09 Crore)*. These deposits do not have a contractual re-payment term but are repayable on demand. Since, the Company does not have an unconditional right to defer the payment beyond 12 months from reporting date, these deposits have been classified under current financial liabilities. For including these amounts in the above mentioned maturity analysis, the Company has assumed that these deposits, including interest thereon, will be repayable at the end of the next reporting period. The actual maturity period for the deposit amount and the interest thereon can differ based on the date on which these deposits are settled to the customers.

(iii) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risk: interest rate risks, currency risk and commodity risk.

Foreign currency risk

Foreign currency risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to change in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates primarily relate to import of raw materials, fuels and capital items.

The carrying amounts of the Company's foreign currency denominated monetary liabilities at the end of the reporting periods expressed in Rs., are as follows:

Rs. in Crore

As at March 31, 2023	USD	EUR	CHF	GBP
Trade Payable	29.36	8.65	0.10	0.02
Foreign exchange derivative contracts	(23.59)	(5.46)	-	-
Net exposure to foreign currency risk (liabilities)	5.77	3.19	0.10	0.02

Rs. in Crore

As at December 31, 2021	USD	EUR	CHF	GBP
Trade Payable	75.53	4.39	0.03	0.01
Foreign exchange derivative contracts	(61.43)	-	-	-
Net exposure to foreign currency risk (liabilities)	14.10	4.39	0.03	0.01

Foreign currency sensitivity

The following tables demonstrate the sensitivity into a reasonably possible change in exchange rates, with all other variables held constant. A positive number below indicates an increase in profit where the Rs. strengthens 5% against the relevant currency. For a 5% weakening of the Rs. against the relevant currency, there would be a comparable impact on the profit and the balances below would be negative.

Rs. in Crore

	As at March 31, 2023		As at December 31, 2021	
Particulars	5% strengthening of Rs.	5% weakening of Rs.	5% strengthening of Rs.	5% weakening of Rs.
USD	0.29	(0.29)	0.71	(0.71)
EUR	0.16	(0.16)	0.22	(0.22)
TOTAL	**0.45**	**(0.45)**	0.93	(0.93)

5% represent management assessment of reasonably possible change in foreign currency exchange rate.

Notes to the Financial Statements

for the year ended March 31, 2023

Commodity price risk

Commodity price risk for the Company is mainly related to fluctuations in coal and pet coke prices linked to various external factors, which can affect the production cost of the Company. Since the energy costs is one of the primary costs drivers, any fluctuation in fuel prices can lead to a drop in operating margin. To manage this risk, the Company take following steps:

1. Optimising the fuel mix, pursue longer term and fixed contracts where considered necessary (Refer Note - 16).
2. Consistent efforts to reduce the cost of power and fuel by using both domestic and international coal and petcoke.
3. Use of alternative Fuel and Raw Materials (AFR) and enhancing the utilisation of renewable power including its onsite and offsite solar, wind, hydro power and Waste Heat Recovery System (WHRS).

   Additionally, processes and policies related to such risks are reviewed and controlled by senior management and fuel requirements are monitored by the central procurement team.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Company's exposure to the interest rate risk arises primarily from security deposit from dealers. The Company has not used any interest rate derivatives.

The Company has taken interest bearing security deposit from dealers. If interest rate had been 0.50% higher/ lower the profit before tax for the year ended March 31, 2023 would decrease / increase by Rs. 3.29 Crore *(Previous year - Rs. 3.14 Crore)*.

NOTE 51. CAPITAL MANAGEMENT

The Company's objectives when managing capital are to (a) maximise shareholder value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital.

For the purposes of the Company's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders.

As stated in the below table, the Company is a debt free company with no borrowings. The Company is not subject to any externally imposed capital requirements.

Rs. in Crore

	Note No.	As at March 31, 2023	As at December 31, 2021
Total Debt		-	-
Less: Cash and cash equivalents	12	(128.85)	(7,247.24)
Net debt		(128.85)	(7,247.24)
Equity	18 & 19	14,043.00	14,228.43
Debt to Equity (Net)		**NA**	**NA**

NOTE 52: DIVIDEND DISTRIBUTION AND PROPOSED DIVIDEND

Rs. in Crore

	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Dividends on equity shares declared and paid:		
Final dividend for the year ended December 31, 2021 Rs. 58.00 per share *(Previous year - Rs. 14.00)*	1,089.17	262.90
	1,089.17	**262.90**
Proposed dividends on equity shares:		
Final dividend for the fifteen months ended March 31, 2023 Rs. 9.25 per share *(Previous year -Rs. 58.00)*	173.70	1,089.17
	173.70	**1,089.17**

Proposed dividends on equity shares are subject to approval at the Annual General Meeting and are not recognised as a liability

Notes to the Financial Statements

for the year ended March 31, 2023

NOTE 53: EMPLOYEE SHARE BASED PAYMENTS

Description of plan - Holcim Performance Share Plan

Holcim Ltd (erstwhile Ultimate Holding Company) set up a performance share plan. Performance shares are granted to executives and senior management for their contribution to the continuing success of the business. These shares will be delivered after three year vesting period following the grant date and are subject to internal performance conditions.

900 *(Previous Year - 6,600)* performance shares at a fair value of Rs. 3,613 per share *(Previous Year - Rs. 4,226 per share)* were granted in 2022-23. Internal performance conditions are attached to the performance shares and are based on Holcim Earnings per Share (EPS) and Holcim Return on Invested Capital (ROIC). During the year, Rs. 2.78 Crore *(Previous Year - Rs. 4.18 Crore)* is charged to the Statement of Profit and Loss in respect of equity-based payments transactions with a corresponding increase being made to the capital contribution to the Company by the parent.

Information related to awards granted through the performance share plan is presented below:

Rs. in Crore

	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
As at beginning of year	17,400	16,200
Granted	900	6,600
Issued	(15,833)	-
Forfeited	(2,467)	(5,400)
As at end of the year	**-**	**17,400**

Fair value of shares granted is determined based on the estimated achievement of Holcim earnings per share, return on invested capital and sustainability indicators.

NOTE 54

The Competition Commission of India ("CCI") initiated an investigation against cement companies in India including the Company regarding alleged anti-competitive behaviour and conducted search and seizure operations in December 2020 against few companies. The Director General (DG) of CCI in January 2021 sought information from the Company and the information sought was provided. In the current year, CCI had sent the investigation report of the DG to the Company and directed the Company to file their suggestions / objections to the report. Company has submitted its responses and the matter is pending for hearing before CCI. The Company is of the firm view that it has acted and continues to act in compliance with competition laws. The Company believes that this does not have any impact on the financial statements.

NOTE 55: EXCEPTIONAL ITEMS REPRESENT -

- Special incentive for certain key employees, pursuant to change in the ownership and control of Rs. 22.00 Crore *(Previous year - Rs. Nil)*
- One-time Information technology transition cost of Rs. 73.35 Crore *(Previous year - Rs. Nil)*
- Restructuring cost of under the voluntary retirement scheme Rs. 66.42 Crore *(Previous year -Rs. 54.76 Crore)*

NOTE 56

During the current year, the Board of Directors have approved the change of financial year end from December 31 to March 31. In view of this, the current financial year is for a period of fifteen months i.e., January 01, 2022, to March 31, 2023 and, accordingly, the figures for the fifteen months financial ended March 31, 2023 are not comparable with the figures for the year ended December 31, 2021

NOTE 57

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits 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 the Code becomes effective.

Notes to the Financial Statements

for the year ended March 31, 2023

NOTE 58

During the fifteen months ended March 31, 2023, a short seller report was published in which certain allegations were made involving Adani group companies. Writ petitions were filed in the matter with the Hon'ble Supreme Court ("SC"), and during hearing the Securities and Exchange Board of India ("SEBI") has represented to the SC that it is investigating the allegations made in the short seller report for any violations of the various SEBI Regulations. The SC vide its order dated March 2, 2023 has also constituted an expert committee to investigate and also advise into the various aspects of existing laws and regulations, and also directed the SEBI to consider certain additional aspects in its scope. During the fifteen months ended March 31, 2023 and subsequent to March 31, 2023, Adani group companies have provided responses to various queries by the SEBI and the Stock Exchanges. The above-mentioned investigations are in progress as of date.

To uphold the principles of good governance, Adani group has undertaken review of transactions referred in the short seller's report and had obtained an opinion from independent law firm in respect of evaluating relationships with parties having transactions with the Company and referred to in the short seller's report. Management, based on such opinion, confirms that Company is in compliance with applicable laws and regulations.

Based on the foregoing and pending outcome of the investigations as mentioned above, the standalone financial statements do not carry any adjustment.

NOTE 59

During the year, the Company had initiated capex plan to enhance its capacity through brownfield expansion during the period and gave milestone payment to the EPC Contractor. The Company reassessed its strategy for capex program and decided to foreclose the EPC contract and recovered its advance of Rs. 188 Crore (net of GST) without penalty.

NOTE 60 - FINANCIAL RATIOS

Sr. No.	Ratio	Numerator - Description	Denominator - Description	January 22- March 23	January 21 - December 21	% Variance	Reason for variance
1	Current Ratio (in times)	Current assets	Current liabilities	1.44	1.71	(16)%	
2	Return on Equity ratio (in %)*	Profit after tax (excluding other comprehensive income)	Average total equity	5%	14%	(64)%	Return on equity reduced mainly on account of increase in fuels prices.
3	Inventory Turnover Ratio (in times)*	Cost of goods sold (Refer Note - 3)	Average Inventory	6.76	6.49	4%	
4	Trade Receivables turnover ratio (in times)*	Sale of products and services	Average trade receivable	26.05	34.61	(25)%	
5	Trade Payables turnover ratio (in times)*	Cost of sales (Refer Note - 2)	Average trade payable	9.57	7.93	21%	
6	Net Capital turnover ratio (in times)*	Revenue from operations	Working Capital (Refer Note -1)	7.04	3.78	86%	Increase in ratio due to reduction in working capital
7	Net Profit ratio (in %)	Profit after tax (excluding other comprehensive income)	Revenue from operations	4%	11%	(65)%	Net profit reduced mainly on account of increase fuels prices
8	Return on capital employed (in %)*	Profit after tax (excluding other comprehensive income)	Average capital employed	5%	14%	(55)%	Return on Capital employed reduced mainly on account of increase in fuels prices.
9	Debt service coverage ratio (In times)	Profit before exceptional items & tax + interest expenses + depreciation & amortisation	Interest expense + scheduled lease liabilities during the period	25.38	89.06	(72)%	Reduction in debt service coverage ratio is due to decrease in profit
10	Return on investment (in %)*	Interest income + Dividend income + Gain on sale / fair valuation of current financial assets measured at FVTPL	Average Investment + Fixed deposit	4%	3%	45%	Return on investment increase due to increase in FD interest rate

1 Working Capital = Current Assets minus Current Liabilities as per balance sheet (excluding current maturities lease liability)

2 Cost of sales = Total expenses minus Depreciation and amortisation minus finance cost

3 Cost of goods sold = Raw Material Consumed, Purchase of traded goods, power and fuels , Changes in inventories of finished goods, work-in-progress and stock-in-trade, consumption of stores and spares and consumption of packing material

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

*Current period ratios have been annualised on a time proportion basis as the financial year is for a fifteen month period (Refer Note - 56)

NOTE 61 - OTHERS STATUTORY INFORMATION

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

2 The Company do not have any transactions with struck off companies under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

Name of the Struck off companies	Nature of transactions with struck off Company	Transactions during the fifteen months ended March 31, 2023	Balance outstanding as at March 2023	Transaction during the year ended December 31, 2021	Balance outstanding as at December 2021	Relationship with the Struck off company
Anugrah madison advertising Pvt Ltd	Purchase of goods and services	-	*	-	*	Vendor
Rajat hans logistics Pvt Ltd	Purchase of goods and services	-	0.01	-	0.01	Vendor
Tirupati balaji logistics Pvt Ltd	Purchase of goods and services	-	0.02	-	0.02	Vendor
Katashi engineering services Pvt Ltd	Purchase of goods and services	-	0.03	-	0.03	Vendor
Eco grow environmental services Pvt Ltd	Purchase of goods and services	-	*	-	*	Vendor
Praxis EI training & consulting Pvt Ltd	Purchase of goods and services	-	*	-	*	Vendor
Sm mining machinery & equipment Pvt Ltd	Purchase of goods and services	-	0.02	-	0.02	Vendor
Pushap associates Private Limited	Purchase of goods and services	-	*	-	*	Vendor
Kanuj envirotech Pvt Ltd	Purchase of goods and services	-	*	-	*	Vendor
JS techmarine solutions Pvt Ltd	Purchase of goods and services	0.01	-	0.01	0.01	Vendor
Thiruvishnu sabarisha construction Pvt Ltd	Purchase of goods and services	*	0.01	-	*	Vendor
Deep Star Tiles Pvt Ltd.	Sale of goods and services	-	*	-	*	Customer
Garg Building Material Suppliers Pvt Ltd	Sale of goods and services	-	*	*	*	Customer
Arnav ecumeneinfra Pvt Ltd	Sale of goods and services	*	*	-	*	Customer
Kamakshi minakshi Construction Pvt Ltd	Sale of goods and services	-	-	0.01	-	Customer
Seturya infrastructures Pvt Ltd	Sale of goods and services	-	*	-	*	Customer
Travel tendo Pvt Ltd	Sale of goods and services	-	*	-	*	Customer
Gharcool building materials pvt Ltd	Sale of goods and services	*	-	0.06	*	Customer
Saibabaji steel and traders Pvt Ltd	Sale of goods and services	-	-	0.03	-	Customer
Glosson surface solutions Pvt Ltd	Sale of goods and services	-	*	-	*	Customer
J S techmarine solutions Pvt Ltd	Sale of goods and services	-	-	0.03	-	Customer

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

Springfield forestry Pvt Ltd	Sale of goods and services	-	-	0.03	-	Customer

* Denotes below ₹ 50,000

3 The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

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

5 The Company has not advanced or loaned or invested funds to any other person or entity, 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.

6 The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company 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.

7 The Company does not have any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the 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.

8 The Company has not been declared a wilful defaulter by any bank or financial institution or other lender (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

9 Significant Events after the Reporting Period - There were no significant adjusting events that occurred subsequent to the reporting period other than the events disclosed in the relevant notes.

10 The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017 (as amended).

11 The Company has not given any loans or advances in the nature of loans to promoters, directors, KMPs and/ or related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are repayable on demand, or without specifying any terms or period of repayment.

12 Previous year's figures have been regrouped and rearranged where necessary to conform to this year's classification.

As per our report of even date

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No.: 324982E/E300003

per **ABHISHEK AGARWAL**
Partner
Membership No.: 112773

Mumbai, April 27, 2023

For and on behalf of the Board of Directors of ACC Limited,

KARAN ADANI
Chairman
DIN: 03088095

AJAY KAPUR
Wholetime Director & Chief Executive Officer
DIN: 03096416

VINOD BAHETY
Chief Financial Officer

Ahmedabad, April 27, 2023

INDEPENDENT AUDITOR'S REPORT

To the Members of ACC Limited

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying consolidated financial statements of ACC Limited (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates, joint ventures and joint operations comprising of the consolidated Balance sheet as at March 31 2023, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the fifteen months financial year then ended (Refer Note 60), and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, associates, joint ventures and joint operations, except for the possible effects of the matter described in the 'Basis for Qualified Opinion' section of our report, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates, joint ventures and joint operations as at March 31, 2023, their consolidated profit including other comprehensive income, their consolidated cash flows and the consolidated statement of changes in equity for the fifteen months financial year ended on that date.

Basis for Qualified Opinion

We refer to Note 61 of the accompanying consolidated financial statements. Management has represented to us that the Adani group has performed an internal assessment and obtained opinion from an independent law firm in respect of evaluating relationships with parties having transactions with the Holding Company and referred to in the short seller's report. However, pending the completion of proceedings before the Hon'ble Supreme Court and regulatory investigations, we are unable to comment on the possible consequential effects thereof, if any, on these consolidated financial statements.

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as 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, associates, joint ventures and joint operations in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Emphasis of Matter

We draw your attention to Note 42(a) and 42(b) of the accompanying consolidated financial statements which describes the uncertainty related to the outcome of ongoing litigations with the Competition Commission of India. Our opinion is not modified in respect of these matters.

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 fifteen months financial 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. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report. We have fulfilled the responsibilities described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the consolidated financial statements. The results of audit procedures performed by us and by other auditors of components not audited by us, as reported by them in their audit reports furnished to us by the management, including those procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying consolidated financial statements.

Key audit matters	How our audit addressed the key audit matter
Litigation and Claims (as described in Notes 1(L), 1(Z)(I), 42 and 43 of the consolidated financial statements)	
The Holding Company has significant ongoing legal proceedings for various complex matters relating to direct tax, indirect tax, government incentive claims and other legal matters under various laws prevailing in India. Due to the magnitude and complexity involved in these matters, management's judgement regarding recognition and measurement of provisions for these legal proceedings is inherently uncertain and might change over time as the outcome of the legal cases are determined. Accordingly, it has been considered as a key audit matter.	Our audit procedures included: • Read the Group's accounting policies with respect to contingent liabilities and provisions and assessing its compliance with Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets". • Obtained understanding of the Holding Company's process and controls to identify and monitor all litigations, including Holding Company's process of assessment of litigations as 'probable', 'possible' and 'remote' and reporting to the board of directors / Audit Committee. • Held discussions with the management including the person responsible for legal and compliance to obtain an understanding of the matters involved and development in these matters compared to previous year. For significant direct and indirect tax matters and government incentive claims, we assessed the management conclusion with the support of specialists. • For other significant legal matters, assessed management conclusion basis the related documentation / correspondence and opinions from external legal experts (where applicable), as provided by the management. • Obtained direct legal confirmations for significant matters from external law firms handling such matters to corroborate management conclusions. • Assessed the objectivity and competence of the external legal experts / law firms as referred above. • Reviewed the disclosures made in the consolidated financial statements.
Physical verification of bulk inventories (as described in Note 1(D), 1(Z)(VII) and 10 of the consolidated financial statements)	
Bulk inventory for the Holding Company primarily comprises of coal, petcoke and clinker which are used during the production process at the Holding Company's plants. Holding Company has laid down a policy for physical verification defining, amongst other things, the frequency, responsibility and tolerance limits for all category of inventories, including bulk inventories. Holding Company also performs regular calibration checks of measuring equipment involved in determining physical quantities of bulk inventories and also engages independent third party to perform physical quantity checks. Determination of physical quantities of bulk inventories is done based on volumetric measurements and involves special considerations with respect to physical measurement, density calculation, moisture, etc. Considering the inherent risk involved in determining physical quantities of bulk inventories, we have considered this as a key audit matter.	Our audit procedures included: Obtained an understanding of the Holding Company's process and controls with respect to physical verification of bulk inventories and evaluated the design effectiveness and operating effectiveness of these controls. • On a test basis, reviewed the equipment calibration check reports. • Obtained reports of physical verification performed for bulk inventories by management during the fifteen months financial year and at year end and assessed, on a test basis, that adjustments, if any, have been recorded for differences as compared to the inventory records as per the books. • Assessed the frequency of physical verification performed by independent third party in line with the Holding Company's policy and on a test basis, reviewed the reports issued. • On a test basis, observed physical verification performed by the management at or near year end.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associates, joint ventures and joint operations in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associates, joint ventures and joint operations are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of 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 of its associates, joint ventures and joint operations are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those respective Board of Directors of the companies included in the Group and of its associates, joint ventures and joint operations are also responsible for overseeing the financial reporting process of their respective companies.

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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to 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 associates, joint ventures and joint operations 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 associates, joint ventures and joint operations 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 associates, joint ventures and joint operations of which we are the independent auditors, 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. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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 fifteen months financial 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.

Other Matters

(a) We did not audit the financial statements and other financial information, in respect of 3 subsidiaries, and 4 joint operations of a subsidiary, whose financial statements include total assets of Rs 97.52 Crore as at March 31, 2023, and total revenues of Rs 2.73 Crore and net cash inflows of Rs 3.82 Crore for the fifteen months financial year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated financial statements also include the Group's share of net profit of Rs. 16.15 Crore for the fifteen months financial year ended March 31, 2023, as considered in the consolidated financial statements, in respect of 2 associates and 2 joint ventures, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures, joint operations and associates, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint ventures and joint operations and associates, is based solely on the reports of such other auditors.

(b) The consolidated financial statements of the Holding Company for the year ended December 31, 2021, included in these consolidated financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on February 9, 2022.

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies, associate companies, joint ventures and joint operations companies, incorporated in India, as noted in the 'Other Matters' paragraph we give in the "Annexure 1" a statement on the matters specified in paragraph 3(xxi) of the Order.

2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, associates, joint ventures and joint operations, as noted in the 'Other matters' paragraph we report, to the extent applicable, that:

(a) We/the other auditors whose report we have relied upon have sought and except for the possible effects, if any, of the matter described in the Basis for Qualified Opinion paragraph, we/the other auditors have 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) Except for the possible effects, if any, of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;

(c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Consolidated Cash Flow Statement and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;

(d) Except for the possible effects, if any, of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Holding Company;

(f) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors who are appointed under Section 139 of the Act, of its subsidiary companies, associate companies, joint ventures and joint operations, none of the directors of the Group's companies, its associates, joint ventures and joint operations, incorporated in India, is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;

(g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph and paragraph (b) above;

(h) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, associate companies, joint ventures and joint operations, incorporated in India, and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

(i) In our opinion and based on the consideration of reports of other statutory auditors of the subsidiaries, associates, joint ventures and joint operations incorporated in India, the managerial remuneration for the fifteen months financial year ended March 31, 2023 has been paid / provided by the Holding Company, its subsidiaries, associates, joint ventures and joint operations incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V to the Act;

(j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements as also the other financial information of the subsidiaries, associates, joint ventures and joint operations, as noted in the 'Other matters' paragraph:

i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, its associates, joint ventures and joint operations in its consolidated financial statements – Refer Note 42 and 43 to the consolidated financial statements;

ii. The Group, its associates, joint ventures and joint operations did not have any material foreseeable losses in long-term contracts including derivative contracts during the fifteen months financial year ended March 31, 2023;

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiaries, associates, joint ventures and joint operations, incorporated in India during the fifteen months financial year ended March 31, 2023.

iv. (a) The respective managements of the Holding Company and its subsidiaries, associates, joint ventures and joint operations which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associates, joint ventures and joint operations respectively that, to the best of its knowledge and belief, 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 any of such subsidiaries, associates, joint ventures and joint operations 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, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries, associates, joint ventures and joint operations ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiaries, associates, joint ventures and joint operations which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associates, joint ventures and joint operations respectively that, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or any of such subsidiaries, associates, joint ventures and joint operations 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 any of such subsidiaries, associates, joint ventures and joint operations shall, whether, 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; and

c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries, associates, joint ventures and joint operations which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

v. The final dividend paid by the Holding Company during the fifteen months financial year in respect of the same declared for the previous year is in accordance with section 123 of the Act to the extent it applies to payment of dividend.

The interim dividend declared and paid during the year by the joint venture and associate of the Holding Company incorporated in India and until the date of the audit report of such joint venture and associate is in accordance with section 123 of the Act.

As stated in Note 54 to the consolidated financial statements, the Board of Directors of the Holding Company and Joint Venture have proposed final dividend for the fifteen months financial year which is subject to the approval of the members of the respective companies at the respective ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

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

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Abhishek Agarwal**

Partner

Membership Number: 112773

UDIN: 23112773BGRIEJ3163

Place of Signature: Mumbai

Date: April 27, 2023

ANNEXURE '1'

referred to in paragraph under the heading "Report on Other Legal and Regulatory Requirements" of our independent auditor's report of even date

Re: ACC Limited ("the Holding Company")

In terms of the information and explanations sought by us and given by the Holding Company and the books of account and records examined by us in the normal course of audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies, associate companies, joint ventures and joint operations companies, incorporated in India and to the best of our knowledge and belief, we state the following qualifications or adverse remarks by the respective auditors in the Companies (Auditors Report) Order (CARO) reports of the companies included in the consolidated financial statements are:

Sr. No.	Name	CIN	Holding company/ subsidiary/ associate/ joint venture	Clause number of the CARO report which is qualified or is adverse
1	ACC Limited	L26940MH1936PLC002515	Holding Company	(i)(c), (iii)(a), (xi)(a) and (xiii)
2	Bulk Cement Corporation (India) Limited	U99999MH1992PLC066679	Subsidiary	vii(a)
3	Singhania Minerals Private Limited	U14109MP1992PTC007264	Subsidiary	(xvii), (xix)
4	Lucky Minmat Limited	U14219RJ1976PLC001697	Subsidiary	(xvii), (xix)

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per **Abhishek Agarwal**
Partner
Membership Number: 112773
UDIN: 23112773BGRIEJ3163
Place of Signature: Mumbai
Date: April 27, 2023

ANNEXURE '2'

To the independent auditor's report of even date on the consolidated financial statements of ACC Limited

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

In conjunction with our audit of the consolidated financial statements of ACC Limited (hereinafter referred to as "the Holding Company") as of and for the fifteen months financial year ended March 31, 2023, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), its associates, joint operations and joint ventures, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group its associates, joint operations and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal financial control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). 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 Holding Company's internal financial controls with reference to consolidated financial statements 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") and the Standards on Auditing, specified under section 143(10) of the Act , to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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 these 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 Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the Holding Company's internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the 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 the 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.

Qualified Opinion

According to the information and explanations given to us and based on the report issued by other auditors on internal financial controls with reference to consolidated financial statements in case of its subsidiaries, its associates, joint operations and joint ventures, which are companies incorporated in India, as stated in the 'Basis for Qualified Opinion' paragraph of our audit report, considering the ongoing proceedings before the Hon'ble Supreme Court and regulatory investigations and the consequential impact, if any, it may have on Holding Company's processes and internal controls including procurements, related party transactions and compliance with laws and regulations, to that extent we are unable to comment on whether there exists any material weakness in the Holding Company's internal controls as at March 31, 2023.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control with reference to consolidated financial statements, such that there is a reasonable possibility that a material misstatement of the holding company's annual or interim consolidated financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the matter described above on the achievement of the objectives of the control criteria, the companies included in the Group, its associates, joint operations and joint ventures, which are companies incorporated in India, have, maintained in all material respects, 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 control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our 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 these 3 subsidiaries, 2 associates and 2 joint ventures, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

We also have audited, in accordance with the Standards on Auditing issued by the ICAI as specified under section 143(10) of the Act, the consolidated financial statements of the Holding Company, 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 Cash Flow Statement and the consolidated Statement of Changes in Equity for the fifteen months financial year then ended, and notes to the consolidated financial statements including a summary of significant accounting policies and other explanatory information. The matter described above was considered in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2023 consolidated financial statements of the Group and this report affect our report dated April 27, 2023 ,which expressed modified opinion on those financial statements.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

per **Abhishek Agarwal**

Partner

Membership Number: 112773

UDIN: 23112773BGRIEJ3163

Place of Signature: Mumbai

Date: April 27, 2023

CONSOLIDATED BALANCE SHEET

Rs. in Crore

Particulars	Note No.	As at March 31, 2023 (Refer Note-60)	As at December 31, 2021
A. ASSETS			
1) Non-current assets			
a) Property, plant and equipments	2	7,102.25	6,541.42
b) Capital work-in-progress	2	1,684.00	1,216.39
c) Other intangible assets	3	144.25	49.95
d) Right of use assets	4	261.62	154.61
e) Goodwill		3.77	3.77
f) Investments in associates and joint ventures	5	144.91	131.15
g) Financial assets			
(i) Investments	6	18.40	18.40
(ii) Loans	7	8.86	10.02
(iii) Other financial assets	8	1,232.63	917.09
h) Non-current tax assets (net)		1,006.00	1,004.15
i) Other non-current assets	9	681.93	623.82
Total Non-current assets		**12,288.62**	**10,670.77**
2) Current assets			
a) Inventories	10	1,624.20	1,273.91
b) Financial assets			
(i) Trade receivables	11	869.24	462.26
(ii) Cash and cash equivalents	12	256.63	7,366.59
(iii) Bank balances other than cash and cash equivalents	13	158.08	155.81
(iv) Loans	14	5.76	6.60
(v) Other financial assets	15	3,069.46	286.88
c) Other current assets	16	2,269.65	813.69
		8,253.02	**10,365.74**
d) Non-current assets classified as held for sale	17	2.13	2.33
Total current assets		**8,255.15**	**10,368.07**
TOTAL - ASSETS		**20,543.77**	**21,038.84**
B. EQUITY AND LIABILITIES			
Equity			
a) Equity share capital	18	187.99	187.99
b) Other equity	19	13,950.48	14,120.84
Equity attributable to owners of the parent		**14,138.47**	**14,308.83**
Non-controlling interest		3.48	3.35
Total Equity		**14,141.95**	**14,312.18**
Liabilities			
Non-current liabilities			
a) Financial liabilities			
Lease liabilities		125.68	101.37
b) Provisions	20	177.80	215.55
c) Deferred tax liabilities (net)	21	457.33	403.70
Total - Non-current liabilities		**760.81**	**720.62**
Current liabilities			
a) Financial liabilities			
(i) Trade payables			
Total outstanding dues of micro and small enterprises	22,46	20.21	25.33
Total outstanding dues of trade payables other than micro and small enterprises	22	1,473.18	1,879.56
(ii) Lease liabilities		27.36	24.21
(iii) Other financial liabilities	23	1,191.49	1,129.47
b) Other current liabilities	24	2,380.15	2,265.35
c) Provisions	25	10.08	15.70
d) Current tax liabilities (net)		538.54	666.42
Total - current liabilities		**5,641.01**	**6,006.04**
Total - liabilities		**6,401.82**	**6,726.66**
TOTAL - EQUITY AND LIABILITIES		**20,543.77**	**21,038.84**
Significant accounting policies	1		
See accompanying notes to the consolidated financial statements			

As per our report of even date

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No.: 324982E/E300003

per **ABHISHEK AGARWAL**
Partner
Membership No.: 112773

Mumbai, April 27, 2023

For and on behalf of the Board of Directors of ACC Limited,

KARAN ADANI
Chairman
DIN: 03088095

AJAY KAPUR
Wholetime Director & Chief Executive Officer
DIN: 03096416

VINOD BAHETY
Chief Financial Officer

Ahmedabad, April 27, 2023

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

Rs. in Crore

	Particulars	Note No.	For the fifteen months ended March 31, 2023 (Refer Note-60)	For the year ended December 31, 2021
	INCOME			
1	Revenue from operations	26	22,210.18	16,151.67
2	Other income	27	341.89	206.71
3	**TOTAL INCOME (1+2)**		**22,552.07**	**16,358.38**
4	**EXPENSES**			
	a) Cost of materials consumed	28	3,345.96	2,119.57
	b) Purchases of stock-in-trade	29	2,300.95	921.19
	c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	30	(193.19)	(174.25)
	d) Employee benefits expense	31	1,036.20	836.16
	e) Power and fuel		5,742.72	3,364.77
	f) Freight and forwarding expense	32	5,140.24	3,822.99
	g) Finance costs	33	77.28	54.62
	h) Depreciation and amortisation expense	34	841.32	600.68
	i) Other expenses	35	2,931.24	2,287.61
			21,222.72	**13,833.34**
	Captive consumption of cement		(18.87)	(24.45)
	TOTAL EXPENSES		**21,203.85**	**13,808.89**
5	**Profit before share of profit of associates and joint ventures and tax (3-4)**		**1,348.22**	**2,549.49**
6	Share of profit in associates and joint ventures		16.15	11.65
7	**Profit before exceptional items and tax (5+6)**		**1,364.37**	**2,561.14**
8	Exceptional items	59	161.77	54.76
9	**Profit before tax (7-8)**		**1,202.60**	**2,506.38**
10	**Tax expense**	21		
	a) Current tax		274.21	636.19
	b) Deferred tax charge / (credit)		43.18	7.09
			317.39	**643.28**
11	**Profit after tax (9-10)**		**885.21**	**1,863.10**
12	**Other comprehensive income (OCI)**			
	(i) Items that will not be reclassified to profit and loss:			
	(a) Re-measurement gain / (loss) on defined benefit plans	39	41.50	7.27
	(b) Share of Re-measurement gain / (loss) on defined benefit plans of associates and joint ventures (net of tax)		(0.09)	(0.01)
	(ii) Income tax relating to items that will not be reclassified to profit and loss	21	(10.45)	(1.83)
	Other comprehensive income for the year, net of tax		**30.96**	**5.43**
13	**Total comprehensive income for the year (11+12)**		**916.17**	**1,868.53**
14	**Profit attributable to:**			
	Owners of the Company		885.07	1,862.99
	Non-controlling interests		0.14	0.11
	Profit for the year		**885.21**	**1,863.10**
15	**Other comprehensive income attributable to:**			
	Owners of the Company		30.96	5.43
	Non-controlling interests		-	-
	Other comprehensive income		**30.96**	**5.43**
16	**Total comprehensive income attributable to:**			
	Owners of the Company		916.03	1,868.42
	Non-controlling interests		0.14	0.11
	Total comprehensive income		**916.17**	**1,868.53**
17	Earnings per equity share of Rs. 10 each:	36		
	(a) Basic Rs.		47.13	99.21
	(b) Diluted Rs.		47.01	98.94
	Significant accounting policies	1		
	See accompanying notes to the consolidated financial statements			

As per our report of even date

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No.: 324982E/E300003

per **ABHISHEK AGARWAL**
Partner
Membership No.: 112773

Mumbai, April 27, 2023

For and on behalf of the Board of Directors of ACC Limited,

KARAN ADANI
Chairman
DIN: 03088095

AJAY KAPUR
Wholetime Director & Chief Executive Officer
DIN: 03096416

VINOD BAHETY
Chief Financial Officer

Ahmedabad, April 27, 2023

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

A. EQUITY SHARE CAPITAL

	Note No.	Rs. in Crore
As at January 01, 2021	18	187.99
Changes during the year		-
As at December 31, 2021	18	187.99
Changes during the year		-
As at March 31, 2023	18	187.99

B. OTHER EQUITY

For the fifteen months ended March 31, 2023

Rs. in Crore

	Reserves and surplus (Refer Note - 19)				Total attributable to owners of the Company	Attributable to non-controlling interest	Total
	Securities premium	General reserve	Capital contribution from parent	Retained earnings			
As at January 01, 2022	845.03	2,796.78	7.47	10,471.56	14,120.84	3.35	14,124.19
Profit for the year	-	-	-	885.07	885.07	0.14	885.21
Other Comprehensive Income for the year, net of tax	-	-	-	30.96	30.96	-	30.96
Total comprehensive income for the year	-	-	-	916.03	916.03	0.14	916.17
Employee Share based payments (Refer Note - 56)	-	-	2.78	-	2.78	-	2.78
Dividend paid (Refer Note - 54)	-	-	-	(1,089.17)	(1,089.17)	-	(1,089.17)
As at March 31, 2023	845.03	2,796.78	10.25	10,298.42	13,950.48	3.48	13,953.97

For the year ended December 31, 2021

Rs. in Crore

	Reserves and surplus (Refer Note - 19)				Total attributable to owners of the Company	Attributable to non-controlling interest	Total
	Securities premium	General reserve	Capital contribution from parent	Retained earnings			
As at January 01, 2021	845.03	2,796.78	3.29	8,866.04	12,511.14	3.24	12,514.38
Profit for the year	-	-	-	1,862.99	1,862.99	0.11	1,863.10
Other Comprehensive Income for the year, net of tax	-	-	-	5.43	5.43	-	5.43
Total comprehensive income for the year	-	-	-	1,868.42	1,868.42	0.11	1,868.53
Employee Share based payments (Refer Note - 56)	-	-	4.18	-	4.18	-	4.18
Dividend paid (Refer Note - 54)	-	-	-	(262.90)	(262.90)	-	(262.90)
As at December 31, 2021	**845.03**	**2,796.78**	**7.47**	**10,471.56**	**14,120.84**	**3.35**	**14,124.19**

See accompanying notes to the consolidated financial statements

As per our report of even date

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No.: 324982E/E300003

per **ABHISHEK AGARWAL**
Partner
Membership No.: 112773

Mumbai, April 27, 2023

For and on behalf of the Board of Directors of ACC Limited,

KARAN ADANI
Chairman
DIN: 03088095

AJAY KAPUR
Wholetime Director & Chief Executive Officer
DIN: 03096416

VINOD BAHETY
Chief Financial Officer

Ahmedabad, April 27, 2023

CONSOLIDATED STATEMENT OF CASH FLOW

Rs. in Crore

Particulars	For the fifteen months ended March 31, 2023 (Refer Note-60)	For the year ended December 31, 2021
Cash flow from operating activities		
Profit before tax	1,202.60	2,506.38
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expense	841.32	600.68
Provision for restructuring cost	66.42	47.42
Impairment of goodwill in Subsidiary Company	-	6.42
(Profit) / loss on sale / write off of Property, plant and equipments and Other intangible assets (net)	(95.20)	(1.68)
Gain on termination of leases	(0.97)	(0.61)
Gain on sale of current financial assets measured at FVTPL	(17.13)	(9.54)
Interest income	(228.47)	(194.61)
Finance costs	77.28	54.62
Impairment losses / (reversal) on trade receivables (net)	14.84	(10.87)
Provision for slow and non moving stores & spares (net)	0.93	6.85
Provision no longer required written back	(12.32)	(7.33)
Net gain on fair valuation of current financial assets measured at FVTPL	(0.13)	(0.27)
Employee share based payments	2.78	4.18
Share of profit in associates and joint ventures	(16.15)	(11.65)
Unrealised exchange loss (net)	3.82	0.90
Operating profit before working capital changes	**1,839.62**	**2,990.89**
Changes in Working Capital:		
Adjustments for decrease / (increase) in operating assets:		
(Increase) / decrease in inventories	(283.29)	(379.49)
(Increase) / decrease in trade receivable	(421.82)	(26.74)
Increase in other assets	(1,742.58)	(190.90)
Adjustments for increase / (decrease) in operating liabilities:		
Increase / (decrease) in trade payables	(403.00)	489.09
Decrease in provision	(16.69)	(2.69)
Increase in other liabilities	196.62	240.99
Cash generated from operations	**(831.14)**	**3,121.15**
Direct taxes paid including interest on income tax - (Net of refunds)	(403.94)	(285.66)
Net cash flow (used in) / from operating activities	**(1,235.08)**	**2,835.49**
Cash flow from investing activities		
Loans to joint venture	(0.05)	(0.02)
Intercorporate deposit taken	200.00	-
Intercorporate deposit repaid	(200.00)	-
Investment in equity shares	-	(10.20)
Purchase of Property, plant and equipments and other intangible assets (Including capital work-in-progress and capital advances)	(2,104.72)	(1,175.36)
Proceeds from sale of Property, plant and equipments and other intangible assets	123.75	22.02
Net proceeds from sale of mutual funds	17.13	9.54
(Investment) / redemption in bank and margin money deposits (having original maturity for more than 3 months)	(2,890.78)	(12.51)
Dividend received from associate / joint venture	2.30	1.56
Interest received	215.07	176.96
Net cash used in investing activities	**(4,637.30)**	**(988.01)**
Cash flow from financing activities		
Interest paid	(59.64)	(31.63)
Payment of lease liabilities (including interest)	(88.90)	(35.99)
Dividend paid	(1,089.17)	(262.90)
Net cash used in financing activities	**(1,237.71)**	**(330.52)**
Net (decrease) / increase in cash and cash equivalents	(7,110.09)	1,516.96
Add: Cash and cash equivalents at the beginning of the year	7,366.59	5,849.36
Add: Adjustment for gain on fair valuation of current financial assets measured at FVTPL	0.13	0.27
Cash and cash equivalents at the end of the year	**256.63**	**7,366.59**
See accompanying notes to the consolidated financial statements		

As per our report of even date

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No.: 324982E/E300003

per **ABHISHEK AGARWAL**
Partner
Membership No.: 112773

Mumbai, April 27, 2023

For and on behalf of the Board of Directors of ACC Limited,

KARAN ADANI
Chairman
DIN: 03088095

AJAY KAPUR
Wholetime Director & Chief Executive Officer
DIN: 03096416

VINOD BAHETY
Chief Financial Officer

Ahmedabad, April 27, 2023

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2023

CORPORATE INFORMATION

ACC Limited (the Company, parent) is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India. The registered office of the Company is located at Cement House, 121, Maharshi Karve Road, Mumbai – 400 020, India.The consolidated financial statements comprise the financial statements of ACC Limited ('the Holding Company' or 'Company') and its subsidiaries (collectively, 'the Group'), its associates, joint ventures and joint operationsThe Group's principal activity is to manufacture and market cement and cement related products.

Information on the Group's structure is provided in Note - 37. Information on related party relationship of the Group is provided in Note - 53.

STATEMENT OF COMPLIANCE, BASIS OF PREPARATION AND CONSOLIDATION

A. Statement of compliance

The Consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other relevant provisions of the Act.

B. Basis of preparation

The consolidated financial statements have been prepared on going concern basis using historical cost, except for certain items for which accounting policies has been mentioned in Note 3 below.

Historical cost is the amount of cash or cash equivalents paid or the fair value of the consideration given to acquire assets at the time of their acquisition, or the amount of proceeds received in exchange for the obligation, or at the amount of cash or cash equivalents expected to be paid to satisfy the liability in the normal course of business.

The accounting policies are applied consistently to all the periods presented in the consolidated financial statements.

Consolidated financial statements are presented in Rs. which is the functional currency of the group, and all values are rounded to the nearest crore as per the requirement of Schedule III to the Companies Act, 2013, except where otherwise indicated.

These consolidated financial statements were approved for issue in accordance with the resolution of the Board of Directors on April 27, 2023.

C. Basis of consolidation

I. Details of the Group's subsidiaries at the end of the reporting period considered in the preparation of the consolidated financial statements is presented in note 11.

II. A Company is considered a subsidiary when controlled by the Group. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and can affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

a. Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee),

b. Exposure, or rights, to variable returns from its involvement with the investee, and

c. The ability to use its power over the investee to affect its returns.

The Group re-assesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

III. Generally, there is a presumption that a majority of voting rights results in control. To support this presumption, when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

a. The contractual arrangement with the other vote holders of the investee,

b. Rights arising from other contractual arrangements,

c. The Group's voting rights and potential voting rights,

d. The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders,

e. Any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time when decisions need to be made, including voting patterns at previous shareholders' meetings.

IV. 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.

V. In cases where the financial year of subsidiaries is different from that of the Company, the financial statements of the subsidiaries have been drawn up so as to be aligned with the financial year of the Company.

VI. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that of the Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

VII. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity shareholders of the parent and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

VIII. Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Group.

X. If the Group loses control over a subsidiary, it:

a. Derecognises the assets (including goodwill) and liabilities of the subsidiary,

b. Derecognises the carrying amount of any non-controlling interest,

c. Derecognises the cumulative translation differences recorded in equity,

d. Recognises the fair value of the consideration received,

e. Recognises the fair value of any investment retained, or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture,

f. Recognises any surplus or deficit in the consolidated statement of profit and loss,

g. Reclassifies the parent's share of components previously recognised in other comprehensive income (OCI) to the consolidated statement of profit and loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

XII. Consolidation procedure

a. The consolidated financial statements of the Company and its subsidiaries have been prepared in accordance with the Ind AS 110 "Consolidated Financial Statements", on a line-by-line basis.

b. The carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary is eliminated. Business combination policy explains how any related goodwill is accounted.

c. Intra-group balances and transactions including unrealised gains / loss from such transactions are eliminated in full. Deferred tax is recognised on any temporary difference that arise from the elimination of profits and losses resulting from intra-group transactions

1. SIGNIFICANT ACCOUNTING POLICIES

A. Property, plant and equipments

I. Measurement and Recognition

a. Property, plant and equipments are stated at their cost of acquisition / installation / construction net of accumulated depreciation, and impairment losses, if any, except freehold non-mining land which is carried at cost less accumulated impairment losses. Subsequent expenditures 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. When significant parts of plant and equipments are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipments as a replacement if the recognition criteria are satisfied. All other repairs and maintenance are charged to the consolidated statement of profit and loss during the reporting period in which they are 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 provisions are met.

b. Spares which meet the definition of property, plant and equipments are capitalised as on the date of acquisition. The corresponding old spares are derecognised on such date with consequent impact in the consolidated statement of profit and loss.

c. Property, plant and equipments not ready for their intended use as on the balance sheet date are disclosed as "Capital work-in-progress". Such items are classified to the appropriate category of property, plant and equipments when completed and ready for their intended use. Advances given towards acquisition / construction of property, plant and equipments outstanding at each balance sheet date are disclosed as Capital Advances under "Other non-current assets".

II. Depreciation on property, plant, and equipments

a. Depreciation is provided as per the useful life of assets which are determined based on technical parameters / assessment. Depreciation is calculated using "Written down value method" for assets related to Captive Power Plant and using "Straight line method" for other assets.

b. The Group identifies and depreciates cost of each component / part of the asset separately, if the component / part have a cost, which is significant to the total cost of the asset and has a useful life that is materially different from that of the remaining asset.

c. Depreciation on additions to property, plant and equipments is provided on a pro-rata basis from the date of acquisition, or installation, or construction, when the asset is ready for intended use.

d. Depreciation on an item of property, plant and equipments sold, discarded, demolished or scrapped, is provided upto the date on which the said asset is sold, discarded, demolished or scrapped.

e. Capitalised spares are depreciated over their own estimated useful life or the estimated useful life of the parent asset whichever is lower.

f. The Group reviews the residual value, useful lives and depreciation method on each reporting date and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

g. In respect of an asset for which impairment loss, if any, is recognised, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

h. Property, plant, and equipments, constructed by the Group, but ownership of which vests with the Government / Local authorities:

   i. Expenditure on Power lines is depreciated over the period as permitted in the Electricity Supply Act, 1948 / 2003 as applicable.

   ii. Expenditure on Marine structures is depreciated over the period of the agreement.

i. Estimated useful lives of the assets are as follows:

Assets	Useful lives
Land (freehold)	No depreciation except on land with mineral reserves. Cost of mineral reserves embedded in the cost of freehold mining land is depreciated in proportion of actual quantity of minerals extracted to the estimated quantity of extractable mineral reserves
Leasehold mining land	Amortised over the period of lease on a straight line basis
Buildings, roads and water works	3 – 60 years
Plant and equipments	8 – 30 years
Railway sidings and locomotives	8 – 15 years
Furniture, office equipments and tools	3 – 10 years
Vehicles	6 – 8 years

j. The useful life as estimated above is as per the prescribed useful life specified under Schedule II to the Companies Act, 2013 except for the following case:

Particulars	Useful Life estimated by the management	Useful Life as per Schedule II
Plant and Equipments related to Captive Power Plant	20 years	40 years

The Management believes that the useful lives as given above reflect fair approximation of the period over which the assets are likely to be used.

III. Derecognition of property plant and equipments

An item of Property, Plant and Equipments and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in the Consolidated Statement of Profit and Loss when the asset is derecognised.

B. Intangible assets

I. Recognition and Measurement

a. Intangible assets acquired separately are measured on initial recognition at cost. Cost comprises the purchase price (net of tax / duty credits availed wherever applicable) and any directly attributable cost of bringing the assets to its working condition for its intended use. 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.

b. The useful lives of intangible assets are assessed as either finite or indefinite.

c. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed during each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

d. Intangible assets with indefinite useful lives and Goodwill 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 to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.e.

e. Stripping Cost - Stripping costs are allocated and included as a component of the mine asset when they represent significantly improved access to limestone, provided all the following conditions are met:

   a. it is probable that the future economic benefit associated with the stripping activity will be realised;

   b. the component of the limestone body for which access has been improved can be identified; and

   c. the costs relating to the stripping activity associated with the improved access can be reliably measured.

II. Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an intangible asset, if any, are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss when the asset is derecognised.

III. Contract based Intangibles

The Company recognises contract-based intangible asset when the economic benefit under the contract starts flowing to the entity and control over the intangible assets is established. Till the time such economic benefits start flowing to entity, it is disclosed under Other Non-current assets as "Payment under Long term supply arrangement". The Company reclassifies such balance to intangible assets once the economic benefit start accruing to the Company.

Contract based intangibles are initially recognised initially at cost. Subsequent to initial recognition, contract-based intangibles are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

The useful life of the contract-based intangibles for purpose of its amortisation is considered to be shorter of the period of contractual rights or period over which entity expects to obtain economic benefits from the asset. Further, at every reporting date, the contract-based intangibles are also tested for impairment in case of an indication that the contract-based intangibles might be impaired.

IV. Amortisation of intangible assets

A summary of the policies applied to the Group's intangible assets are, as follows:

Intangible assets	Useful life	Amortisation method used
Water drawing rights	Finite (10-30 years)	Amortised on a straight-line basis over the useful life
Computer software	Finite (upto 5 years)	Amortised on a straight-line basis over the useful life
Mining rights	Finite (upto 90 years)	Over the period of the respective mining agreement
Sponsorship Rights	Finite (upto 5 years)	Amortised based on occurrence of event

C. Impairment of non-financial assets

The carrying amounts of other non-financial assets, other than inventories and deferred tax assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss, if any, is recognised in the statement of profit and loss wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less cost of disposal and 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 of or Group of assets. 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 risks specific to the assets. 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. A previously recognised impairment loss, if any is reversed when there is an indication of reversal, however, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation / amortisation if there was no impairment.

D. Inventories

Inventories are valued at lower of cost and net realisable value, as follows:

I. Raw materials, stores and spare parts, fuel and packing material:

Cost includes purchase price, other costs incurred in bringing the inventories to their present location and condition, and non-refundable taxes. Materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on a moving weighted average basis.

II. Work-in-progress, finished goods and stock in trade:

Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity, but excluding borrowing costs. Cost of Stock-in-trade includes cost of purchase and other cost incurred in bringing the inventories to the present location and condition. Cost is determined on a moving weighted average basis.

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

E. Business combination

Business combinations are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of acquisition date fair values of the assets transferred, liabilities incurred to the former owner of the acquiree and the equity interests issued in exchange of control of the acquiree. At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured on the basis indicated below:

I. Deferred tax assets or liabilities, and the assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 "Income Tax" and Ind AS 19 "Employee Benefits" respectively.

II. Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 "Share-based Payments" at the acquisition date.

III. Assets (or disposal Groups) that are classified as held for sale in accordance with Ind AS 105 "Non-current Assets Held for Sale and Discontinued Operations" are measured in accordance with that standard.

When the Group acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts by the acquiree.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and fair value of any previously held interest in acquiree, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred (bargain purchase), 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 in Other Comprehensive Income (OCI) and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another Ind AS.

When a business combination is achieved in stages, the Group's previously held equity interest in the acquiree is re-measured to its acquisition-date fair value and the resulting gain or loss, if any, is recognised in the consolidated statement of profit and loss. Amounts arising from interests in the acquiree prior to the acquisition date that have previously been recognised in other comprehensive income are reclassified to the consolidated statement of profit and loss where such treatment would be appropriate if that interest were disposed of.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

Business combination of entities under common control

Business combinations involving entities that are controlled by the company 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 interest's method as follows:

I. The assets and liabilities of the combining entities are reflected at their carrying amounts.

II. No adjustments are made to reflect fair values, or recognise any new assets or liabilities. Adjustments are only made to harmonise accounting policies.

III. 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.

IV. 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.

V. The identity of the reserves are preserved and the reserves of the transferor become the reserves of the transferee.

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

F. Goodwill

Goodwill arising on an acquisition of a business is carried at cost less accumulated impairment losses, if any.

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.

Cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. The recoverable amount is the higher of the assets fair value less cost of disposal and value in use. Any impairment loss for goodwill is recognised in the statement of profit and loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

G. Investment in subsidiaries, associates and joint ventures

I. Associates

Associates are all entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost less impairment, if any.

II. 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.

Equity method

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 profit or loss and other comprehensive income of the investee in the consolidated statement of profit and loss. An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity. If the associate or joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the consolidated statement of profit and loss.

The financial statements of the associate or joint venture are prepared for the same reporting period as of the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Unrealised gains on transactions between the Group and its associates or joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity accounted investments is tested for impairment in accordance with the impairment of non-financial assets policy described in Note 3 (c).

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value and that fair value is regarded as its fair value on initial recognition in accordance with Ind AS 109. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in the consolidated statement of profit and loss. If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in the other comprehensive income are reclassified to the consolidated statement of profit and loss where appropriate.

When a Group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

H. Interest in joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement.

If the interest is classified as a joint operation, the Company recognises its share of the assets, liabilities, revenues and expenses in the joint operation in accordance with the relevant Ind AS.

When a Group entity transacts with a joint operation in which a Group entity is a Joint operator (such as a sale or contribution of assets), the Group is considered to be conducting the transaction with the other parties to the joint operation, and gains and losses resulting from the transactions are recognised in the Group's consolidated financial statements only to the extent of other parties' interests in the joint operation.

When a Group entity transacts with a joint operation in which a Group entity is a joint operator (such as a purchase of assets), the Group does not recognise its share of the gains and losses until it resells those assets to a third party.

I. Fair value measurement

The Group measures some of its financial instruments 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.

All assets and liabilities for which fair value is measured as disclosed in the financial statements are categorised within the fair value hierarchy described in Note 50.

J. 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 initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through the statement of profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through the statement of profit and loss are recognised immediately in the consolidated statement of profit and loss.

I. Financial assets

a. Initial recognition and measurement of financial assets

The Group recognises a financial asset in its consolidated balance sheet when it becomes party to the contractual provisions of the instrument. All financial assets are recognised initially at fair value, plus in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset. All regular way purchases or sales of financial assets are recognised and derecognised on a trade date basis, i.e. the date that the Group commits to purchase or sell the asset. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

b. Subsequent measurement of financial assets

For purposes of subsequent measurement, financial assets are classified in the following categories:

i. Financial assets at amortised cost

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

- The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
- 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. The EIR amortisation is included in other income in the consolidated statement of profit and loss. The losses arising from impairment, if any are recognised in the statement of profit and loss.

ii. Debt instrument at fair value through other comprehensive income (FVTOCI)

A debt instrument is classified as at the FVTOCI if both of the following criteria are met:

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

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Group recognises interest income, impairment losses and reversals and foreign exchange gain or loss in the consolidated statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from equity to the consolidated statement of profit and loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

iii. **Debt instruments at fair value through the statement of profit and loss (FVTPL)**

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for classification as at amortised cost or as fair value through other comprehensive income (FVTOCI), is classified as FVTPL.

Debt instruments that meet the amortised cost criteria or debt instruments that meet the FVTOCI criteria, may be designated as at FVTPL as at initial recognition if such designation reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Group has not designated any debt instrument at FVTPL.

Debt instruments at FVTPL are measured at fair value at the end of each reporting period, with any gains and losses arising on re-measurement are recognised in the consolidated statement of profit and loss.

Equity instruments

All equity investments in scope of Ind AS 109 "Financial Instruments" are measured at FVTPL with all changes in fair value recognised in the statement of profit and loss.

iv. **Equity instruments measured at fair value through other comprehensive income (FVTOCI)**

For all investments in equity instruments other than held for trading, at initial recognition, the Company 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.

If the Group decides to classify an equity instrument as at FVTOCI, 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 statement of profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

The Group has not designated investments in any equity instruments as FVTOCI.

d. **Derivative Financial Instruments**

The Group uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risk. 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 at the end of each reporting period. Any changes therein are recognised in the Consolidated Statement of Profit and Loss unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the Consolidated Statement of Profit and Loss depends on the nature of the hedging relationship and the nature of the hedged item. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The Group does not hold derivative financial instruments for speculative purposes.

e. **Derecognition of financial assets**

A financial asset (or, where applicable, a part of a financial asset or part of a Group of similar financial assets) is primarily derecognised when:

i. The rights to receive cash flows from the asset have expired, or

ii. The Group has transferred its contractual 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.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in other comprehensive income and accumulated in equity is recognised in the consolidated statement of profit and loss if such gain or loss would have otherwise been recognised in the consolidated statement of profit and loss on disposal of that financial 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.

On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the

Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in the consolidated statement of profit and loss if such gain or loss would have otherwise been recognised in the consolidated statement of profit and loss on disposal of that financial asset.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group could be required to repay.

f. Impairment of financial assets

In accordance with Ind AS 109, the Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets which are measured at amortised cost.

The Group follows 'simplified approach' for recognition of impairment loss allowance on trade receivables resulting from transactions within the scope of Ind-AS 115 "Revenue from Contracts with Customers", if they do not contain a significant financing component.

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

For recognition of impairment loss on other financial assets and risk exposure, the Group determines 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.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls) discounted at the original EIR. ECL impairment loss allowance (or reversal) recognised during the period is recognised as income / expense in the consolidated statement of profit and loss.

For financial assets measured as at amortised cost, ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the consolidated balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

II. Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

a. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in the consolidated statement of profit and loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

b. Financial liabilities

i. Initial recognition and measurement

The Group recognises a financial liability in its consolidated balance sheet when it becomes party to the contractual provisions of the instrument.

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.

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss or at amortised cost as appropriate.

ii. Subsequent measurement of financial liabilities at amortised cost

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent reporting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest rate method.

iii. Subsequent measurement of financial liabilities at fair value through profit or loss (FVTPL)

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. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

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

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. The Group has not designated any financial liability as at fair value through profit or loss.

iv. Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. 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 consolidated statement of profit and loss.

vi. Embedded derivatives

If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Group does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 "Financial Instruments" to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value if their economic characteristics and risks are not closely related to those of the host contracts and the host contracts are not held for trading or designated at fair value through profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in the Consolidated Statement of Profit and Loss. Reassessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows.

III. Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the consolidated 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.

K. Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial asset or financial liability and of allocating interest income/ interest expenses over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts/ payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

L. Provisions and contingencies

I. Provisions

A provision is recognised for a present obligation (legal or constructive) as a result of past events if it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and in respect of which a reliable estimate can be made. The amounts recognised as provisions are determined based on best estimate of the amount required to settle the obligation at the balance sheet date. These estimates are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

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.

Restructuring provisions are recognised only when the Company has a constructive obligation, which is when: (i) a detailed formal plan identifies the business or part of the business concerned, the location and number of employees affected, a detailed estimate of the associated costs, and the timeline; and (ii) the employees affected have been notified of the plan's main features.

Mines reclamation

The Group provides for the costs of restoring a mine where a legal or constructive obligation exists. The estimated future costs for known restoration requirements are determined on a mine-by-mine basis and are calculated based on the present value of estimated future cash out flows.

The restoration provision before exploitation of the raw materials has commenced is included in Property, Plant and Equipments and depreciated over the life of the related asset.

The effect of any adjustments to the provision due to further environmental damage as a result of exploitation activities is recorded through the Consolidated Statement of Profit and Loss over the life of the related asset, in order to reflect the best estimate of the expenditure required to settle the obligation at the end of the reporting period.

Changes in the measurement of a provision that result from changes in the estimated timing or amount of cash outflows, or a change in the discount rate, are added to or deducted from the cost of the related asset to the extent that they relate to the asset's installation, construction or acquisition.

Provisions are discounted to their present value. The unwinding of the discount is recognised as a finance cost in the Consolidated Statement of Profit and Loss.

II. Contingent liability (for ACC)

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

M. Foreign exchange gains and losses

Foreign currency transactions are recorded at the rates of exchange prevailing on the date of transaction. Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Exchange differences arising on the settlement of monetary items at rates different from those at which they were initially recorded during the year or reported in previous consolidated financial statements, are recognised as income or expense in the year in which they arise.

Group companies

On consolidation, the assets and liabilities of foreign operations are translated into ₹ at the rate of exchange prevailing at the reporting date and their statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the Group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in Other Comprehensive Income (OCI). On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in the consolidated statement of profit and loss.

N. Revenue recognition

Revenue is recognised on the basis of approved contracts regarding the transfer of goods or services to a customer for an amount that reflects the consideration to which the entity expects to be entitled in exchange of those goods or services.

I. Sale of goods

Revenue from the sale of the goods is recognised when delivery has taken place and control of the goods has been transferred to the customer according to the specific delivery term that have been agreed with the customer and when there are no longer any unfulfilled obligations .

Revenue is measured, after deduction of any discounts, price concessions, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts, price concessions and rebates. No element of financing is deemed present as the sales are made with credit terms largely ranging between 30 days and 60 days depending on the specific terms agreed with customers.

Contract balances

Trade Receivables and Contract Assets

A trade receivable is recognised when the products are delivered to a customer and consideration becomes unconditional. Contract assets are recognised when the group has right to receive consideration that is conditional other than the passage of time.

Contract Liabilities

Contract liabilities is a group's obligation to transfer goods or services to a customer which the entity has already received consideration. Contract liabilities are recognised as revenue when the company performs under the contract.

II. Rendering of services

Income from services rendered is recognised based on agreements/arrangements with the customers as the services is performed and there are no unfulfilled obligations.

III. Interest income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

IV. Dividends

Dividend income is recognised when right to receive is established (provided that it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably).

O. Retirement and other employee benefits

I. Defined contribution plan

Employee benefits in the form of contribution to Superannuation Fund, Provident Fund managed by government authorities, Employees State Insurance Corporation and Labour Welfare Fund are considered as defined contribution plans and the same are charged to the consolidated statement of profit and loss for the year in which the employee renders the related service.

II. Defined benefit plan

The Group's gratuity fund scheme, additional gratuity scheme and post-employment benefit scheme are considered as defined benefit plans. The Group's liability is determined on the basis of an actuarial valuation using the projected unit credit method as at the balance sheet date.

Employee benefit, in the form of contribution to provident fund managed by a trust set up by the Group, is charged to consolidated statement of profit and loss for the year in which the employee renders the related service. The Group has an obligation to make good the shortfall, if any, between the return from the investment of the trust and interest rate notified by the Government of India. Such shortfall is recognised in the consolidated statement of profit and loss based on actuarial valuation.

Past service costs are recognised in the consolidated statement of profit and loss on the earlier of:

a. The date of the plan amendment or curtailment, and

b. The date that the Group recognises related restructuring costs

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The Group recognises the following changes in the net defined benefit obligation as an expense in the consolidated statement of profit and loss:

a. Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and

b. Net interest expense or income

d. Re-measurements, comprising actuarial gains and losses, the effect of the asset ceiling (if any), and the return on plan assets (excluding net interest), are recognised immediately in the consolidated balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to the consolidated statement of profit and loss in subsequent periods.

III. Short term employee benefits

a. Short term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised as an expense at the undiscounted amount in the consolidated statement of profit and loss of the year in which the related service is rendered.

b. Accumulated Compensated absences, which are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service, are treated as short term employee benefits. The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2023

IV. Other long-term employee benefits

Compensated absences are provided for on the basis of an actuarial valuation, using the projected unit credit method, as at the date of the consolidated balance sheet. Actuarial gains / losses, if any, are immediately recognised in the statement of profit and loss.

Long service awards and accumulated compensated absences which are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are treated as other long term employee benefits for measurement purposes.

V. Employee share-based payments

The erstwhile Ultimate holding Company of the Group operates various equity-settled performance share plans. Senior executive of the Company received remuneration in the form of share-based payments, whereby employee render service as consideration for equity instruments (equity settled transactions). The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model.

The cost of equity settled transactions is recognised in the Consolidated Statement of Profit and Loss, together with a corresponding increase in equity, representing contribution received from the ultimate holding company, over the period in which the performance and/or service conditions are fulfilled. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and group's best estimate of the number of equity instruments that will ultimately vest. The charge or credit to the Consolidated Statement of Profit and Loss for a period represents movement in the cumulative expenses recognised as at the beginning and end of that period.

In case of forfeiture/lapse stock option, which is not vested, amortised portion is reversed by credit to employee compensation expense. In a situation where the stock option expires unexercised, the related balance standing to the credit of Capital Contribution from Parent is transferred to other equity.

VI. Termination benefits

Termination benefits are payable when employment is terminated by the Group before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Group recognises termination benefits at the earlier of the following:

a. when the Group can no longer withdraw the offer of those benefits; and

b. when the Group recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits.

In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

VII. Presentation and disclosure

For the purpose of presentation of defined benefit plans, the allocation between the short term and long-term provisions have been made as determined by an actuary. Obligations under other long-term benefits are classified as short-term provision, if the Group does not have an unconditional right to defer the settlement of the obligation beyond 12 months from the reporting date. The Group presents the entire compensated absences as short-term provisions, since employee has an unconditional right to avail the leave at any time during the year.

P. Non-current assets held for sale

The Group classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use and the sale is highly probable. Management must be committed to the sale, which should be expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded as met only when the asset is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Group treats sale of the asset to be highly probable when:

I. The appropriate level of management is committed to a plan to sell the asset,

II. An active programme to locate a buyer and complete the plan has been initiated,

III. The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,

IV. The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and

Company Overview
Value Creation at Acc
Capital-wise Performance
Statutory Reports
Financial Statements

V. Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the consolidated balance sheet.

Property, plant and equipments and intangible assets once classified as held for sale are not depreciated or amortised.

Gains and losses on disposals of non-current assets are determined by comparing proceeds with carrying amounts, and are recognised in the consolidated statement of profit and loss.

Q. Borrowing Costs

Borrowing cost directly attributable to acquisition and construction of assets that necessarily take substantial period of time to get ready for their intended use or sale are capitalised as part of the cost of such assets up to the date when such assets are ready for intended use or sale. All other borrowing costs are expensed in the period in which they occur. Borrowing cost consists of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

R. Taxation

Tax expense comprises current income tax and deferred income tax and includes any adjustments related to past periods in current and / or deferred tax adjustments that may become necessary due to certain developments or reviews during the relevant period.

I. Current income tax

Current income tax is measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised outside the consolidated statement of profit and loss is recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and recognise expense where appropriate.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis.

II. Deferred tax

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

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

a. 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.

b. In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, 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 only to the extent that it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realised, except:

a. 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.

b. In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, 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 are reviewed at each balance sheet date. The Group writes-down the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain that sufficient future taxable income will be available.

Deferred tax assets and liabilities are measured based on 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 the consolidated statement of profit and loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. The Group applies significant judgment in identifying uncertainties over income tax treatments. Uncertain tax positions are reflected in the overall measurement of the Group's tax expense and are based on the most likely amount or expected value that is to be disallowed by the taxing authorities whichever better predict the resolution of uncertainty. Uncertain tax balances are monitored and updated as and when new information becomes available, typically upon examination or action by the taxing authorities or through statute expiration.

In the situations where one or more units of the Group are entitled to a tax holiday under the tax law, no deferred tax (asset or liability) is recognised in respect of temporary differences which reverse during the tax holiday period, to the extent the concerned unit's gross total income is subject to the deduction during the tax holiday period. Deferred tax in respect of temporary differences which reverse after the tax holiday period is recognised in the year in which the temporary differences originate. However, the Group restricts recognition of deferred tax assets to the extent it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realised. For recognition of deferred taxes, the temporary differences which originate first are considered to reverse first.

S. Leases

The Group assesses whether a contract is or contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

I. Group as a lessee:

Right-of-use assets

At the date of commencement of the lease, the Group recognises a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for short-term leases and leases of low-value assets.

The right-of-use assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset:

Right of use assets	Term (in years)
Buildings	8
Leasehold land	8-99
Furniture and vehicle	5
Plant and Equipments	6

The right of use assets is also subject to impairment. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable.

Lease liabilities

Lease liability is initially measured at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates. The Group uses the incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability include fixed payments, variable lease payments that depend on an index or a rate known at the commencement date; and extension option payments or purchase options payments which the Group is reasonably certain to exercise.

Variable lease payments that do not depend on an index or rate are not included in the measurement the lease liability and the ROU asset. The related payments are recognised as an expense in the period in which the event or condition that triggers those payments occurs and are included in the line "Other expenses" in the Statement of Profit or Loss.

Company Overview
Value Creation at Acc
Capital-wise Performance
Statutory Reports
Financial Statements

The lease term comprises the non-cancellable lease term together with the period covered by extension options, if assessed as reasonably certain to be exercised, and termination options, if assessed as reasonably certain not to be exercised. For lease arrangement in respect of ships, the non-lease components are not separated from lease components and instead account for each lease component, and any associated non-lease component as a single lease component.

The lease liability is subsequently remeasured by increasing the carrying amount to reflect interest on the lease liabilities, reducing the carrying amount to reflect the lease payments made.

The Group remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever:

i. The lease term has changed or there is a change in the assessment of exercise of a purchase option, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

ii. A lease contract is modified and the lease modification is not accounted for as a separate lease, in which case the lease liability is remeasured by discounting the revised lease payments using a revised discount rate.

ROU asset and lease liabilities have been separately presented in the Consolidated Balance Sheet and lease payments have been classified as financing cash flows.

Short-term leases and leases of low-value assets

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value (range different for different class of assets). Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term. The related cash flows are classified as Operating activities in the Statement of Cash Flows.

II. Group as a lessor:

Leases for which the Group is a lessor are classified as finance or operating leases. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

In respect of assets provided on finance leases, amounts due from lessees are recorded as receivables at the amount of the Group's net investment in the leases. Finance lease income is allocated to accounting periods to reflect a constant periodic rate of return on the Group's net investment outstanding in respect of the leases. In respect of assets given on operating lease, lease rentals are accounted in the Statement of Profit and Loss, on accrual basis in accordance with the respective lease agreements.

T. Segment reporting

a. Segment Policies

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

b. Identification of segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available.

The Board of Directors of the Group has appointed Management Committee (ManCom) which has been identified as being the CODM. The ManCom assesses the financial performance and position of the Group and makes strategic decisions.

The Group's operating businesses are organised and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

c. Allocation of common costs

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

d. Inter-segment transfers

Inter-segment revenue has been accounted for based on the transaction price agreed to between segments which is based on current market prices.

e. Unallocated items

Revenue, expenses, assets, and liabilities which relate to the Group as a whole and not allocable to segments on reasonable basis have been included under 'unallocated revenue / expenses / assets / liabilities'.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2023

U. Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, cash at banks, demand deposits from banks and short-term, highly liquid instruments. As part of Group's cash management policy to meet short term cash commitments, it parks its surplus funds in short-term highly liquid instruments that are generally held for a period of three months or less from the date of acquisition. These short-term highly liquid instruments are open-ended debt funds that are readily convertible into known amounts of cash and are subject to insignificant risk of changes in value.

V. Government grants and subsidies

Government grants are recognised when there is a reasonable assurance that the grant will be received, and all attaching conditions will be complied with.

Where the grants relate to an item of expense, they are recognised as income on a systematic basis in the consolidated statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate. Where the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to the consolidated statement of profit and loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset.

When loans or similar assistance are provided by governments or related institutions, with an interest rate below the current applicable market rate, the effect of this favourable interest is regarded as a government grant. The loan or assistance is initially recognised and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

W. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share are computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on conversion of all dilutive potential equity shares.

X. Classification of current / non-current assets and liabilities

All the assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 "Presentation of financial statements".

I. Assets - An asset is classified as current when it satisfies any of the following criteria:

a. it is expected to be realised in, or is intended for sale or consumption in, the Group's normal operating cycle.

b. it is held primarily for the purpose of trading.

c. it is expected to be realised within twelve months after the reporting date; or

d. it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting date.

II. Liabilities - A liability is classified as current when it satisfies any of the following criteria:

a. it is expected to be settled in the Group's normal operating cycle.

b. it is held primarily for the purpose of trading.

c. it is due to be settled within twelve months after the reporting date; or

d. the Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

III. Others

e. All other assets/ liabilities are classified as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

f. Based on the nature of products and the time between the acquisition of assets for processing and their realisation in cash or cash Equivalents, the Group has ascertained its normal operating cycle as twelve months for the purpose of Current / Non-current classification of assets and liabilities.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Y. Exceptional items

An item of income or expense which based on its size, nature or incidence requires separate disclosure to improve an understanding of the performance of the Group is disclosed separately treated as an exceptional item in the consolidated financial statements.

Z. Use of estimates and judgments

The preparation of the Group's consolidated 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.

Estimates and judgments are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future period, if the revision affects current and future period. Revisions in estimates are reflected in the consolidated financial statements in the period in which changes are made and, if material, their effects are disclosed in the consolidated notes to the financial statements.

The estimates and assumptions that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities:

I. Classification of legal matters and tax litigations (Refer Note 42)

The litigations and claims to which the Group is exposed to are assessed by management with assistance of the legal department and in certain cases with the support of external specialised lawyers. Determination of the outcome of these matter into "Probable / Possible / Remote require judgement and estimation on case to case basis.II. Defined benefit obligations (Refer Note 39)

The cost of defined benefit gratuity plans, and post-retirement medical benefit is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future pension increases. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty.

III. Useful life of property, plant and equipments (Refer Note 2)

The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value. Increasing an asset's expected life or its residual value would result in a reduced depreciation charge in the consolidated statement of profit and loss. The useful lives of the Group's assets are determined by management at the time the asset is acquired and reviewed at least annually for appropriateness. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

IV. Impairment of property, plant and equipments (Refer Note 2)

Determining whether the property, plant and equipments are impaired requires an estimate of the value of use. In considering the value in use, the management has anticipated the capacity utilisation of plants, operating margins, mineable resources and availability of infrastructure of mines, and other factors of the underlying businesses / operations. Any subsequent changes to the cash flows due to changes in the above-mentioned factors could impact the carrying value of property, plant and equipments.

V. Incentives under the State Industrial Policy (Refer Note 8 and 15)

The Group's manufacturing units in various states are eligible for incentives under the respective State Industrial Policy. The Group accrues these incentives as refund claims in respect of VAT/GST paid, on the basis that all attaching conditions were fulfilled by the Group and there is reasonable assurance that the incentive claims will be disbursed by the State Governments.

The Company measures expected credit losses in a way that reflects the time value of money. Any subsequent changes to the estimated recovery period could impact the carrying value of Incentives receivable.

VI. Discounts / rebate to customers (Refer Note 26)

The Company provides discount and rebates on sales to certain customers. Revenue from these sales is recognised based on the price charged to the customer, net of the estimated pricing allowances, discounts, rebates, and other incentives. In certain cases, the amount of these discount and rebates are not determined until claims with appropriate evidence is presented by the customer to the Company, which may be some time after the date of sale. Accordingly, the Company estimates the amount of such incentives basis the terms of contract, incentive schemes, historical experience adjusted with the forward looking, business forecast and the current economic conditions. To estimate the amount of incentives, the Company uses the most likely method. Such estimates are subject to the estimation uncertainty.

VII. Physical verification of inventory (Refer Note 10)

Bulk inventory for the Company primarily comprises of coal, petcoke and clinker which are primarily used during the production process at the manufacturing locations. Determination of physical quantities of bulk inventories is done based on volumetric measurements and involves special considerations with respect to physical measurement, density calculation, moisture, etc. which involve estimates / judgments.

AA. Standards Issued and EffectiveCC.

MCA issued notification dated March 24, 2021, to amend Schedule III to the Companies Act, 2013 to enhance the disclosures required to be made by the Group in its financial statements. These amendments are applicable to the Company for the financial year starting January 01, 2022. The Company has implemented the same in the Consolidated financial statement.

The Company applied for the first-time certain amendments (including Companies (Indian Accounting Standard) Amendment Rules 2022 and Companies (Indian Accounting Standards) Amendment Rules, 2021) to the Ind AS which are effective for annual periods beginning on or after 1 April 2021. These amendments had no material impact on the financial statements of the Company.

AB. Amendments not yet effective:

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, applicable from April 1, 2023, as below:

(i) Ind AS 1 – Disclosure of material accounting policies:

The amendments related to shifting of disclosure of erstwhile "significant accounting policies" to "material accounting policies" in the notes to the financial statements requiring companies to reframe their accounting policies to make them more "entity specific". This amendment aligns with the "material" concept already required under International Financial Reporting Standards (IFRS).

(ii) Ind AS 8 – Definition of accounting estimates:

The amendments will help entities to distinguish between accounting policies and accounting estimates. The definition of a "change in accounting estimates" has been replaced with a definition of "accounting estimates." Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty." Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.

(iii) Ind AS 12 – Income Taxes

The amendments narrowed the scope of the recognition exemption in paragraphs 15 and 24 of Ind AS 12. At the date of transition to Ind ASs, a first-time adopter shall recognise a deferred tax asset to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. Similarly, a deferred tax liability for all deductible and taxable temporary differences associated with:

a) right-of-use assets and lease liabilities

b) decommissioning, restoration and similar liabilities and the corresponding amounts recognised as part of the cost of the related asset.

Therefore, if a company has not yet recognised deferred tax on right-of-use assets and lease liabilities or has recognised deferred tax on net basis, the same need to recognise on gross basis based on the carrying amount of right-of-use assets and lease liabilities

(iv) Ind AS 103 – Common control Business Combination

The amendments modify the disclosure requirement for business combination under common control in the first financial statement following the business combination. It requires to disclose the date on which the transferee obtains control of the transferor is required to be disclosed.

The amendments are extensive and the Group is in the process to evaluating the impact of the above amendments on the financial statements.

NOTE 2: PROPERTY, PLANT AND EQUIPMENT

Rs. in Crore

Particulars	Gross carrying value				Accumulated depreciation				Accumulated impairment (Refer Note-3)		Net carrying value	
	As at January 01, 2022	Additions	Disposals / Adjustments	As at March 31, 2023	As at January 01, 2022	Depreciation charge for the year	Disposals / Adjustments	As at March 31, 2023	As at January 01, 2022	As at March 31, 2023	As at March 31, 2023	As at December 31, 2021
Tangible Assets :												
Freehold non-mining land	139.27	37.67	27.48	149.46	-	-	-	-	-	-	149.46	139.27
Freehold mining land	352.15	14.96	-	367.11	1.49	7.00	-	8.49	-	-	358.62	350.66
Buildings	1,887.16	138.66	0.92	2,024.90	445.07	108.64	0.65	553.06	33.38	33.38	1,438.46	1,408.71
Plant and equipments	7,335.80	1,158.73	32.60	8,461.93	2,797.46	624.89	22.45	3,399.90	127.27	127.27	4,934.76	4,411.07
Railway sidings	284.34	16.56	-	300.90	120.38	27.83	-	148.21	1.43	1.43	151.26	162.53
Furniture and fixtures	35.14	11.58	0.24	46.48	21.24	4.53	0.19	25.58	0.30	0.30	20.60	13.60
Vehicles	100.04	9.68	1.26	108.46	57.57	12.38	1.10	68.85	10.14	10.14	29.47	32.33
Office equipment	85.01	9.81	1.18	93.64	61.23	13.42	1.16	73.49	0.53	0.53	19.62	23.25
Total	**10,218.91**	**1,397.65**	**63.68**	**11,552.88**	**3,504.44**	**798.69**	**25.55**	**4,277.58**	**173.05**	**173.05**	**7,102.25**	**6,541.42**

Rs. in Crore

Particulars	Gross carrying value				Accumulated depreciation				Accumulated impairment (Refer Note-3)			Net carrying value
	As at January 01, 2021	Additions	Disposals / adjustments	As at December 31, 2021	As at January 01, 2021	Depreciation charge for the year	Disposals / adjustments	As at December 31, 2021	As at January 01, 2021	Transferred from Capital work in progress	As at December 31, 2021	As at December 31, 2021
Tangible Assets :												
Freehold non-mining land	138.24	1.03	-	139.27	-	-	-	-	-	-	-	139.27
Freehold mining land	344.24	7.91	-	352.15	1.26	0.23	-	1.49	-	-	-	350.66
Buildings	1,781.41	112.69	6.94	1,887.16	366.84	81.11	2.88	445.07	29.27	4.11	33.38	1,408.71
Plant and equipment	6,892.91	488.63	45.74	7,335.80	2,379.34	441.64	23.52	2,797.46	116.75	10.52	127.27	4,411.07
Railway sidings	275.79	8.55	-	284.34	98.48	21.90	-	120.38	1.43	-	1.43	162.53
Furniture and fixtures	34.01	1.42	0.29	35.14	18.45	3.01	0.22	21.24	0.27	0.03	0.30	13.60
Vehicles	94.90	6.23	1.09	100.04	47.85	10.59	0.87	57.57	10.14	-	10.14	32.33
Office equipment	70.96	17.78	3.73	85.01	53.47	11.43	3.67	61.23	0.53	-	0.53	23.25
Total	**9,632.46**	**644.24**	**57.79**	**10,218.91**	**2,965.69**	**569.91**	**31.16**	**3,504.44**	**158.39**	**14.66**	**173.05**	**6,541.42**

Notes:-

1 Buildings include cost of shares Rs. 10,550 *(Previous year - Rs. 12,050)* in various Co-operative Housing Societies residential flats.

2 Title deeds not in the name of the Company

Assets category	Title deeds in name of	Reason for not being transferred in the name of Company	Property held since	Gross carrying value as on March 31, 2023	Gross carrying value as on December 31, 2021
Freehold mining land	Karnataka Industrial Area Development Board	Company is in the process of obtaining the title deeds	June 30, 2015	131.53	131.53
Building	Supertech realtors Pvt Ltd	Company is in the process of obtaining the title deeds	March 01, 2021	4.45	4.45
Freehold land	Title deed not available with the Company			3.59	1.37
Building	Title deed not available with the Company			16.83	16.45

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2023

3 In an earlier year, considering lower profitability due to higher input cost, the Company had recognised impairment loss (including Capital work in progress) for its cement manufacturing facility at Madukkarai. There is no change on re -assessment in the current year.

4 Capital work in progress as at March 31, 2023 is Rs. 1,684.00 Crore *(Previous year - Rs. 1,216.39 Crore)* comprises of various projects and expansions spread over all units.

a) Movement in Capital work in progress

Rs. in Crore

Opening balance as on January 01, 2021	**519.46**
Add - Additions during the year	1,348.73
Less - Capitalised during the year	(651.80)
Closing balance as on December 31, 2021	**1,216.39**
Add - Additions during the year	1,914.89
Less - Capitalised during the year	(1,447.28)
Closing balance as on March 31, 2023	**1,684.00**

b) Ageing of capital Work-in-progress

Rs. in Crore

	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As at March 31, 2023					
Projects in progress	858.99	730.44	40.27	51.69	1,681.39
Projects temporarily suspended	0.35	-	0.15	2.11	2.61
Total	**859.34**	**730.44**	**40.42**	**53.80**	**1,684.00**
As at December 31, 2021					
Projects in progress	1,005.19	94.11	77.78	37.05	1,214.13
Projects temporarily suspended	-	0.15	-	2.11	2.26
Total	**1,005.19**	**94.26**	**77.78**	**39.16**	**1,216.39**

c) Expected completion schedule of capital work-in-progress where cost or time overrun has exceeded original plan

	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
As at March 31, 2023				
Projects in progress				
Greenfield project at Ametha	1,297.64	-	-	-
As at December 31, 2021				
Projects in progress	-	-	-	-

5 Depreciation charge for the year include Rs. 0.55 Crore *(Previous year - Rs. 0.07 Crore)* capitalised as pre-operative expenses (Refer Note - 49).

6 For contractual commitment with respect to Property, Plant and Equipment, Refer Note - 41.

7 On transition to Ind AS, the Company has elected to continue with the carrying value of all Property, plant and equipments measured as per the previous GAAP and use that carrying value as the deemed cost of Property, plant and equipments.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended March 31, 2023

NOTE 3: OTHER INTANGIBLE ASSETS

Rs. in Crore

Particulars	Gross carrying value				Accumulated amortisation				Net carrying value	
	As at January 01, 2022	Additions	Disposals	As at March 31, 2023	As at January 01, 2022	Amortisation charge for the year	Disposals	As at March 31, 2023	As at March 31, 2023	As at December 31, 2021
Intangible assets :										
Computer software	6.48	2.69	-	9.17	4.17	2.70	-	6.87	2.30	2.31
Sponsorship rights (Refer Note 44)	-	50.28	-	50.28	-	-	-	-	50.28	-
Mining rights	67.48	48.48	-	115.96	19.84	4.45	-	24.29	91.67	47.64
Total	**73.96**	**101.45**	**-**	**175.41**	**24.01**	**7.15**	**-**	**31.16**	**144.25**	**49.95**

Rs. in Crore

Particulars	Gross carrying value				Accumulated amortisation				Net carrying value
	As at January 01, 2021	Additions	Disposals / adjustments	As at December 31, 2021	As at January 01, 2021	Depreciation charge for the year	Disposals / adjustments	As at December 31, 2021	As at December 31, 2021
Intangible assets :									
Computer software	3.92	2.59	0.03	6.48	2.89	1.31	0.03	4.17	2.31
Mining rights	60.87	6.61	-	67.48	15.92	3.92	-	19.84	47.64
Total	**64.79**	**9.20**	**0.03**	**73.96**	**18.81**	**5.23**	**0.03**	**24.01**	**49.95**

NOTE 4. RIGHT OF USE ASSETS

Rs. in Crore

Particulars	Gross carrying value				Accumulated depreciation				Net carrying value	
	As at January 01, 2022	Additions	Disposals	As at March 31, 2023	As at January 01, 2022	Amortisation charge for the year	Disposals	As at March 31, 2023	As at March 31, 2023	As at December 31, 2021
Leasehold land	139.85	123.28	1.02	262.11	25.12	18.02	0.98	42.16	219.95	114.73
Buildings	3.89	-	0.13	3.76	1.10	0.62	0.13	1.59	2.17	2.79
Plant and equipments	55.68	25.01	8.46	72.23	18.71	17.27	3.25	32.73	39.50	36.97
Vehicles	0.44	-	0.22	0.22	0.32	0.12	0.22	0.22	-	0.12
Total	**199.86**	**148.29**	**9.83**	**338.32**	**45.25**	**36.03**	**4.58**	**76.70**	**261.62**	**154.61**

Rs. in Crore

Particulars	Gross carrying value				Accumulated depreciation				Net carrying value
	As at January 01, 2021	Additions	Disposals	As at December 31, 2021	As at January 01, 2021	Depreciation charge for the year	Disposals	As at December 31, 2021	As at December 31, 2021
Leasehold land	111.02	31.01	2.18	139.85	13.96	13.34	2.18	25.12	114.73
Buildings	4.95	-	1.06	3.89	1.46	0.70	1.06	1.10	2.79
Plant and equipments	39.35	20.36	4.03	55.68	10.29	11.41	2.99	18.71	36.97
Vehicles	0.44	-	-	0.44	0.16	0.16	-	0.32	0.12
Total	**155.76**	**51.37**	**7.27**	**199.86**	**25.87**	**25.61**	**6.23**	**45.25**	**154.61**

Lease deeds not in the name of the Company

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2023

NOTE 5: INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

	As at March 31, 2023		As at December 31, 2021	
	Numbers	Rs. in Crore	Numbers	Rs. in Crore
Investments in Unquoted equity instruments				
Investment in Associates				
Face value Rs. 10 each fully paid				
Alcon Cement Company Private Limited	4,08,001	14.12	4,08,001	14.22
Add - Share of profit		1.90		0.33
Less - Dividend received		(0.55)		(0.43)
		15.47		14.12
Asian Concretes and Cements Private Limited	81,00,000	97.90	81,00,000	88.65
Add - Share of profit		9.07		9.25
		106.97		97.90
		122.44		**112.02**
Investment in Joint Ventures				
Face value Rs. 10 each fully paid				
OneIndia BSC Private Limited	25,01,000	6.43	25,01,000	6.31
Add - Share of profit / (loss)		0.30		0.12
		6.73		6.43
Aakaash Manufacturing Company Private Limited	4,401	12.70	4,401	11.89
Add - Share of profit		4.79		1.94
Less - Dividend received		(1.75)		(1.13)
		15.74		12.70
		22.47		**19.13**
Total		**144.91**		**131.15**

NOTE 6: NON-CURRENT – INVESTMENTS

	As at March 31, 2023		As at December 31, 2021	
	Numbers	Rs. in Crore	Numbers	Rs. in Crore
Investment at fair value through profit or loss (FVTPL)				
Investment in equity instruments (fully paid)				
Unquoted				
Face value Rs. 10 each fully paid				
Solbridge Energy Private Limited (Refer Note - II below)	80,23,803	10.20	80,23,803	10.20
Amplus Green Power Private Limited	25,78,592	4.50	25,78,592	4.50
Kanoria Sugar & General Mfg. Company Limited*	4	-	4	-
Gujarat Composites Limited*	60	-	60	-
Rohtas Industries Limited*	220	-	220	-
The Jaipur Udyog Limited*	120	-	120	-
Digvijay Finlease Limited*	90	-	90	-
The Travancore Cement Company Limited*	100	-	100	-
Ashoka Cement Limited*	50	-	50	-
Face value Rs. 5 each fully paid				
The Sone Valley Portland Cement Company Limited*	100	-	100	-
Investment at amortised cost		14.70		14.70
Investment in Unquoted bonds				
Face value Rs. 1,000,000 each fully paid				
5.13% Himachal Pradesh Infrastructure Development Board Bonds	37	3.70	37	3.70
Total		**18.40**		**18.40**

Notes:

(I) Aggregate carrying value of unquoted investments	18.40	18.40

(II) During the previous year, the Group has subscribed 80,23,803 equity shares in Solbridge Energy Private Limited (SEPL) representing 19.06% holding for a total consideration of Rs. 10.20 Crore. The SEPL has set up a solar power plant in the State of Chhattisgarh of which the Company's Jamul plant would be one of the consumers.

(III) *Each of such investments is carried at value less than Rs. 50,000

NOTES TO THE FINANCIAL STATEMENTS
for the year ended March 31, 2023

NOTE 7: NON CURRENT - LOANS
Considered good - unsecured

Rs. in Crore

	As at March 31, 2023	As at December 31, 2021
Loans to joint venture companies by subsidiary		
Considered good - unsecured	3.99	3.94
Receivables which have significant increase in credit risk	26.99	26.99
Less: allowance for doubtful advances	(26.99)	(26.99)
	3.99	3.94
Loans to employees	4.87	6.08
Total	**8.86**	**10.02**

NOTE 8: OTHER NON-CURRENT FINANCIAL ASSETS

Rs. in Crore

	As at March 31, 2023	As at December 31, 2021
Incentives under Government schemes (Net) {Refer Note - 51(i)}	846.57	717.09
Security deposits	169.21	152.56
Bank deposits with more than 12 months maturity*	200.17	31.60
Margin money deposit with more than 12 months maturity**	16.68	15.84
Total	**1,232.63**	**917.09**

*Placed as security with government authorities of Rs. 32.29 Crore *(Previous year - Rs. 31.44 Crore)*.

**Margin money deposit is against bank guarantees given to Government authorities.

NOTE 9: OTHER NON-CURRENT ASSETS
Unsecured, considered good, unless otherwise stated

Rs. in Crore

	As at March 31, 2023	As at December 31, 2021
Capital advances (Refer Note - 58)	379.81	317.53
Advance other than capital advances		
Claim receivables from Government and others		
Unsecured, considered good	27.42	30.07
Considered doubtful	4.21	4.21
Less: Allowance for doubtful receivables	(4.21)	(4.21)
	27.42	30.07
Deposits with Government bodies and others		
Unsecured, considered good	274.70	276.22
Considered doubtful	3.33	3.33
Less: Allowance for doubtful receivables	(3.33)	(3.33)
	274.70	276.22
Total	**681.93**	**623.82**

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2023

NOTE 10: INVENTORIES

At lower of cost and net realisable value

Rs. in Crore

	As at March 31, 2023	As at December 31, 2021
Raw Materials	173.03	165.56
{Including goods-in-transit Rs. 4.89 Crore *(Previous year - Rs. 9.09 Crore)*}		
Work-in-progress	421.88	302.98
Finished goods	174.97	129.19
Stock-in-trade	44.65	16.14
{Including goods-in-transit Rs. 5.35 Crore *(Previous year - Rs. Nil)*}		
Stores and spares {Net of provision of Rs. 116.52 Crore *(Previous year - Rs. 117.45 Crore)*}	276.49	214.32
{Including goods-in-transit Rs. 8.05 Crore *(Previous year - Rs. 12.70 Crore)*}		
Packing Materials	30.36	40.42
Fuels	502.82	405.30
{Including goods-in-transit Rs. 106.04 Crore *(Previous year - Rs. 100.05 Crore)*}		
Total	**1,624.20**	**1,273.91**

During the year ended March 31, 2023 the Company has recognised Rs. (0.93) Crore *(previous year - Rs. 6.85 Crore)* as an (income) / expenses for the provision related to stores and spares inventory.

NOTE 11: TRADE RECEIVABLES

Rs. in Crore

	As at March 31, 2023	As at December 31, 2021
Considered good - secured	196.98	21.53
Considered good - unsecured	672.26	440.73
Receivables which have significant increase in credit risk {Refer Note 51(i)}	59.11	50.25
	928.35	**512.51**
Less : Allowance for doubtful receivables	(59.11)	(50.25)
Total	**869.24**	**462.26**

Trade receivable ageing schedule is as given below:

Rs. in Crore

	Outstanding for following periods from transaction date					
	Less than 6 Months	6 Months - 1 years	1- 2 Years	2 - 3 years	More than 3 years	Total
Balance as at March 31, 2023						
Undisputed Trade receivables – considered good	847.56	20.12	1.52	-	0.04	869.24
Undisputed trade receivables – having significant increase in credit risk	-	18.38	13.12	4.31	23.30	59.11
Total	**847.56**	**38.50**	**14.64**	**4.31**	**23.34**	**928.35**
Balance as at December 31, 2021						
Undisputed Trade receivables – considered good	458.34	3.75	0.03	0.13	0.01	462.26
Undisputed trade receivables – having significant increase in credit risk	0.05	8.5	12.63	16.03	13.04	50.25
Total	**458.39**	**12.25**	**12.66**	**16.16**	**13.05**	**512.51**

NOTE 12: CASH AND CASH EQUIVALENTS

Rs. in Crore

	As at March 31, 2023	As at December 31, 2021
Balances with banks:		
- In current accounts	52.33	145.62
- Deposits with original maturity of less than three months	84.16	6,587.51
	136.49	**6,733.13**
Deposit with other than banks with original maturity of less than three months	-	250.00
Post office saving accounts	0.01	0.01
	136.50	**6,983.14**
Investments in liquid mutual funds measured at FVTPL	120.13	383.45
Total	**256.63**	**7,366.59**

NOTES TO THE FINANCIAL STATEMENTS
for the year ended March 31, 2023

NOTE 13: BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Rs. in Crore

	As at March 31, 2023	As at December 31, 2021
Other bank balances:		
Deposits with original maturity for more than 3 months but less than 12 months	134.09	132.01
#On unpaid dividend accounts	23.99	23.80
Total	**158.08**	**155.81**

* Includes fixed deposit lien in favour of National Company Law Appellate Tribunal (NCLAT) ₹133.91 crore {*(Previous year - ₹131.83 Crore)* - Refer Note - 42 (a)}.

These balances are available for use only towards settlement of corresponding unpaid dividend liabilities.

NOTE 14: CURRENT - LOANS
Considered good - unsecured

Rs. in Crore

	As at March 31, 2023	As at December 31, 2021
Loan to Employees	5.76	6.60
Total	**5.76**	**6.60**

NOTE 15: OTHER CURRENT FINANCIAL ASSETS
Considered Good - Unsecured, unless otherwise stated

Rs. in Crore

	As at March 31, 2023	As at December 31, 2021
Government grant receivables (net)	169.06	187.66
Security deposits	114.01	57.74
Other receivable		
Unsecured, considered good	38.98	26.76
Considered doubtful	5.26	5.04
Less : Allowance for doubtful receivable	(5.26)	(5.04)
	38.98	26.76
Bank deposits with remaining maturity of less than 12 months	2,719.29	-
Other accrued interest	28.12	14.72
Total	**3,069.46**	**286.88**

NOTE 16: OTHER CURRENT ASSETS
Considered Good - Unsecured, unless otherwise stated

Rs. in Crore

	As at March 31, 2023	As at December 31, 2021
Advances to suppliers*	1,580.30	327.11
Prepaid expenses	40.48	46.68
Gratuity net assets (funded) (Refer Note - 39)	11.39	-
Balances with statutory/ Government authorities	625.35	423.61
Other receivables	12.13	16.29
Other Receivables which have significant increase in credit risk	17.88	17.88
	30.01	34.17
Less: Allowance for doubtful receivables	(17.88)	(17.88)
	12.13	16.29
Total	**2,269.65**	**813.69**

* Includes ₹975.00 crores *(Previous year ₹Nil)* to a coal trader for supply of fuel under long term supply agreement.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2023

NOTE 17: NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

Rs. in Crore

	As at March 31, 2023	As at December 31, 2021
Plant and equipment	1.28	1.28
Building	0.85	1.05
Total	**2.13**	**2.33**

During the year, the Group sold a flat for Rs. 9.78 Crore *(Previous year - Rs. 4.25 Crore)* having Book Value Rs. 0.20 Crore *(Previous year - Rs. 0.32 Crore)* which was classified as held for sale. The resultant gain of Rs. 9.58 Crore *(Previous year - Rs. 3.93)* Crore has been disclosed in statement of profit and loss under Other income.

NOTE 18: EQUITY SHARE CAPITAL

Rs. in Crore

	As at March 31, 2023	As at December 31, 2021
Authorised		
22,50,00,000 *(Previous year - 22,50,00,000)* equity shares of Rs. 10 each	225.00	225.00
10,00,00,000 *(Previous year - 10,00,00,000)* preference shares of Rs. 10 each	100.00	100.00
Issued		
18,87,93,243 *(Previous year - 18,87,93,243)* equity shares of Rs. 10 each	188.79	188.79
Subscribed and Paid-up		
18,77,87,263 *(Previous year - 18,77,87,263)* equity shares of Rs. 10 each fully paid	187.79	187.79
Add : 3,84,060 *(Previous year - 3,84,060)* equity shares of Rs. 10 each forfeited - amount originally paid	0.20	0.20
Total	**187.99**	**187.99**

i) Reconciliation of number of equity shares outstanding

	Equity shares	
	Rs. in Crore	Rs. in Crore
As at January 01, 2021	18,77,87,263	187.79
Increase/ (decrease) during the year	-	-
As at December 31, 2021	18,77,87,263	187.79
Increase/ (decrease) during the year	-	-
As at March 31, 2023	18,77,87,263	187.79

ii) Terms / rights attached to equity shares

The Company has only one class of equity shares having par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

iii) Equity shares held by immediate holding company/ ultimate holding company and/ or their subsidiaries/ associates

Rs. in Crore

	As at March 31, 2023	As at December 31, 2021
Ambuja Cements Limited, the Holding company	93.98	93.98
9,39,84,120 *(Previous year - 9,39,84,120)* Equity shares Rs. 10 each fully paid		
Holderind Investments Ltd, Mauritius, the holding company of Ambuja Cements Limited*	8.41	8.41
84,11,000 *(Previous year - 84,11,000)* Equity shares Rs. 10 each fully paid		
Endeavour Trade and Investment Limited, the holding company of Holderind Investments Ltd, Mauritius	4.06	-
40,61,807 *(Previous year - Nil)* equity shares Rs. 10 each fully paid		

*On September 15, 2022, Endeavour Trade and Investment Limited (an entity of Adani family) has acquired 100% shareholding in Holderind Investments Limited from Holderfin B.V (an entity of the Holcim Group). Consequently, the Board of Directors was reconstituted on 16th September 2022.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2023

iv) Details of shareholders holding more than 5% shares in the Company

Rs. in Crore

	As at March 31, 2023		As at December 31, 2021	
	No. of shares	% holding	No. of shares	% holding
Ambuja Cements Limited, immediate holding company	9,39,84,120	50.05	9,39,84,120	50.05
Life Insurance Corporation of India	1,20,33,771	6.41	1,08,27,402	5.77

v) Equity shares held by promoters

Rs. in Crore

	As at March 31, 2023			As at December 31, 2021		
	No. of shares	% holding	% Change during the year	No. of shares	% holding	% Change during the year
Ambuja Cements Limited	9,39,84,120	50.05	-	9,39,84,120	50.05	-
Holderind Investments Ltd, Mauritius	84,11,000	4.48	-	84,11,000	4.48	-
Endeavour Trade and Investment Limited	40,61,807	2.16	100.00	-	-	-

vi) There are no shares allotted as fully paid up by way of bonus shares or allotted as fully paid up pursuant to contract without payment being received in cash, or bought back during the period of five years immediately preceding the reporting date.

There are no securities which are convertible into equity shares.

NOTE 19: OTHER EQUITY

Refer statement of changes in Equity for detailed movement in balance.

Rs. in Crore

	As at March 31, 2023	As at December 31, 2021
Securities premium	845.03	845.03
General reserve	2,796.78	2,796.78
Capital contribution from parent	10.25	7.47
Retained earnings	10,298.42	10,471.56
Total	**13,950.48**	**14,120.84**

The description of the nature and purpose of each reserve within equity is as follows:

Securities Premium: The amount received in excess of face value of the equity shares is recognised in Securities Premium. The reserve is utilised in accordance with the specific provisions of the Companies Act, 2013.

General Reserve: General Reserve is used to transfer profits from retained earnings for appropriation purposes. The amount is to be utilised in accordance with the provision of the Companies Act, 2013

Capital Contribution from parent: Capital contribution from parent represents the fair value of the employee performance share plan. These shares are granted by the erstwhile parent company "Holcim Ltd" to the executives and senior management of the Group.

Retained Earnings: Retained earnings are the profits that the Group has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained Earnings includes re-measurement loss / gain on defined benefit plans, net of taxes that will not be reclassified to profit and loss.

NOTE 20: NON-CURRENT PROVISIONS

Rs. in Crore

	As at March 31, 2023	As at December 31, 2021
Provision for employee benefits		
Provision for gratuity (Refer Note - 39)	88.16	94.65
Provision for provident fund (Refer Note - 39)	50.13	76.94
Provision for long service award	4.39	4.94
Other provisions		
Provision for site restoration (Refer note - 20.1 below)	35.12	39.02
Total	**177.80**	**215.55**

NOTES TO THE FINANCIAL STATEMENTS
for the year ended March 31, 2023

Note 20.1

Mines reclamation expenses are incurred on an ongoing basis until the respective mines are not fully restored, in accordance with the requirements of the mining agreement. The actual expenses may vary based on the nature of reclamation and the estimate of reclamation expenses. Movement of provisions for site restoration during the year is as under:

Rs. in Crore

	As at March 31, 2023	As at December 31, 2021
Opening Balance	39.02	40.40
Provision/(reversal) during the year (net)	(6.72)	(1.57)
Utilised during the year	(0.47)	(1.37)
Unwinding of interest	3.29	1.56
Closing Balance	**35.12**	**39.02**

NOTE 21: INCOME TAX

Reconciliation of tax expense and the accounting profit multiplied by India's domestic tax rate for March 31, 2023:

Rs. in Crore

	As at March 31, 2023		As at December 31, 2021	
	Rs. in Crore	In %	Rs. in Crore	In %
Profit before share of profit of associates and joint ventures and tax	1186.45		2,494.73	
At India's statutory income tax rate	298.63	25.17	627.92	25.17
Effect of exempt income for tax purpose				
Dividends	(0.58)	(0.05)	(0.39)	(0.02)
Effect of Non-Deductible expenses				
Corporate social responsibility expenses	11.44	0.97	9.05	0.37
Others	7.90	0.67	6.70	0.27
	18.76	**1.58**	**15.36**	**0.62**
At the effective income tax rate	**317.39**	**26.75**	**643.28**	**25.79**
Income tax expense reported in the Consolidated Statement of profit and loss	317.39	26.75	643.28	25.79

The rate used in the calculation of deferred tax is 25.17 %for the year ended March 31, 2023 and December 31, 2021

The major components of deferred tax liabilities / assets arising on account of timing differences are as follows:

Rs. in Crore

	Net Balance as on January 01, 2022	Recognised in the Consolidated Statement of Profit and Loss	Recognised in OCI	Net Balance as on March 31, 2023
Deferred tax liabilities:				
Depreciation and amortisation differences	623.34	46.57	-	669.91
Deferred tax Liabilities on undistributed profit of associates and joint ventures	20.71	4.09	-	24.80
	644.05	**50.66**	**-**	**694.71**
Deferred tax assets:				
Provision for employee benefits	47.77	0.60	(10.45)	37.92
Expenses allowed for tax purposes in following years	62.27	3.21	-	65.48
Allowance for obsolescence of stores and spares	7.12	-	-	7.12
Allowance for doubtful receivables and other assets	16.92	2.46	-	19.38
Right of use assets and lease liabilities differences	2.64	1.21	-	3.85
Expected credit loss on incentives receivable from Government	32.45	-	-	32.45
Other temporary differences (including interest on income tax)	71.18	-	-	71.18
	240.35	**7.48**	**(10.45)**	**237.38**
Net Deferred Tax Liabilities	**403.70**	**43.18**	**10.45**	**457.33**

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2023

	Balance as on January 01, 2021	Recognised in the Consolidated Statement of Profit and Loss	Recognised in OCI	Net Balance as on December 31, 2021
Deferred tax liabilities:				
Depreciation and amortisation differences	623.21	0.13	-	623.34
Deferred Tax Liabilities on undistributed profit of associates and joint venture	18.21	2.50	-	20.71
	641.42	**2.63**	**-**	**644.05**
Deferred tax assets:				
Provision for employee benefits	48.25	1.35	(1.83)	47.77
Expenses allowed for tax purposes in following years	70.78	(8.51)	-	62.27
Allowance for obsolescence of stores and spares	7.12	-	-	7.12
Allowance for doubtful receivables and other assets	19.20	(2.28)	-	16.92
Right of use assets and lease liabilities differences	3.03	(0.39)	-	2.64
Expected credit loss on incentives receivable from Government	32.45	-	-	32.45
Other temporary differences (including interest on income tax)	65.80	5.38	-	71.18
	246.63	**(4.45)**	**(1.83)**	**240.35**
Net Deferred Tax Liabilities	**394.79**	**7.08**	**1.83**	**403.70**

At the end of the reporting period, the aggregate amount of temporary differences associated with undistributed earnings of the subsidiaries for which deferred tax liabilities have not been recognised is Rs. 21.01 Crore *(Previous Year - Rs. 19.47 Crore)*. No liability has been recognised in respect of these differences because management controls the distributions of the earnings of the subsidiaries to the holding company and it has no intention to distribute the earnings of the subsidiaries.

The Group offsets tax assets and liabilities if and only if it has a legally enforceable right to set-off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities related to income taxes levied by the same tax authority.

The Group has business losses including unabsorbed depreciation of Rs. 5.56 Crore (December 31, 2021 - Rs. 37.17 Crore) for which no deferred tax assets have been recognised. The business losses will expire between financial years 2023-24 to 2029-30. The above information is based on the returns of income filed by the individual subsidiary companies upto assessment year 2022-2023.

NOTE 22: TRADE PAYABLES

Rs. in Crore

	Outstanding for following periods from transaction date				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Balance as at March 31, 2023					
Total outstanding dues of micro and small enterprises (Undisputed)	20.21	-	-	-	20.21
Total outstanding dues of trade payable other than micro and small enterprises (Undisputed)	1,326.36	56.67	10.15	80.00	1,473.18
Balance as at December 31, 2021					
Total outstanding dues of micro and small enterprises (Undisputed)	25.02	0.08	0.17	0.06	25.33
Total outstanding dues of trade payable other than micro and small enterprises (Undisputed)	1,611.55	112.21	48.33	107.47	1,879.56

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2023

NOTE 23: OTHER CURRENT FINANCIAL LIABILITIES

Rs. in Crore

	As at March 31, 2023	As at December 31, 2021
Financial Liabilities at amortised cost		
Interest accrued	0.04	13.33
Unpaid dividends*	23.99	23.80
Security deposits and retention money	960.25	792.90
Liability for capital expenditure	60.53	136.81
Liability for employees	146.68	137.18
Others	-	25.45
Total	**1,191.49**	**1,129.47**

*Investor Education and Protection Fund ('IEPF') - outstanding aggregating of Rs. 0.45 Crore (December 31, 2021 - Rs. 0.36 Crore) ,is pending to be transferred to the 'IEPF'on account of disputes and legal cases.

NOTE 24: OTHER CURRENT LIABILITIES

Rs. in Crore

	As at March 31, 2023	As at December 31, 2021
Contract Liability*		
Advances from customers	169.69	252.32
Other Liability		
Statutory dues payable	784.40	675.32
Rebates to customers	654.90	592.68
Other payables	771.16	745.03
(including interest on income tax, etc.)		
Total	**2,380.15**	**2,265.35**

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

NOTE 25: CURRENT PROVISIONS

Rs. in Crore

	As at March 31, 2023	As at December 31, 2021
Provision for employee benefits		
Provision for gratuity (Refer Note - 39)	8.48	11.59
Provision for compensated absences	0.93	3.18
Provision for long service award	0.67	0.93
Total	**10.08**	**15.70**

NOTE 26: REVENUE FROM OPERATIONS

Rs. in Crore

	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Revenue from contracts with customers		
Sale of manufactured products	18,982.19	14,724.78
Sale of traded products	2,772.73	1,086.28
Income from services rendered	12.37	3.34
	21,767.29	**15,814.40**
Other Operating Revenue		
Provision no longer required written back	12.32	7.33
Scrap sales	75.27	56.61
Government grants	207.11	154.74
Miscellaneous income	148.19	118.59
	442.89	**337.27**
Total	**22,210.18**	**16,151.67**

NOTES TO THE FINANCIAL STATEMENTS
for the year ended March 31, 2023

Reconciliation of revenue as per contract price and as recognised in consolidated statement of profit and loss:

Rs. in Crore

	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Revenue as per contract price	24,543.78	18,226.76
Less: Discounts and incentives	(2,776.49)	(2,412.36)
Revenue from contract with customers	**21,767.29**	**15,814.40**

Remaining performance obligation:

The Group does not have any remaining performance obligation under contracts entered for sale of goods or services which remains unsatisfied as at March 31, 2023. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognised corresponds directly with the value to the customer of the entity's performance completed to date.

Disaggregation of revenue:

Refer Note 45 for disaggregated revenue information. The management determines that the segment information reported is sufficient to meet the disclosure objective with respect to disaggregation of revenue under Ind AS 115 "Revenue from contract with customers".

NOTE 27: OTHER INCOME

Rs. in Crore

	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Interest income using the effective interest rate method		
Interest on bank deposits	223.49	178.12
Interest on income tax	0.03	12.71
Other interest	4.95	3.78
	228.47	**194.61**
Other non-operating income		
Gain on sale of current financial assets measured at FVTPL (net)	17.13	9.54
Others	95.19	1.68
Gain on fair valuation of current financial assets measured at FVTPL (net)*	0.13	0.27
Gain on termination of leases	0.97	0.61
Total	**341.89**	**206.71**

* These instruments are mandatorily measured at fair value through profit or loss in accordance with Ind AS 109.

NOTE 28: COST OF MATERIALS CONSUMED

Rs. in Crore

	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Inventories at the beginning of the year	165.56	115.54
Add: Purchases	3,353.43	2,169.59
	3,518.99	2,285.13
Less: Inventories at the end of the year	173.03	165.56
Total	**3,345.96**	**2,119.57**

NOTE 29: PURCHASES OF STOCK-IN-TRADE

Rs. in Crore

	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Cement and others	2,293.99	918.35
Ready Mix Concrete	6.96	2.84
Total	**2,300.95**	**921.19**

NOTES TO THE FINANCIAL STATEMENTS
for the year ended March 31, 2023

NOTE 30: CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

Rs. in Crore

	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Inventories at the end of the year		
Stock-in-trade	44.65	16.14
Finished goods	174.97	129.19
Work-in-progress	421.88	302.98
	641.50	**448.31**
Inventories at the beginning of the year		
Stock-in-trade	16.14	14.48
Finished goods	129.19	112.10
Work-in-progress	302.98	147.84
	448.31	274.42
Less: Transfer on sale of Subsidiary Company	-	0.36
	448.31	**274.06**
Total	**(193.19)**	**(174.25)**

NOTE 31: EMPLOYEE BENEFITS EXPENSE

Rs. in Crore

	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Salaries and wages (Refer note - 49)	874.98	721.89
Contributions to provident and other funds	79.71	66.29
Employee share based payments (Refer Note - 56)	2.78	4.18
Staff welfare expenses	78.73	43.80
Total	**1,036.20**	**836.16**

NOTE 32: FREIGHT AND FORWARDING EXPENSE

Rs. in Crore

	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
On clinker transfer	853.62	584.33
On finished and semifinished products	4,286.62	3,238.66
Total	**5,140.24**	**3,822.99**

NOTE 33: FINANCE COSTS

Rs. in Crore

	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Interest		
On income tax	3.16	3.67
On Defined benefit obligation (Net) (Refer Note - 39)	11.53	8.95
Interest on deposits from dealers carried at amortised cost	25.70	16.19
Interest on lease liabilities carried at amortised cost	12.96	9.37
Others	20.64	14.88
Unwinding of discount on site restoration provision (Refer Note - 20.1)	3.29	1.56
Total	**77.28**	**54.62**

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2023

NOTE 34: DEPRECIATION AND AMORTISATION EXPENSE

Rs. in Crore

	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Depreciation on property, plant and equipments	798.15	569.84
Amortisation of intangible assets	7.14	5.23
Depreciation on Right of use assets	36.03	25.61
Total	**841.32**	**600.68**

NOTE 35: OTHER EXPENSES

Rs. in Crore

	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Consumption of stores and spare parts	387.04	277.95
Consumption of packing materials	656.37	552.03
Rent (Refer note - 40)	140.49	107.26
Rates and taxes	101.48	97.85
Repairs	244.94	163.33
Insurance	51.64	39.34
Royalty on minerals	304.29	264.83
Advertisement	118.63	86.37
Technology and know-how fees (Refer Note - 44 and Note below)	115.35	154.51
Impairment losses on trade receivables {(including reversals of impairment losses) (Refer Note - 51(i))}	14.84	(10.87)
Corporate Social Responsibility expense	45.47	35.95
Miscellaneous expenses (Refer Note-49)	750.70	519.06
Total	**2,931.24**	**2,287.61**

Note

The Company with effect from September 16, 2022, has terminated its agreement with Holcim Technology Limited for payment of technology and know-how fees @ 1% of eligible net sales.

NOTE 36: EARNINGS PER SHARE - [EPS]

The following reflects the income and share data used in the basic and diluted EPS computations:

Rs. in Crore

		For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Profit attributable to equity shareholders		885.07	1,862.99
Weighted average number of equity shares for EPS computation			
Number of shares for Basic EPS		18,77,87,263	18,77,87,263
Effect of dilution:			
Number of shares held in abeyance		5,02,957	5,06,656
(Movement in number of shares is on account of change in average fair value of share)			
Weighted average number of Equity shares adjusted for the effect of dilution		18,82,90,220	18,82,93,919
EPS			
Face value per share	Rs.	10.00	10.00
Basic	Rs.	47.13	99.21
Diluted	Rs.	47.01	98.94

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2023

NOTE 37: GROUP INFORMATION

The consolidated financial statements of the Group includes subsidiaries listed in the table below:

Name	Principal activities	Principal place of business	% equity interest As at March 31, 2023	% equity interest As at December 31, 2021
Bulk Cement Corporation (India) Limited*	Cement and cement related products	India	94.65%	94.65%
ACC Mineral Resources Limited*	Cement and cement related products	India	100%	100%
Lucky Minmat Limited*	Cement and cement related products	India	100%	100%
Singhania Minerals Private Limited*	Cement and cement related products	India	100%	100%

*The financial statements of each of the above Companies are drawn upto the same reporting date as that of the parent company, i.e. March 31, 2023.

The holding company

Ambuja Cements Limited is the holding Company of ACC Ltd.

Associates

Name	Principal activities	Principal place of business	% equity interest As at March 31, 2023	% equity interest As at December 31, 2021
Alcon Cement Company Private Limited	Cement and cement related products	India	40%	40%
Asian Concretes and Cements Private Limited	Cement and cement related products	India	45%	45%

Joint ventures

Name	Principal activities	Principal place of business	% equity interest As at March 31, 2023	% equity interest As at December 31, 2021
OneIndia BSC Private Limited	Shared services	India	50%	50%
Aakaash Manufacturing Company Private Limited	Ready mixed concrete products	India	40%	40%

Joint Operations of ACC Mineral Resources Limited

MP AMRL (Semaria) Coal Company Limited	Cement related products	India	49%	49%
MP AMRL (Bicharpur) Coal Company Limited	Cement related products	India	49%	49%
MP AMRL (Marki Barka) Coal Company Limited	Cement related products	India	49%	49%
MP AMRL (Morga) Coal Company Limited	Cement related products	India	49%	49%

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2023

NOTE 38: FINANCIAL INFORMATION IN RESPECT OF JOINT VENTURES AND ASSOCIATES THAT ARE NOT INDIVIDUALLY MATERIAL:

The Company's interests in below mentioned joint ventures and associates are accounted for using the equity method in the consolidated financial statements. The summarised financial information below represents amounts shown in the associate's and joint venture's financial statements prepared in accordance with Ind AS adjusted by the Company for equity accounting purposes:

a. Joint ventures

Rs. in Crore

	For the fifteen months ended March 31, 2023	For the Year ended December 31, 2021
OneIndia BSC Private Limited		
Group's share of profit	0.30	0.12
Group's share of other comprehensive income	-	-
Group's share of total comprehensive income	0.30	0.12
Aakaash Manufacturing Company Private Limited		
Group's share of profit	4.81	1.87
Group's share of other comprehensive income	(0.02)	0.07
Group's share of total comprehensive income	4.79	1.94

Rs. in Crore

	As at March 31, 2023	As at December 31, 2021
Aggregate carrying amount of the Group's interests in these Joint ventures		
OneIndia BSC Private Limited	6.73	6.43
Aakaash Manufacturing Company Private Limited	15.74	12.70

b. Associates

Rs. in Crore

	For the fifteen months ended March 31, 2023	For the Year ended December 31, 2021
Alcon Cement Company Private Limited		
Group's share of profit	1.97	0.41
Group's share of other comprehensive income	(0.07)	(0.08)
Group's share of total comprehensive income	1.90	0.33
Asian Concretes and Cements Private Limited		
Group's share of profit	9.07	9.25
Group's share of other comprehensive income	-	-
Group's share of total comprehensive income	9.07	9.25

Rs. in Crore

	As at March 31, 2023	As at December 31, 2021
Aggregate carrying amount of the Group's interests in these Associates		
Alcon Cement Company Private Limited	15.47	14.12
Asian Concretes and Cements Private Limited	106.97	97.90

NOTE 39: EMPLOYEE BENEFITS

a) **Defined contribution plans –** Amount recognised and included in Note 31 "contributions to provident and other funds" of Consolidated Statement of Profit and Loss Rs. 18.42 Crore *(Previous year - Rs. 15.10 Crore)*

b) **Defined benefit plans**

The Group has defined benefit gratuity, additional gratuity and Trust managed provident fund plan.

The gratuity and provident fund plan is in the form of a trust and it is governed by the Board of Trustees. The Board of Trustees is responsible for the administration of the plan assets including investment of the funds. The trust has developed policy guidelines for the allocation of assets to different classes with the objective of controlling risk and maintaining the right balance between risk and long-term returns in order to limit the cost to the Company of the benefits provided. To achieve this, investments are well diversified, such that the failure of any single investment would not have a material impact on the overall level of assets.

Each year, the Board of Trustees and the Company review the level of funding. Such a review includes the asset-liability matching strategy and assessment of the investment risk. The Company decides its contribution based on the results of this annual review.

The plans in India typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and salary risk.

Investment risk - As the plan assets include significant investments in quoted debt and equity instruments, the Group is exposed to the risk of impacts arising from fluctuation in interest rates and risks associated with equity market and related impairment.

Interest risk - A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's debt investments.

Longevity risk - The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk - The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

Gratuity and additional gratuity

i. The Group operates a Gratuity Plan through a trust for all its employees. Employee who has completed minimum five years of service is entitled to gratuity at 15 days salary for each completed year of service in accordance with Payment of Gratuity Act, 1972. The scheme is funded with insurance companies in the form of qualifying insurance policies.

ii. Every eligible employee who has joined the Company before December 01, 2006 and gets separated on retirement or on medical grounds is entitled to additional gratuity provided he has completed minimum 25 years of service. The scheme is non funded.

Rs. in Crore

		Gratuity (Including additional gratuity)	
		Funded	Non Funded
I	**Expense recognised in the consolidated statement of profit and loss**		
1	Current service cost	18.79	9.90
		16.05	*8.93*
2	Past service cost	0.19	-
		-	-
3	Net Interest cost	1.01	7.46
		0.48	*6.16*
4	Gain on settlements	-	-
		-	*(10.34)*
5	Net benefit expense	19.99	17.36
		16.53	*4.75*

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Rs. in Crore

		Gratuity (Including additional gratuity)	
		Funded	Non Funded
6	Actuarial (gains) / losses arising from change in financial assumptions	(5.82)	(3.55)
		(7.53)	*(3.83)*
7	Actuarial (gains) / losses arising from change in experience adjustments	(2.10)	3.92
		(2.01)	*2.18*
8	(Gain) / loss on plan assets (Excluding amount included in net interest expenses)	(0.38)	-
		(0.40)	-
9	Sub-total - Included in OCI	(8.30)	0.37
		(9.94)	*(1.65)*
10	Total expense (5 + 9)	11.69	17.73
		6.59	*3.10*
II	**Amount recognised in Balance Sheet**		
1	Present value of Defined Benefit Obligation	(185.18)	(96.64)
		(207.94)	*(94.22)*
2	Fair value of plan assets	196.57	-
		195.92	-
3	Funded status {Surplus/(Deficit)}	11.39	(96.64)
		(12.02)	*(94.22)*
4	Net asset/(liability)	11.39	(96.64)
		(12.02)	*(94.22)*
III	**Present value of Defined Benefit Obligation**		
1	Present value of Defined Benefit Obligation at beginning of the year	207.94	94.22
		221.90	*102.23*
2	Current service cost	18.79	9.90
		16.05	*8.93*
3	Past service cost	0.19	-
		-	-
4	Interest cost	16.28	7.46
		13.01	*6.16*
5	(Gain) on settlements	-	-
		-	*(10.34)*
6	Actuarial (gains) / losses arising from changes in financial assumptions	(5.82)	(3.55)
		(7.53)	*(3.83)*
7	Actuarial (gains) / losses arising from experience adjustments	(2.10)	3.92
		(2.01)	*2.18*
8	Benefits Payments	(50.10)	(15.31)
		(33.48)	*(11.11)*
9	Present value of Defined Benefit Obligation at the end of the year	185.18	96.64
		207.94	*94.22*
IV	**Fair value of Plan Assets**		
1	Plan assets at the beginning of the year	195.92	-
		214.29	-
2	Interest income	15.27	-
		12.53	-
4	Actual benefits paid	(15.00)	-
		(31.30)	-
5	Actuarial gains / (losses) arising from changes in financial assumptions	0.38	-
		0.40	-
6	Plan assets at the end of the year	196.57	-
		195.92	-
V	**Weighted Average duration of Defined Benefit Obligation**	9 Years	10 Years
		10 Years	*10 Years*

(Figures in italics pertains to previous year)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended March 31, 2023

VI Sensitivity Analysis:

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Sensitivity Analysis as at March 31, 2023

	Gratuity - Funded		Gratuity - Unfunded	
Particulars	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(10.95)	12.42	(6.98)	8.04
Future salary growth (1% movement)	12.33	(11.07)	7.78	(6.92)

Sensitivity Analysis as at December 31, 2021

	Gratuity - Funded		Gratuity - Unfunded	
Particulars	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(13.66)	15.59	(6.98)	8.07
Future salary growth (1% movement)	15.40	(13.75)	7.76	(6.86)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation recognised in the consolidated balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from previous year.

VII The major categories of plan assets as a percentage of total plan (%)

	Gratuity	
	As at March 31, 2023	As at December 31, 2021
Insurer managed funds	100%	100%
	100%	**100%**

VIII Actuarial assumptions:

		As at March 31, 2023	As at December 31, 2021
	Actuarial assumptions:		
a)	Financial Assumptions		
1	Discount rate	7.20%	6.75%
2	Salary increase rate	7.00%	7.00%
b)	Demographic Assumptions		
1	Retirement age	58 - 60 years	60 years
2	Mortality pre-retirement	Indian Assured Lives Mortality (2012-14) (Modified) Ultimate	Indian Assured Lives Mortality (2012-14) (Modified) Ultimate

c) The discount rate is based on the prevailing market yields of Government of India securities as at the consolidated balance sheet date for the estimated term of the obligations.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2023

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

e) Expected cash flows :

Particulars	Funded Gratuity		Unfunded Gratuity	
	As at March 31, 2023	As at December 31, 2021	As at March 31, 2023	As at December 31, 2021
1. Expected employer contribution in the next year	-	-	NA	NA
2. Expected benefit payments				
Year 1	16.49	29.81	8.49	11.58
Year 2	20.06	23.56	7.26	8.30
Year 3	34.04	23.93	9.08	8.15
Year 4	22.50	21.90	9.48	8.95
Year 5	20.95	17.65	8.05	8.41
Next 5 years	107.07	77.96	40.21	35.96
Total expected payments	**221.11**	**194.81**	**82.57**	**81.35**

f) Other long term employee benefits - Amount recognised as an expense under employee benefit expenses in the Consolidated Statement of Profit and Loss in respect of compensated absences and long service award is Rs. 24.86 Crore *(Previous year - Rs. 8.57 Crore)*. Following are the actuarial assumptions used for valuation of Other Long term employee benefits.

Actuarial Assumptions for valuation of Other Long term employee benefits

Rs. in Crore

		As at March 31, 2023	As at December 31, 2021
a)	**Financial Assumptions**		
1	Discount rate	7.20%	6.75%
2	Salary increase rate	7.00%	7.00%
b)	**Demographic Assumptions**		
1	Expected average remaining working lives of employees	9 years	10 years

Provident fund

"Provident fund for certain eligible employees is managed by the Group through a trust "The Provident Fund of ACC Ltd.", in line with the Provident Fund and Miscellaneous Provisions Act, 1952. The plan guarantees interest at the rate notified by the Provident Fund Authorities. The contribution by the employer and employee together with the interest accumulated thereon are payable to employees at the time of separation from the Group or retirement, whichever is earlier. The benefits vests immediately on rendering of the services by the employee. The minimum interest rate payable by the trust to the beneficiaries every year is notified by the Government. The Group has an obligation to make good the shortfall, if any, between the return from the investments of the trust (including investment risk fall) and the notified interest rate.

Rs. in Crore

	Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
I	**Components of expense recognised in the Consolidated Statement of Profit and Loss**		
1	Current service cost	39.60	29.47
2	Past service cost	(1.82)	-
3	Current interest cost (net off income on plan assets)	3.06	2.31
4	Total expense	40.84	31.78
	Components recognised in other comprehensive income (OCI)		
5	Actuarial (gains) / losses arising from changes in financial assumptions on Liability	(26.51)	(19.22)
6	Actuarial (gains) / losses arising from changes in financial assumptions on Plan Assets	(7.06)	23.54
7	Sub-total - Included in OCI	(33.57)	4.32
8	Total expense (4 + 7)	7.27	36.10

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Rs. in Crore

	Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
II	**Amount recognised in Consolidated Balance Sheet**		
1	Present value of Defined Benefit Obligation	(854.98)	(871.44)
2	Fair value of plan assets	804.85	794.50
3	Funded status {Surplus/(Deficit)}*	(50.13)	(76.94)
4	Net asset/(liability) as at end of the year	(50.13)	(76.94)
III	**Present Value of Defined Benefit Obligation**		
1	Present value of Defined Benefit Obligation at beginning of the year	871.44	848.58
2	Current service cost	39.60	29.47
3	Past service cost	(1.82)	-
4	Interest cost	69.85	68.10
5	Employee Contributions	82.82	57.58
6	Actuarial (gains) / losses arising from changes in financial assumptions	(15.90)	(2.41)
7	Actuarial (gains) / losses arising from experience adjustments	(10.61)	(16.81)
8	Benefits Payments	(205.32)	(122.98)
9	Increase/ (Decrease) due to effect of any transfers	24.92	9.91
10	Present value of Defined Benefit Obligation at the end of the year	854.98	871.44
IV	**Fair Value of Plan Assets**		
1	Plan assets at the beginning of the year	794.50	782.27
2	Interest income	66.79	65.79
3	Contributions by Employer	34.08	25.46
4	Contributions by Employee	82.82	57.58
5	Actual benefits paid	(205.32)	(122.98)
6	Net transfer in / (out)	24.92	9.91
7	Actuarial gains / (losses) arising from changes in financial assumptions	7.06	(23.53)
8	Plan assets at the end of the year	804.85	794.50
V	**Weighted Average duration of Defined Benefit Obligation**	9 years	10 years

*The Provident Fund of ACC Limited (Trust) had invested Rs. 49.00 Crore in perpetual bonds of IL&FS Financial Services Limited. In view of uncertainties regarding recoverability, in an earlier year, the Group has provided Rs. 49.00 Crore towards probable incremental employee benefit liability that may arise on the Group on account of any likely shortfall of the Trust in meeting its obligations.

VI The major categories of plan assets as a percentage of total plan

Particulars	As at March 31, 2023	As at December 31, 2021
Debt instruments		
Government securities	48%	56%
Debentures and bonds	22%	12%
Equity instruments	14%	12%
Cash and Cash equivalent	16%	20%
	100%	**100%**

VII The assumptions used in determining the present value of obligation of the interest rate guarantee under deterministic approach are:

Particulars	As at March 31, 2023	As at December 31, 2021
Discounting rate	7.20%	6.75%
Guaranteed interest rate	8.10%	8.50%
Yield on assets based on the Purchase price and outstanding term of maturity	8.10%	8.10%

NOTES TO THE FINANCIAL STATEMENTS
for the year ended March 31, 2023

VIII Sensitivity analysis for factors mentioned in Actuarial Assumptions

Rs. in Crore

	As at March 31, 2023		As at December 31, 2021	
Particulars	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(1.76)	2.03	(4.26)	5.03
Interest rate guarantee (1% movement)	36.78	(16.59)	58.05	(30.17)

The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation recognised in the consolidated balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from previous year.

IX The Group expects to contribute Rs. 24.00 Crore *(Previous year - Rs. 25.00 Crore)* to trust managed provident fund in the next year.

NOTE 40: LEASES

Group as lessee

The Group's lease asset classes primarily consist of leases for grinding facility, godowns, flats, land, Plant and Equipment, office premises and other premises. There are no restrictions imposed by lease arrangements. There are no subleases.

(I) The movement in lease liabilities during the year ended March 31, 2023 is as follows :

Rs. in Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Balance at the January 01	125.58	102.48
Additions During the Year	109.62	51.37
Finance cost accrued during the period	12.96	9.37
Payment of lease liabilities	(88.90)	(35.99)
Termination of Lease contracts	(6.22)	(1.65)
Balance at December 31	**153.04**	**125.58**
Current lease liabilities	27.36	24.21
Non-current lease liabilities	125.68	101.37

(II) The maturity analysis of lease liabilities are disclosed in Note 51 (ii) - Liquidity risk

(III) Lease expenses recognised in Statement of Profit and Loss:

Rs. in Crore

Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Depreciation of Right-of-use assets	36.03	25.61
Interest on lease liabilities	12.96	9.37
Expense relating to short-term leases	84.94	65.23
Expense in respect of variable lease payments	55.55	42.03
	189.48	**142.24**

NOTE 41: CAPITAL AND OTHER COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account and not provided for:

Rs. in Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Estimated value of contracts on capital account remaining to be executed (Net of advance)	850.61	935.77

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2023

NOTE 42: CONTINGENT LIABILITIES

Claims against the Group not acknowledged as debt:

Nature of Statute	Brief description of contingent liabilities	As at March 31, 2023	As at December 31, 2021
Competition Act, 2002	CCI matters - Refer Notes a and b below	2,039.64	1,878.34
Income tax Act, 1961	Income tax matter related to excise duty incentives - Refer Note e below	604.44	604.44
Service tax - Finance Act, 1994	Dispute regarding place of removal - Refer Note c below	83.09	92.34
Central excise Act	Demand of differential excise duty on clearance of ready mix concrete	25.69	25.69
	Other excise matters	29.09	24.76
Mineral Concession Rules	Compensation for use of Government land - Refer Note d below	212.22	212.22
Government incentive	Sales tax incentive - Refer Note f below	64.45	64.45
	Others sales tax incentive	8.40	8.40
Goods and services tax Act	Denial of transitional credit of clean energy cess	62.67	15.04
Sales tax Act/ Commercial tax Act of various states	Packing material - differential rate of tax. matters pending with various authorities	11.53	11.53
	Other sales tax matters	37.19	37.19
Customs duty - The customs Act, 1962	Demand of duty on import of steam coal during 2001 to 2013 classifying it as bituminous coal	30.97	30.97
Other statutes/ Other claims	Claims by suppliers regarding supply of raw material and other claim	35.89	35.89
	Demand of water drawal charges	-	9.80
	Various other cases pertaining to claims related to Railways, labour laws, etc	42.01	41.30
Mines and Minerals (Development and Regulation) Act	Demand of additional royalty on limestone based on ratio of cement produced vis a vis consumption of limestone	7.93	7.93
	Total	3,295.21	3,100.29

In respect of above matters, future cash outflows are determinable only on receipt of judgments pending at various forums / authorities.

a) In 2012, the Competition Commission of India ('CCI') issued an Order imposing penalty on certain cement manufacturers, including the Company, concerning alleged contravention of the provisions of the Competition Act, 2002 and imposed a penalty of Rs. 1,147.59 Crore on the Company. On Company's appeal, Competition Appellate Tribunal ('COMPAT') (who initially stayed the penalty), by its final order dated December 11, 2015, set aside the order of the CCI and remanded the matter back to the CCI for fresh adjudication and for passing a fresh order.

After hearing the matter, the CCI, by its order dated August 31, 2016, held that the cement companies and the Cement Manufacturers Association are guilty and in violation of the Section 3(1) read with section 3(3)(a) and Sec 3(3)(b) of the Competition Act and imposed a penalty of Rs. 1,147.59 Crore *(Previous Year - Rs. 1,147.59 Crore)* on the Company.

The Company had appealed against the penalty to the COMPAT which granted a stay on November 07, 2016 with a condition to deposit 10% of the penalty amount, (which was deposited) and levy of interest of 12% p.a. in case the appeal is decided against the appellant (the "Interim order"). Interest amount on penalty as on March 31, 2023 is Rs. 856.73 Crore *(Previous Year - Rs. 695.43 Crore)*. COMPAT was replaced by the National Company Law Appellate Tribunal (NCLAT) effective May 26, 2017 who, vide its judgment dated July 25, 2018, dismissed the Company's appeal and upheld the CCI's order.

Against the above judgment of NCLAT, the Company appealed before the Hon'ble Supreme Court, which by its order dated October 05, 2018 had admitted the appeal and directed that the interim order passed by the COMPAT will continue in the meantime.

Based on the advice of external legal counsel, the Company believes it has a strong case on merits for successful appeal in this matter. Accordingly, the Company is of the view that no provision is necessary in the financial statements.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2023

b) In a separate matter, the Director, Supplies and Disposal, Haryana filed information that seven cement companies had engaged in collusive bidding in contravention of the Competition Act, 2002. CCI, by its order dated January 19, 2017, imposed a penalty of Rs. 35.32 Crore *(Previous year - Rs. 35.32 Crore)* on the Company. On Company's filing an appeal, COMPAT had stayed the penalty. Matter is now listed before NCLAT and is pending for hearing.

Based on the advice of external legal counsel, the Company believes it has a strong case on merits for a successful appeal in this matter. Accordingly, the Company is of the view that no provision is necessary in the financial statements.

c) The dispute is regarding whether the "place of removal" is the "factory gate / Depot" or "destination point of customer" for availment of Service tax credit on "Outward Transportation cost" of Cement when sales is on F.O.R. basis. The department has alleged that the freight cost for transportation of cement beyond factory gate and depot being the place of removal is not "Input Service" and therefore the Service tax credit on such services cannot be availed. The Service tax department issued show cause notice (SCN) and demand orders against which the Company has filed appeal with the CESTAT.

Based on the advice of the external legal counsel, conflicting decisions of courts and Central Board of Indirect Taxes and Customs circular, the Company is of the view that no provision is necessary in the financial statements."

d) The Company has received demand notice from the Government of Tamil Nadu and an order by the Collector, Coimbatore seeking annual compensation for the period from April 01, 1997 to March 31, 2014 and April 01, 2014 to March 31, 2019, amounting to Rs. 73.46 Crore *(Previous Year - Rs. 73.46 Crore)* and Rs. 138.76 Crore *(Previous Year - Rs. 138.76 Crore)* respectively for use of the Government land for mining, which the Company occupies on the basis of the mining leases. The Company has challenged the demands by way of revision under the Mineral Concession Rules and has filed writ petitions before the Hon'ble High Court of Tamil Nadu at Chennai.

Pending the same the High Court of Tamil Nadu, in the group writ petitions of other cement manufacturers viz Dalmia Cements, Madras Cements and others, has passed a judgement allowing annual compensation to be collected by the state. The Company has filed a writ appeal against the judgement.

One of the above petition challenging the demand for the period April 01, 2014 to March 31, 2019, is disposed of against the Company by the High Court vide order dated December 14, 2021 in line with the above judgment. The Company has filed a writ appeal before the divisional bench of High Court against this judgement.

The Company has assessed the matter as ""possible"" and has obtained legal opinion for the said matter.

e) The Company was entitled to excise duty incentives for the assessment years 2006-07 to 2015-16 for its Gagal plant located in the state of Himachal Pradesh. ACC has been contending that the said incentives are in the nature of capital receipts and hence not liable to income tax. However, the Income tax department had consistently denied the position and considered these incentives as a taxable receipt. Appeals were filed by ACC against the orders of the assessing officer which were pending before the Commissioner of Income Tax (Appeals) / Income Tax Appellate Tribunal (ITAT).

In March 2023, for the matters pending with the Income Tax Appellate Tribunal (ITAT), the Company has received favourable orders. Pending final closure of the matter, the amount of Rs. 500.63 Crore *(Previous year - Rs. 500.63 Crore)* along with interest payable of Rs. 103.81 Crore *(Previous year - Rs. 103.81 Crore)* has been disclosed as contingent liability."

f) The Company had availed sales tax incentives in respect of its new 1 MTPA Plant (Gagal II) under the Himachal Pradesh (HP) State Industrial Policy, 1991. The Company had accrued sales tax incentives aggregating Rs. 56.30 Crore *(Previous year - Rs. 56.30 Crore)*. The Sales tax authorities introduced certain restrictive conditions after commissioning of the unit stipulating that incentive is available only for incremental amount over the base revenue and production of Gagal I prior to the commissioning of Gagal II. The Company contends that such restrictions are not applicable to the unit as Gagal II is a new unit, as decided by the HP Hon'ble High Court and confirmed by the Hon'ble Supreme Court while determining the eligibility for transport subsidy. The Department recovered Rs. 64.45 Crore *(Previous year - Rs. 64.45 Crore)* (tax of Rs. 56.30 Crore and interest of Rs. 8.15 Crore) which is considered as recoverable.

The HP Hon'ble High Court, had, in 2012, dismissed the Company's appeal. The Company has been advised by legal experts that there is no change in the merits of the Company's case. Based on such advice, the Company filed a Special Leave Petition (SLP) before the Hon'ble Supreme Court, which is pending for hearing. The Company has assessed the matter as "possible".

NOTE 43: MATERIAL DEMANDS AND DISPUTES CONSIDERED AS REMOTE

Based on case by case assessment, the Group has disclosed certain matters below, where the outflow of resources embodying economic benefits has been assessed as remote.

a) The Company was eligible for certain incentives in respect of its investment towards modernization and expansion of the Chaibasa cement unit under the State Industrial Policy of Jharkhand. Accordingly, the Company has made claims for refund of VAT paid. However, no disbursals were made (except an amount of Rs. 7.00 Crore representing part of the one time lumpsum capital subsidy claim of Rs. 15.00 Crore) as the authorities have raised new conditions and restrictions. The Company had filed two writ appeals before the Jharkhand Hon'ble High Court against these conditions, restrictions and disputes.

   Jharkhand Hon'ble High Court, while dealing with appeals by both the Company and the State Government allowed the Company's appeal while dismissing the Government's appeal,

   The Government of Jharkhand had filed an Special leave petition (SLP) in the Hon'ble Supreme Court which vide its interim order stayed disbursement of 40% of the amount due. Consequently, as of date, the Company received Rs. 64.00 Crore *(Previous year - Rs. 64.00 Crore)* out of total Rs. 235.00 Crore *(Previous year - Rs. 235.00 Crore)* in part disbursement from the Government of Jharkhand.

   The Company is of the view and has been advised legally, that the merits are strongly in its favour and it expects that the SLP will be rejected upholding the order of Jharkhand Hon'ble High Court.

   The Company has assessed the matter as ""remote"" and has obtained legal opinion for the said matter.

b) The Company is eligible for incentives for one of its cement plants situated in Maharashtra under a Package scheme of incentives of the Government of Maharashtra. The scheme inter alia, includes refund of royalty paid by the Company on extraction or procurement of various raw materials (minerals). The Department of Industries has disputed the Company's claim for refund of royalty basis interpretation of the sanction letter issued to the Company. The Company has accrued an amount of Rs. 133.00 Crore *(Previous year - Rs. 133.00 Crore)* for such incentive. The Company has filed an appeal before the Hon"ble Bombay High Court challenging the stand of the Government, which is admitted and pending before the High Court for hearing. The Company has assessed the matter as "remote" and has obtained legal opinion for the said matter.

c) The Company had set up a captive power plant ('Wadi TG 2') in the year 1995-96. This plant was sold to Tata Power Co. Ltd, in the year 1998-99 and was subsequently repurchased from it in the year 2004-05. The Company had purchased another captive power plant ('Wadi TG 3', set up by Tata Power Co Ltd in the year 2002-03) in 2004-05. Both these power plants were eligible for tax holiday under the provisions of Section 80-IA of the Income-tax Act, 1961. The Income tax department has disputed the Company's claim of deduction under Section 80-IA of the Act, on the ground that the conditions prescribed under the section are not fulfilled. In case of Wadi TG 2, in respect of the demand of Rs. 56.66 Crore (net of provision) *(Previous year – Rs. 56.66 Crore)*, the Company is in appeal before the Income Tax Appellate Tribunal (ITAT). In case of Wadi TG 3, demand of Rs. 115.62 Crore *(Previous year – Rs. 115.62 Crore)* was set aside by the Income Tax Appellate Tribunal (ITAT) and department is in appeal against the said decision. The Company has assessed the matter as "remote".

d) One of the Company's cement manufacturing plants located in Himachal Pradesh was eligible under the State Industrial Policy for deferral of its sales tax liability. The Excise department disputed the eligibility of the Company to such deferment on the ground that the Company also manufactures an intermediate product, viz. Clinker and such intermediate product was in the negative list. A demand of Rs. 82.37 Crore *(Previous year - Rs. 82.37 Crore)* was raised by the department. The Company filed a writ petition before the Hon'ble High Court of Himachal Pradesh against the demand. The case has been admitted and the hearing is in process. The Company has assessed the matter as "remote".

e) The Company was contesting the renewal of mining lease in state of Jharkhand for two of its quarries on lease. There was an unfavourable order by the Hon'ble Supreme Court in case of another Company restricting the "deemed renewal" provision of captive mining leases. The Company received demand from district mining officer for Rs. 881.00 Crore *(Previous year - Rs. 881.00 Crore)* as penalty for alleged illegal mining activities carried out by the Company during January 1991 to September 2014.

   On January 02, 2015, the Central Government promulgated the Mines and Minerals (Development and Regulation) Amendment) Ordinance, 2015 [subsequently enacted as Mines and Minerals (Development and Regulation) (Amendment) Act, 2015 in March 2015] amending mining laws with retrospective effect, and decided that all leases granted prior to ordinance will deemed to have been automatically renewed until prescribed period therein.

The Company then filed a writ petition with High Court of Jharkhand for directing the State government to renew both the leases upto March 2030 as per the Ordinance. On October 31, 2015 the High Court passed an interim order in terms of Section 8A(5) of the Ordinance for quarry II extending the lease upto March 2030 permitting the Company to commence mining operations after depositing Rs. 48.00 Crore subject to the outcome of the petition filed by the Company.

The Company has assessed the matter as "remote" and has obtained legal opinion for the said matter.

f) Bulk Cement Corporation (India) Limited, a subsidiary company received demand from The Divisional Railway Manager Works office, Central Railways (Railways) by its letter dated February 11, 2022, of Rs. 15.33 Crore towards Land Licence Fee. Based on the subsidiary's own assessment and backed by external legal opinion, the subsidiary believes that it has a strong ground to contest the claim and accordingly has assessed the matter as "remote".

g) One of the contractors of a subsidiary company, ACC Mineral Resources Limited, has filed an Arbitration Petition under section 11 of the Arbitration and Conciliation Act, 1996 wherein the Hon'ble High Court of Mumbai has appointed a sole Arbitrator. The contractor has filed a statement of claims demanding approx. Rs 407.00 Crores *(Previous year - Rs. 407.00 Crore)* from the Company including Rs 354.00 Crores *(Previous year - Rs. 354.00 Crore)* on account of loss of profit. The subsidiary company has been legally advised that the claim for loss of profit is not sustainable in terms of the contract/s with the said vendor and the Contract Act, 1872. Further, an amount of Rs 45.91 Crore *(Previous year - Rs. 45.91 Crore)* in view of the demand being legally unjustifiable, has been assessed as "remote". Balance amount of Rs. 7.09 Crore *(Previous year - Rs. 7.09 Crore)* has been disclosed as a contingent liability.

NOTE 44: RELATED PARTY DISCLOSURE

(A)	**Names of the Related parties:**	**Nature of Relationship**
1	Holderind Investments Ltd, Mauritius	Holding Company of Ambuja Cements Limited
2	Holcim Ltd, Switzerland (Erstwhile LafargeHolcim)	Ultimate Holding Company (upto September 15, 2022)
3	Ambuja Cements Limited	Immediate Holding Company
(B)	**Names of the Related parties where control / joint control exists:**	**Nature of Relationship**
1	OneIndia BSC Private Limited	Joint venture Company
2	Aakaash Manufacturing Company Private Limited	Joint venture Company
(C)	**Others - With whom transactions have taken place during the current and/or previous year or has outstanding balance:**	
(a)	**Names of other Related parties**	**Nature of Relationship**
1	Alcon Cement Company Private Limited	Associate Company
2	Asian Concretes and Cements Private Limited	Associate Company
3	Adani Estate Management Private Limited	Entities over which key management personnel / their relatives having control / significant influence (w.e.f. September 16, 2022)
4	Adani Green Energy Limited	Entities over which key management personnel / their relatives having control / significant influence (w.e.f. September 16, 2022)
5	Adani Infrastructure And Developers Pvt Ltd	Entities over which key management personnel / their relatives having control / significant influence (w.e.f. September 16, 2022)
6	Adani Power Maharashtra Limited	Entities over which key management personnel / their relatives having control / significant influence (w.e.f. September 16, 2022)
7	Adani Wilmar Limited	Entities over which key management personnel / their relatives having control / significant influence (w.e.f. September 16, 2022)
8	Udupi Power Corporation Limited	Entities over which key management personnel / their relatives having control / significant influence (w.e.f. September 16, 2022)
9	Adani Power Rajasthan Ltd	Entities over which key management personnel / their relatives having control / significant influence (w.e.f. September 16, 2022)

NOTES TO THE FINANCIAL STATEMENTS
for the year ended March 31, 2023

10	Raipur Energen Limited	Entities over which key management personnel / their relatives having control / significant influence (w.e.f. September 16, 2022)
11	Esteem Construction Private Limited	Entities over which key management personnel / their relatives having control / significant influence (w.e.f. September 16, 2022)
12	The Dhamra Port Company Limited	Entities over which key management personnel / their relatives having control / significant influence (w.e.f. September 16, 2022)
13	Adani Petronet (Dahej) Port Limited	Entities over which key management personnel / their relatives having control / significant influence (w.e.f. September 16, 2022)
14	Adani Enterprises Limited	Entities over which key management personnel / their relatives having control / significant influence (w.e.f. September 16, 2022)
15	Budhpur Buildcon Pvt Ltd	Entities over which key management personnel / their relatives having control / significant influence (w.e.f. September 16, 2022)
16	Adani Infra (India) Pvt Ltd	Entities over which key management personnel / their relatives having control / significant influence (w.e.f. September 16, 2022)
17	Adani Properties Pvt Ltd	Entities over which key management personnel / their relatives having control / significant influence (w.e.f. September 16, 2022)
18	Raigarh Energy Generation Ltd	Entities over which key management personnel / their relatives having control / significant influence (w.e.f. September 16, 2022)
19	Parsa Kente Collieries Ltd	Entities over which key management personnel / their relatives having control / significant influence (w.e.f. September 16, 2022)
20	Adani Tracks Management Services Pvt Ltd	Entities over which key management personnel / their relatives having control / significant influence (w.e.f. September 16, 2022)
21	Adani Green Energy Six Limited	Entities over which key management personnel / their relatives having control / significant influence (w.e.f. September 16, 2022)
22	Belvedere Golf And Country Club Pvt Ltd	Entities over which key management personnel / their relatives having control / significant influence (w.e.f. September 16, 2022)
23	Adani Sportsline Pvt Ltd	Entities over which key management personnel / their relatives having control / significant influence (w.e.f. September 16, 2022)
24	Holcim Services (South Asia) Limited	Fellow Subsidiary (upto September 15, 2022)
25	Holcim Group Services Ltd, Switzerland	Fellow Subsidiary (upto September 15, 2022)
26	Holcim Technology Ltd, Switzerland	Fellow Subsidiary (upto September 15, 2022)
27	LafargeHolcim Energy Solutions SAS, France	Fellow Subsidiary (upto April 30, 2021)
28	LafargeHolcim Bangladesh Ltd, Bangladesh	Fellow Subsidiary (upto September 15, 2022)
29	Lafarge SA, France	Fellow Subsidiary (upto September 15, 2022)
30	Holcim Trading Ltd ,Switzerland (Erstwhile LH Trading Ltd)	Fellow Subsidiary (upto September 15, 2022)
31	LH Global Hub Services Private Limited	Fellow Subsidiary (upto September 15, 2022)
32	Holcim International Services Singapore Pte Ltd,Singapore (Erstwhile Lafarge)	Fellow Subsidiary (upto September 15, 2022)
33	Lafargeholcim Investment Co. Ltd, China	Fellow Subsidiary (upto September 15, 2022)
34	Counto Microfine Products Private Limited	Joint venture of Ambuja Cements Limited
35	Asian Fine Cement Private Limited	Subsidiary of an associate (Asian Concretes and Cements Private Limited)
36	The Provident Fund of ACC Ltd	Trust (Post-employment benefit plan)
37	ACC limited Employees Group Gratuity scheme	Trust (Post-employment benefit plan)
38	ACC Trust	Trust (Corporate Social Responsibility Trust)
39	Adani Foundation	Trust (Corporate Social Responsibility Trust)

In accordance with the provisions of Ind AS 24 "Related Party Disclosures", following Personnel are considered as Key Management Personnel (KMP).

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2023

(b)	Name of the Related Parties:	Nature of Relationship
1	Mr.Karan Adani	Chairman & Non Executive /Non Independent Director (w.e.f September 16, 2022)
2	Mr.Ajay Kapur	Whole Time Director & Chief Executive Officer (w.e.f.December 3,2022)
3	Mr. Neeraj Akhoury	Non Executive/Non Independent Director (up to September 16, 2022)
4	Mr. Sridhar Balakrishnan	Whole Time Director & Chief Executive Officer (upto December 3,2022)
5	Ms. Rajani Kesari	Chief Financial Officer (upto August 31, 2020)
6	Mr. Yatin Malhotra	Chief Financial Officer (upto August 31, 2022)
7	Mr. Rajiv Choubey	Company Secretary (upto April 27, 2022)
8	Ms. Rashmi Khandelwal	Company Secretary (w.e.f April 28,2022 upto November 15, 2022)
9	Mr. Vinay Prakash	Non Executive /Non Independent Director (w.e.f September 16, 2022)
10	Mr.Arun Kumar Anand	Non Executive /Non Independent Director (w.e.f September 16, 2022)
11	Mr.Sandeep Singhi	Independent Director (w.e.f September 16, 2022)
12	Mr.Nitin Shukla	Independent Director (w.e.f September 16, 2022)
13	Mr.Rajeev Agarwal	Independent Director (w.e.f September 16, 2022)
14	Mr. N S Sekhsaria	Chairman, Non Executive / Non Independent Director (upto September 16,2022)
15	Mr. Jan Jenisch	Deputy Chairman, Non Executive / Non Independent Director (upto September 16, 2022)
16	Mr. Martin Kriegner	Non Executive /Non Independent Director (upto September 16,2022)
17	Mr. Shailesh Haribhakti	Independent Director (upto September 16,2022)
18	Mr. Sushil Kumar Roongta	Independent Director (upto September 16,2022)
19	Ms. Falguni Nayar	Independent Director (upto September 16,2022)
20	Mr. Damodarannair Sundaram	Independent Director (upto September 16,2022)
21	Mr. Vinayak Chatterjee	Independent Director (upto September 16,2022)
22	Mr. Sunil Mehta	Independent Director (upto September 16,2022)
23	Ms. Ameera Shah	Independent Director (w.e.f December 03, 2022)
24	Mr. M. R. Kumar	Non Independent Director (upto September 16,2022)

(D) Transactions with Joint Venture Companies

Rs. in Crore

		For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
1	**Purchase of finished goods**	**197.09**	**126.19**
	Aakaash Manufacturing Company Private Limited {Refer Note 48 (ii)}	197.09	126.19
2	**Sale of finished goods**	**-**	**1.69**
	Aakaash Manufacturing Company Private Limited	-	1.69
3	**Sale of raw material**	**0.15**	**0.18**
	Aakaash Manufacturing Company Private Limited	0.15	0.18
4	**Dividend received**	**1.75**	**1.13**
	Aakaash Manufacturing Company Private Limited	1.75	1.13
5	**Reimbursement of expenses paid/payable**	**-**	**0.30**
	Aakaash Manufacturing Company Private Limited	-	0.21
	OneIndia BSC Private Limited	-	0.09
6	**Reimbursement of expenses received/receivable**	**5.79**	**-**
	Aakaash Manufacturing Company Private Limited	5.79	-

NOTES TO THE FINANCIAL STATEMENTS
for the year ended March 31, 2023

Outstanding balances with joint venture Companies

Rs. in Crore

		As at March 31, 2023	As at December 31, 2021
1	**Outstanding receivables**	**0.01**	**0.22**
	Aakaash Manufacturing Company Private Limited	0.01	0.22
2	**Outstanding payables**	**19.30**	**36.66**
	Aakaash Manufacturing Company Private Limited	19.30	36.66

(E) Transactions with Associate Companies

Rs. in Crore

		For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
1	**Purchase of finished goods**	**70.67**	**56.56**
	Alcon Cement Company Private Limited	70.67	56.56
2	**Sale of finished goods**	**-**	**0.03**
	Alcon Cement Company Private Limited	-	0.03
3	**Purchase of raw materials**	**14.73**	**8.50**
	Asian Concretes and Cements Private Limited	14.73	8.50
4	**Sale of semi-finished goods**	**23.73**	**17.08**
	Alcon Cement Company Private Limited {Refer Note - 48 (i)}	23.73	16.15
	Asian Fine Cement Private Limited	-	0.93
5	**Dividend received**	**0.55**	**0.43**
	Alcon Cement Company Private Limited	0.55	0.43
6	**Receiving of services**	**66.78**	**54.40**
	Asian Concretes and Cements Private Limited	66.78	54.40
7	**Reimbursement of Expenses received/receivable**	**16.37**	**16.23**
	Alcon Cement Company Private Limited	16.37	16.23
8	**Reimbursement of Expenses paid/payable**	**0.25**	**0.34**
	Alcon Cement Company Private Limited	0.25	0.34

Outstanding balances with Associate Companies

Rs. in Crore

		As at March 31, 2023	As at December 31, 2021
1	**Outstanding receivables**	**5.96**	**8.74**
	Alcon Cement Company Private Limited	5.96	8.74
2	**Outstanding payables**	**11.05**	**24.30**
	Asian Concretes and Cements Private Limited	6.17	16.41
	Alcon Cement Company Private Limited	4.88	7.58
	Asian Fine Cement Private Limited	-	0.31

(F) Details of Transactions relating to Ultimate Holding and Holding Companies

Rs. in Crore

		For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
1	**Dividend paid**	**593.89**	**143.36**
	Ambuja Cements Limited	545.11	131.58
	Holderind Investments Limited	48.78	11.78
2	**Purchase of Raw materials**	**89.89**	**17.10**
	Ambuja Cements Limited	89.89	17.10
3	**Purchase of Finished / Semi-finished goods**	**2,065.45**	**676.82**
	Ambuja Cements Limited	2,065.45	676.82
4	**Purchase of stores & spares**	**3.21**	**3.39**
	Ambuja Cements Limited	3.21	3.39
5	**Purchase of Property, plant and equipments**	**-**	**14.77**
	Ambuja Cements Limited	-	14.77
6	**Sale of finished / semi-finished goods**	**1,060.47**	**366.60**
	Ambuja Cements Limited	1,060.47	366.60

Company Overview
Value Creation at Acc
Capital-wise Performance
Statutory Reports
Financial Statements

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Rs. in Crore

		For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
7	**Sale of raw material**	**87.82**	**6.17**
	Ambuja Cements Limited	87.82	6.17
8	**Sale of stores & spares**	**2.63**	**1.18**
	Ambuja Cements Limited	2.63	1.18
9	**Sale of Property, plant and equipments**	**2.62**	**0.62**
	Ambuja Cements Limited	2.62	0.62
10	**Rendering of services**	**75.26**	**58.92**
	Ambuja Cements Limited	75.26	58.92
11	**Receiving of services**	**54.16**	**38.96**
	Ambuja Cements Limited	54.16	38.96
12	**Reimbursement of expenses received / receivable**	**2.72**	**0.70**
	Ambuja Cements Limited	2.72	0.70
13	**Reimbursement of expenses paid / payable**	**28.14**	**8.12**
	Ambuja Cements Limited	28.14	8.12
14	**Inter corporate deposits received**	**200.00**	**-**
	Ambuja Cements Limited	200.00	-
15	**Inter corporate deposits repaid**	**200.00**	**-**
	Ambuja Cements Limited	200.00	-
16	**Interest paid on inter corporate deposit**	**1.07**	**-**
	Ambuja Cements Limited	1.07	-

Outstanding balances with Ultimate Holding and Holding Companies

Rs. in Crore

		As at March 31, 2023	As at December 31, 2021
1	**Outstanding receivables**	**251.72**	**37.99**
	Ambuja Cements Limited	251.72	37.99
2	**Outstanding payables**	**268.84**	**100.32**
	Ambuja Cements Limited	268.84	100.32

(G) Details of Transactions relating to other related parties

Rs. in Crore

		For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
1	**Purchase of raw materials**	**436.73**	**167.56**
	Holcim Trading Ltd	429.33	167.01
	Counto Microfine Products Private Limited	1.89	0.55
	Adani Power Rajasthan Ltd	0.24	-
	Adani Enterprises Limited	5.23	-
	Adani Petronet (Dahej) Port Limited	0.01	-
	Udupi Power Corporation Limited	0.03	-
2	**Purchase of stores & spares**	**0.19**	**-**
	Adani Wilmar Limited	0.19	-
3	**Sale of finished /unfinished goods**	**3.93**	**-**
	Adani Power Maharashtra Limited	1.46	-
	Adani Wilmar Limited	1.22	-
	Udupi Power Corporation Limited	0.16	-
	Raipur Energen Limited	0.86	-
	Adani Infra (India) Pvt Ltd	0.23	-
4	**Sale of Readymix concrete (RMC)**	**4.54**	**-**
	Adani Estate Management Private Limited	1.39	-
	Adani Infrastructure And Developers Pvt Ltd	0.78	-
	Esteem Construction Private Limited	1.03	-
	Budhpur Buildcon Pvt Ltd	0.10	-
	Adani Green Energy Six Limited	1.24	-

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Rs. in Crore

		For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
5	**Purchase of sponsorship rights**	**50.28**	**-**
	Adani Sportsline Pvt Ltd	50.28	-
6	**Sale of stores & spares**	**0.14**	**-**
	Adani Wilmar Limited	0.12	-
	The Dhamra Port Company Limited	0.02	-
7	**Technology and know-how fees**	**115.35**	**154.51**
	Holcim Technology Ltd (Refer Note -35)	115.35	154.51
8	**Receiving of services**	**81.36**	**65.94**
	Holcim Services (South Asia) Limited	46.28	41.00
	Lafarge SA	-	0.37
	Holcim Technology Ltd	0.45	0.32
	LH Global Hub Services Private Limited	17.26	23.55
	Lafargeholcim Investment Ltd	0.01	0.70
	Adani Enterprises Limited	17.28	-
	Adani Green Energy Limited	0.08	-
9	**Rendering of services**	**3.01**	**3.48**
	Holcim Services (South Asia) Limited	3.01	3.48
10	**Rental income**	**2.06**	**-**
	Adani Enterprises Limited	2.06	-
11	**Long term security deposit**	**68.00**	**-**
	Adani Properties Pvt Ltd	32.00	-
	Adani Estate Management Private Limited	36.00	-
12	**Lease premium for leasehold land**	**29.00**	**-**
	Adani Properties Pvt Ltd	14.00	-
	Adani Estate Management Private Limited	15.00	-
13	**Settlement of arbitration matter**	**13.14**	**-**
	Udupi Power Corporation Limited	13.14	-
14	**Reimbursement of expenses paid / payable**	**2.17**	**1.03**
	Lafargeholcim Energy Solutions SAS	-	0.45
	Lafarge SA	0.06	-
	Holcim International Services Singapore Pte Ltd	0.96	0.38
	Holcim Group Services Ltd	-	0.20
	Holcim Trading Ltd	1.12	-
	Adani Tracks Management Services Pvt Ltd	0.02	-
	Belvedere Golf And Country Club Pvt Ltd	0.01	-
15	**Reimbursement of expenses received / receivable**	**9.05**	**1.08**
	Lafargeholcim Energy Solutions SAS	-	0.75
	Holcim Technology Ltd	0.01	-
	LH Global Hub Services Private Limited	-	0.31
	Holcim Trading Ltd	0.77	0.02
	Adani Power Maharashtra Limited	7.62	-
	Raigarh Energy Generation Ltd	0.10	-
	Adani Cement Industries Ltd	0.55	-

NOTES TO THE FINANCIAL STATEMENTS
for the year ended March 31, 2023

Outstanding balances with other related parties

Rs. in Crore

		As at March 31, 2023	As at December 31, 2021
1	**Outstanding receivables**	**86.39**	**2.67**
	Holcim Services (South Asia) Limited	-	2.65
	LafargeHolcim Bangladesh Ltd	-	0.02
	Adani Enterprises Limited	7.18	-
	Adani Wilmar Limited	0.06	-
	Adani Power Maharashtra Limited	6.10	-
	Adani Power Rajasthan Limited	0.02	-
	Adani Estate Management Private Limited	36.78	-
	Adani Infrastructure And Developers Pvt Ltd	0.77	-
	Parsa Kente Collieries Lid	0.42	-
	Udupi Power Corporation Limited	0.09	-
	Raipur Energen Limited	0.48	-
	Esteem Construction Private Limited	0.05	-
	Adani Petronet (Dahej) Port Limited	0.15	-
	Adani Properties Pvt Ltd	32.00	-
	Budhpur Buildcon Pvt Ltd	0.06	-
	Adani Infra (India) Pvt Ltd	0.08	-
	Adani Green Energy Limited	1.47	-
	Raigarh Energy Generation Ltd	0.13	-
	Adani Cement Industries Ltd	0.55	-
2	**Outstanding payables**	**13.52**	**170.65**
	Holcim Trading Ltd	-	130.21
	LafargeHolcim Energy Solutions SAS	-	1.21
	Holcim Technology Ltd	-	31.35
	Counto Microfine Products Private Limited	0.28	0.17
	Holcim Services (South Asia) Limited	-	5.51
	Holcim Group Services Ltd	-	0.02
	Lafarge SA	-	0.44
	LH Global Hub Services Private Limited	-	1.57
	Lafargeholcim Investment Ltd	-	0.17
	Adani Tracks Management Services Pvt Ltd	0.02	-
	Adani Green Energy Limited	0.08	-
	Udupi Power Corporation Limited	13.14	-

(H) Details of Transactions with Key Management Personnel

Rs. in Crore

		For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
1	**Remuneration***	**21.84**	**10.02**
	Mr. Sridhar Balakrishnan	16.88	5.15
	Mr. Yatin Malhotra	2.77	2.07
	Mr. Rajiv Choubey	1.32	1.95
	Ms. Rashmi Khandelwal	0.87	-
	Mr. Neeraj Akhoury^	-	0.57
	Ms. Rajani Kesari^	-	0.28
	Breakup of remuneration	**21.84**	**10.02**
	Short term employee benefits	20.47	8.99
	Post employment benefits (including defined contribution and defined benefits)*	0.29	0.36
	Employee share based payments (Refer Note - 56)	1.08	0.67
2	**Other Payment to Key Management Personnel**		
	Commission paid	**1.77**	**2.99**
	Mr. N S Sekhsaria	0.14	0.50
	Mr. Martin Kriegner#	-	-
	Mr. Shailesh Haribhakti	0.14	0.36
	Mr. Sushil Kumar Roongta	0.14	0.36

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Rs. in Crore

	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Mr. Jan Jenisch	0.14	0.20
Ms. Falguni Nayar	0.14	0.20
Mr. Sunil Mehta	0.14	0.36
Mr. Damodarannair Sundaram	0.14	0.45
Mr. Vinayak Chatterjee	0.14	0.36
Mr. M R. Kumar	0.14	0.20
Mr. Sandeep Singhi	0.11	-
Mr. Nitin Shukla	0.11	-
Mr. Rajeev Agarwal	0.11	-
Ms. Ameera Shah	0.07	-
Mr. Arun Kumar Anand	0.11	-
Sitting fees	**0.81**	**0.52**
Mr. N S Sekhsaria	0.05	0.05
Mr. Martin Kriegner #	-	-
Mr. Shailesh Haribhakti	0.08	0.08
Mr. Sushil Kumar Roongta	0.10	0.08
Mr. Jan Jenisch	0.02	0.02
Ms. Falguni Nayar	0.04	0.04
Mr. Sunil Mehta	0.09	0.07
Mr. Damodarannair Sundaram	0.08	0.08
Mr. Vinayak Chatterjee	0.08	0.08
Mr. M. R. Kumar	0.01	0.02
Mr. Arun Kumar Anand	0.03	-
Mr. Sandeep Mohanraj Singhi	0.08	-
Mr. Rajeev kumar Agarwal	0.07	-
Mr. Nitin Shukla	0.08	-

* Provision for contribution to gratuity fund, leave encashment on retirement and other defined benefits which are made based on actuarial valuation on an overall Company basis are not included in remuneration to key management personnel.

^ Paid performance incentive for the year 2020 in April 2021.

Waived their right to receive Directors' commission and sitting fees.

The Company makes monthly contributions to provident fund managed by "The Provident Fund of ACC Ltd" for certain eligible employees. Under the scheme, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. During the year, the Company contributed ₹34.08 Crore *(Previous Year - ₹25.46 Crore)*. Refer Note - 39 for fair value as at current and previous year end.

The Company maintains gratuity trust for the purpose of administering the gratuity payment to its employees (ACC limited Employees Group Gratuity scheme).The Company has not contributed any amount towards Employees Group Gratuity scheme in the current and previous year. Refer Note - 39 for fair value as at current and previous year end.

During the year the Company has contributed ₹3.03 Crore *(Previous Year - ₹16.00 Crore)* to ACC Trust towards Corporate social responsibility obligations.

During the year the Company has contributed ₹3.50 Crore *(Previous Year - Nil)* to Adani Foundation towards Corporate social responsibility obligations.

Transaction with related parties disclosed are exclusive of applicable taxes.

Terms and conditions of transactions with related parties

The Group's material related party transactions and outstanding balances are with related parties with whom the Group routinely enters into transactions in the ordinary course of business. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash other than disclosed in the financial statements. Transactions relating to dividends were on the same terms and conditions as applied to other shareholders.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2023

NOTE 45: SEGMENT REPORTING

For management purposes, the Group is organised into business units based on the nature of the products, the differing risks and returns. The organisation structure and internal reporting system has two reportable segments, as follows:

(a) **Cement -** Cement is a product which is obtained from clinker resulting from mixing the raw materials such as limestone, clay, iron ore, fly ash, bauxite, etc, in determined ratios. Clinker is then mixed with certain amount of setting regulator (generally gypsum) which is ground together and set after mixing with water and gains strength to make Cement. In general, it is used in construction activities.

(b) **Ready Mix Concrete -** Ready Mix Concrete is concrete that is manufactured in a batch plant, according to a set engineered mix design. In general, it is used in construction activities. No operating segments have been aggregated to form the above reportable operating segments.

The Chief Operating Decision Maker ("CODM") monitors the operating results of its business units 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. However, the Group's financing (including finance costs and finance income) and income taxes are managed on a Group basis and are not allocated to operating segments.

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

Rs. in Crore

	Cement		Ready Mix Concrete		Total	
	Fifteen months ended March 31, 2023	Year ended December 31, 2021	Fifteen months ended March 31, 2023	Year ended December 31, 2021	Fifteen months ended March 31, 2023	Year ended December 31, 2021
Revenue						
External sales	19,925.50	14,572.74	1,841.79	1,241.66	21,767.29	15,814.40
Inter-segment sales	296.66	199.62	3.75	6.32	300.41	205.94
Other operating revenue	437.01	333.40	5.88	3.87	442.89	337.27
	20,659.17	15,105.76	1,851.42	1,251.85	22,510.59	16,357.61
Less : Elimination	296.66	199.62	3.75	6.32	300.41	205.94
Total revenue	**20,362.51**	**14,906.14**	**1,847.67**	**1,245.53**	**22,210.18**	**16,151.67**
Segment result	**1,145.70**	**2,348.38**	**43.32**	**55.81**	**1,189.02**	**2,404.19**
Unallocated corporate Income net of unallocated expenditure					8.01	5.31
Finance Costs					(77.28)	(54.62)
Interest and Dividend income					228.47	194.61
Share of profit from associates and Joint ventures					16.15	11.65
Exceptional item (Refer Note - 59)					(161.77)	(54.76)
Tax expenses					(317.39)	(643.28)
Profit after tax					**885.21**	**1,863.10**
Capital expenditure (including capital work-in-progress and capital advances)	2,075.86	1,166.74	28.86	8.62	2,104.72	1,175.36
Depreciation and Amortisation	786.74	558.94	54.58	41.74	841.32	600.68
Other non-cash expenses	9.24	10.53	12.57	(9.13)	21.81	1.40

Rs. in Crore

	Cement		Ready Mix Concrete		Total	
	As at March 31, 2023	As at December 31, 2021	As at March 31, 2023	As at December 31, 2021	As at March 31, 2023	As at December 31, 2021
Segment assets	15,485.65	11,784.64	503.72	509.67	15,989.37	12,294.31
Unallocated Corporate assets					**4,554.40**	**8,744.53**
Total assets					**20,543.77**	**21,038.84**
Segment liabilities	4,536.56	4,724.61	436.02	501.91	4,972.58	5,226.52
Unallocated Corporate liabilities					1,429.24	1,500.14
Total liabilities					**6,401.82**	**6,726.66**

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Revenue from external customer

Rs. in Crore

	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Within India	22,210.17	16,149.57
Outside India	0.01	2.10
Total	**22,210.18**	**16,151.67**

No single customer contributed 10% or more to the Group's revenue for the fifteen months ended March 31, 2023 and year ended December 31, 2021.

All the non current assets are located within India

NOTE 46: DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MICRO, SMALL AND MEDIUM ENTERPRISES DEVELOPMENT ACT, 2006*

Rs. in Crore

		As at March 31, 2023	As at December 31, 2021
a.	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year:		
	Principal amount due to micro and small enterprises (Not overdue)	16.45	17.11
	Principal amount due to micro and small enterprises (overdue)	3.76	8.22
	Interest due on overdue	0.50	0.20
b.	The amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
c.	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	-	-
d.	The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
e.	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 Micro, Small and Medium Enterprises Development Act, 2006.	-	-

*This information has been determined to the extent such parties have been identified on the basis intimation received from the "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006.

NOTE 47

ACC Mineral Resources Limited (AMRL), through its joint operations had secured development and mining rights for four coal blocks allotted to Madhya Pradesh State Mining Corporation Ltd. These allocations stand cancelled pursuant to the judgment of Supreme Court dated August 25, 2014 read with its order dated September 24, 2014. The Government of India has commenced auctioning process for all such blocks in a phased manner. The auctioning for Bicharpur, being one of the four blocks, was completed, with the block being awarded to the successful bidder vide vesting order dated March 23, 2015. In respect of Bicharpur coal block, AMRL had filed a writ petition with the Delhi High Court against the compensation fixed by Ministry of Coal up to March 31, 2014. The Hon'ble Delhi High Court issued its judgment on March 09, 2017 wherein the court has said that "whatever has transpired after March 31, 2014 and goes towards affecting the quantum of compensation for mine infrastructure, must also be taken into account." Accordingly a fresh claim was filed with Ministry of Coal for re-imbursement of expenses incurred up to the date of vesting order. The decision / valuation of our claim by Ministry of Coal is awaited. In respect of other three blocks, auctioning dates are yet to be announced.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2023

NOTE 48

(i) The Group has arrangements with an associate company whereby it sells clinker and purchases cement manufactured out of such clinker. While the transactions are considered as individual sale/ purchase transactions for determination of taxable turnover and tax under GST laws. Considering the accounting treatment prescribed under various accounting guidance, revenue for sale (excluding GST) of such clinker of Rs. 23.73 Crore *(Previous year - Rs. 16.15 Crore)* has not been recognised as a part of the turnover but has been adjusted against cost of purchase of Cement so converted.

(ii) The Group has arrangement with a Joint venture company whereby it purchases Ready Mix Concrete and sells that to external customers. While the transactions are considered as individual sale / purchase transactions for determination of taxable turnover and tax under GST laws. Considering the accounting treatment prescribed under various accounting guidance, revenue for sale (excluding GST) of such Ready Mix Concrete to customer of Rs. 197.09 Crore *(Previous year - Rs. 126.19 Crore)* has not been recognised as Revenue from operations but has been adjusted against cost of purchase of Ready Mix Concrete.

NOTE 49: CAPITALISATION OF EXPENDITURE

During the year, the following amount of expenditures are recognised in the carrying amount of Property, Plant and Equipment / Capital work in progress (CWIP) in the course of its construction. Consequently, expenses disclosed under the respective notes the Statement of Profit and Loss are net of amounts capitalised by the Group.

Rs. in Crore

	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Balance at the beginning of the year	59.29	39.09
Expenditure during construction for projects:		
Employee benefits expense*	25.59	27.75
Power and fuel**	2.04	1.22
Depreciation	0.55	0.07
Miscellaneous expenses**	-	1.41
Total	**87.47**	**69.54**
Less : Capitalised during the year	44.40	10.25
Balance at the end of the year	**43.07**	**59.29**

* Employee benefits expense represents cost of employees associated with the projects which are directly attributable to the construction and acquisition of Property, Plant and Equipment.

** Miscellaneous expense and power and fuel are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

NOTE 50: FINANCIAL INSTRUMENTS

(A) Categories of financial instruments

Rs. in Crore

Particulars	Carrying value As at March 31, 2023	Fair value As at March 31, 2023	Carrying value As at December 31, 2021	Fair value As at December 31, 2021
Financial assets				
1. Measured at Fair value through profit or loss (FVTPL)				
Investment in Unquoted equity shares	14.70	14.70	14.70	14.70
Cash and cash equivalents - Mutual funds	120.13	120.13	383.45	383.45
2. Measured at amortised cost				
Cash and cash equivalents (Other deposits)	-	-	250.00	250.00
Other Cash and cash equivalents (Balances with banks)	136.49	136.49	6,733.13	6,733.13
Bank balances other than Cash and Cash Equivalents	158.08	158.08	155.81	155.81
Investments in Unquoted Bonds	3.70	3.70	3.70	3.70
Security deposits (Current and Non-Current)	283.22	283.22	210.30	210.30
Loans and Other financial assets (Current and Non-Current)	4,033.49	4,033.49	982.22	982.22
Trade receivables	869.24	869.24	489.02	489.02
Total	**5,619.05**	**5,619.05**	**9,222.33**	**9,223.64**

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Rs. in Crore

Particulars	Carrying value As at March 31, 2023	Fair value As at March 31, 2023	Carrying value As at December 31, 2021	Fair value As at December 31, 2021
Financial liabilities				
Measured at amortised cost				
Trade payables	1,493.39	1,493.39	1,904.89	1,904.89
Security deposits and retention money	960.25	960.25	792.90	792.90
Lease Liabilities	153.04	153.04	125.58	125.58
Other financial liabilities	231.24	231.24	336.57	336.57
Total	**2,837.92**	**2,837.92**	**3,159.94**	**3,159.94**

(B) Income, Expenses, Gains or Losses on Financial Instruments

Interest income and expenses, gains or losses recognised on financial assets and liabilities in the Consolidated Statement of Profit and Loss are as follows:

Rs. in Crore

Particulars	For the fifteen months ended March 31, 2023	For the Year ended December 31, 2021
Income on financial instruments		
Financial assets measured at amortised cost		
Interest income	(228.44)	(181.90)
Impairment losses on trade receivables (including reversals of impairment losses)	-	(10.87)
Financial assets measured at fair value through profit or loss		
Gain on sale of current financial assets	(17.13)	(9.54)
Net gain on fair valuation of current financial assets	(0.13)	(0.27)
Expenses on financial instruments		
Financial liabilities measured at amortised cost		
Net exchange losses on revaluation or settlement of items denominated in foreign currency (trade payable)	11.87	3.20
Interest expenses on deposits from dealers	25.70	16.19
Interest expenses on lease liabilities	12.96	9.37
Impairment losses on trade receivables (including reversals of impairment losses)	14.84	-
Derivatives - Foreign exchange forward contracts		
Net (gain) / loss on foreign currency forward contract	(2.62)	1.29
Net gain recognised in the Consolidated Statement of Profit and Loss	**(182.95)**	**(172.53)**

(C) Fair Value Hierarchy

The Group uses the following hierarchy for determining and/or disclosing the fair value of financial instruments by valuation techniques:

Level 1: This level includes those financial instruments which are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: This level includes financial assets and liabilities measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: This level includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data.

NOTES TO THE FINANCIAL STATEMENTS
for the year ended March 31, 2023

Rs.in Crore

	Level 1	Level 2	Level 3	Total
As at March 31, 2023				
Financial assets				
1. Measured at Fair value through profit or loss (FVTPL)				
Investment in Unquoted equity shares	-	-	14.70	14.70
Cash and cash equivalents - Mutual funds	120.13	-	-	120.13
As at December 31, 2021				
Financial assets				
1. Measured at Fair value through profit or loss (FVTPL)				
Investment in Unquoted equity shares	-	-	14.70	14.70
Cash and cash equivalents - Mutual funds	383.45	-	-	383.45

Reconciliation of Level 3 fair value measurement of unquoted equity shares

	Unlisted shares carried at FVTPL	
	For the fifteen months ended March 31, 2023	For the Year ended December 31, 2021
Opening balance	14.70	4.50
Purchases during the year	-	10.20
Gain/(Loss)		
- in Other comprehensive income	-	-
- in profit and loss	-	-
- changes on purchase of equity shares	-	-
Closing Balance	**14.70**	**14.70**

Description of significant unobservable inputs to valuation:

	Valuation techniques	Significant unobservable inputs	Sensitivity of the input to fair value
Investments in unquoted equity shares	Price of recent transaction (PORT)	Transaction price	5% (March 31, 2023: 5%) increase (decrease) in the transaction price would result in increase (decrease) in fair value by Rs. 0.74 Crore *(Previous year - Rs. 0.74 Crore)*

During the reporting period ending March 31, 2023 and December 31, 2021, there was no transfer between level 1 and level 2 fair value measurement.

The following methods and assumptions were used to estimate the fair values:

Level 1: Investments in liquid and short-term mutual funds, which are classified as FVTPL are measured using net asset values at the reporting date multiplied by the quantity held.

Level 2: The fair value of forward foreign exchange contracts is calculated as the present value determined using forward exchange rates at the reporting date.

Level 3: The fair value of unquoted instruments is estimated by discounting future cash flow or price of recent transaction.

Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required).

The management consider the carrying values of Other Cash and cash equivalents, Bank balances other than cash and cash equivalents, investment in bonds, security deposits, loans and other financial assets, trade receivables, trade payables, security deposits and retention money and other financial liabilities (except derivative financial instruments) approximate their carrying amounts largely due to the short-term maturities of these instruments.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2023

NOTE 51: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

Financial risk evaluation and management is an ongoing process within the Group. The Group has a system based risk management framework to identify, monitor, mitigate and minimise risks arising from financial instruments.

The Group is exposed to market, credit and liquidity risks. The Board of Directors ('Board') oversee the management of these risks through its Risk Management Committee. The Group's Risk Management Policy has been formulated by the Risk Management Committee and approved by the Board. The Policy articulates on the Group's approach to address uncertainties in its endeavour to achieve its stated and implicit objectives. It also prescribes the roles and responsibilities of the Group's management, the structure for managing risks and the framework for risk management. The framework seeks to identify, assess and mitigate risks in order to minimise potential adverse effects on the Group's financial performance.

All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes shall be undertaken. The Board of Directors reviews and agrees on policies for managing each of these risks, which are summarised below. This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

(i) Credit risk

Credit risk is the risk that the counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits placed with banks and financial institutions and other financial instruments.

Financial assets other than trade receivables

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with it's policy. Surplus funds are parked only within approved investment categories with well defined limits. Investment category is periodically reviewed by the Group's Board of Directors.

Credit risk arising from short term liquid funds, other balances with banks and other cash equivalents is limited and no collaterals are held against these because the counterparties are banks and recognised financial institutions with high credit ratings assigned by the credit rating agencies. None of the financial instruments of the Group result in material concentration of credit risks.

Other financial assets mainly include incentives receivable from the government, loans and security deposits given. There are no indications that defaults in payment obligations would occur in respect of these financial assets.

Incentives receivable from the Government

The Company has manufacturing units in various states; mainly those in Maharashtra, Uttar Pradesh and Jharkhand are eligible for incentives under the respective State Industrial Policy. The Company has been accruing these incentives as refund claims in respect of VAT / GST paid, and there is a reasonable assurance that the incentive claims will be disbursed by the State Governments.

The Company has estimated the expected credit loss based on time period to recover these incentives and carries a provision of Rs. 128.92 Crore as at March 31, 2023 *(Previous year - Rs. 128.92 Crore).*

The Company is confident about the ultimate realisation of the dues from the State Governments and there is no risk of default.

Movement of Incentives under Government schemes

	Rs.in Crore
As at January 01, 2021	863.14
Incentive accrued	154.74
Incentive received	(112.28)
Expected credit loss	(0.85)
As at December 31, 2021 (Refer Note - 8 & 15)	**904.75**
Incentive accrued	207.11
Incentive received	(96.23)
As at March 31, 2023 (Refer Note - 8 & 15)	**1,015.63**

Trade receivables

Customer credit risk is managed as per the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. The requirement for impairment is analysed at each reporting date on an individual basis for major customers. The management is also monitoring the receivables levels by having frequent interactions with responsible persons for highlighting potential instances where receivables might become overdue.

Trade receivables consist of a large number of customers spread across India with no significant concentration of credit risk. Ongoing credit evaluation is performed on the financial condition of accounts receivable. The Group has adopted a policy of only dealing in creditworthy counterparties and obtaining collateral i.e. security deposit. No single customer accounted for 10% or more of the Group's net sales. Therefore, the Group does not expect any material risk on account of non-performance by any of its counterparties.

For expected credit loss as at each reporting date the Company assesses position for the assets for which credit risk has not significantly increased from initial recognition, assets for which credit risk has increased significantly but are not credit impaired and for assets for which credit risk has increased significantly and are credit impaired.

For Group's exposure to credit risk by age of the outstanding from various customers refer Note 11.

Expected credit loss assessment

For trade receivables, as a practical expedient, the Group compute credit loss allowance based on a provision matrix. The provision matrix is prepared based on historically observed default rates over the expected life of trade receivables and is adjusted for forward-looking estimates. At each reporting date, the historically observed default rates and changes in the forward-looking estimates are updated. Accordingly, loss allowances on trade receivables are measured using provision matrix at an amount equal to life time expected losses i.e. expected cash shortfall.

The following table summarises the change in the loss allowances measured using simplified approach model expected credit loss assessment:

	Rs.in Crore
As at January 01, 2021	62.25
Provided during the year	1.52
Amounts utilised	(1.13)
Reversals of provision	(12.39)
As at December 31, 2021	**50.25**
Provided during the year	15.22
Amounts utilised	(5.98)
Reversals of provision	(0.38)
As at March 31, 2023	**59.11**

No significant changes in estimation techniques or assumptions were made during the reporting period.

Credit impaired

For expected credit loss as at each reporting date the Group assesses position for the assets for which credit risk has not significantly increased from initial recognition, assets for which credit risk has increased significantly but are not credit impaired and for assets for which credit risk has increased significantly and are credit impaired. The Group assesses detrimental impacts on the estimated future cash flows of the financial asset including loans, receivables and other assets. Based on the assessment of the observable data relating to significant financial difficulty and creditworthiness of the counterparties, the management believes that there are no financial assets which are credit impaired except as disclosed in the notes to the financial statement.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2023

(ii) Liquidity risk

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Group's treasury team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Group's liquidity position through rolling forecasts on the basis of expected cash flows. The Group has large investments in short term liquid funds which can be redeemed at a very short notice and hence carry negligible liquidity risk.

The table summarises the details regarding the remaining contractual maturities of financial liabilities at the reporting date based on the contracted undiscounted cash payments.

Rs. in Crore

	Carrying amount	Less than 1 year	1 -5 Years	More than 5 year	Total
As at March 31, 2023					
Other financial liabilities*	1,191.49	1,221.08	-	-	1,221.08
Lease liabilities	153.04	39.09	91.42	107.88	238.39
Trade payables	1,493.39	1,493.39	-	-	1,493.39
	2,837.92	**2,753.56**	**91.42**	**107.88**	**2,952.86**

Rs. in Crore

	Carrying amount	Less than 1 year	1 -5 Years	More than 5 year	Total
As at December 31, 2021					
Other financial liabilities*	1,129.47	1,147.68	-	-	1,147.68
Lease liabilities	125.58	32.58	87.24	53.73	173.55
Trade payables	1,904.89	1,904.89	-	-	1,904.89
	3,159.94	**3,085.15**	**87.24**	**53.73**	**3,226.12**

*Other financial liabilities includes deposits received from customers amounting to Rs. 657.52 Crore *(Previous year - Rs. 628.09 Crore)*. These deposits do not have a contractual re-payment term but are repayable on demand. Since, the Group does not have an unconditional right to defer the payment beyond 12 months from reporting date, these deposits have been classified under current financial liabilities. For including these amounts in the above mentioned maturity analysis, the Group has assumed that these deposits, including interest thereon, will be repayable at the end of the next reporting period. The actual maturity period for the deposit amount and the interest thereon can differ based on the date on which these deposits are settled to the customers.

(iii) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of three types of risk: interest rate risks, currency risk and commodity risk.

Foreign currency risk

Foreign currency risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to change in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates primarily relate to import of raw materials, fuels and capital items.

Based on sensitivity analysis, the Group has well defined forex exposure threshold limit approved by Board of Directors, beyond which all forex exposure are fully hedged.

The carrying amounts of the Group's foreign currency denominated monetary liabilities at the end of the reporting periods expressed in Rs., are as follows:

Rs. in Crore

As at March 31, 2023	USD	EUR	CHF	GBP
Trade Payable	29.36	8.65	0.10	0.02
Foreign exchange derivative contracts	(23.59)	(5.46)	-	-
Net exposure to foreign currency risk (liabilities)	5.77	3.19	0.10	0.02

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Rs. in Crore

As at December 31, 2021	USD	EUR	CHF	GBP
Trade Payable	75.53	4.39	0.03	0.01
Foreign exchange derivative contracts	(61.43)	-	-	-
Net exposure to foreign currency risk (liabilities)	14.10	4.39	0.03	0.01

Foreign currency sensitivity

The following tables demonstrate the sensitivity into a reasonably possible change in exchange rates, with all other variables held constant. A positive number below indicates an increase in profit where the Rs. strengthens 5% against the relevant currency. For a 5% weakening of the Rs. against the relevant currency, there would be a comparable impact on the profit and the balances below would be negative.

Rs.in Crore

Particulars	As at March 31, 2023		As at December 31, 2021	
	5% strengthening of Rs.	5% weakening of Rs.	5% strengthening of Rs.	5% weakening of Rs.
USD	0.29	(0.29)	0.71	(0.71)
EUR	0.16	(0.16)	0.22	(0.22)
TOTAL	**0.45**	**(0.45)**	**0.93**	**(0.93)**

5% represent management assessment of reasonably possible change in foreign currency exchange rate.

Commodity price risk

Commodity price risk for the Group is mainly related to fluctuations in coal and pet coke prices linked to various external factors, which can affect the production cost of the Group. Since the energy costs is one of the primary costs drivers, any fluctuation in fuel prices can lead to a drop in operating margin. To manage this risk, the Group take following steps:

1. Optimising the fuel mix, pursue longer term and fixed contracts where considered necessary (Refer Note - 16).
2. Consistent efforts to reduce the cost of power and fuel by using both domestic and international coal and petcoke.
3. Use of alternative Fuel and Raw Materials (AFR) and enhancing the utilisation of renewable power including its onsite and offsite solar, wind, hydro power and Waste Heat Recovery System (WHRS).

Additionally, processes and policies related to such risks are reviewed and controlled by senior management and fuel requirements are monitored by the central procurement team.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in market interest rates. The Group's exposure to the interest rate risk arises primarily from security deposit from dealers. The Group has not used any interest rate derivatives.

The Group has taken interest bearing security deposit from dealers. If interest rate had been 0.50% higher/ lower the Profit before tax for the year ended March 31, 2022 would decrease / increase by Rs. 3.29 Crore *(Previous year - Rs. 3.14 Crore)*.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2023

NOTE 52: CAPITAL MANAGEMENT

The Group's objectives when managing capital are to (a) maximise shareholder value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital.

For the purposes of the Group's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders.

As stated in the below table, the Group is a Zero debt Group with no borrowings. The Group is not subject to any externally imposed capital requirements.

Rs. in Crore

	Note No.	As at March 31, 2023	As at December 31, 2021
Total Debt		-	-
Less: Cash and cash equivalents	12	(256.63)	(7,366.59)
Net Debt		(256.63)	(7,366.59)
Equity attributable to owners of the parent	18 & 19	14,138.47	14,308.83
Debt to Equity (Net)		**NA**	**NA**

NOTE 53

Additional information as required by Paragraph 2 of the General Instructions for the preparation of Consolidated Financial Statements under Division II of Schedule III to the Companies Act, 2013.

	Net Assets, i.e., total assets minus total liabilities*		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount Rs.in Crore	As % of consolidated profit or loss	Amount Rs.in Crore	As % of consolidated other comprehensive income	Amount Rs.in Crore	As % of consolidated total comprehensive income	Amount Rs.in Crore
Name of the entity in the Group	As at March 31, 2023	As at March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023	March 31, 2023
Parent								
ACC Limited	99.84	14,116.68	97.57	863.42	100.29	31.05	97.65	894.47
Subsidiaries								
Indian								
Bulk Cement Corporation (India) Limited	0.18	25.20	0.29	2.56	-	-	0.28	2.56
ACC Mineral Resources Limited	(0.22)	(31.20)	0.45	4.00	-	-	0.44	4.00
Lucky Minmat Limited	(0.30)	(42.01)	(0.09)	(0.80)	-	-	(0.09)	(0.80)
Singhania Minerals Private Limited	(0.03)	(4.09)	(0.01)	(0.12)	-	-	(0.01)	(0.12)
Non-controlling interests in all subsidiaries	(0.02)	(3.48)	(0.02)	(0.14)	-	-	(0.02)	(0.14)
Associates (Investment as per the equity method)								
Indian								
Alcon Cement Company Private Limited	(0.05)	(6.75)	0.22	1.97	(0.23)	(0.07)	0.21	1.90
Asian Concretes and Cements Private Limited	0.50	70.16	1.02	9.07	-	-	0.99	9.07
Joint Ventures (Investment as per the equity method)								
Indian								
OneIndia BSC Private Limited	0.03	4.23	0.03	0.30	-	-	0.03	0.30
Aakaash Manufacturing Company Private Limited	0.07	9.73	0.54	4.81	(0.06)	(0.02)	0.52	4.79
TOTAL	**100.00**	**14,138.47**	**100.00**	**885.07**	**100.00**	**30.96**	**100.00**	**916.03**

*In case of Subsidiaries, Associates and Joint ventures, the parent's share in respect of these components have been adjusted with the carrying value of the parent's investments in each component.

Note : The above figures are after eliminating intra group transactions and intra group balances as at March 31, 2023.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Additional information as required by Paragraph 2 of the General Instructions for the preparation of Consolidated Financial Statements under Division II of Schedule III to the Companies Act, 2013

	Net Assets, i.e., total assets minus total liabilities*		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount Rs.in Crore	As % of consolidated profit or loss	Amount Rs.in Crore	As % of consolidated other comprehensive income	Amount Rs. in Crore	As % of consolidated total comprehensive income	Amount Rs.in Crore
Name of the entity in the Group	As at December 31, 2021	As at December 31, 2021	December 31, 2021	December 31, 2021	December 31, 2021	December 31, 2021	December 31, 2021	December 31, 2021
Parent								
ACC Limited	99.99	14,307.30	99.19	1847.81	100.18	5.44	99.19	1,853.25
Subsidiaries								
Indian								
Bulk Cement Corporation (India) Limited	0.14	20.70	0.10	1.94	-	-	0.10	1.94
ACC Mineral Resources Limited	(0.25)	(35.19)	0.12	2.20	-	-	0.12	2.20
Lucky Minmat Limited	(0.29)	(41.18)	(0.03)	(0.59)	-	-	(0.03)	(0.59)
Singhania Minerals Private Limited	(0.02)	(3.03)	-	0.09	-	-	-	0.09
Non-controlling interests in all subsidiaries	(0.02)	(3.35)	(0.01)	(0.11)	-	-	(0.01)	(0.11)
Associates (Investment as per the equity method)								
Indian								
Alcon Cement Company Private Limited	(0.06)	(8.13)	0.02	0.41	(1.47)	(0.08)	0.02	0.33
Asian Concretes and Cements Private Limited	0.43	61.09	0.50	9.25	-	-	0.50	9.25
Joint Ventures (Investment as per the equity method)								
Indian								
OneIndia BSC Private Limited	0.03	3.93	0.01	0.12	-	-	0.01	0.12
Aakaash Manufacturing Company Private Limited	0.05	6.69	0.10	1.87	1.29	0.07	0.10	1.94
TOTAL	**100.00**	**14,308.83**	**100.00**	**1,862.99**	**100.00**	**5.43**	**100.00**	**1,868.42**

* In case of Subsidiaries, Associates and Joint ventures, the parent's share in respect of these components have been adjusted with the carrying value of the parent's investments in each component.

Note : The above figures are after eliminating intra group transactions and intra group balances as at December 31, 2021.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2023

NOTE 54: DIVIDEND DISTRIBUTION AND PROPOSED DIVIDEND

Rs. in Crore

	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Dividends on equity shares declared and paid:		
Final dividend for the year ended December 31, 2021 ₹58.00 per share *(Previous year ₹14.00)*	1,089.17	262.90
	1,089.17	**262.90**
Proposed dividends on equity shares:		
Final dividend for the fifteen months ended March 31, 2023: ₹9.25 per share *(Previous year 58.00)*	173.70	1,089.17
	173.70	**1,089.17**

Notes

a) Proposed dividends on equity shares are subject to approval at the Annual General Meeting and are not recognised as a liability.

b) The dividends proposed by the subsidiaries, associates and joint ventures for the fifteen months financial year ended March 31, 2023 is as given below:-

Name of the Company	Subsidiary/ Associate/Joint venture	Proposed dividend per share	Proposed dividend amount (Rs. In Crore)
Aakaash Manufacturing Company Private Limited	Joint Venture	5,939	6.53

NOTE 55 : GOODWILL ON CONSOLIDATION

Movement in Goodwill on consolidation

Rs. in Crore

	As at March 31, 2023	As at December 31, 2021
Carrying amount as at beginning of the year	3.77	10.19
Impairment of goodwill*	-	(6.42)
Net carrying value as at end of the year	**3.77**	**3.77**

Goodwill of ₹3.77 Crore *(Previous year - ₹3.77 Crore)* relates to acquisition of a business of subsidiary companies. For the purpose of impairment testing, carrying amount of goodwill has been allocated to the following Cash Generating Units (CGUs) :

Rs. in Crore

	As at March 31, 2023	As at December 31, 2021
Lucky Minmat Limited (LML)*	-	-
Singhania Minerals Private Limited (SMPL)	3.28	3.28
Bulk Cement Corporation (India) Limited (BCCI)	0.49	0.49
TOTAL	**3.77**	**3.77**

* The Group had invested ₹38.10 Crore *(Previous year - ₹38.10 Crore)* in equity shares of Lucky Minmat Limited (LML), a wholly owned subsidiary company. In view of no mining activity being carried out in view of on-going litigation on transfer of lease rights and amendments brought in to the Mines and Minerals (Development and Regulations) Amendment Act, 2021, the Group has reassessed the value of investments and accordingly, during the previous year ended December 31, 2021, goodwill on consolidation of ₹6.42 Crore has been Impaired in view of impairment.

Of the above CGUs, SMPL is engaged in the business of extracting of limestone. BCCI is in the business of handling of cement.

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2023

NOTE 56: EMPLOYEE SHARE BASED PAYMENTS

Description of plan - Holcim Performance Share Plan Holcim Ltd (erstwhile Ultimate Holding Company) set up a performance share plan. Performance shares are granted to executives and senior management for their contribution to the continuing success of the business. These shares will be delivered after three year vesting period following the grant date and are subject to internal performance conditions.

900 *(Previous Year - 6,600)* performance shares at a fair value of Rs. 3,613 per share *(Previous Year - Rs. 4,426 per share)* were granted in 2022-23. Internal performance conditions are attached to the performance shares and are based on Holcim Earnings per Share (EPS) and Holcim Return on Invested Capital (ROIC). During the year, Rs. 2.78 Crore *(Previous Year - Rs. 4.18 Crore)* is charged to the Consolidated Statement of Profit and Loss in respect of equity-based payments transactions with a corresponding increase being made to the capital contribution to the Company by the parent.

Information related to awards granted through the performance share plan is presented below:

Rs. in Crore

	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
As at January 01	17,400	16,200
Granted	900	6,600
Issued	(15,833)	-
Forfeited	(2,467)	(5,400)
As at December 31	**-**	**17,400**

Fair value of shares granted is determined based on the estimated achievement of Holcim earnings per share, return on invested capital and sustainability indicators.

NOTE 57

The Competition Commission of India ("CCI") initiated an investigation against cement companies in India including the Company regarding alleged anti-competitive behaviour and conducted search and seizure operations in December 2020 against few companies. The Director General (DG) of CCI in January 2021 sought information from the Company and the information sought was provided. In the current year, CCI had sent the investigation report of the DG to the Company and directed the Company to file their suggestions / objections to the report. Company has submitted its responses and the matter is pending for hearing before CCI. The Company is of the firm view that it has acted and continues to act in compliance with competition laws. The Company believes that this does not have any impact on the financial statements.

NOTE 58

During the year, the Group had initiated capex plan to enhance its capacity through greenfield and brownfield expansions during the period and gave milestone payment to the EPC Contractor. The Group reassessed its strategy for capex program and decided to foreclose the EPC contract and recovered its advance of Rs. 188.00 Crore (net of GST) without penalty.

NOTE 59: EXCEPTIONAL ITEMS REPRESENT

- Special incentive for certain key employees, pursuant to change in the ownership and control of Rs. 22 Crore *(Previous year - Rs. Nil)*
- One-time Information technology transition cost of Rs. 73.35 Crore *(Previous year - Rs. Nil)*
- Restructuring cost under the voluntary retirement scheme of Rs .66.42 Crore *(Previous year -Rs. 54.76 Crore)*

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2023

NOTE 60

During the current year, the Board of Directors have approved the change of financial year end from December 31 to March 31. In view of this, the current financial year is for a period of fifteen months i.e., January 01, 2022, to March 31, 2023 and, accordingly, the figures for the fifteen months financial ended March 31, 2023 are not comparable with the figures for the year ended December 31, 2021

NOTE 61

During the fifteen months ended March 31, 2023, a short seller report was published in which certain allegations were made involving Adani group companies. Writ petitions were filed in the matter with the Hon'ble Supreme Court ("SC"), and during hearing the Securities and Exchange Board of India ("SEBI") has represented to the SC that it is investigating the allegations made in the short seller report for any violations of the various SEBI Regulations. The SC vide its order dated March 2, 2023 has also constituted an expert committee to investigate and also advise into the various aspects of existing laws and regulations, and also directed the SEBI to consider certain additional aspects in its scope. During the fifteen months ended March 31, 2023 and subsequent to March 31, 2023, the Group have provided responses to various queries by the SEBI and the Stock Exchanges. The above-mentioned investigations are in progress as of date.

To uphold the principles of good governance, the Group has undertaken review of transactions referred in the short seller's report and had obtained an opinion from independent law firm in respect of evaluating relationships with parties having transactions with the Group and referred to in the short seller's report. Management, based on such opinion, confirms that Group is in compliance with applicable laws and regulations.

Based on the foregoing and pending outcome of the investigations as mentioned above, the consolidated financial statements do not carry any adjustment.

NOTE 62 - OTHERS STATUTORY INFORMATION

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

2 The Group has following outstanding balances with struck off companies under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.

Name of the Struck off companies	Nature of transactions with struck off Company	Transactions during the fifteen months ended March 31, 2023	Balance outstanding as at March 2023	Transaction during the year ended December 31, 2021	Balance outstanding as at December 2021	Name of Group Companies that has relationship	Relationship with the Struck off company
Anugrah madison advertising Pvt Ltd	Purchase of goods and services	-	*	-	*	ACC Limited	Vendor
Rajat hans logistics Pvt Ltd	Purchase of goods and services	-	0.01	-	0.01	ACC Limited	Vendor
Tirupati balaji logistics Pvt Ltd	Purchase of goods and services	-	0.02	-	0.02	ACC Limited	Vendor
Katashi engineering services Pvt Ltd	Purchase of goods and services	-	0.03	-	0.03	ACC Limited	Vendor
Eco grow environmental services Pvt Ltd	Purchase of goods and services	-	*	-	*	ACC Limited	Vendor
Praxis El training & consulting Pvt Ltd	Purchase of goods and services	-	*	-	*	ACC Limited	Vendor
Sm mining machinery & equipment Pvt Ltd	Purchase of goods and services	-	0.02	-	0.02	ACC Limited	Vendor
Pushap associates Private Limited	Purchase of goods and services	-	*	-	*	ACC Limited	Vendor
Kanuj envirotech Pvt Ltd	Purchase of goods and services	-	*	-	*	ACC Limited	Vendor
JS techmarine solutions Pvt Ltd	Purchase of goods and services	0.01	-	0.01	0.01	ACC Limited	Vendor
Thiruvishnu sabarisha construction Pvt Ltd	Purchase of goods and services	*	0.01	-	*	ACC Limited	Vendor

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2023

Name of the Struck off companies	Nature of transactions with struck off Company	Transactions during the fifteen months ended March 31, 2023	Balance outstanding as at March 2023	Transaction during the year ended December 31, 2021	Balance outstanding as at December 2021	Name of Group Companies that has relationship	Relationship with the Struck off company
Deep Star Tiles Pvt Ltd.	Sale of goods and services	-	*	-	*	ACC Limited	Customer
Garg Building Material Suppliers Pvt Ltd	Sale of goods and services	-	*	*	*	ACC Limited	Customer
Arnav ecumeneinfra Pvt Ltd	Sale of goods and services	*	*	-	*	ACC Limited	Customer
Kamakshi minakshi Construction Pvt Ltd	Sale of goods and services	-	-	0.01	-	ACC Limited	Customer
Seturya infrastructures Pvt Ltd	Sale of goods and services	-	*	-	*	ACC Limited	Customer
Travel tendo Pvt Ltd	Sale of goods and services	-	*	-	*	ACC Limited	Customer
Gharcool building materials pvt Ltd	Sale of goods and services	*	-	0.06	*	ACC Limited	Customer
Saibabaji steel and traders Pvt Ltd	Sale of goods and services	-	-	0.03	-	ACC Limited	Customer
Glosson surface solutions Pvt Ltd	Sale of goods and services	-	*	-	*	ACC Limited	Customer
J S techmarine solutions Pvt Ltd	Sale of goods and services	-	-	0.03	-	ACC Limited	Customer
Springfield forestry Pvt Ltd	Sale of goods and services	-	-	0.03	-	ACC Limited	Customer

* Denotes below ₹ 50,000

3 The Group does not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.

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

5 The Group has not advanced or loaned or invested funds to any other person or entity, 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.

6 The Group has not received any fund from any person or entity, 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 Company (Ultimate Beneficiaries); or

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

7 No entity in the Group has any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the 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.

8 No entity in the Group has been declared a wilful defaulter by any bank or financial institution or other lender (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

9 Significant Events after the Reporting Period - There were no significant adjusting events that occurred subsequent to the reporting period other than the events disclosed in the relevant notes.

10 The Group is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with the Companies (Restriction on number of Layers) Rules, 2017 (as amended).

NOTES TO THE FINANCIAL STATEMENTS

for the year ended March 31, 2023

11 The Group has not given any loans or advances in the nature of loans to promoters, directors, KMPs and/ or related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are repayable on demand, or without specifying any terms or period of repayment.

12 Previous year's figures have been regrouped and rearranged where necessary to conform to this year's classification.

As per our report of even date

For **S R B C & CO LLP**
Chartered Accountants
ICAI Firm Registration No.: 324982E/E300003

per **ABHISHEK AGARWAL**
Partner
Membership No.: 112773

Mumbai, April 27, 2023

For and on behalf of the Board of Directors of ACC Limited,

KARAN ADANI
Chairman
DIN: 03088095

AJAY KAPUR
Wholetime Director & Chief Executive Officer
DIN: 03096416

VINOD BAHETY
Chief Financial Officer

Ahmedabad, April 27, 2023

FORM AOC-1

STATEMENTS OF SUBSIDIARIES, ASSOCIATES AND JOINT VENTURES

(PURSUANT TO FIRST PROVISO TO SUB SECTION (3) OF SECTION 129 READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014)

Part "A": Subsidiaries

(Rs. In Crore)

Sl. No.	Particulars				
1	Name of the Subsidiary	**ACC Mineral Resources Limited**	**BulK Cement Corporation (India) Limited**	**Lucky Minmat Limited**	**Singhania Minerals Private Limited**
2	Reporting period for the subsidiary	**January 01, 2022 to March 31, 2023**	**January 01, 2022 to March 31, 2023**	**January 01, 2022 to March 31, 2023**	**January 01, 2022 to March 31, 2023**
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	N.A.	N.A.	N.A.	N.A.
4	Share capital	121.95	33.64	3.25	0.52
		121.95	*33.64*	*3.25*	*0.52*
5	Reserves and surplus	(31.19)	30.18	(7.15)	(1.66)
		(35.19)	*27.62*	*(6.33)*	*(1.46)*
6	Total assets	94.66	73.48	0.69	2.18
		90.70	*71.34*	*0.67*	*1.84*
7	Total Liabilities	3.90	9.66	4.59	3.32
		3.94	*10.08*	*3.75*	*2.78*
8	Turnover	-	28.23	-	2.73
		-	*22.04*	-	*1.50*
9	Profit / (Loss) before tax	4.00	3.65	(0.82)	(0.21)
		2.19	*2.60*	*(0.59)*	*0.03*
10	Tax expenses	-	1.09	-	(0.01)
		(0.01)	*0.66*	-	*0.01*
11	Profit / (Loss) after tax	4.00	2.56	(0.82)	(0.20)
		2.20	*1.94*	*(0.59)*	*0.02*
12	Proposed Dividend	-	-	-	-
		-	-	-	-
13	% of shareholding	100%	94.65%	100%	100%
		100%	*94.65%*	*100%*	*100%*

Part "B": Associates and Joint Ventures

Sl. No.	Name of Associates	Alcon Cement Company Private Limited	Asian Concretes and Cements Private Limited
1	Latest audited Balance Sheet Date	March 31, 2023	March 31, 2023
	Shares of Associates held by the company on the year end	4,08,001	81,00,000
	Amount of Investment in Associates (₹ Crore)	22.25	36.81
2	Extend of Holding (%)	40%	45%
3	Description of how there is significant influence	Note (a)	Note (a)
4	Reason why the associates is not consolidated	-	-
5	Net worth attributable to shareholding as per latest audited Balance Sheet (₹ Crore)	6.95	106.99
		5.60	*98.37*
6	Other Comprehensive Income for the year (₹ Crore)	4.74	20.16
		0.82	*20.56*
i.	Considered in Consolidation (₹ Crore)	1.90	9.07
		0.33	*9.25*
ii.	Not Considered in Consolidation (₹ Crore)	2.84	11.09
		0.49	*11.31*

Sl. No.	Name of Joint Ventures	OneIndia BSC Private Limited	Aakaash Manufacturing Company Private Limited
1	Latest audited Balance Sheet Date	March 31, 2023	March 31, 2023
	Shares of Joint Venture held by the company on the year end	25,01,000	4,401
	Amount of Investment in Joint Venture (₹ Crore)	2.50	6.01
2	Extend of Holding (%)	50%	40%
3	Description of how there is significant influence	N.A.	N.A.
4	Reason why the joint venture is not consolidated	-	-
5	Net worth attributable to shareholding as per latest audited Balance Sheet (₹ Crore)	6.97	11.92
		6.67	*8.90*
6	Other Comprehensive Income for the year (₹ Crore)	0.59	11.98
		0.25	*4.85*
i.	Considered in Consolidation (₹ Crore)	0.30	4.79
		0.12	*1.94*
ii.	Not Considered in Consolidation (₹ Crore)	0.29	7.19
		0.13	*2.91*

Note : (a) There is significant influence due to percentage (%) of equity Share capital

(b) Figures in italics pertain to previous year

For and on behalf of the Board of Directors of ACC Limited,

KARAN ADANI
Chairman
DIN: 03088095

AJAY KAPUR
Wholetime Director & Chief Executive Officer
DIN:03096416

VINOD BAHETY
Chief Financial Officer

Ahmedabad, April 27, 2023