ADITYA BIRLA

UltraTech

ANNUAL REPORT

2019-20

UltraTech Cement Limited

BIG IN YOUR LIFE

Mr. Aditya Vikram Birla

We live by his values.
Integrity, Commitment,
Passion, Seamlessness
and Speed.

The Chairman's Letter to Shareholders

Dear Shareholder,

COVID-19 and the associated lockdowns across countries have triggered a once-in-a-century crisis for the society and the economy in 2020. January now seems like a month of a bygone era – such has been the enormity of change. This is a defining period in human and business history: one that will test the resilience of individuals, societies, corporations, and nations.

Given the fog of uncertainty all around, it is hard to be prescient in these times. But there is little doubt on one reality: companies with quality leadership, sound business fundamentals, and a track record of winning in turbulent times, will emerge as champions in the new global order.

Global Economy

It has been several months since the pandemic engulfed the world and yet there is a lot of uncertainty with respect to the extent of the economic contraction due to this crisis, and the subsequent pace of recovery.

This year will see an economic contraction, but this 2020 recession is turning out very different from the past recessions. It has been too

On the positive side, this recession is likely to be one of the shortest, assuming no second wave of the pandemic recurs. As present lockdowns around the world get lifted, and businesses reopen, economic activity is likely to bounce back fairly quickly.

sudden – almost off the cliff; its spread has been all – encompassing – affecting almost every economy and sector, and the plunge in economic activity levels and employment has been unprecedented.

On the positive side, this recession is likely to be one of the shortest, assuming no second wave of the pandemic recurs. As present lockdowns around the world get lifted, and businesses reopen, economic activity is likely to bounce back fairly quickly. Around US$ 9 – trillion stimulus from different governments globally will help to support this recovery, along with the monetary actions by Central banks. These policies will also help to restrict the second-order effects like defaults and bankruptcies.

Some scars of the crisis will remain in the form of subdued consumer and business confidence. Some sectors, like airlines and hospitality, will take time to recover fully. And some supply chain disruption effects will linger. The International Monetary Fund (IMF) and other agencies are predicting that it could take about 5-6 quarters for global GDP to inch back to pre-crisis levels, and the global economic trajectory thereafter will be below the pre-COVID trajectory for the next few years.

As the world emerges from the current crisis, the next few years are likely to be marked by lack of buoyancy in growth, subdued commodity prices and inflation, a cautious trend in project investments, heightened risks of de-globalisation and political uncertainty; and increased dependence of financial systems on ultra-loose monetary policy conditions. We will also have to watch out for potential post-COVID changes in consumer behaviour (such as more virtual engagements) and of operating models of organisations (such as work-from-home norms, diversification of supply chain risks, more use of e-commerce).

Indian Economy

COVID-19 struck India at a time when the underlying economic conditions were subdued on account of heightened global uncertainty and stress in the domestic financial system.

Against this backdrop, a stringent national lockdown to slow the spread of the pandemic started in the last week of FY20 and remained active to varying degrees in different geographies through most of the Q1 of FY21. It is estimated that about 80% of India's GDP originates from districts which were classified under the red and orange zones during the lockdown, where economic activity remained severely constrained. Correspondingly, India's GDP is likely to contract in FY21, which would be the first such instance in over four decades. The contraction is estimated to be particularly severe during Q1.

Responding to this challenge, both the Reserve Bank of India (RBI) and Government of India announced several policy measures to provide relief to the affected sections of the economy, to reduce the possibility of business failures and to support the process of recovery. Government has initiated some remarkable reforms in agriculture, mining, and public sector enterprises. Such pragmatic policies – along with the ambitious National Infrastructure Pipeline program that the Government had announced in December 2019 – will support India's medium-term growth rebound. In the interim, however, the Indian economy – like the global economy – will need to navigate through some difficult quarters.

Aditya Birla Group in Perspective

Over a longer historical arc, the Aditya Birla Group has witnessed dramatic disruptions across periods, businesses, and geographies. And yet, we have come out stronger. Always. A wide range of insights and experiences accumulated over diverse situations, allows the Group to fortify its businesses from both the immediate and the lingering effects of economic pain, caused by the pandemic.

In these turbulent and dynamic times, the Group's near-term focus is to hold the ship steady and to see it through the turbulence – by emphasising on conservation of cash, the safety of its teams and assets, and strengthening its business relationships. The Aditya Birla Group is also closely examining the evolving changes in the business environment and their implications, to position itself well for leveraging the opportunities through and after the economic revival.

As the events began to unfold worldwide in the last quarter of the financial year, we anchored to our core strengths – *our people, our processes, and our agility*. In line with the Group's core philosophy of employee care and wellbeing, swift action was taken to shut down our offices, manufacturing units, retail outlets and branches – where necessary; and recalibrate operations where feasible. Overnight, everyone switched to a new paradigm of work from home and adopted digital technology seamlessly.

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This is not an easy transition for large, diverse global organisations. But it was made possible due to the adaptability and commitment of our employees, discipline of the leadership, strong processes, and past investments in digital technologies. Our culture of learning hugely supported this quick switchover. A multi-generational workforce was an added advantage; as the younger digital-native employees played a reverse mentor role in guiding the older employees to become digitally-savvy; the older employees enabled others to stay calm, focused and productive in difficult times. Continuous listening to employees through pulse surveys and guiding them to *Make the Most* of the situation led to a productive and winning mindset. A pulse survey conducted with ABGites showed an assuring trend – 86% were confident about delivering their Q1 goals of the new fiscal.

Our Group businesses are also leaving no stone unturned in redefining workplace hygiene. Every business has implemented new standards of safe working with guidelines for social distancing and zero-touch interactions.

Faced with an unprecedented nationwide lockdown, our Group businesses proactively created *'Business Continuity Plans'* working through different scenarios. Our teams engaged deeply and meaningfully with customers and value chain partners to support them better in these extraordinary times.

Over the last few months, business models have been reassessed, to identify strategic and tactical opportunities to improve effectiveness, prune avoidable costs as well as prepare for the new normal. New opportunities are continuously being ideated and explored. For example, Aditya Birla Fashion and Retail has made an emphatic foray into masks, our Chemicals Business is producing disinfectants, and the Fibre Business is manufacturing antibacterial fibre.

The pandemic has also accelerated our shift to digitisation across businesses. A new wave of digital energy is being unleashed with a clear focus on getting closer to our customers.

Our Group businesses are also leaving no stone unturned in redefining workplace hygiene. Every business has implemented new standards of safe working with guidelines for social distancing and zero-touch interactions. Similar protocols have been created for safe and superior customer engagements. We believe that things will continue to be dynamic and uncertain in the coming months. Even as we open offices and factories with protocols to put employee safety at the forefront and enhance productivity, we will continue to leverage our strength of adaptability and agility.

A crisis of such magnitude is a great reminder of our responsibility to give back to society. True to its legacy, Aditya Birla Group has curated a multi-pronged approach to help our communities fight COVID-19, with a commitment of over ₹ 500 crores towards COVID-19 relief measures. This entailed a contribution of ₹ 400 crores to the PM-CARES Fund. In addition, we have also leveraged the capabilities of our apparel business to commence the production of one million triple-layer surgical masks and 100,000 coverall garments. Several hundred thousand food packets, provisions and disinfectants have been distributed to the needy across the country. Given the depth of our presence in India, we have also earmarked over 300 beds for COVID-19 patients at our network of hospitals in our units.

This unflinching support to our employees, communities and other stakeholders is core to our DNA and will enable our long-term, sustainable growth.

Your Company's Performance

The cement industry, after witnessing a healthy demand growth of ~ 13% in FY19, exhibited a decline in growth in this financial year. Cement demand was sluggish during H1FY20 exacerbated by the general economic slowdown. The second half of the fiscal witnessed extended monsoons, low capital expenditure on infrastructure and road activities, along with financial stress in the NBFC and housing sectors.

The improving demand situation since December 2019 could not be sustained, with the outbreak of COVID-19. The Directors' Report and Management Discussion and Analysis details the fallout of the pandemic and how your Company is resiliently responding to the new normal. I urge you to read the same.

Given your Company's inherent strengths and its financial stability, I am confident that it will emerge stronger from this unprecedented global crisis.

Moving on to the performance of your Company during FY20:

- Your Company recorded net revenues of US$ 5.94 billion (₹ 42,125 crores) and EBITDA of US$ 1.40 billion (₹ 9,930 crores).

Some major highlights of the year:

- Acquisition of the Cement Business of Century Textiles and Industries Limited with a capacity of 14.6 MTPA. Post this acquisition, your Company has strengthened its position in markets in Maharashtra, Central and Eastern India.
- The process of integration was meticulously planned in advance. The rapid scaling of capacity utilisation and conversion of the erstwhile Birla Gold brand into UltraTech are a testimony to this planning and seamless execution.
- With this acquisition, UltraTech is the undisputed market leader not only pan-India, but also in each Zone of India - North, South, East, West and Central.
- UltraTech's global capacity is now 114.8 million tonnes per annum up from 70.3 million tonnes 3 years ago. Today, UltraTech is the 3rd largest cement manufacturer in the world, excluding China, and is the only Company to have a capacity of over 100 million tonnes in a single country, outside of China.

- Keeping in line with its premium positioning, UltraTech added various new value-added products like UltraTech Super, UltraTech Premium and UltraTech Weather Plus. Sales of these new products scaled to over 8% of UltraTech's total sales in FY20.

I am pleased to report that your Company has taken rapid strides in its Sustainability journey. Over the last 3 years, the use of Alternative Fuel and Raw Materials, has increased almost two-fold. The WHRS capacity has doubled to 118 MW in FY20. Also, the solar and wind capacity has crossed 99 MW compared to none three years ago.

UltraTech is 2.8x water positive and 2.11x plastic negative (i.e. we consume less than what we recycle). In the RMC business, UltraTech has won the prestigious award from Economic Times for "Innovation for Sustainability".

UltraTech was featured amongst the top 10 companies on the Dow Jones Sustainability Index (DJSI) in the construction material category. This has enabled your Company to now benchmark itself against world's best corporations in sustainability performance.

Your Company has also been recognised as one of India's Great Places to Work and among the Best in the Industry by the Great Places to Work® Institute in 2020.

Conclusion

FY20 is not just another fiscal. Never has the transition between two financial years been as tumultuous for the global economy. The pandemic is no doubt, a sobering reminder of how the world can change in unforeseeable ways.

As COVID-19 gets quelled and the global economy reawakens, endurance will pave the way for renewal — for individuals and corporations alike. When we emerge from the coronavirus, I have no doubt that the world will recognise and celebrate corporations that are exemplars of good governance and sustainable growth. You can count on your Company as being one of them.

Yours sincerely,

Kumar Mangalam Birla
Chairman

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Corporate Information

Board Of Directors

Kumar Mangalam Birla
Chairman

Mrs. Rajashree Birla
Non-Executive Director

Arun Adhikari
Independent Director

Mrs. Alka Bharucha
Independent Director

Mrs. Sukanya Kripalu
Independent Director

S. B. Mathur
Independent Director

K. K. Maheshwari
Vice Chairman Non-Executive

K. C. Jhanwar
Managing Director

Atul Daga
Whole-time Director &
Chief Financial Officer

Committees of the Board

Audit

S. B. Mathur
Arun Adhikari
Mrs. Alka Bharucha
K. K. Maheshwari

Corporate Social Responsibility

Mrs. Rajashree Birla
Mrs. Sukanya Kripalu
K. K. Maheshwari

Nomination, Remuneration & Compensation

Arun Adhikari
Mrs. Alka Bharucha
Kumar Mangalam Birla

Stakeholders Relationship

S. B. Mathur
Mrs. Sukanya Kripalu
K. C. Jhanwar

Finance

Arun Adhikari
Mrs. Alka Bharucha
Atul Daga

Risk Management & Sustainability

K. K. Maheshwari
K. C. Jhanwar
Atul Daga

Senior Management

Vivek Agrawal
Group Executive President &
Chief Marketing Officer

E. R. Raj Narayanan
Chief Manufacturing Officer

Ramesh Mitragotri
Chief Human Resource Officer

Sujeet Jain
Chief Legal Officer

Pramod Rajgaria
President – International Operations

Company Secretary

Sanjeeb Kumar Chatterjee

Statutory Auditors

BSR & Co. LLP,
Chartered Accountants, Mumbai

Khimji Kunverji & Co., LLP,
Chartered Accountants, Mumbai

Cost Auditors

D. C. Dave & Co.,
Cost Accountants, Mumbai

N. D. Birla & Co.,
Cost Accountants, Ahmedabad

Secretarial Auditor

Makarand M Joshi & Co.,
Company Secretaries, Mumbai

Registered Office

'B' Wing, Ahura Centre, 2nd Floor,
Mahakali Caves Road, Andheri (East),
Mumbai 400 093
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Fax: (022) 6692 8109
Website: www.ultratechcement.com
www.adityabirla.com
CIN: L26940MH2000PLC128420

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Hyderabad - 500 032
Toll Free No.: 1800 5724 001
Fax: (040) 2342 0814

Tough times don't last, tough companies do

Tough times can be overwhelming. There are some who get intimidated and wait for the storm to subside.

Yet, there are others who resolve to fight despite the odds. They continue to seek new challenges. They keep pushing harder and remain persistent.

This is what we, at UltraTech Cement, did in a challenging FY20. The nature of disruption was such that even the most robust of players felt the heat. Starting from liquidity crisis to slowing macro-economy, weak consumer sentiments, tough real estate scenario, and finally, the outbreak of COVID-19 pandemic; the going only got tougher.

At UltraTech, we stood our ground. We persistently handled the pressure of short-term without losing sight of the long-term. We continued scaling capacities on one hand and reduced net debt on the other. We improvised processes alongside having unwavering focus on research and development. We optimised resource utilisation and scaled operational efficiency. We strengthened market position while undertaking initiatives for the betterment of all stakeholders.

By the end of the year, we emerged a bigger, stronger, nimbler and sustainable Company.

The result:

UltraTech became the only company outside of China to have **100 MTPA** capacity in a single country

We ranked among the **Top 10** in the Dow Jones Sustainability Index in construction segment globally

Our net operating working capital reduced by **₹ 500 crores**

We operated capacities at an average utilisation of **70%**

We achieved the highest ever operating EBITDA per tonne of **₹ 1,154/t**

Our consolidated net debt reduced by **₹ 5,251 crores** and return on equity increased by **300** basis points despite significant capex, the benefit of which is yet to be realised

All because of The Power of Self Belief

UltraTech at a Glance

UltraTech with a consolidated capacity of 114.8 MTPA is India's largest cement company and the only one globally (outside of China) to have 100+ MTPA of cement manufacturing capacity in a single country. Our robust products span urban as well as rural markets. They are enabling home construction to fulfil individual aspirations and infrastructure creation for nation-building.

Over the years, we have significantly evolved from being just a cement manufacturer to a building solutions provider. UltraTech brand is now synonymous with consumer delight and driving positive impact on the society. Our reach spans four countries UAE, Bahrain, Sri Lanka and India where we are present in 30,000+ towns.

Vision

To be The Leader in Building Solutions

Mission

To deliver superior value to our stakeholders on the four pillars of

- **Sustainability**
- **Customer Centricity**
- **Innovation**
- **Team Empowerment**

UltraTech Cement

- Ordinary Portland Cement
- Portland Pozzolona Cement
- UltraTech Super
- UltraTech Composite Cement
- UltraTech Weather Plus
- UltraTech Slag

India's largest Cement selling brand

UltraTech Concrete

- Ready-mix-concrete (RMC)
- Value-added concrete varieties for addressing typical application requirements

#1 RMC player in India with 100+ plants

UltraTech Building Products

- Dry Mix (Plasters and Mortars, Tile Adhesives, Grouts, etc.) and Waterproofing range of products

Re-engineered products from House of UltraTech

UltraTech Building Solutions

- Range of products and solutions during different stages of construction life cycle through 2,000+ stores across India

Largest single branded retail chain across India

Birla White Cement

- White cement
- Wall care putty
- White cement-based products

#1 in White Cement and Cement-based Putty

Our Expanding Footprint

West India

- Cement manufacturing capacity:

27.7 MTPA

FY20 revenue share:

24%

Integrated Units:	5
Grinding Units:	5
Bulk Terminals:	2
Jetty:	5

North India

- Cement manufacturing capacity:

23.8 MTPA

FY20 revenue share:

17%

Integrated Units:	4
Grinding Units:	6
White Cement & Putty Unit:	1

Central India

- Cement manufacturing capacity:

23.3 MTPA

FY20 revenue share:

23%

Integrated Units:	7
Grinding Units:	5
White Cement & Putty Unit:	1

East India

- Cement manufacturing capacity:

16.1 MTPA

FY20 revenue share:

21%

Integrated Units:	3
Grinding Units:	5

South India

- Cement manufacturing capacity:

20.5 MTPA

FY20 revenue share:

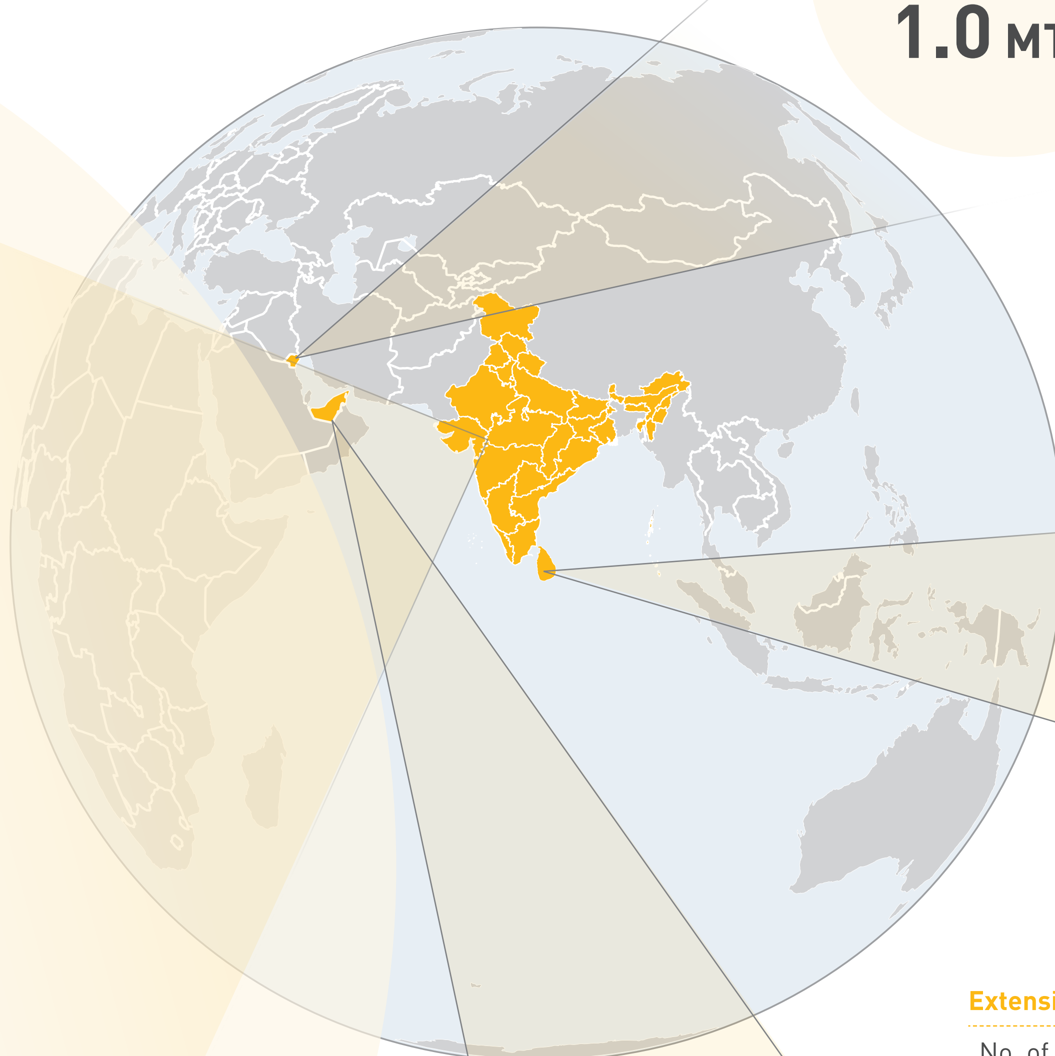
15%

Integrated Units:	4
Grinding Units:	2
Bulk Terminals:	4

Bahrain

- Cement manufacturing capacity:

1.0 MTPA



Sri Lanka

- Cement packaging capacity:

1.5 MTPA

UAE

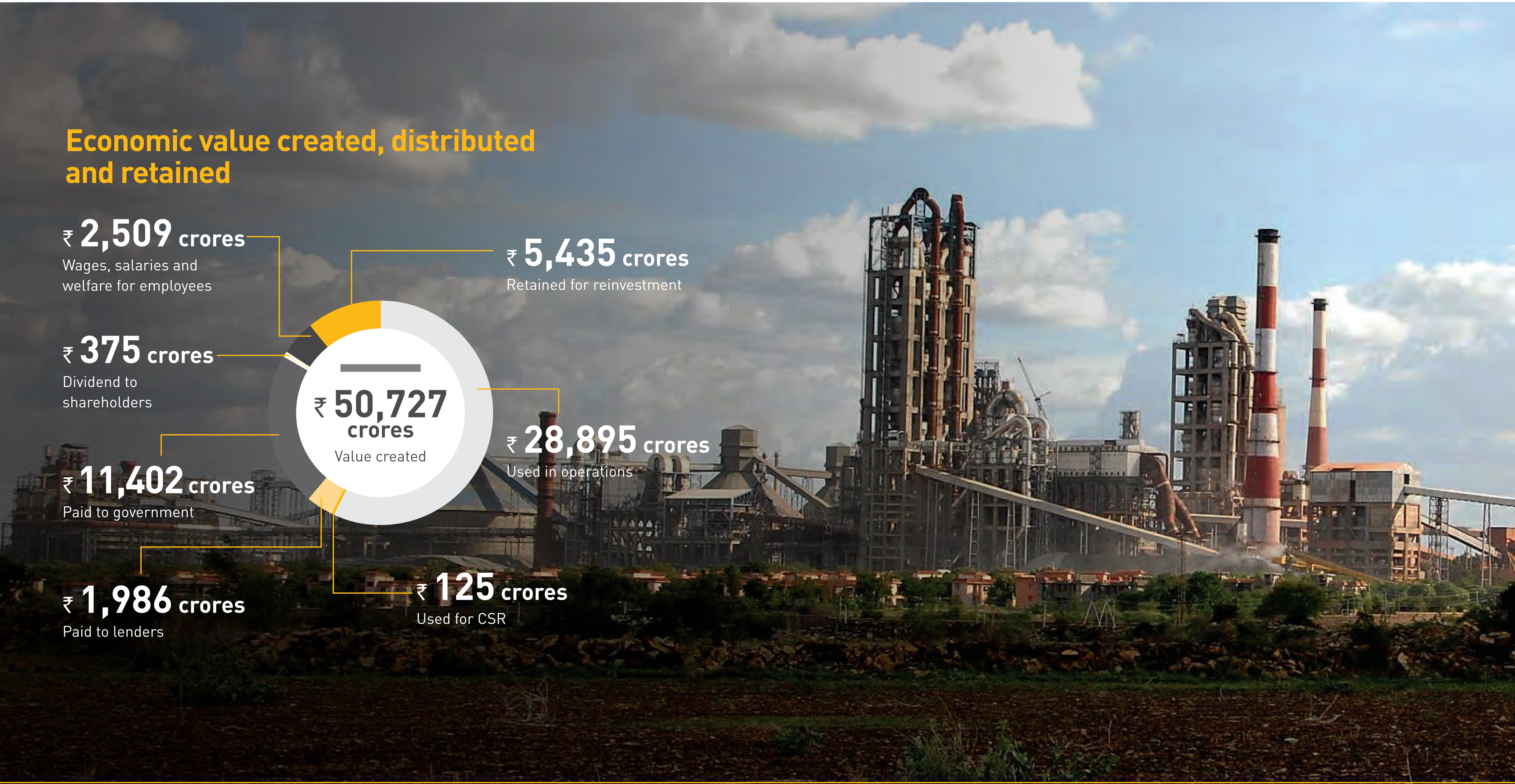
- Cement manufacturing capacity:

2.4 MTPA

Extensive domestic distribution network

No. of dealers	29,795
No. of retailers	64,204
UBS outlets	2,145
Truck fleet	37,600
Destinations served	30,500
Daily truck movement	9,500
Daily rake movement	30

The Belief to Create Value for All Stakeholders



Economic value created, distributed and retained

₹ **50,727** crores
Value created

₹ **2,509** crores
Wages, salaries and welfare for employees

₹ **375** crores
Dividend to shareholders

₹ **11,402** crores
Paid to government

₹ **1,986** crores
Paid to lenders

₹ **125** crores
Used for CSR

₹ **28,895** crores
Used in operations

₹ **5,435** crores
Retained for reinvestment

Financial Capital

Net Revenue
₹ 42,125 crores
1.5% YoY

Earnings per share (Normalised)
₹ 128.4
53% YoY

Return on Capital employed
11.2%
230 basis points YoY

Market Capitalisation
₹ 940 billion
As on 31 March, 2020

Manufacturing Capital

Grey cement production
79.45 MMT
2%

Average capacity utilisation
70%
600 basis points

White cement and wall care putty production
1.32 MT
5%

Average capacity utilisation
87%
400 basis points

Human Capital

Total Permanent Employees
22,685

Employee productivity (EBITDA per employee)
₹ 43.75 lakhs
30%

Total training hours
~10,000 hours

Intellectual Capital

New products developed

- Masonry cement
- Ultra-lightweight concrete
- High impact resistance concrete
- Concrete admixtures
- Rapid hardening 3D printable mortar and concrete

Products / processes patented
4

R&D spending
₹ 25 crores

Product Stewardship and LCA (no. of initiatives)
9

Natural Capital

Green power capacity (WHRS + renewable energy)
217 MW
43%

Specific CO_2 emission (kg/tonne of cementitious material)
613.76
19.14% reduction from base year FY06

Water recycled
14.06%
8% reduction from previous year

Social and Relationship Capital

No. of retailers
64,204
34%

No. of dealers
29,795
30%

CSR outreach
1.6 million people
15%

CSR spend
₹ 125 crores
67%

The Belief to Deliver Long-term Sustainable Growth

We are the largest cement company in the world's second largest cement market of India. We are focused on improving our businesses and consolidating our market position to maximise long-term value creation for our stakeholders.

Our strategy and supporting pillars

Strategy: Strengthen position as a leading building materials provider by becoming a one-stop solution for the construction industry

Employee-Centricity

- Experienced and efficient leadership with strong pipeline
- LEAD/LEAP, Alchemies, Ultra Techies Programme to attract, develop and empower the next generation of performance-oriented innovative leaders
- Employee training and development
- Fair rewarding

Customer-Centricity

- India's #1 and most recommended cement brand that offers superior product quality, customised solutions, application assistance and after sales support
- Only Premium National Brand with leadership in key markets
- Superior and sophisticated nationwide supply chain network with <4 hours lead time supply capability and real-time order tracking
- Higher volumes and profitability for dealers backed by robust portfolio and quality assurance

Sustainability Gains

- One of the most sustainable cement companies in the world with strong practices for waste, water, energy, and emission management
- Extensive work on tree plantation, green zone development and rehabilitation of exhausted mines

Innovation

- Continuously launching new products with value-added propositions
- Focused on increasing blended cement and improving Clinker Cement Ratio
- One-stop Building Materials Company with robust portfolio and superior technical services

Cost Leadership

- One of the lowest in the industry logistics cost, energy costs, raw material costs

Technology / Digitisation

- Robust technology adoption across processes

- Logistics: RFID-based vehicle movement systems, Expert Dispatch and GPS-based Tracking systems, and digital order management system

- Manufacturing: Predictive Maintenance Systems, digital solution to improve kiln productivity, and robotics for quality testing and automation of secondary service points

- Supply chain: 100% dealers connected to ERP, SFA to track dealer / customer level data for tracking demand and supply

Actions initiated to achieve strategy

Market leadership with minimum cost

- Added 26.4 MTPA new capacity (greenfield and inorganic) in last two years, taking overall domestic capacity to 111.4 MTPA
- Established countrywide manufacturing footprint through 23 integrated units, 23 grinding units and 6 bulk terminals as well as over 100 RMC plants in key construction centres (39 cities)
- Expanded network with focus on rural areas and created a superior project execution team

Cost leadership

- Reduced production cost: variable cost by 4%
- Reduced production cost by increasing usage of low-cost additives as blended cement sales increased by 200 basis points to 68% in FY20
- Reduced logistics costs by 4% due to network optimisation
- Reduced power energy costs through efficiency improvement programme, reduction in average consumption and increase in green power consumption

Securing key raw material

- Sufficient limestone reserves to serve additional 50 MTPA capacity which is further augmented by strategic acquisitions
- Optimised raw mix for limestone conservation

Successful acquisition model

- Well-established M&A function with experienced team and strong networking, enabling stressed assets acquisition at attractive valuation
- Experienced operating teams across the organisation deliver sustained track record of successful post-merger integration by enhancing capacity utilisation, undertaking brand transition and optimising operations of acquired assets to UltraTech Best Practices

Product portfolio and retail focus

- Launched new value-added products like UltraTech Super (high strength) and UltraTech Weather Plus (water repellent) in cement; Litecon, Aquaseal, Free Flow etc. in RMC
- Share of new products in cement increased to 8.3% and value-added products in RMC to 29%
- Premium products volume grew by 45% over FY19
- Launched next-generation of products such as Dry Mix mortars and waterproofing category to strengthen position of complete building solutions
- Scaled up UBS retail stores to 2,000+ outlets - largest single branded retail chain across India

Financial strength

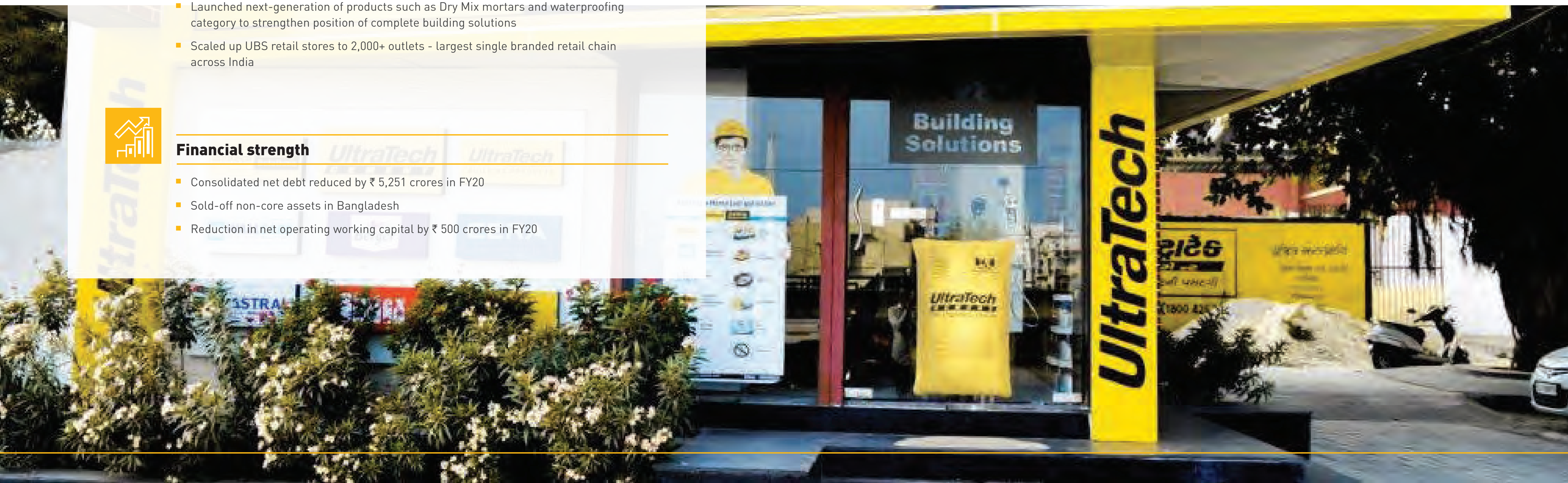
- Consolidated net debt reduced by ₹ 5,251 crores in FY20
- Sold-off non-core assets in Bangladesh
- Reduction in net operating working capital by ₹ 500 crores in FY20

Environmental measures

- Achieved 19.14% reduction in CO_2 by FY20 vs FY06 base
- Water-positive score of over >2.8x across all its plants
- 118 MW of WHR and 99 MW of solar power installed
- Alternative fuel usage rate and raw material usage rate at 3.7% and 17.2% respectively in FY20

Employees

- Conducted ~10,000 hours of training
- Ensured high employee engagement during COVID-19 crisis through trainings and fun activities



The Belief to Turnaround Acquired Assets with Speed

Acquired assets provide the dual advantage of getting access to ready assets at attractive valuation and building market presence in new locations. At UltraTech, we have used our proven M&A expertise to identify, acquire and turnaround such assets to rapidly scale our business in a sustainable manner.

Century Cement assets

The acquired assets are being rapidly integrated with systems and processes of UltraTech

>80%
Capacity utilisation in Q4FY20

Implemented UltraTech quality systems, controls and safety standards

Achieved synergies on materials, movements, power and manpower

65%
brand transition complete

Binani Cement assets (UltraTech Nathdwara Cement)

With UltraTech Nathdwara Cement, we have set a new benchmark in turning around assets.

1 month
Transition time

~60%
Capacity utilisation

Best-in-class operating EBITDA in excess of **₹ 1,250** per tonne

EBITDA profile to further improve upon commissioning of **10.5 MW** WHRS capacity and **25 MW** solar power capacity

The Belief to Set New Benchmarks of Operational Excellence

At UltraTech, we are differentiating in a commodity business by delivering highest standards of product quality and service excellence and by continually investing in upgrading processes and technologies to stay ahead of the curve.

Cutting-edge technologies

Investment in contemporary technologies and automation and continual improvement in operational standards have been key drivers of productivity at UltraTech. All our plants have advanced process control systems and modern efficient equipment. GPS and RFID technology are being used to track logistics. Further, we are using computational techniques, digitalisation and analytical modelling for productivity and energy efficiency improvement.

Efficiently managing costs

We follow a split grinding unit model whereby clinker is moved in bulk primarily through rail mode to our multiple grinding units located strategically in vicinity of target markets. Finished product from there is transported by road. This model ensures optimum logistics cost. Use of advanced logistics management solution for efficient management of our extensive pan-India network further optimises logistics cost. We are reducing energy costs by increasing use of cheaper alternative fuel and petcoke. Continual fine tuning of process ensures lesser than benchmark specific energy consumption. In terms of raw material, we are insulated by having captive mines for limestone which is the major raw material. Other raw materials are sourced from strategic partners in vicinity of the units to minimise transport cost.

₹ 1,154

Operating EBITDA per tonne – one of the highest in the industry

Driving synergies with acquired units

Acquisitions play an important role in our expansion. Enhancing operational efficiency of these assets necessitate seamless integration which we are ensuring by:

- Rolling out UltraTech standard operating procedures and quality standards
- Moving people across the organisation for quick cultural assimilation
- Providing channels to facilitate exchange of ideas and input materials

Scaling people productivity

We are undertaking multiple initiatives towards creating a lean and efficient organisational structure for faster decision-making. Towards this and to manage the size and spread of operations seamlessly, we have created cluster structure that moves closer to the customer and drives marketing and manufacturing synergies which is optimising logistics and listening to the customer. Shared services model has also been implemented for efficiency improvement, effective monitoring, and standardisation of systems and procedures. Besides, we are undertaking skill development of employees through mentoring, continuous learning and development interventions and cross-functional and cross-geographical exposures to enable them take up added responsibilities and new roles. Employees have also been assigned with key result areas and goals to ensure higher productivity.

~10,000 learning hours

Covering 1,200 people for technical skill building

The Belief to Tackle the Global Climate Change Challenge

At UltraTech, we believe in taking charge of the situation to combat environmental degradation. We have embedded sustainability in our business strategy to take appropriate actions and are carefully evaluating potential environmental issues across all our activities and investment decisions.

Our sustainability targets

Decarbonisation (CO_2 management)
25%
reduction by FY21 vs FY06

Water management
4x
water positive by FY21

Energy productivity (EP 100)
2x
by FY35

Green power capacity
WHRS: **145 MW** and
Renewable: **>350 MW**
by FY22

Biodiversity
BMP (biodiversity management plan) for all Integrated Units by FY24

Energy management

We are making sustained investments in increasing the share of green energy in the overall energy mix. We have a total of 118 MW of WHRS and 99 MW of solar power energy, comprising 10% of our overall energy mix. We are also undertaking efforts like using alternative fuel, improving clinker factor and upgrading technology to enhance energy efficiency.

Circular economy with waste utilisation

We are using waste materials like fly ash, slag as alternative materials and industrial waste, plastic, MSW and agro waste as alternative fuel sourced through other industries, recyclers and municipal corporations. We are also into tapping plastic waste sources to utilise them as fuel in our operations.

Planned initiatives for decarbonation

- Increasing share of blended cement and green energy
- Increasing use of alternative materials and fuels
- Adopting energy efficient measures and various automation, analytics and digitisation applications

Progress:
19.14% vs 25%
target by FY21

Water management

We are ensuring water positive status by understanding, managing and minimising water consumption and creating best practices. We continue to develop new techniques for reducing freshwater consumption along with recycling and reusing water and building rainwater harvesting systems and artificial aquifer recharge. We plan to conduct source vulnerability assessment and take planned actions to protect them.

Product stewardship

We have initiated conducting product Life Cycle Assessment (LCA) to identify initiatives for reducing the environmental impact across its lifecycle. These studies will not only make our operation more sustainable, it will also drive brand building and help serving the customers with value-added offerings. In FY20, we successfully completed LCA on four products. We also obtained GreenPro certification and GreenPro Ecolabel certification from CII-Green Products & Services Council for our PPC and Composite Cement product portfolio.

US$ 10 / tCO_2

Internal Carbon Price (ICP) factored in as impact on environment for project / capex evaluation which has helped in accelerating adoption of low carbon technologies and levers

Responsible supply chain

We are working closely with our supply chain partners to make our logistics movement more sustainable. We have undertaken measures like dealing with local vendors, digitalising procurement and using high capacity aluminium dry bulker to reduce transportation. Our best-in-class supply chain management is further ensuring network optimisation.

Our sustainable performance scorecard

Direct carbon intensity reduction from FY06 base year	19.14%
Thermal energy requirements met through alternative fuel (waste)	3.7%
Increase in consumption of renewable energy over FY19	> 50%
Share of green energy in overall energy mix	10%
Water positivity index	2.8x
Plastic positivity index	2.11x

The Belief to Provide World-Class Safety Management Systems and Work Culture

Human capital is key to achieving our strategic goals and strengthen business reputation as they face customers. Ensuring their well-being with an engaging, enabling and safe workplace is our priority.

Driving employee engagement

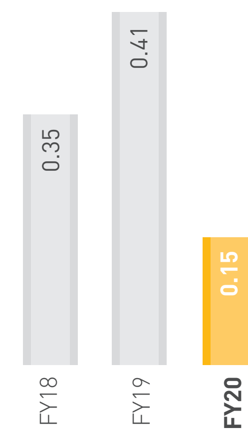
We have adopted a holistic approach to work, workplace and individual well-being to ensure an enabling, rewarding and satisfying environment. Regular learning initiatives are being undertaken for leaders and managers to build engagement. We follow a two-way communication channel (formal and informal) to ensure voice of employees are heard. As a step forward, employee opinion survey is conducted periodically and feedback implemented to improve engagement. Employee trust is reinforced by having transparent hiring process, and providing career movements and growth opportunities.

Various employee skill building initiatives include:

- Technical skill building through mentoring programs wherein the experiential learnings of senior employees are shared with young engineers
- Lateral movements across functions and locations to provide diverse exposure
- 'Nothing Stops me' Continuous Education program at BITS Pilani to provide learning opportunities and augment functional know-how of junior management employees
- Online MBA program and e-learning modules

Lost time injuries per million man-hours

(directly employed)



300

Safety standard champions imparted safety training to 4,800 employees under the 'Train the Trainer' program

Striving for health and safety excellence

We are relentlessly striving to make safety a non-negotiable aspect of the business and take it to the next level of maturity – zero harm. Key initiatives taken towards this include:

For employees

- Putting in place standard operating procedures along with employee orientation and training
- Sensitising employees on specific behaviour with monthly theme-based safety campaigns, decided basis past incident data
- Capability building through TtT (Train the trainer) whereby employees are made champions of safety standards to further impart training to own and contractor employees
- Surprise second party safety audit (SPSA) by trained line managers and third-party safety assessment by expert agency to evaluate and audit safety management systems and take appropriate timely action
- Conducting Hazard & Operability (HAZOP) study and implementing recommended actions to avoid undesired outcome along with reviewing progress by OHS board every two months
- Using TapRoot methodology to investigate root cause of incidents leading to lost time injury

For contractors

- Building safety capability and conducting Contractor Field Safety Audits (CFSA)
- Issuing red notices for high severity violations
- Mandatory pre-medical examinations, trade tests and safety induction
- Covering Health & Safety topics in formal agreements with trade unions

We are adopting world-class safety practices to achieve the goal of Zero Harm, Zero Injuries and Zero Excuses.

The Belief to Have Lasting Impact on Communities

At UltraTech, caring for the underserved is an important part of our business and we believe that our performance can be truly measured by the value we create for society. We are undertaking measures to ensure holistic development and make prosperity scalable for all.

Social value creation at UltraTech

Areas focused

- Education
- Healthcare
- Sustainable Livelihood
- Infrastructure Development
- Social Change

Impact created

₹125 crores CSR spend

1.6 million People benefited

1 lakh Children benefited in Education Program

1.5 lakhs People benefited from rural health camps

502 Villages covered

16 States Program coverage

Natural resource management, water conservation and agriculture

We created or rehabilitated water harvesting structures at Dhar, Tadipatri, Kovaya, Malkhed, Sambhupura and Kotputli. Construction of bunds, farm ponds and overflow waste-weirs were done at Malkhed and Tadipatri in collaboration with NABARD, MYRADA and ICRISAT. These initiatives have enhanced water availability, benefiting ~6,000 families through agricultural income, food availability, water and employment.

A climate resilient sustainable farming systems approach was adopted to help small and marginal farmers work towards diversification of crops, better package of practices and minimising the input cost. We have collaborated with AFPRO and Aide et Action to undertake technical studies based on which water sustainability actions would be initiated. We also continued to undertake biodiversity initiatives across several regions.

Animal Husbandry

We undertake treatment of over 50,000 livestock and breed improvement services of 4,000 milch animals on an annual basis. This has assisted in sustainably increasing the income of the rural populace near our plants and enhanced the valuation of their animals.

Sustainable Livelihood programmes

We have set-up 8 skill development centres to provide courses for new skills as well as nurturing existing skill set. During the year, they provided various trade skill development training to 2,784 trainees across locations.

Education

Our educational program covers 355 government schools. The program provides special coaching and digital curriculum which is aimed at strengthening the cognitive skills of students, improving results and reducing dropout.

Healthcare

We are facilitating preventive healthcare through mobile health camps whereby more than a lakh patients were covered. We also supported treatment of ~4,000 people through our anti-blindness drives. Our special project of rehabilitating 162 Anganwadis across two districts in Rajasthan have contributed to increase in the overall health of mother and child.

Self-empowerment

We are promoting Self Help Groups (SHGs) for supporting livelihood of women. We have assisted in forming 824 such SHGs benefiting a total of over 12,000 members.

Infrastructure development

We undertake basic infrastructure creation and maintenance on an ongoing basis which has benefited ~ 6 lakhs people.

COVID-19 response

- Provided meals to 1.80 lakhs people
- Distributed groceries ~ 50,000 packets
- Supplied 6 lakhs+ N95 masks and sanitisers
- Distributed ~1 lakh medical PPE
- Facilitated 2 quarantine centres in Rajasthan and Madhya Pradesh
- Awareness drive amongst local communities near our plants

5 lakhs Total population outreach

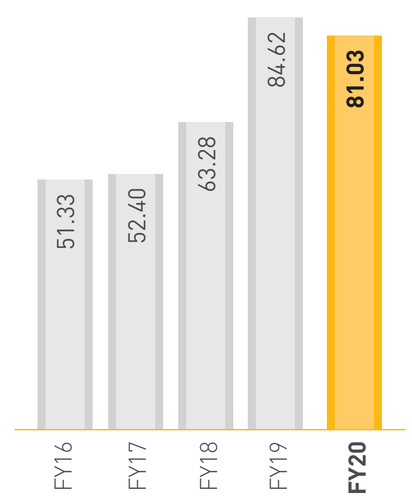
₹ 20 crores Spent on various initiatives

₹ 75 crores Pledged support

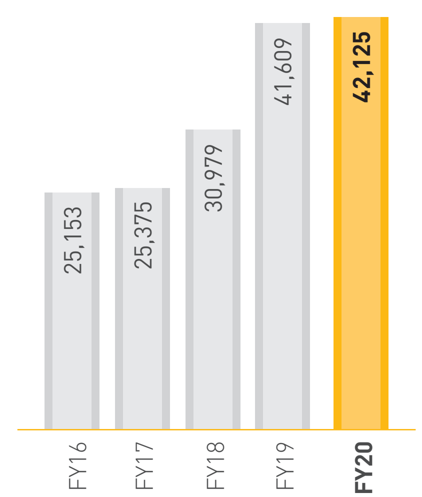
Contents

Performance Indicators

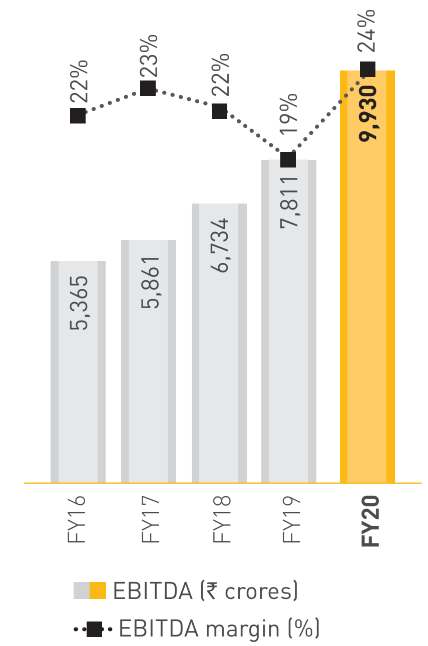
Sales Volume
(MnT)



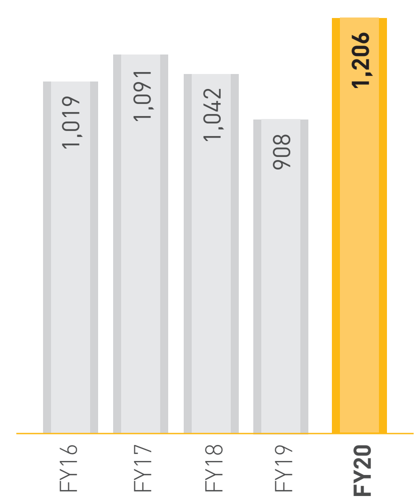
Net Revenue
(₹ in crores)



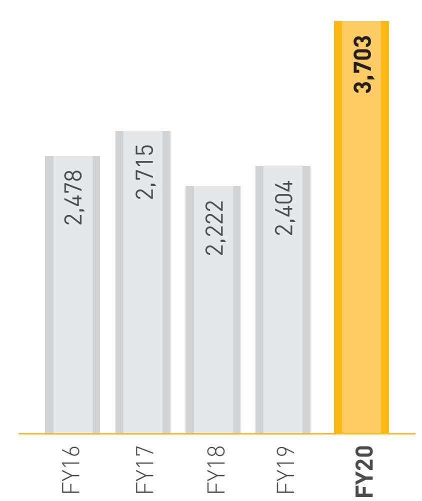
EBITDA and EBITDA Margin



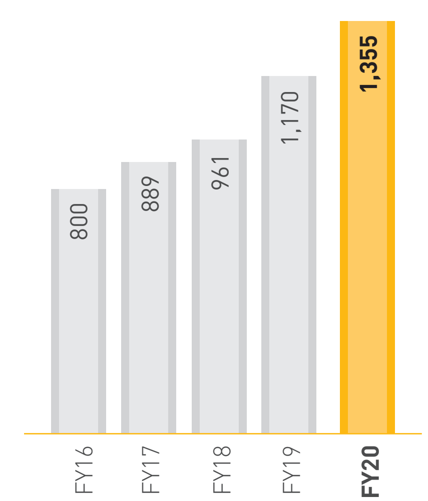
EBITDA per tonne
(₹/t)



Profit After Tax - Normalised (₹ in crores)



Book Value
(in ₹ per share)



Financial Highlights (Standalone)

Particulars	Units	2019-20#	2018-19$ restated#	2017-18#	2016-17#	2015-16	2014-15	2013-14	2012-13	2011-12	2010-11
PRODUCTION (Quantity)											
- Clinker	Mn.T	**56.14**	59.57	45.41	37.10	37.07	35.69	31.52	31.75	31.31	26.75
- Cement	Mn.T	**72.86**	76.59	57.23	47.91	47.56	43.88	40.79	40.13	39.43	32.92
SALES (Quantity) - Grey	Mn.T	**77.46**	80.78	59.33	48.87	47.96	44.85	41.46	40.66	40.74	34.78
PROFIT & LOSS ACCOUNT											
Revenue Net of taxes (Including Operating Income)	₹ Crs	**40,649**	39,999	29,358	23,891	23,709	22,927	20,280	20,180	18,310	13,312
Operating Expenses	₹ Crs	**36,156**	36,889	23,475	18,922	19,082	18,732	16,462	15,504	14,162	10,646
Operating Profit	₹ Crs	**8,652**	7,079	5,883	4,969	4,627	4,195	3,818	4,675	4,147	2,666
Other Income	₹ Crs	**727**	497	600	660	481	372	329	305	372	155
EBITDA	₹ Crs	**9,379**	7,576	6,483	5,629	5,107	4,567	4,147	4,980	4,519	2,822
Depreciation / Amortisation	₹ Crs	**2,455**	2,321	1,764	1,268	1,297	1,133	1,052	945	903	766
EBIT	₹ Crs	**6,924**	5,255	4,719	4,361	3,810	3,434	3,095	4,035	3,617	2,056
Interest	₹ Crs	**1,704**	1,648	1,191	571	512	547	319	210	224	273
Profit Before Tax	₹ Crs	**5,220**	3,606	3,528	3,790	3,299	2,887	2,776	3,825	3,393	1,783
Exceptional items Gain / (Loss)	₹ Crs	**-**	(114)	(226)	(14)	-	-	-	-	-	-
Profit after Exceptional items	₹ Crs	**5,220**	3,492	3,302	3,776	3,299	2,887	2,776	3,825	3,393	1,783
Tax Expenses^	₹ Crs	**(236)**	1,080	1,071	1,148	928	872	631	1,170	947	379
Net Profit^	₹ Crs	**5,456**	2,412	2,231	2,628	2,370	2,015	2,144	2,655	2,446	1,404
Cash Profit	₹ Crs	**6,759**	5,214	4,580	4,251	3,972	3,523	3,269	3,765	3,356	2,167
Proposed Dividend (incl. Dividend distribution tax)	₹ Crs	**375**	381	348	330	314	297	289	289	255	191
BALANCE SHEET											
Net Fixed Assets including ROU, CWIP & Capital Advances	₹ Crs	**49,486**	49,568	40,782	24,387	24,499	23,632	18,650	17,415	14,798	12,506
Investments (Non - Current & Current)	₹ Crs	**11,872**	9,212	6,163	9,409	7,793	5,209	5,392	5,109	3,789	3,730
Net Working Capital	₹ Crs	**86**	381	(438)	(956)	(574)	223	551	25	164	305
Derivative Assets (Net)	₹ Crs	**105**	20	10	115	595					
Capital Employed	₹ Crs	**61,548**	59,181	46,517	32,955	32,313	29,064	24,593	22,549	18,750	16,541
Net Worth represented by:-											
Equity Share Capital	₹ Crs	**289**	275	275	275	274	274	274	274	274	274
Reserves & Surplus	₹ Crs	**38,008**	33,023	25,648	23,667	21,357	18,583	16,823	14,961	12,586	10,392
Net Worth	₹ Crs	**38,296**	33,297	25,923	23,941	21,632	18,858	17,098	15,235	12,860	10,666
Loan Funds*	₹ Crs	**18,282**	20,637	17,420	6,240	8,250	7,414	5,199	5,409	4,153	4,145
Lease Liability	₹ Crs	**893**	-	-	-	-	-	-	-	-	-
Deferred Tax Liabilities	₹ Crs	**4,077**	5,247	3,174	2,774	2,432	2,792	2,296	1,906	1,738	1,730
Capital Employed	₹ Crs	**61,548**	59,181	46,517	32,955	32,313	29,064	24,593	22,549	18,750	16,541
RATIOS & STATISTICS											
PBIDT Margin	%	**23%**	19%	22%	24%	22%	20%	21%	25%	25%	21%
Normalised Net Margin	%	**9%**	6%	8%	11%	10%	9%	11%	13%	13%	11%
Interest Cover (EBIT/Gross Interest)	Times	**4.31**	3.19	3.98	7.61	7.23	5.83	7.81	12.23	13.82	7.46
ROCE (EBIT/Average Capital Employed)	%	**11%**	9%	10%	13%	12%	12%	13%	20%	20%	16%
Current Ratio	Times	**1.01**	1.04	0.94	0.85	0.90	1.04	1.11	1.01	1.04	1.09
Debt Equity Ratio (Net)	Times	**0.32**	0.52	0.46	(0.10)	0.05	0.16	0.02	0.05	0.05	0.06
Net Debt/ EBITDA	Times	**1.32**	2.30	1.85	(0.43)	0.23	0.64	0.09	0.14	0.14	0.23
Dividend per share	₹ / Share	**13.00**	11.50	10.50	10.00	9.50	9.00	9.00	9.00	8.00	6.00
Dividend Payout on Normalised Net Profit	%	**10%**	16%	16%	13%	13%	15%	14%	11%	10%	14%
Normalised EPS	₹ / Share	**126.56**	84.33	81.27	95.74	86.37	73.44	78.21	96.87	89.26	62.74
Cash EPS	₹ / Share	**234.36**	182.25	166.81	154.88	144.74	128.41	119.22	137.36	122.48	95.14
Book Value per share	₹ / Share	**1,327**	1,154	944	872	788	687	623	556	469	389
No.of Equity Shares	Nos. Crs	**28.86**	27.46	27.46	27.45	27.44	27.44	27.42	27.42	27.41	27.40

$ FY2018-19 numbers have been restated with Century Cement assets performance w.e.f. 20th May, 2019

** Short Term Borrowings and Current maturities of Long Term debts have been included in Loan Funds. Current maturities of Long Term debts have been excluded from Current Liabilities.*

 # Based on IndAS Financials and remaining Financial figures are as per IGAAP

^ FY20 Tax expenses includes gain of ₹ 1,805 crores for reversal of deferred tax liablity due to change in income tax rate. Normalised Net Profit for the year 2019-20 is ₹ 3,650 crores.

Directors' Report and Management Discussion and Analysis

Dear Shareholders,

Your Directors present the Twentieth Annual Report together with the Audited Accounts of your Company for the year ended 31st March, 2020.

OVERVIEW AND THE STATE OF YOUR COMPANY'S AFFAIRS

2019-20 was a year of contrasting global economic scenarios. Marred by trade wars and the weakening economic scenario in China, the global outlook remained weak during the initial months. This was worsened by the slow growth in the manufacturing sectors, which were either hit by a recession or close to it, across many countries.

In an effort to revive the economic growth, central banks offered support in the form of favourable monetary policies, with some countries such as China, providing an additional stimulus to enable fast-paced revival. The latter part of CY19 saw some relief, with diminished risk of a no-deal Brexit and as the uneasy trade hostilities between China and the United States came to a halt. This was supported by easing of the financial conditions, as stimulus provided by central banks began to filter through. While global financial conditions started indicating signs of improvement in the second half of the calendar year, rising debt levels posed a future threat to the economy.

The domestic economy also witnessed a slowdown in FY20 as the GDP growth rate was pegged at 4.2%. This was primarily on account of weak demand across sectors, tightening of credit, and the lingering effect of previous policy measures. A key development, however, was the decline in the prices of crude, oil and coal, on the back of moderation in global economic activities.

Several steps were taken to address the situation, including monetary easing by the Reserve Bank of India throughout the fiscal year; introduction of reforms to improve ease of doing business; steps to liberalise FDI; lower corporate income tax rates and disinvestment plans by the Government of India among other measures.

The cement industry, after witnessing a healthy demand growth of ~13% in 2018-19, exhibited slowdown with de-growth. Apart from the general economic slowdown, cement demand was sluggish during H1FY20 post the general elections in April-May, 2019. H2FY20 witnessed extended monsoons, low-capital expenditure on infrastructure and road activities, along with financial stress in the NBFC and housing sectors. Though the demand started indicating some signs of improvement since December, 2019, the momentum could not be sustained due to the outbreak of the COVID-19 pandemic. This severely impacted construction activities, which consequently resulted in the industry witnessing de-growth for the year, the first time in the last two decades.

With anticipated pick-up in private investment, financial sector reforms and resolution of stressed assets under the Insolvency and Bankruptcy Code, expected to contribute to cleaning up of banks' balance sheets and positive interventions by the Government of India, the outlook for fiscal 2020-21 was seen to remain largely positive. These initiatives, coupled with the fact that the fundamentals of the Indian economy remain intact, were expected to have a positive impact on economic growth and demand for cement.

Just when the sector was reviving, the world was hit by the COVID-19 pandemic. With no cure presently available, the virus has become one of the biggest threats to the global economy.

India has been no exception to the impact of COVID-19, which spread across the country rapidly. In this unprecedented situation, the Government announced a nationwide lockdown beginning from 25th March, 2020 to curb the spread of the virus. In line with the Government's directive and to contain the impact of the virus, manufacturing activities across sectors came to a standstill. However, to mitigate hardship to the public, select activities were allowed to operate from 20th April, 2020, after due compliance with the lockdown guidelines and preparatory arrangements with social distancing in offices, workplace, factories and establishments.

As a responsible corporate citizen, your Company has initiated various steps across the country to fight the coronavirus outbreak. Our teams across our facilities in India are working with Government authorities and the local administration to support the fight against this pandemic. Collectively, it has helped more than half a million people. The magnitude of work can be ascertained from the fact that the teams have so far provided people with over 1.80 lakhs free meals, 0.50 lakh grocery kits, 6 lakhs masks and hand sanitisers, and over 1 lakh medical PPEs, hand gloves and other items like soap, disinfectants, etc. Alongside, online learning and wellness programmes have been organised for the employees and business associates.

The nationwide lockdown, amid the coronavirus outbreak, will have a significant near-term impact on the cement industry. While the sector witnessed robust demand prior to the lockdown, the event led to the closure of all major cement plants, including those of your Company, and cessation of construction activities at the sites. This brought your Company's cement dispatches to a complete halt. As a result, volumes were negligible during the last week of March, 2020 and the whole of April, 2020.

Once the lockdown is fully relaxed, the migrant task force is expected to return from their native towns and resume activity at the construction sites in about 10-15 days. Similarly, the companies are also expected to take a week to ramp up the activities within the plants post relaxation. Increase in Government spends on health and public welfare; weak real estate and an overall slowdown in the economy is expected to reflect in a subdued performance of your Company in the current financial year. Nonetheless, given your Company's healthy credit profile, it is confident of its ability to weather the storm and come out stronger.

It is against this backdrop, that we share your Company's performance during FY20.

BUSINESS PERFORMANCE

Production and Capacity Utilisation (grey cement):

Particulars	FY20	FY19	% change
Installed capacity in India (MTPA)	111.35	109.35	2
Production (MMT)	76.57	77.87	(2)
Capacity Utilisation	69%	76%	(6)

MTPA – Million Metric Tonnes Per Annum.
MMT– Million Metric Tonnes.

Cement production at 76.57 million tonnes in FY20 is lower by 2% as compared to 77.87 million tonnes in the previous year. This is mainly attributable to the de-growth in the cement industry, witnessed after 20 years. Consequently, capacity utilisation was also lower at 69% as compared to 76% last year.

During the year, your Company acquired the Cement Business of Century Textiles and Industries Limited ("Century") having a capacity of 14.6 MTPA ("Century Cement Business"). In terms of the order dated 3rd July, 2019 passed by the National Company Law Tribunal, Mumbai Bench ("NCLT"), the Appointed Date for the Scheme of Demerger amongst Century, your Company and their respective shareholders and creditors ("Scheme of Demerger") was 20th May, 2018. Consequently, your Company has restated its financial statements with effect from 20th May, 2018, to include the performance of the Century Cement Business.

Your Company also commissioned a 2.0 MTPA cement grinding capacity at Bara, Uttar Pradesh, taking its total capacity in India to 111.35 MTPA, including 6.25 MTPA capacity of its wholly owned subsidiary, UltraTech Nathdwara Cement Limited ("UNCL"). Your Company's consolidated capacity stands at 114.8 MTPA, including its overseas operations, which makes it the 3rd largest cement player globally, excluding China.

Sales Volume:

(Figures in MMT)

Particulars	FY20	FY19	% Change
Domestic Sales	76.40	79.34	(4)
Exports & Others	2.36	3.02	(22)
Total Sales Volume	78.76	82.36	(4)

Domestic sales volume registered de-growth of 4%. This was mainly on account of lower demand, attributable to the overall economic slowdown, general elections during Q1FY20, extended monsoons, and the impact of COVID-19.

FINANCIAL PERFORMANCE

(₹ in crores)

	Standalone		Consolidated	
	FY20	FY19	FY20	FY19
Net Turnover	**40,033**	39,234	**41,476**	40,904
Domestic	**39,706**	38,728	**39,588**	38,797
Exports	**327**	506	**1,888**	2,107
Other Income	**1,343**	1,262	**1,297**	1,168
Total Expenditure	**31,997**	32,920	**32,841**	34,262
Profit before Interest, Depreciation and Tax (PBIDT)	**9,379**	7,576	**9,931**	7,810
Less: Depreciation	**2,455**	2,321	**2,702**	2,451
Profit before Interest and Tax (PBIT)	**6,924**	5,255	**7,229**	5,360
Interest	**1,704**	1,648	**1,986**	1,778
Profit before Impairment and Tax Expenses / share in profit of Associates	**5,220**	3,606	**5,244**	3,582
Stamp duty on acquisition of assets	**-**	(114)	**-**	(114)
Share in Profit / (Loss) of Associates and Joint Venture (net of tax)	**-**	-	**(1)**	1
Profit before Tax Expenses	**5,220**	3,492	**5,242**	3,468
Normalised Tax Expenses	**1,569**	1,080	**1,544**	1,068
Reversal of Deferred Tax Liability	**(1,805)**	-	**(2,112)**	-
Profit after Tax	**5,456**	2,412	**5,810**	2,400
Profit attributable to Non-controlling Interest	**-**	-	**(4)**	(3)
Profit attributable to Owner of the parent	**-**	-	**5,814**	2,404

Net Turnover:

Your Company's Net Turnover at ₹ 40,033 crores is 2% higher than the previous year.

Other Income:

Other income is higher compared to the previous year due to higher income generated on the funds deployed in money markets. All investments are in AAA rated debt instruments only.

Operating Profit (PBIDT) and Margin:

PBIDT for the year at ₹ 9,379 crores is 24% higher than the previous year. Operating margin improved due to savings in operating costs.

Cost Highlights:

(i) Energy Cost:

The overall energy cost declined 8% from ₹ 1,065/t to ₹ 985/t, mainly due to a drop in fuel prices. Imported pet coke prices declined 18% from US$ 102/t to US$ 84/t. Similarly, indigenous pet coke prices were also down 17%. Furthermore, your Company continuously strives towards efficiency improvement. The key initiatives in this regard are:

- During the year, your Company commissioned 33MW of Waste Heat Recovery System ("WHRS") capacity, which is under stabilisation and its full benefit will be realised from FY21. Your Company will commission another 27MW of WHRS capacity during this year, taking the total WHRS capacity to 145 MW catering to ~13% of your Company's current total power requirement;
- Your Company plans to increase its solar and wind power capacity from 99 MW to > 350 MW by the end of FY22 and cater to ~7% of the total power requirement;
- Use of low-cost fuel viz. industrial waste;
- Improved thermal power plant efficiency by reducing auxiliary consumption power.

(ii) Input material cost:

Raw materials cost rose marginally from ₹ 491/t to ₹ 493/t due to an increase in additive prices and impact of additional royalty on the transfer of limestone mines to your Company's name, subsequent to the acquisition of the Century Cement Business.

Your Company is working on improving share of the blended and premium products, which will improve the overall profitability.

(iii) Freight and Forwarding expenses:

Logistics cost reduced from ₹ 1,187/t to ₹ 1,144/t due to a reduction in lead distance and exemption from busy season surcharge on railway freight for an extended period. Diesel prices were also lower by 4% over the previous year. Moreover, the integration of acquired assets supported in realising synergies, thereby lowering logistics costs.

(iv) Employee costs:

Employee cost stands at ₹ 2,336 crores as compared to ₹ 2,158 crores in the previous year. This was on account of normal annual increments and increase in the number of employees from the acquisition of the Century Cement Business.

Depreciation:

Depreciation for the year at ₹ 2,455 crores is higher by ₹ 134 crores over the previous year, mainly on account of the impact of implementation of new Indian Accounting Standard (IndAS) 116 Leases and full year depreciation relating to the acquired Century Cement Business.

Finance Cost:

Increase in finance cost from ₹ 1,648 crores to ₹ 1,704 crores relate to the full year impact of debt taken for acquiring UNCL, full year impact on borrowings transferred alongwith the Century Cement Business, and the impact of IndAS 116 Leases.

Your Company does not accept any fixed deposits from the public falling under Section 73 of the Companies Act, 2013 ("the Act") and the Companies (Acceptance of Deposits) Rules, 2014.

Credit rating:

Your Company has adequate liquidity and a strong Balance Sheet. CRISIL and India Ratings and Research have reaffirmed their credit rating as CRISIL AAA and IND AAA for Long Term and CRISIL A1+ and IND A1+ for Short Term, respectively.

Income Tax:

Normalised income tax expenses increased in line with an increase in taxable income. During the year, your Company reversed its opening deferred tax liability amounting to ₹ 1,805 crores due to a reduction in the income tax rate.

Net Profit:

Normalised Profit after Tax increased by 51% from ₹ 2,412 crores to ₹ 3,650 crores. The Profit after Tax, taking into account the reversal of deferred tax liability, stands at ₹ 5,456 crores.

Significant changes in key financial ratios, along with detailed explanations:

Particulars	FY20	FY19	% Change
Debtors Turnover (Days)	**17**	22	(23)
Inventory Turnover (Days)	**44**	42	4
Interest Coverage Ratio	**4.31**	3.19	35
Current Ratio	**1.01**	1.04	(3)
Debt Equity Ratio (Gross)	**0.48**	0.62	(23)
Debt Equity Ratio (Net)	**0.32**	0.52	(38)
Operating Profit Margin (%)	**22**	18	4
Net Profit Margin (%) – Normalised	**9**	6	3
Return on Net Worth (%)	**10**	8	2

Cash Flow Statement:

(₹ in crores)

Particulars	FY20	FY19
Sources of Cash:		
Cash from operations	**7,843**	6,325
Non-operating cash flow	**345**	309
Proceeds from issue of share capital	**3**	5
Increase in borrowings (net)	**-**	228
Decrease in working capital	**433**	-
Total	**8,624**	**6,867**
Uses of Cash:		
Net capital expenditure	**1,595**	1,632
Increase in investments	**2,719**	2,677
Repayment of borrowings (net)	**2,468**	-
Repayment of lease liability including interest thereof	**112**	-
Purchase of Treasury Shares (net)	**3**	81
Interest	**1,631**	1,575
Dividend	**380**	346
Increase in working capital	**-**	209
Total	**8,907**	**6,520**
Increase / (Decrease) in cash & cash equivalents	**(283)**	**347**

Sources of Cash

Cash from operations:

Cash from operations was higher compared to the previous year on account of higher sales realisation and lower operating costs.

Non-Operating Cash Flow:

Cash from other activities was higher due to higher income on liquid investment due to an increase in average treasury size.

Decrease in Working Capital:

Working capital decreased on account of reduction in receivables.

Uses of Cash

Net Capital Expenditure:

Your Company spent ₹ 1,595 crores on various capex during the year, primarily towards:

- WHRS at various locations;
- Bara Grinding Unit;
- Bicharpur Coal Block;
- Other normal return-based schemes, regulatory capex, as well as plant modernisation and maintenance.

Increase in Investments:

Investment increased on account of higher operating cash flows, which resulted in an increase in liquid investment during the year.

Repayment of Borrowing:

During the year, your Company has repaid the high-cost, long-term debt amounting to ₹ 1,982 crores transferred from Century as part of the acquisition of its cement business and also repaid the short-term loans as per due dates. Furthermore, your Company has repaid the long-term rupee loan of ₹ 927 crores linked to overall cash flow generated during the year. This has resulted in improved Net Debt: Equity ratio and Net Debt / EBITDA ratio.

Purchase of Treasury Shares:

The UltraTech Employee Welfare Trust ("the Trust") constituted in terms of your Company's Employee Stock Option Scheme, 2018 ("ESOS - 2018") acquired equity shares of your Company to be allotted to eligible employees under ESOS - 2018. As per IndAS, the purchase of own equity shares is treated as treasury shares during the year in which the Trust has purchased additional shares for new grants allotted to eligible employees.

Transfer to General Reserve:

Your Company proposes to transfer an amount of ₹ 5,000 crores to the General Reserves.

DIVIDEND

Your Directors have recommended a dividend of ₹ 13/- per equity share (as compared to ₹ 11.50/- per equity share in the previous year) of ₹ 10/- each for the year ended 31st March, 2020. In terms of the provisions of the Finance Act 2020, dividend shall be taxed in the hands of shareholders at applicable rates of tax and your Company shall withhold tax at source appropriately.

In terms of the provisions of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), your Company has formulated a dividend distribution policy. The policy is given in **Annexure I** to this Report. It is also accessible from your Company's website viz. *www.ultratechcement.com*.

Unclaimed dividend for the year ended 31st March, 2012 aggregating to ₹ 1.12 crores has been transferred to the Investor Education and Protection Fund ("IEPF") in accordance with the statutory requirements. In line with the statutory requirements, your Company has transferred to the credit of the IEPF set up by the Government of India, equity shares in respect of which dividend had remained unpaid / unclaimed for a period of seven consecutive years within the timelines laid down by the Ministry of Corporate Affairs, Government of India. Unpaid / unclaimed dividend for seven years or more has also been transferred to the IEPF, pursuant to the requirements under the Act.

CAPITAL EXPENDITURE PLAN

The Board of Directors of your Company had approved capex of ₹ 940 crores during the year for making premium products, with an increase in its grinding capacities in Bihar and West Bengal by 0.6 MTPA each and a new grinding unit of 2.2 MTPA in Odisha. While work on the projects in Bihar and West Bengal is in progress, work relating to setting up of the new grinding unit in Odisha has been put on hold in the wake of the coronavirus outbreak. With a view to conserve cash, your Company has reduced the overall capex cash flow plan to ₹ 1,000 crores for FY21, largely related to grinding units in eastern India, the 2nd phase of Bara Grinding Unit, Bicharpur Coal Block, ongoing WHRS, as well as other return-based capex schemes and plant maintenance and modernisation capex.

CORPORATE DEVELOPMENT

Acquisition of the Century Cement Business

The Scheme of Demerger for acquisition of the Century Cement Business was made effective from 1st October, 2019. Your Company's financials were restated from 20th May, 2018, to include the financials of the acquired Century Cement Business in terms of the NCLT order sanctioning the Scheme of Demerger. In terms of the Scheme of Demerger, your Company has allotted 13,961,960 equity shares of ₹ 10/- each to the shareholders of Century as on 14th October, 2019, being the Record Date fixed by Century in terms of the Scheme of Demerger.

With this acquisition, your Company's cement manufacturing capacity stands augmented to 114.8 MTPA, including its overseas capacity. This makes your Company the 3rd largest cement Company in the world, outside of China, and also the largest cement Company in the 2nd largest market, globally. It is also the only Company in the world to have a capacity of over 100 MTPA in a single country, outside of China. This acquisition has further strengthened your Company's leadership position in the Central, Eastern and Southern Indian markets.

The acquired plants are being rapidly integrated with the systems and processes of your Company and have achieved capacity utilisation of over 80% during the quarter ended March, 20. Further, a cost reduction plan has been implemented to streamline the operations and bring them in line with the existing standards. During Q4FY20, 65% of sales from the acquired Century Cement Business plants was made under the UltraTech brand. Brand integration is underway and is expected to reach over 80% by Q3FY21. Q4FY20 also witnessed a remarkable improvement in the operating margin. The overall integration is likely to be completed by the end of Q3FY21. Given your Company's vast experience in integrating acquired units and bringing them to its operating standards, your Company is confident of replicating the same at the acquired Century Cement Business plants.

Bangladesh Operations

During the year, your Company's wholly owned subsidiary, UltraTech Cement Middle East Investments Limited, divested its entire shareholding in Emirates Cement Bangladesh Limited and Emirates Power Company Limited to HeidelbergCement Bangladesh Limited at a final Enterprise Value of BDT equivalent of US$ 30.2 million.

UltraTech Nathdwara Cement Limited ("UNCL")

UNCL is fully integrated with your Company's systems and processes. The plants have achieved optimal efficiencies and are PBT accretive.

CORPORATE GOVERNANCE

Your Directors reaffirm their continued commitment to good corporate governance practices. During the year under review, your Company was in compliance with the provisions relating to corporate governance as provided under the Listing Regulations. The compliance report is provided in the Corporate Governance section of the Annual Report and the auditor's certificate on compliance with the conditions of corporate governance of the Listing Regulations is provided in **Annexure II** to this Report.

EMPLOYEE STOCK OPTION SCHEMES

ESOS - 2006

The Nomination Remuneration and Compensation Committee ("the NRC Committee") allotted 1,632 equity shares of ₹ 10/- each of your Company to option grantees upon exercise of options.

ESOS – 2013

14,890 Stock Options and 14,948 Restricted Stock Units ("RSUs") vested in eligible employees. The NRC Committee allotted 18,793 equity shares of ₹ 10/- each of your Company upon exercise of stock options and RSUs by the option grantees.

ESOS – 2018

During the year, the NRC Committee:

- granted 3,320 stock options at an exercise price of ₹ 4,120.45 per stock option, exercisable into the same number of equity shares of ₹ 10/- each, and 917 RSUs at an exercise price of ₹ 10/- each on 23rd December, 2019;
- granted 12,620 stock options at an exercise price of ₹ 4,299.90 per stock option, exercisable into the same number of equity shares of ₹ 10/- each, and 3,482 RSUs at an exercise price of ₹ 10/- each on 4th March, 2020 and,
- vested 37,519 stock options to eligible employees, subject to the provisions of the ESOS – 2018, statutory provisions as may be applicable from time to time and the rules and procedures set out by your Company in this regard.

Applications were received during the year from some option grantees for transfer of 1,286 equity shares of your Company in their account, from the Trust account, of which 1,163 equity shares have been transferred.

In terms of the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, the details of the stock options and RSUs granted under the aforementioned Schemes are available on your Company's website viz. *www.ultratechcement.com*.

A certificate from the Statutory Auditor on implementation of your Company's Employee Stock Option Schemes will be available at the ensuing Annual General Meeting ("AGM") for inspection by the Members.

SHARE CAPITAL

During the year, your Company allotted 20,425 equity shares of ₹ 10/- each to option grantees upon exercise of stock options and RSUs in terms of ESOS-2006 and ESOS-2013. It also allotted 13,961,960 equity shares of ₹ 10/- each to shareholders of Century in terms of the provisions of the Scheme of Demerger. As a result, the paid-up equity share capital of your Company stood at ₹ 2,886,251,050 comprising of 288,625,105 equity shares of ₹ 10/- each.

AWARDS

Your Company's constant endeavour to optimise operational procedures and build greater efficiencies continue to win recognition and prestigious awards, some of which conferred during the year are:

- Awards of Mines Safety Week 2019-20 - Awarpur Cement Works;
- National Safety Awards 2019 (MSME) by National Safety Council – Ready Mix Concrete;
- Green Pro Certification from the Confederation of Indian Industry's (CII) - Ready Mix Concrete;
- 1st Kaizen Award under Environment category — "Lignite based TPP Fly Ash utilisation" – Sewagram Cement Works ("SCW");
- 2nd Kaizen Award under 5S & Safety - Installation of Anti-collision Radar System for stacker and reclaimer in raw material handling area – SCW;
- 3rd Championship Award under Digitisation / New Technology - "Installation of Expert Optimiser system to improve cement unit operations stability" – SCW;
- Metalliferous Mines Safety Week – 2019 – Manikgarh Cement Works.

RESEARCH AND DEVELOPMENT

In its endeavour to meet the current and futuristic requirements of customers and provide unmatched scientific and technical support to the Manufacturing Units, Key Account Customers, and Marketing, Ready Mix Concrete and Corporate Cells, heightened focus was placed by your Company's Research and Development ("R&D") on the development of new products, processes and technologies.

With a view to remain competitive and make desirable scientific and technical progress, all global developments in the field of cement, concrete and construction materials were actively tracked.

Your Company considers Customers, Sustainability, Innovation, Quality and Profitability as the five pillars of all R&D projects, which have constantly contributed to the optimisation of processes and helped your Company surpass challenging bottlenecks.

The five pillars have also been instrumental in the preservation of natural raw materials and the promotion of alternative fuels and raw materials, while complying with the quality and environmental norms.

Using these pillars as the cornerstone to its R&D's success, your Company has developed premium products that extend the life of limestone deposits, reduce limestone consumption, save fossil energy, while ensuring top-notch functionality.

New products like masonry cement, a series of ultra-lightweight concrete as per ISO standards, high-impact resistance concrete for special applications and concrete admixtures have also been developed by your Company's R&D.

While the pillars have helped your Company explore new products and ways of preserving the environment and non-renewable resources, they have also encouraged all stakeholders to utilise the resources more responsibly, pushing everyone towards improved environmental sustainability.

Your Company's R&D is accredited by National Accreditation Board for Testing and Calibration Laboratories ("NABL"), making it future-ready, and enhancing its capabilities in Pollution Abatement and Carbon Capture, Nanotechnology of Cement and Concrete, Concrete Durability, Concrete Rheology, 3D Printable Concrete, Geopolymer Concrete, Modelling Cement and Concrete Hydration and Chemical Admixtures for Cement and Concrete. Your Company's R&D has also collaborated with Aditya Birla Science and Technology Company Private Limited ("ABSTCPL") and Academia and is represented by it in the national and international scientific and technical forums.

SUSTAINABILITY

It has always been your Company's endeavour to ensure environmental conservation, remain sensitive towards societal wellbeing and deliver sustained profits. Given its quest to become better stewards of natural resources, your Company consistently adopts new cleaner and greener technology, and constantly drives its plants and processes towards enhanced energy efficiency.

With its thrust on use of alternative fuels, your Company relentlessly strives to reduce consumption of fossil fuels by substituting it with wastes from other industries. These efforts have resulted in your Company's fuel requirements being met through an increased use of alternative fuels. Your Company also continues to increase the use of renewable energy as a part of its energy mix, increasing its consumption by more than 50% as compared to the previous year. It is currently exploring further opportunities for enhancing the use of green energy in the form of solar and wind power. During the year, your Company reduced its CO_2 intensity by 19.14% compared to FY06 and has overachieved the energy efficiency target set by the Government of India for the first Perform, Achieve and Trade ("PAT") cycle.

Your Company is a founding member of Global Cement and Concrete Association ("GCCA") and has been playing a key role in driving sustainability and innovation agenda at the global and national level. It also featured amongst the top 10 companies on Dow Jones Sustainability Index ("DJSI") in the construction material category. This disclosure has helped your Company to benchmark itself against world best companies in sustainability performance, an accomplishment that will be used to identify further opportunities to excel in the area.

As part of its continuing initiatives for sustainable growth, your Company has completed Life Cycle Assessment ("LCA") studies for four products. It is amongst a few companies to conduct the LCA study, and has used this to identify hotspots over the value chain and reduce environmental impact. This year, your Company has considered carbon price at US$ 10 per ton of CO_2, which has enabled it to evaluate the impact of any project / capex on the environment and support eco-friendly decisions. In addition, your Company launched Project Jagruti, its Sustainability Culture Building Program, under which sustainability awareness sessions were held across the manufacturing locations, covering more than 650 employees.

HUMAN RESOURCES

The employees of your Company are the pillars of its success and growth. Your Company's human capital has been at the helm of its success through all its endeavours be it expansion through greenfield and acquisitions, building newer markets and entry into new products. Innovation is encouraged as a way of life thus creating many small improvements and breakthroughs alike. Your Company continued to invest in building talent from within, through a structured process of talent identification and development, in preparation for roles required by your Company, as it grows. During the current global pandemic, employees have been working on various social-help initiatives in supporting the community through the crisis.

Your Company's employee strength stood at 21,592 as on 31st March, 2020. (2019: 19,557)

SAFETY

For your Company, safety is non-negotiable and an integral component of its operations. It has been relentlessly striving to take it to the next level of maturity and realise the organisational goal of "zero harm."

Your Company has adopted the proven Plan-Do-Check-Act ("PDCA") cycle to drive safety initiatives. As far as safety governance is concerned, the Occupational Health and Safety Board, chaired by your Company's Managing Director, reviews the overall effectiveness of safety management systems once every two months to ensure its functional efficiency. Additionally, eight sub-committees headed by Cluster Heads and Corporate Function Heads and six sub-committees headed by Unit Heads, periodically review area-specific initiatives and progress of the safety protocols set by your Company.

Despite attaining maturity in the area of behavioural safety, employees are still encouraged to report unsafe behaviours of fellow employees and workmen across all Units which help in continual rectification of the "at-risk" behaviour of people as well as reinforcement of positive safety behaviour at the workplace. Around 300 employees across all Units, including the Century Cement Business plants and UNCL, have championed 15 safety standards through the "Train the

Trainer" programme. These employees, in turn, can serve as excellent in-house resources to impart further training to a larger number of employees.

Your Company initiated the Second Party Safety Audit ("SPSA") Programme, wherein, cross-functional teams of line managers from other Units critically audit safety practices at the host Unit. SPSA aims at evaluating the effectiveness of safety initiatives being taken by the Unit as well as facilitates the sharing of safety best practices amongst Units. This has helped your Company to reduce safety incidents significantly. Additionally, your Company also commenced the practice of Surprise Safety Audit to get a real insight into the safety culture of the Unit being audited.

In order to mitigate risk of process-related, high-impact incidents, your Company conducted Hazard & Operability ("HAZOP") studies for its various Alternative Fuel and Raw Materials ("AFR") handling facilities by an expert third-party agency and is taking utmost care in implementing the HAZOP study recommendations.

Through all the above initiatives and a proper safety governance structure, your Company ensures the safety of its assets, employees, and stakeholders.

CORPORATE SOCIAL RESPONSIBILITY

In terms of the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of your Company has constituted a Corporate Social Responsibility ("CSR") Committee which is chaired by Mrs. Rajashree Birla. Other Members of the Committee are Mrs. Sukanya Kripalu, Independent Director; Mr. K. K. Maheshwari, Vice Chairman and Non-Executive Director and Dr. Pragnya Ram, Group Executive President-CSR, who is a permanent invitee to the Committee. Your Company also has in place a CSR Policy which is available on your Company's website viz. www.ultratechcement.com.

Your Company's CSR activities are focused on Social Empowerment and Welfare, Infrastructure Development, Sustainable Livelihood, Health Care and Education. Various activities across these segments have been initiated during the year around its plant locations and the neighbouring villages. During the year, ₹ 124.51 crores was spent for the purpose of CSR, which constituted over 3.50% of the average net profits of the last three years.

A report on CSR activities is attached as **Annexure III** forming part of this Report.

SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES

The audited financial statements of your Company's subsidiaries and joint ventures viz. Dakshin Cements Limited, Harish Cement Limited, Gotan Lime Stone Khanij Udyog Private Limited, Bhagwati Lime Stone Company Private Limited, UNCL, UltraTech Cement Middle East Investments Limited, UltraTech Cement Lanka (Pvt.) Limited, PT UltraTech Mining Indonesia and PT UltraTech Investments Indonesia and their related information are available on your Company's website viz. www.ultratechcement.com and also available for inspection. Any Member who is interested in obtaining a copy of the audited financial statements of your Company's subsidiaries may write to the Company Secretary.

An application has been made with the Registrar of Companies, Hyderabad ("RoC") in terms of the provisions of the Act and Rules made thereunder for striking off / removal of the name of Dakshin Cements Limited, one of your Company's subsidiary, from the register of companies maintained by the RoC.

In accordance with the provisions of Section 129(3) of the Act read with the Companies (Accounts) Rules, 2014, a report on the performance and financial position of each of the subsidiaries, joint venture or associate companies is attached as **Annexure IV** to this Report.

PARTICULARS OF LOAN, GUARANTEE AND INVESTMENT

Details of Loan, Guarantee and Investment covered under the provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 are given in Notes to the standalone financial statements.

ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE

Information on conservation of energy, technology absorption and foreign exchange earnings and outgo, required to be disclosed pursuant to Section 134(3)(m) of the Act read with the Companies (Accounts) Rules, 2014, is given in **Annexure V** to this Report.

PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other details as required under Section 197(12), read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are attached as **Annexure VI**. In accordance with the provisions of the aforementioned Section, the names and other particulars of employees drawing remuneration in excess of the limits set out in the aforesaid Rules forms part of this Report. However, in line with the provisions of Section 136(1) of the Act, the Report and Accounts as set out therein, are being sent to all Members of your Company, excluding the aforesaid information. Any Member, who is interested in obtaining these particulars, may write to the Company Secretary.

BUSINESS RESPONSIBILITY REPORT

In terms of Regulation 34(2)(f) of the Listing Regulations, a Business Responsibility Report forms part of the Annual Report.

CONTRACT AND ARRANGEMENT WITH RELATED PARTIES

During the financial year, your Company entered into related party transactions completely on an arm's length basis and in the ordinary course of business. There are no material transactions with any related party, as defined under Section 188 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014. All related party transactions have been approved by the Audit Committee of your Company and are reviewed by it on a periodic basis. The policy on Related Party Transactions, as approved by the Audit Committee and the Board, is available on your Company's website viz. www.ultratechcement.com.

The details of contracts and arrangements with related parties of your Company for the financial year ended 31st March, 2020 is given in Note No. 40 to the standalone financial statements of your Company.

RISK MANAGEMENT

Risk is an integral and unavoidable component of business, and given the challenging and dynamic environment of your Company's operations, it is committed to proactively managing risk and accomplishing its ambitious goals. Though risks cannot be completely eliminated, an effective risk management plan ensures that risks are reduced, avoided, retained or shared. To maintain oversight of your Company's risks, the Risk Management and Sustainability Committee of your Company is mandated to review its Enterprise Risk Management Framework (including plan/process), analyse the risks more deeply and define risk mitigation actions, where necessary.

Through the Annual Risk Report processes, which are based upon Business Environment, Operational Controls and Compliance Procedures, your Company aims to assess and prioritise risks, according to their significance and likelihood. The key business risks identified by your Company include economic environment and market leadership; inflation and cost of production; legal and compliance with local laws; financial and accounting; environment and sustainability; information technology and talent management. Needless to mention that with the challenges presented by the COVID-19 outbreak, pandemic and epidemic-related business risks have also been identified by your Company.

The risk horizon considered includes long-term strategic risks, short to medium-term risks as well as single events. The risks are analysed considering likelihood and impact as a basis to determine their management.

Key Business Risks identified by your Company

Economic Environment and Market Demand

The demand for construction material is fundamentally driven by the economic growth in the country. Economic slowdown and subdued infrastructural development might lead to a slowdown in construction projects, thus leading to a reduction in cement consumption in the country. The growth in construction activity in the country has been slow over the last few years, impacting the cement demand. In a scenario where incremental cement demand exceeds incremental capacity addition, the Government's push on infrastructure and housing will aid the growth in cement consumption and reduce the overcapacity gap.

The cement industry in India is an aggregation of small and large companies. In such an environment, the risk of protecting market share is optimal. With the expanding capacities of existing players and the emergence of new entrants, competition is a sustained risk. To mitigate this, continuous endeavours to enhance brand equity through innovative marketing activities, enhancement in the product portfolio and value-add services have been the thrust areas for your Company. The engineering expertise of your Company and its emphasis on quality also minimise its risk against market fluctuations considerably.

Inflation and Cost of Production

Your Company faces the risk of inflation and fluctuations in the market-driven cost of coal, pet coke, power, and other fuels. Since the cement industry is extremely energy-intensive, changes in fuel prices can significantly impact its production cost. To de-risk, your Company has established specific policies of long deliveries and continuously optimises its fuel mix and energy efficiency, while exploring the use of alternative fuels.

The procurement of raw materials at an economical cost or of suitable quality faces a high degree of inflationary certainty. Your Company mitigates this through the establishment of exhaustive policies for procurement of specific raw materials and stores and those amenable to just in time inventories.

Limestone, being the primary raw material required for the production of cement, its continuous and long-term availability is critical, particularly under the dynamic regulatory environment. Your Company currently possesses sufficient limestone reserves. Securing additional reserves is critical to address your Company's expansion plans. Apart from the preservation and elongation of existing reserves, a range of measures including strategic sourcing and changing input mix are adopted by your Company to mitigate the risk of unavailability of limestone.

Legal and Compliance

This comprises of the risk if your Company is found to have inadvertently violated laws covering business conduct.

The country's regulatory framework is ever-evolving and the risk of non-compliance and penalties may increase for your Company, leading to reputational risks. A comprehensive risk-based compliance program involving inclusive training and adherence to the Code of Conduct is thus institutionalised by your Company.

As a step to mitigate the legal and compliance risk, your Company's management encourages its employees to place their reliance on professional guidance and opinion to discuss the impact of any changes in laws and regulations to ensure total compliance. Periodic and ad-hoc reporting to various internal committees for oversight ensures the effectiveness of such a programme.

Financial and Accounting Risks

This comprises of the risk of exposure to interest rates, foreign exchange rates and commodity price fluctuations. The risk management strategy is to identify the risks exposure, measure and evaluate the financial impact, decide on steps to mitigate the risks and regular monitoring and reporting.

With the objective of minimising risks arising from uncertainty and volatility of foreign exchange fluctuations, an elaborate financial risk management policy is followed for every transaction undertaken in foreign currency. Your Company's policies to counter such risks are reviewed periodically and constantly aligned with the financial market practices and regulations.

Changing laws, rules, regulations and standards relating to accounting, corporate governance, public disclosure and listing regulations are generating newer and unforeseen risks for companies. The new or changed laws, regulations and standards may lack precedence and are subject to varying interpretations. Their application in practice may evolve as new guidance is provided by regulatory and governing bodies. Thus, your Company maintains a high standard of corporate governance and public disclosure to de-risk itself from such dynamic regulatory changes.

Environment and Sustainability

This comprises of risks associated with environmental pollution through the discharge of waste, which may cause damage to the fragile surrounding environment, and is a legal offence.

Various initiatives such as sewage treatment plants, recycling of industrial wastewater, bag filters, WHRS and extensive plantation and creation of green belts have been undertaken by your Company to de-risk and protect the environment.

Apart from the risk arising from waste disposal, other long-term climate-related risks that may lead to higher GHG emissions and water scarcity also exist. Your Company's risk mitigation strategy from higher GHG emissions includes a change in product mix, creating higher energy efficiency, use of alternative fuels and raw materials, WHRS and the use of renewable energy. Your Company has also adopted measures such as rainwater harvesting that has prepared it to overcome the water availability-related challenges.

Information Technology Risks

This comprises of risks related to Information Technology systems; data integrity and physical assets. Your Company deploys Information Technology systems, including ERP, SCM, Data Historian, and Mobile Solutions to support its business processes, communications, sales, logistics, and production. Risks could primarily arise from the unavailability of systems and/or loss or manipulation of information. To mitigate these risks, your Company uses backup procedures and stores information at two different locations. Systems are upgraded regularly with the latest security standards. For critical applications, security policies and procedures are updated periodically and users are educated on adherence to the policies to eliminate data leakages.

Talent Management

Your Company's growth has been driven by its ability to attract and retain top-quality talent and effectively engage them in the right jobs. The risks in talent management are mitigated by following a policy of being an employer of choice and inculcating a sense of belonging. Specialised training courses are adopted to enhance and reskill the employees to prepare them for future roles and create a talent pipeline.

Pandemic-linked disruptions in global markets

The COVID-19 outbreak has been declared a pandemic by the World Health Organization, causing huge impact on people's lives, families and communities. The pandemic presents a potentially different threat, impacting organisations in numerous concurrent ways, and potentially limiting their options around recovery if other companies are also affected or challenged by logistical constraints.

There are several associated risks viz. cyber and fraud risks, operations risks, supply chain risks, health and safety, among others. Your Company has captured these risks as part of the risk identification and mitigation process and is considering the impact thereof while making business decisions. In the midst of the COVID-19 crisis, your Company is updating and expanding its crisis management and business continuity plans with an emphasis on employees, customers, supply chain, contacts, other stakeholders and business assets.

Your Company currently operates in 54 locations in India and 5 overseas locations. Managing the risk of a multicultural and diverse workforce is extremely critical to the sustained growth of your Company. Continuous dissemination of the Group Values and strict adherence to the adopted Code of Conduct for the employees are reiterated through various forums to contain this risk.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Your Company has put in place adequate internal control systems that are commensurate with the size of its operations. Internal control systems comprising policies and procedures are designed to ensure sound management of your Company's operations, safekeeping of its assets, optimal utilisation of resources, reliability of its financial information, and compliance. Clearly defined roles and responsibilities have been institutionalised, and systems and procedures are periodically reviewed to keep pace with the growing size and complexity of your Company's operations.

DIRECTOR'S RESPONSIBILITY STATEMENT

The audited accounts for the year under review are in conformity with the requirements of the Act and the Accounting Standards. The financial statements reflect fairly the form and substance of transactions carried out during the year under review and reasonably present your Company's financial condition and results of operations.

Your Directors confirm that

i. In the preparation of the Annual Accounts, applicable accounting standards have been followed along with proper explanations relating to material departures, if any;

ii. The accounting policies selected have been applied consistently, and judgments and estimates are made that are reasonable and prudent to give a true and fair view of the state of affairs of your Company as on 31st March, 2020 and of the profit of your Company for the year ended on that date;

iii. Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of your Company and for preventing and detecting frauds and other irregularities;

iv. The Annual Accounts of your Company have been prepared on a going concern basis;

v. Your Company had laid down internal financial controls and that such internal financial controls are adequate and were operating effectively;

vi. Your Company has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

DIRECTORS

Cessation of Directors

Mr. O. P. Puranmalka, (DIN: 00062212) who was to retire by rotation at the previous AGM had conveyed to your Company his decision of not seeking re-appointment due to personal commitments. Consequently, he ceased to be a Director with effect from 18th July, 2019.

Mr. G.M. Dave, (DIN:00036455) ceased to be a Director of your Company with effect from 5th August, 2019 upon completion of his term of appointment.

Mrs. Renuka Ramnath, (DIN: 00147182) ceased to be a Director of your Company with effect from 21st October, 2019 due to commitments to her business venture, viz. Multiples Equity, which was at an important juncture and did not allow her to spare adequate time to be involved as a committed Board Member outside of her investments, and therefore the decision to step down.

Mrs. Usha Sangwan, (DIN:02609263) who was appointed Additional Director (Independent) of your Company for a period of five years from 10th January, 2020, stepped down from your Company's Board with effect from 16th May, 2020 on account of health and personal reasons.

Your Board places on record their appreciation for the services rendered by the Directors during their tenure with your Company.

Retiring by rotation and continuing as Director

In accordance with the provisions of the Act and Articles of Association of your Company, **Mrs. Rajashree Birla** (DIN: 00022995) retires by rotation, and being eligible, offers herself for re-appointment. In terms of the provisions of the Listing Regulations, with effect from 1st April, 2019, no listed company shall appoint or continue the appointment of a Non-Executive Director who has attained the age of 75 years, unless a special resolution is passed to that effect. Mrs. Birla will be attaining the age of 75 years in September, 2020.

Resolutions seeking her re-appointment and continuation as Director, along with a brief resume forms part of the Notice convening the AGM.

Appointment of Director

The Board at its meeting held on 4th September, 2019, based on the recommendation of the NRC Committee, appointed **Mr. K. C. Jhanwar** (DIN:01743559) as the Managing Director of your Company with effect from 1st January, 2020 and appointed **Mr. K. K. Maheshwari** (DIN: 00017572) as Vice Chairman and Non-Executive Director of your Company with effect from that date.

Resolution seeking appointment of Mr. Jhanwar along with his brief profile forms part of the Notice convening the AGM.

Meetings of the Board

The Board of Directors of your Company met seven times during the year to deliberate on various matters. The meetings were held on 8th April, 2019; 24th April, 2019; 8th August, 2019; 4th September, 2019; 30th September, 2019; 21st October, 2019 and 24th January, 2020. Additional details relating to the meetings of the Board of Directors are provided in the Report on Corporate Governance forming part of the Annual Report.

Your Company has the following six Board-level Committees, which have been established in compliance with the requirements of the business and relevant provisions of applicable laws and statutes:

1. Audit Committee
2. Nomination, Remuneration and Compensation Committee
3. Stakeholders Relationship Committee
4. Corporate Social Responsibility Committee
5. Risk Management and Sustainability Committee
6. Finance Committee

The details with respect to the composition, terms of reference, number of meetings held, etc. of the above Committees are included in the Report on Corporate Governance, which forms part of the Annual Report.

Independent Directors

Your Company's Independent Directors have submitted requisite declarations confirming that they continue to meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. The Independent Directors have also confirmed that they have complied with Schedule IV of the Act and the Company's Code of Conduct. Your Company's Board is of the opinion that the Independent Directors possess requisite qualifications, experience, and expertise in industry knowledge; innovation; financial expertise; corporate governance; strategic expertise; marketing; legal and compliance; sustainability; risk management; human resource development and general management, and they hold highest standards of integrity. Regarding proficiency, your Company has adopted requisite steps towards the inclusion of the names of all Independent Directors in the data bank maintained with the Indian Institute of Corporate Affairs, Manesar ("IICA"). All Independent Directors of your Company have registered themselves with the IICA. In terms of Section 150 of the Act read with Rule 6(4) of the Companies (Appointment and Qualification of Directors) Rules, 2014, the Independent Directors are required to undertake an online proficiency self-assessment test conducted by the IICA within a period of one year from the date of inclusion of their names in the data bank. The said online proficiency self-assessment test will be undertaken by the Independent Directors within the scheduled timeline.

Formal Annual Evaluation

The evaluation framework for assessing the performance of Directors of your Company comprises of contributions at the meetings and strategic perspective or inputs regarding the growth and performance of your Company, among others.

The NRC Committee and the Board have laid down the manner in which formal annual evaluation of the performance of the Board, its Committees and Individual Directors has to be made. It includes circulation of evaluation forms separately for evaluation of the Board and its Committees, Independent Directors / Non-Executive Directors / Executive Directors and the Chairman of your Company. The process of the annual performance evaluation broadly comprises:

Board and Committee Evaluation

Evaluation of the Board as a whole and the Committees is done by individual Directors, which is collated for submission to the NRC Committee and feedback to the Board.

Independent / Non-Executive Directors Evaluation

Evaluation done by Board members, excluding the Director being evaluated, is submitted to the Chairman of your Company and individual feedback is provided to each Director.

Chairman / Executive Director Evaluation

Evaluation as done by the individual Directors is submitted to the Chairman of the NRC Committee and subsequently to the Board.

The evaluation framework focused on various aspects of Board and Committees such as review, timely information from management etc. Also, performance of individual Directors was divided into Executive, Non-Executive and Independent Director and based on the parameters such as contribution, attendance, decision making, action oriented, external knowledge etc.

Outcome of the evaluation exercise:

i. The Board as a whole perform satisfactorily.
ii. Independent Directors are rated high in understanding your Company's business and expressing their views during the Board meeting.
iii. Non-Executive Director scored well in all aspects.
iv. Directors rated Executive Director as action oriented and good in implementing Board decisions.
v. Board members rated high to the Chairman leading the Board effectively.
vi. Board members has shown satisfaction in functioning of the Committees.

The details of the program for familiarisation of Independent Directors of your Company are available on your Company's website viz. *www.ultratechcement.com*.

Policy on Appointment and Remuneration of Directors and Key Managerial Personnel, and Remuneration Policy

The NRC Committee has formulated the remuneration policy of your Company, which is attached as **Annexure VII** to this Report.

KEY MANAGERIAL PERSONNEL

In terms of the provisions of Section 203 of the Act, Mr. K. C. Jhanwar, Managing Director; Mr. Atul Daga, Whole-time Director and Chief Financial Officer, and Mr. Sanjeeb Kumar Chatterjee, Company Secretary are the Key Managerial Personnel of your Company.

AUDIT COMMITTEE

The Audit Committee comprises of Mr. S. B. Mathur, Mr. Arun Adhikari, Mrs. Alka Bharucha and Mr. K. K. Maheshwari. The Committee comprises of a majority of Independent Directors with Mr. Mathur being the Chairman. Mr. Atul Daga, Whole-time Director and CFO, is the permanent invitee. Further details relating to the Audit Committee are provided in the Report on Corporate Governance, forming part of the Annual Report. During the year under review, all recommendations made by the Audit Committee were accepted by the Board.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

Your Company has in place a vigil mechanism for directors and employees to report instances and concerns about unethical behaviour, actual or suspected fraud, or violation of your Company's Code of Conduct. Adequate safeguards are provided against victimisation of those who avail of the mechanism and direct access to the Chairman of the Audit Committee, in exceptional cases, is provided to them.

The vigil mechanism / whistle blower policy is available on your Company's website viz. *www.ultratechcement.com*.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS

Your Company had filed appeals against the orders of the Competition Commission of India ("CCI") dated 31st August, 2016 and 19th January, 2017. Upon the National Company Law Appellate Tribunal ("NCLAT") disallowing its appeal against the CCI order dated 31st August, 2016, the Hon'ble Supreme Court has, by its order dated 5th October, 2018, granted a stay against the NCLAT order. Consequently, your Company has deposited an amount equivalent to 10% of the penalty amount.

Your Company, backed by legal opinion, believes that it has a good case in both the matters and accordingly, no provision has been made in the accounts.

AUDITORS

Statutory Auditors

In terms of the provisions of Section 139 of the Act and the Companies (Audit and Auditors) Rules, 2014, M/s. BSR & Co. LLP, Chartered Accountants, Mumbai (Registration No: 101248W/W-100022) ("BSR") and M/s. Khimji Kunverji & Co. LLP, Chartered Accountants, Mumbai (Registration No: 105146W/W-100621) ("KKC"), had been appointed as Joint Statutory Auditors of your Company for a term of five years until the conclusion of the 20th and 21st AGM, respectively.

The present term of BSR is up to the conclusion of the ensuing AGM. They are eligible for re-appointment for a second term of five years as provided under Section 139 of the Act read with the Companies (Audit and Auditors) Rules, 2014. BSR has confirmed that they are eligible to be re-appointed in accordance with the provisions of the Act and Rules made thereunder. BSR was constituted on 27th March, 1990 as a partnership firm and converted into a limited liability partnership on 14th October, 2013. BSR is a member entity of B S R & Affiliates, a network registered with the Institute of Chartered Accountants of India ("ICAI"), and has a pan-India presence with over 2,900 staff and 100 partners. BSR audits various private entities and companies listed on stock exchanges in India across industrial, consumer, financial, technology and infrastructure sectors. The audit engagement partner has over twenty-eight years of experience and has been associated with your Company's audit for four years. Your Company's Board of Directors, upon the recommendation of the Audit Committee, propose their re-appointment for a second term, subject to the approval of your Company's shareholders. Resolution seeking your approval forms part of the Notice convening the AGM.

Further, in terms of the amendment to Section 139 of the Act, the requirement of seeking shareholders approval to ratify the appointment of the Statutory Auditors has been withdrawn. Thus, a resolution seeking ratification of the appointment of KKC is not being obtained at the ensuing AGM. However, they have confirmed that they are not disqualified to continue as Statutory Auditors and are eligible to hold office as such, of your Company. KKC, registered with the ICAI was established in 1936 and is led by ten partners. The firm provides a range of services, including audit and assurance, taxation, advisory and accounting. The firm has significant experience in providing auditing, taxation and advisory services to leading banks and corporates in the manufacturing, services and financial services sectors. The signing partner heads the Assurance vertical of the firm. He also holds a Diploma in Information System Audit and IFRS Certification of ICAI. In the past, he was a member of various committees of ICAI related to auditing and accounting.

The observations made in the Auditor's Report are self-explanatory and, therefore, do not call for any further comments under Section 134(3)(f) of the Act.

Cost Auditors

The Cost Accounts and records as required to be maintained under Section 148 (1) of the Act are duly made and maintained by your Company. In terms of the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, the Board of Directors of your Company have on the recommendation of the Audit Committee appointed M/s. D. C. Dave & Co., Cost Accountants, Mumbai and M/s. N. D. Birla & Co., Cost Accountants, Ahmedabad, to conduct the Cost Audit of your Company for the financial year ending 31st March, 2021, at a remuneration as mentioned in the Notice convening the AGM.

As required under the Act, the remuneration payable to Cost Auditors has to be placed before the Members at a general meeting for ratification. Hence, a resolution for the same forms part of the Notice convening the AGM.

Secretarial Auditors

In terms of the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. BNP & Associates, Company Secretaries, Mumbai were the Secretarial Auditors for conducting a secretarial audit of your Company for the financial year ended 31st March, 2020. The report of the Secretarial Auditors is attached as **Annexure VIII**. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

M/s. BNP & Associates, Company Secretaries, Mumbai have been Secretarial Auditors of your Company since 2015-16. With a view to rotate the Secretarial Auditors, your Company's Board of Directors, at the meeting held on 20th May, 2020, have appointed Makarand M. Joshi & Company, Company Secretaries, Mumbai ("MMJC") as the Secretarial Auditors. MMJC is a leading firm of practicing Company Secretaries rendering comprehensive professional services which include statutory compliance services under the Act; Listing Regulations; Foreign Exchange Management Act, among others.

The Board of Directors wish to place on record their appreciation for the services provided by M/s. BNP & Associates as Secretarial Auditors.

Compliance with Secretarial Standards

Your Company is in compliance with the Secretarial Standards specified by the Institute of Company Secretaries of India.

EXTRACT OF ANNUAL RETURN

In terms of the provisions of Section 92 (3) of the Act read with the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return of your Company for the financial year ended 31st March, 2020 is given in **Annexure IX** to this Report.

OTHER DISCLOSURES

- No material changes and commitments were affecting the financial position of your Company between the end of the financial year and the date of this Report;
- Your Company has not issued any shares with differential voting rights;
- There was no revision in the financial statements;
- There has been no change in the nature of business of your Company;
- Your Company has not issued any sweat equity shares.

Disclosures as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 ("POSH Act"):

Your Company has adopted zero tolerance for sexual harassment at workplace and has formulated a policy on prevention, prohibition and redressal of sexual harassment at workplace, in line with the provisions of the POSH Act and the rules framed thereunder, for prevention and redressal of complaints of sexual harassment at workplace. Your Company has complied with provisions relating to the constitution of Internal Committee under the POSH Act. During the year under review, your Company received two complaints of sexual harassment, of which one complaint has been resolved. One complaint is pending as on 31st March, 2020 as the investigation could not be completed due to the lockdown imposed as a result of the outbreak of COVID-19.

CAUTIONARY STATEMENT

Statements in the Directors' Report and the Management Discussion and Analysis describing your Company's objectives, projections, estimates, expectations or predictions and plans for navigating the COVID-19 impact on your Company's performance, its employees, customers and other stakeholders may be "forward-looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to your Company's operations include global and Indian demand-supply conditions, finished goods prices, feed stock availability and prices, cyclical demand and pricing in your Company's principal markets, changes in Government regulations, tax regimes, economic developments within India and the countries within which your Company conducts business, risks related to an economic downturn or recession in India, the efforts of government and other measures seeking to contain the spread of COVID-19 and other factors such as litigation and labour negotiations. Your Company is not obliged to publicly amend, modify or revise any forward-looking statements, on the basis of any subsequent development, information or events, or otherwise.

ACKNOWLEDGEMENT

Your Directors express their deep sense of gratitude to the banks, financial institutions, stakeholders, business associates, Central and State Governments for their support, and look forward to their continued assistance in the future. We thank our employees for their contribution to your Company's performance. We applaud them for their superior levels of competence, dedication, and commitment to your Company.

For and on behalf of the Board

Kumar Mangalam Birla
Chairman
(DIN: 00012813)

Kolkata, 20th May, 2020

Annexure I

DIVIDEND DISTRIBUTION POLICY

1.0 Introduction

1.1 As per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Company is required to formulate and disclose its Dividend Distribution Policy. Accordingly, the Board of Directors of the Company ('the Board') has approved this Dividend Distribution Policy.

1.2 The objective of this policy is to provide clarity to stakeholders on the dividend distribution framework to be adopted by the Company. The Board of Directors shall recommend dividend in compliance with this policy, the provisions of the Companies Act, 2013 and Rules made thereunder and other applicable legal provisions.

2.0 Target Dividend Payout

2.1 Dividend will be declared out of the current year's Profit after Tax of the Company.

2.2 Only in exceptional circumstances including but not limited to loss after tax in any particular financial year, the Board may consider utilising retained earnings for declaration of dividends, subject to applicable legal provisions.

2.3 Other Comprehensive Income' (as per applicable Accounting Standards) which mainly comprises of unrealized gains / losses, will not be considered for the purpose of declaration of dividend.

2.4 The Board will endeavor to achieve a dividend payout ratio (gross of dividend distribution tax) in the range of 15% to 25% of the Standalone Profit after Tax, net of dividend payout to preference shareholders, if any.

3.0 Factors to be considered for Dividend Payout

The Board will consider various internal and external factors, including but not limited to the following before making any recommendation for dividend:

- Stability of earnings
- Cash flow position from operations
- Future capital expenditure, inorganic growth plans and reinvestment opportunities
- Industry outlook and stage of business cycle for underlying businesses
- Leverage profile and capital adequacy metrics
- Overall economic / regulatory environment
- Contingent liabilities
- Past dividend trends
- Buyback of shares or any such alternate profit distribution measure
- Any other contingency plans

4.0 General

Retained earnings will be used for the Company's growth plans, working capital requirements, debt repayments and other contingencies.

5.0 Review

This policy would be subject to revision / amendment on a periodic basis, as may be necessary.

6.0 Disclosure

This policy (as amended from time to time) will be available on the Company's website and in the annual report.

Annexure II

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of
UltraTech Cement Limited

We have examined the compliance of conditions of Corporate Governance by UltraTech Cement Limited (the 'Company'), for the year ended 31st March, 2020, as per the relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('Listing Regulations').

The compliance of conditions of Corporate Governance is the responsibility of the management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in Listing Regulations.

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the "ICAI"), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control ("SQC") 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Based on our examination of the relevant records and according to the information and explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Khimji Kunverji & Co LLP**
(formerly Khimji Kunverji & Co)
Chartered Accountants
Firm's Registration No: 105146W/W100621

Ketan Vikamsey
Partner
Membership No: 044000
ICAI UDIN: 20044000AAAAAE1359

Mumbai
20th May, 2020

Annexure III

ANNUAL REPORT ON CSR ACTIVITIES

1	A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web link to the CSR policy and projects or programs	:	To actively contribute to the social and economic development of the communities in which we operate. In so doing and built a better, sustainable way of life for weaker sections of society, to contribute effectively towards inclusive growth and raise the country's human development index. Our projects focus on – education, healthcare, sustainable livelihood, infrastructure development and social reform, epitomising a holistic approach to inclusive growth. The Company's CSR policy can be accessed on: http://www.ultratechcement.com.
2	Composition of the CSR Committee	:	Mrs. Rajashree Birla, Chairperson Mrs. Sukanya Kripalu, Member Mr. K. K. Maheshwari, Member Dr. Pragnya Ram, Group Executive President, CSR, Permanent Invitee
3	Average net profit of the Company for last three financial years	:	₹ 3,175 Crores
4	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	:	₹ 63.50 Crores
5	Details of CSR spent during the financial year		
	Total amount to be spent for the financial year	:	₹ 124.51 Crores
	Amount unspent, if any	:	Nil
	Manner in which the amount spent during the financial year	:	Details given below

(1) Sr. No.	(2) CSR Project / Activity identified	(3) Sector in which the project is covered	(4) Project / Programs (1) Local Area / others (2) Specify the State / District where the Project Undertaken	(5) Amount Outlay (budget) Project / Program wise (₹ in crores)	(6) Amount spent on the project / programs Sub-heads: (1) Direct expenditure on project / programs (2) Overheads (₹ in crores)	(7) Cumulative Expenditure upto to the Reporting Period (₹ in crores)	(8) Amount spent: Direct / through implementing agency
1.	1. **Preschool education project** Balwadis / playschools / crèches, strengthening Anganwadi Centre	Education	Rajasthan – Jodhpur, Nagaur, Jaipur, Chittorgarh, Jhalawar and Baran; Madhya Pradesh – Neemuch, Dhar; Gujarat – Amreli, Bhuj; Maharashtra – Chandrapur, Solapur, Ratnagiri; Chhattisgarh – Baloda Bazar; Karnataka – Gulbarga; Andhra Pradesh – Kurnool, Anantapur; Tamilnadu – Ariyalur, Odisha – Jharsuguda,	1.08	1.06	42.04	Direct / Implementing Agency
	2. **School Education Project** Enrollment awareness programs/ event, Formal schools outside campus (Company run), Education Material (Study materials, Uniform, Books etc), Scholarship (merit and need based assistance), School competitions / best teacher award, cultural events, quality of education (support teachers, improve education methods), specialised coaching, exposure visits / awareness, formal schools inside campus (Company Schools), Support to Midday Meal Project.		West Bengal – Bolpur; Bihar – Patna, Nalanda; Haryana – Jhajjar, Panipat; Uttar Pradesh – Aligarh, Dalla; Punjab – Bathinda; Himachal Pradesh - Solan, Bilaspur.	25.50	25.21		
	3. **Education support programs** Knowledge centre and library, adult and non formal education, celebration of national days / International days, computer education, reducing drop-out and continuing education (Kasturba balika / bridge courses / counseling), career counseling and orientation.			0.58	0.58		
	4. **Vocational and Technical Education** Strengthening ITI's, skills based individual training program			1.20	10.97		
	5. **School Infrastructure** Buildings and civil structures (new), buildings and civil structures (renovation and maintenance), school sanitation / drinking water, school facilities and fixtures (furniture / blackboards / computers)			4.25	4.22		
2.	1. **Preventive Health Care** Immunisation, Pulse polio immunisation, Health Check-up camps, Ambulance Mobile Dispensary Program, Malaria / Diarrhoea / Control programs, Health & Hygiene awareness programs, School health / Eye / Dental camps, Yoga / fitness classes.	Health	Rajasthan – Jodhpur, Nagaur, Jaipur, Chittorgarh; Madhya Pradesh – Neemuch; Gujarat – Amreli, Bhuj; Maharashtra – Chandrapur, Solapur, Ratnagiri; Chhattisgarh – Baloda Bazar; Karnataka – Gulbarga; Andhra Pradesh – Kurnool, Anantapur; Tamilnadu – Ariyalur; Odisha – Jharsuguda; West Bengal – Bolpur; Uttar Pradesh - Dalla; Himachal Pradesh - Solan, Bilaspur.	0.95	0.87	15.04	Direct/ Implementing Agency
	2. **Curative Health Care program** General Health camps, Specialised Health Camps, Eye camps, Treatment Camps (Skin, cleft,etc.), Cleft camp, Homeopathic / Ayurvedic Camps, Surgical camps, Tuberculosis / Leprosy/ Company operated hospitals/ dispensaries / clinic.			4.25	4.00		

(1) Sr. No.	(2) CSR Project / Activity identified	(3) Sector in which the project is covered	(4) Project / Programs (1) Local Area / others (2) Specify the State / District where the Project Undertaken	(5) Amount Outlay (budget) Project / Program wise (₹ in crores)	(6) Amount spent on the project / programs Sub-heads: (1) Direct expenditure on project / programs (2) Overheads (₹ in crores)	(7) Cumulative Expenditure upto to the Reporting Period (₹ in crores)	(8) Amount spent: Direct / through implementing agency
	3. **Reproductive and Child Health** Mother and child health care (ante natal care, pre natal care and neonatal care), adolescent health care, infant and child health (Healthy baby competition), support to family planning / camps, nutritional programs for mother / child.			0.17	0.16		
	4. **Quality/ Support Program** Referral services treatment of BPL, old age or needy patient, HIV- AIDS Awareness Program, RTI/ STD Awareness Program, Support for differently abled, Ambulance services, Blood donation camps, blood grouping.			0.64	6.34		
	5. **Health Infrastructure** Buildings and civil structures (new), buildings and civil structures (renovation and maintenance), village community sanitation (toilets/ drainage), individual toilets, drinking water new sources, (Hand pump / RO / Water Tank / well), drinking water existing sources (operation / maintenance), water source purification.			0.37	3.67		
3.	1. **Agriculture and Farm Based** Agriculture & horticulture training program / farmers group transfer of technology-demonstration plots, support for horticulture plots, seeds improvement program, support for improved agriculture equipment and inputs, exposure visits / support for agricultural mela, integrated agricultural / horticultural improvement program / productivity improvement programs, soil health and organic farming.	Environment and livelihood	Rajasthan – Jodhpur, Nagaur, Jaipur, Chittorgarh; Madhya Pradesh – Neemuch; Gujarat – Amreli, Bhuj; Maharashtra – Chandrapur, Solapur, Ratnagiri, Nagpur; Chhattisgarh – Baloda Bazar; Karnataka – Gulbarga; Andhra Pradesh – Kurnool, Anantapur; Tamilnadu – Ariyalur; Odisha – Jharsuguda; Uttar Pradesh - Dalla; Himachal Pradesh - Solan, Bilaspur.	0.68	0.43	5.70	Direct/ Implementing Agency
	2. **Animal Husbandry Based** Treatment and vaccination, breed improvement productivity, improvement programs and training.			0.75	0.61		
	3. **Non-farm & Skills Based Income generation program** Capacity building program- Tailoring, Beauty Parlour, Mechanical, Rural Enterprise development & Income Generation Programs, Support to SHGs for entrepreneurial activities.			1.10	1.02		
	4. **Natural Resource conservation programs & Non-conventional Energy** Bio gas support program, Solar energy support and other energy support programs - (low smoke wood stoves / sky light), Plantation / Green Belt Development / Roadside Plantation, Soil conservation / Land improvement, Water conservation and harvesting (small structures / bigger structures), Community Pasture Land Development / Orchard Development.			3.25	3.26		
	5. **Livelihood Infrastructure**			0.38	0.38		
4.	**Rural Infrastructure Development other than for the purpose of health/ education / livelihood** New roads / culverts / bridges /bus stands, repair roads / community halls / housing, other community assets and shelters.	Rural Development projects	Rajasthan – Jodhpur, Nagaur, Jaipur, Chittorgarh; Gujarat- Amreli, Bhuj; Maharashtra-Chandrapur, Solapur, Ratnagiri; Chhattisgarh- Baloda Bazar; Karnataka- Gulbarga; Andhra Pradesh- Kurnool, Anantapur; Tamilnadu- Ariyalur; Odisha- Jharsuguda; Punjab – Bathinda.	4.70	24.22	30.60	Direct/ Implementing Agency
	Support for repairing Roads / Culverts /Bridges / Bus Stands			3.00	3.15		
	Community Halls			0.20	2.25		
	Street lights and other community infrastructure			0.15	0.98		
5.	1. **Institutional building & strengthening** Strengthening / formation of community based organisation (SHGs), Support to development organisations, Oldage Home, Orphanage	Social empowerment	Rajasthan- Jodhpur, Nagaur, Jaipur, Chittorgarh; Madhya Pradesh – Neemuch; Gujarat- Amreli, Bhuj; Maharashtra - Chandrapur, Solapur, Ratnagiri; Chhattisgarh- Baloda bazar; Karnataka- Gulbarga; Andhra Pradesh- Kurnool, Anantapur; Tamilnadu- Ariyalur; Odisha- Jharsuguda.	1.00	2.67	19.98	Direct/ Implementing Agency
	2. **Social Security and support to Organisations** Support to old age / Widow / physically challenged person / poor/ Insurance, Pension Scheme			0.02	0.11		
	3. **Awareness programs** Community awareness program, Awareness campaign social abuse/ Early marriage / HIV Prevention			0.15	0.08		
	4. **Social Events to minimise causes of poverty** Support to mass marriage / widow remarriage, National / International day celebrations with community, support with basic necessities.			0.15	0.33		
	5. **Promotion of culture/ sports** Support to rural cultural program, festivals & melas, support to rural sports.			0.21	0.95		
	6. **Disaster Relief Programs and others**			15.00	15.84		

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr. No.	CSR Project / Activity identified	Sector in which the project is covered	Project / Programs (1) Local Area / others (2) Specify the State / District where the Project Undertaken	Amount Outlay (budget) Project / Program wise (₹ in crores)	Amount spent on the project / programs Sub-heads: (1) Direct expenditure on project / programs (2) Overheads (₹ in crores)	Cumulative Expenditure upto to the Reporting Period (₹ in crores)	Amount spent: Direct / through implementing agency
6.	**Protection of Heritage / Art / Culture**	Protection of Heritage, art and culture		7.27	8.44	8.44	Direct/ Implementing Agency
	Overheads			2.80	2.71	2.71	
	TOTAL			**79.80**	**124.51**	**124.51**	

Note: Implementing Agency is UltraTech Community Welfare Foundation, a company within the meaning of section 8 of the Companies Act, 2013.

6. **Reason for not spending two percent of the average net profit of the last three financial years on CSR:**

   Not Applicable.

7. **A Responsibility Statement of the Corporate Social Responsibility Committee that the implementation and monitoring of CSR policy is in compliance with CSR objectives and policy of the Company:**

. The implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the Company.

20th May, 2020	K. C. Jhanwar Managing Director (DIN: 01743559)	Rajashree Birla Chairperson, CSR Committee (DIN: 00022995)

Annexure IV

Form AOC - 1

Pursuant to first proviso to sub- section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules , 2014

Part "A" - Subsidiaries Statement containing salient features of the financial statements of subsidiaries/associate companies/joint ventures

Amount in crores

Sr. No.	Name of the Subsidiary Companies	Year	Currency	Share Capital including Share application Money	Reserves and Surplus	Total Assets (Non Current Assets + Current Assets + Deferred Tax Assets) excluding Current and Non-Current Investments	Total Liabilities (Non Current Liabilities + Current Liabilities + Deferred Tax Liabilities)	Details of Current and Non Current Investments (excluding Investment in the Subsidiary companies) - Treasury Bill	Net Turnover	Profit/ (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Taxation	Proposed Dividend (including Corporate Dividend Tax)	% of share-holding
1	Dakshin Cements Limited ^	2019-20	₹	**0.05**	**(0.05)**	**-**	**-**	**-**	**-**	**₹ 35,960**	**-**	**₹ 35,960**	**-**	**100%**
		2018-19		0.05	(0.05)	₹ 37,774	₹ 73,734	-	-	₹ (10,000)	-	₹ (10,000)	-	100%
2	Harish Cement Limited	2019-20	₹	**0.25**	**154.15**	**156.80**	**2.40**	**-**	**-**	**₹ (6,520)**	**-**	**₹ (6,520)**	**-**	**100%**
		2018-19		0.25	153.78	156.40	2.37	-	-	₹ (1,097)	-	₹ (1,097)	-	100%
3	Gotan Lime Stone Khanij Udyog Private Limited	2019-20	₹	**2.33**	**17.83**	**21.04**	**0.88**	**-**	**-**	**(0.41)**	**-**	**(0.41)**	**-**	**100%**
		2018-19		2.33	18.24	21.45	0.88	-	-	(0.43)	-	(0.43)	-	100%
4	Bhagwati Lime Stone Company Private Limited	2019-20	₹	**0.01**	**1.70**	**2.45**	**0.74**	**-**	**1.36**	**(0.06)**	**-**	**(0.06)**	**-**	**100%**
		2018-19		0.01	1.77	2.05	0.27	-	0.19	0.01	-	0.01	-	100%
5	UltraTech Cement Lanka (Pvt) Limited	2019-20	SLR	**50.00**	**43.40**	**637.05**	**543.65**	**-**	**1,639.29**	**(66.24)**	**(10.85)**	**(55.38)**	**-**	**80%**
			₹	**20.00**	**17.36**	**254.82**	**217.46**	**-**	**647.94**	**(26.18)**	**(4.29)**	**(21.89)**	**-**	
		2018-19	SLR	50.00	103.10	397.55	244.45	-	1,581.35	(51.97)	(14.27)	(37.71)	-	80%
			₹	19.76	40.75	157.14	96.63	-	656.16	(21.57)	(5.92)	(15.65)	-	
6	UltraTech Cement Middle East Investment Limited (Standalone)	2019-20	AED	**25.13**	**13.91**	**103.85**	**64.81**	**-**	**-**	**(0.11)**	**-**	**(0.11)**	**-**	**100%**
			₹	**517.66**	**286.60**	**2,139.27**	**1,335.02**	**-**	**-**	**(2.11)**	**-**	**(2.11)**	**-**	
		2018-19	AED	25.13	14.43	108.64	69.08	-	-	(0.08)	-	(0.08)	-	100%
			₹	473.11	271.76	2,045.42	1,300.54	-	-	(1.53)	-	(1.53)	-	
7	Star Cement Co LLC, Dubai @	2019-20	AED	**1.50**	**(19.59)**	**37.89**	**55.98**	**-**	**27.16**	**(1.29)**	**-**	**(1.29)**	**-**	**100%**
			₹	**30.90**	**(403.53)**	**780.64**	**1,153.26**	**-**	**524.31**	**(24.81)**	**-**	**(24.81)**	**-**	
		2018-19	AED	1.50	(17.82)	35.99	52.31	-	28.94	(2.36)	-	(2.36)	-	100%
			₹	28.24	(335.52)	677.51	984.80	-	550.95	(44.94)	-	(44.94)	-	
8	Arabian Cement Industry LLC, Abu Dhabi @	2019-20	AED	**1.00**	**(7.74)**	**16.93**	**23.67**	**-**	**21.06**	**(0.44)**	**-**	**(0.44)**	**-**	**100%**
			₹	**20.60**	**(159.48)**	**348.71**	**487.59**	**-**	**406.52**	**(8.53)**	**-**	**(8.53)**	**-**	
		2018-19	AED	1.00	(7.11)	16.13	22.23	-	18.97	(0.84)	-	(0.84)	-	100%
			₹	18.83	(133.80)	303.62	418.59	-	361.19	(16.05)	-	(16.05)	-	
9	Star Cement Co LLC, Ras Al Khaimah @	2019-20	AED	**0.50**	**17.17**	**52.12**	**34.45**	**-**	**35.41**	**3.89**	**-**	**3.89**	**-**	**100%**
			₹	**10.30**	**353.75**	**1,073.70**	**709.65**	**-**	**683.60**	**75.01**	**-**	**75.01**	**-**	
		2018-19	AED	0.50	14.48	53.38	38.40	-	39.01	3.85	-	3.85	-	100%
			₹	9.41	272.57	1,004.95	722.96	-	742.74	73.22	-	73.22	-	

Sr. No.	Name of the Subsidiary Companies	Year	Currency	Share Capital including Share application Money	Reserves and Surplus	Total Assets (Non Current Assets + Current Assets + Deferred Tax Assets) excluding Current and Non-Current Investments	Total Liabilities (Non Current Liabilities + Current Liabilities + Deferred Tax Liabilities)	Details of Current and Non Current Investments (excluding Investment in the Subsidiary companies) - Treasury Bill	Net Turnover	Profit/ (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Taxation	Proposed Dividend (including Corporate Dividend Tax)	% of share-holding
10	Al Nakhla Crushers LLC, Fujairah @	2019-20	AED	0.20	4.16	5.06	0.70	-	4.51	1.16	-	1.16	-	100%
			₹	4.12	85.69	104.28	14.47	-	87.14	22.43	-	22.43	-	
		2018-19	AED	0.20	2.99	4.64	1.45	-	4.51	1.12	-	1.12	-	100%
			₹	3.77	56.32	87.31	27.22	-	85.93	21.40	-	21.40	-	
11	UltraTech Cement Bahrain Company WLL, Bahrain @	2019-20	Bahrain Dirham (BHD)	0.03	1.31	1.68	0.34	-	1.07	0.07	-	0.07	-	100%
			₹	6.02	263.28	337.97	68.66	-	201.15	13.32	-	13.32	-	
		2018-19	Bahrain Dirham (BHD)	0.03	1.32	1.45	0.10	-	1.28	0.14	-	0.14	0.13	100%
			₹	5.51	242.39	266.37	18.47	-	238.37	25.75	-	25.75	24.49	
12	Emirates Cement Bangladesh Ltd, Bangladesh @ (Ceased w.e.f. 5th December, 2019)	2019-20	Taka	-	-	-	-	-	-	-	-	-	-	0%
			₹	-	-	-	-	-	-	-	-	-	-	
		2018-19	Taka	158.93	(56.69)	207.12	104.88	-	239.31	49.82	6.35	43.47	-	100%
			₹	131.84	(47.03)	171.82	87.01	-	199.93	41.62	5.30	36.32	-	
13	Emirates Power Company Ltd, Bangladesh @ (Ceased w.e.f. 5th December, 2019)	2019-20	Taka	-	-	-	-	-	-	-	-	-	-	0%
			₹	-	-	-	-	-	-	-	-	-	-	
		2018-19	Taka	27.00	(16.66)	16.17	5.84	-	2.03	-	(4.51)	4.51	-	100%
			₹	22.39	(13.82)	13.42	4.84	-	1.69	-	(3.77)	3.77	-	
14	PT UltraTech Mining Indonesia	2019-20	Indonesian Rupee	1,158.90	(1,038.26)	120.64	-	-	-	-	-	-	-	80%
			₹	5.63	(5.05)	0.58	-	-	-	-	-	-	-	
		2018-19	Indonesian Rupee	1,158.90	(1,038.26)	120.64	-	-	-	(0.60)	-	(0.60)	-	80%
			₹	5.63	(5.05)	0.59	-	-	-	(0.00)	-	(0.00)	-	
15	PT UltraTech Investment Indonesia	2019-20	Indonesian Rupee	1,992.40	34.07	2,037.01	10.54	-	-	-	-	-	-	100%
			₹	9.68	0.16	9.90	0.06	-	-	-	-	-	-	
		2018-19	Indonesian Rupee	1,992.40	34.07	2,037.01	10.54	-	-	(3.23)	-	(3.23)	-	100%
			₹	9.68	0.16	9.90	0.06	-	-	(0.02)	-	(0.02)	-	
16	PT UltraTech Cement Indonesia	2019-20	Indonesian Rupee	2,033.46	(1,382.29)	648.95	0.78	-	-	-	-	-	-	99%
			₹	9.87	(6.72)	3.15	-	-	-	-	-	-	-	
		2018-19	Indonesian Rupee	2,033.46	(1,382.29)	648.95	0.78	-	-	34.53	-	34.53	-	99%
			₹	9.87	(6.72)	3.15	0.00	-	-	0.17	-	0.17	-	

Sr. No.	Name of the Subsidiary Companies	Year	Currency	Share Capital including Share application Money	Reserves and Surplus	Total Assets (Non Current Assets + Current Assets + Deferred Tax Assets) excluding Current and Non-Current Investments	Total Liabilities (Non Current Liabilities + Current Liabilities + Deferred Tax Liabilities)	Details of Current and Non Current Investments (excluding Investment in the Subsidiary companies) - Treasury Bill	Net Turnover	Profit/ (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Taxation	Proposed Dividend (including Corporate Dividend Tax)	% of share-holding
17	UltraTech Nathdwara Cement Limited (UNCL)	2019-20	₹	3,400.00	(4,593.98)	3,615.99	4,809.97	-	1,366.69	49.24	-	49.24	-	100%
		2018-19		3,400.00	(4,645.68)	3,568.13	4,813.81	-	430.10	(59.75)	(0.11)	(59.65)	-	100%
18	Krishna Holdings Pte. Ltd.(KHL) # $	2019-20	USD	6.19	0.32	7.49	0.98	-	-	(0.04)	-	(0.04)	-	UNCL-55.54% MHL-44.46%
			₹	468.65	23.97	566.79	74.17	-	-	(2.55)	-	(2.55)	-	
		2018-19	USD	6.19	0.35	7.70	1.15	-	-	(0.00)	-	(0.00)	-	UNCL-55.54% MHL-44.46%
			₹	430.13	24.50	534.79	80.16	-	-	(0.15)	-	(0.15)	-	
19	Mukundan Holdings Ltd. (MHL) # $	2019-20	USD	7.70	(1.60)	10.26	4.16	-	-	0.23	-	0.23	-	100%
			₹	582.66	(121.02)	776.32	314.68	-	-	16.22	-	16.22	-	
		2018-19	USD	7.70	(1.83)	10.26	4.39	-	-	(0.02)	-	(0.02)	-	100%
			₹	534.77	(126.96)	712.46	304.65	-	-	(1.24)	-	(1.24)	-	
20	Murari Holdings Ltd. (MUHL) # $	2019-20	USD	5.48	(0.80)	7.98	3.29	-	-	(0.00)	-	(0.00)	-	100%
			₹	414.68	(60.19)	603.60	249.12	-	-	(0.05)	-	(0.05)	-	
		2018-19	USD	5.48	(0.80)	7.98	3.29	-	-	(0.00)	-	(0.00)	-	100%
			₹	414.68	(60.19)	603.60	249.12	-	-	(0.05)	-	(0.05)	-	
21	Swiss Merchandise Infrastructure Limited #	2019-20	₹	0.05	1.89	60.16	58.21	-	-	0.02	0.00	0.01	-	100%
		2018-19		0.05	1.89	60.16	58.21	-	-	0.02	0.00	0.01	-	100%
22	Merit Plaza Limited #	2019-20	₹	0.05	2.52	46.43	43.87	-	-	0.02	(0.31)	0.33	-	100%
		2018-19		0.05	2.19	46.42	44.18	-	-	0.01	(0.28)	0.28	-	100%
23	Bhumi Resources (Singapore) Pte. Ltd (Bhumi) # $	2019-20	USD	1.50	(0.11)	1.40	0.01	-	-	(0.08)	-	(0.08)	-	100%
			₹	113.50	(8.21)	105.94	0.65	-	-	(5.59)	-	(5.59)	-	
		2018-19	USD	1.50	(0.03)	1.54	0.07	-	-	(0.06)	-	(0.06)	-	100%
			₹	104.17	(2.06)	107.18	5.07	-	-	(4.19)	-	(4.19)	-	
24	Star Super Cement Industries LLC (SSCI) # $	2019-20	AED	3.19	(4.76)	22.47	24.04	-	17.77	(2.95)	-	(2.95)	-	MUHL-51% MHL-49%
			₹	65.80	(98.05)	462.89	495.14	-	343.12	(56.88)	-	(56.88)	-	
		2018-19	AED	3.19	(1.81)	25.52	24.14	-	7.57	(1.62)	-	(1.62)	-	MUHL-51% MHL-49%
			₹	60.39	(34.29)	482.45	456.34	-	145.14	(31.14)	-	(31.14)	-	
25	Smooth Energy Private Limited # ^	2019-20	₹	0.01	(0.01)	-	(0.00)	-	-	(0.03)	-	(0.03)	-	100%
		2018-19		0.01	0.02	0.03	₹ 23,107	-	-	₹ 136	₹ 5,364	₹ 5,500	-	100%
26	Shandong Binani Rongan Cement Co. Limited (SBRCC), China # $	2019-20	RMB	45.00	6.14	66.91	15.77	-	54.80	14.53	3.78	10.75	-	KHL-92.5%
			₹	480.51	65.57	714.49	168.41	-	574.19	152.24	39.60	112.64	-	
		2018-19	RMB	45.00	(4.61)	75.50	35.11	-	18.98	5.10	1.47	3.63	-	KHL-92.5%
			₹	465.60	(47.70)	781.16	363.25	-	196.73	52.83	15.26	37.57	-	
27	PT Anggana Energy Resources # $	2019-20	IDR	546.30	(103.09)	995.90	552.69	-	-	3.49	-	3.49	-	BHUMI-100%
			₹	2.52	(0.48)	4.60	2.55	-	-	0.02	-	0.02	-	
		2018-19	IDR	546.30	(106.58)	957.83	518.10	-	-	(294.08)	-	(294.08)	-	BHUMI-100%
			₹	2.66	(0.52)	4.67	2.53	-	-	₹ (60,450.77)	-	₹ (60,450.77)	-	

Sr. No.	Name of the Subsidiary Companies	Year	Currency	Share Capital including Share application Money	Reserves and Surplus	Total Assets (Non Current Assets + Current Assets + Deferred Tax Assets) excluding Current and Non-Current Investments	Total Liabilities (Non Current Liabilities + Current Liabilities + Deferred Tax Liabilities)	Details of Current and Non Current Investments (excluding Investment in the Subsidiary companies) - Treasury Bill	Net Turnover	Profit/ (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Taxation	Proposed Dividend (including Corporate Dividend Tax)	% of share-holding
28	BC Tradelink Limited # $	2019-20	TZS	TZS **2,000**	**2.21**	**2.21**	**0.00**	-	-	-	-	-	-	**SSCI-100%**
			₹	**₹ 64.54**	**0.07**	**0.07**	**0.00**	-	-	-	-	-	-	
		2018-19	TZS	TZS 2,000	2.21	2.21	0.00	-	-	-	-	-	-	SSCI-100%
			₹	₹ 60	0.07	0.07	0.00	-	-	-	-	-	-	
29	Binani Cement Tanzania Limited # $	2019-20	TZS	**3.20**	**(408.67)**	**330.16**	**735.63**	-	-	-	-	-	-	**SSCI-100%**
			₹	**0.10**	**(13.19)**	**10.65**	**23.74**	-	-	-	-	-	-	
		2018-19	TZS	3.20	(408.67)	330.16	735.63	-	-	(230.46)	-	(230.46)	-	SSCI-100%
			₹	0.10	(12.27)	9.91	22.08	-	-	(7.01)	-	(7.01)	-	
30	Binani Cement (Uganda) Limited # $	2019-20	UGX	UGX **2,000**	**0.59**	**0.59**	**(0.00)**	-	-	-	-	-	-	**SSCI-100%**
			₹	**₹ 39**	**0.01**	**0.01**	**(0.00)**	-	-	-	-	-	-	
		2018-19	UGX	UGX 2,000	0.59	0.59	(0.00)	-	-	-	-	-	-	SSCI-100%
			₹	₹ 37	0.01	0.01	(0.00)	-	-	-	-	-	-	
31	Bahar Ready Mix Concrete Limited # ^	2019-20	₹	**6.21**	**(6.21)**	-	-	-	-	**3.41**	-	**3.41**	-	**100%**
		2018-19		6.21	(9.62)	0.05	3.46	-	-	₹ 20,089	-	₹ 20,089	-	100%

@ Subsidiaries of UltraTech Cement Middle East Investment Ltd.

Subsidiaries of UltraTech Nathdwara Cement Ltd.

^ Applied for strike off

$ These have been classified as assets held for sale.

PT Ultratech Mining Sumatra is yet to start operations and no equity infusion.

Note: For converting the figures given in foreign currency appearing in the accounts of the subsidiary companies into equivalent INR, following exchange rates are used for 1 INR.

Sr No	Currency	Balance Sheet (Closing Rate)		Profit & Loss Account (Average Rate)	
		2019-20	2018-19	2019-20	2018-19
1	Sri Lankan Rupee (SLR)	**2.5000**	2.5300	**2.5300**	2.4100
2	UAE Dirham (AED)	**0.0485**	0.0531	**0.0518**	0.0525
3	Taka (BDT)	**1.1205**	1.2055	**1.1915**	1.1970
4	Bahrain Dirham (BHD)	**0.0050**	0.0054	**0.0053**	0.0054
5	Indonesian Rupiah (IDR)	**216.5480**	206.1856	**199.7750**	205.5580
6	US Dollar (USD)	**75.6650**	69.4460	**70.8846**	70.4582
7	Chinese Yuan (CNY)	**10.6780**	10.3468	**10.4780**	10.3652
8	Ugandan shilling (UGX)	**0.0195**	0.0187	**0.0189**	0.0190
9	Tanzanian shilling (TZS)	**0.0323**	0.0300	**0.0306**	0.0304

Part "B" - Joint Ventures

(₹ in crores)

Sr. No.	Name of Associates / Joint Ventures	Madanpura (North) Coal Company Pvt. Ltd.	Bhaskarpara Coal Company Ltd.	Aditya Birla Renewables SPV 1 Limited
1.	Latest audited Balance Sheet Date	31.03.2020	31.03.2020	31.03.2020
2.	Shares of Joint ventures held by the Company on year end Nos.	1,152,560	8,141,050	16,278,663
	Amount of Investment in Joint venture	1.06	8.16	17.08
	Extent of Holding (%)	11.17%	47.37%	26.00%
3.	Networth attributable to shareholding as per latest audited Balance Sheet	0.96	6.25	15.67
4.	Profit /(Loss) for the year	0.07	0.03	(5.41)
	(i) Considered in consolidation	0.01	0.01	(1.41)
	(ii) Not considered in consolidation	0.06	0.02	(4.00)

For and on behalf of the Board

Atul Daga
Whole-time Director & CFO
(DIN: 06416619)

K. C. Jhanwar
Managing Director
(DIN: 01743559)

Sanjeeb Kumar Chatterjee
Company Secretary

Mumbai, 20th May, 2020

Annexure V

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS PRESCRIBED UNDER RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014.

A. CONSERVATION OF ENERGY:

a) **Steps taken or impact on conservation of energy**

- Focused drive on improving energy consumption footprint by continual deployment of state-of-art energy efficient equipments.
- Operational optimisation of Pyro Process & Mills for overall energy optimisation using expert automation systems.
- Retrofit or replacing of old generation coolers to improve kiln heat rate matching performance of new generation cooler.
- Continual deployment of non-conventional and clean energy sources like installation of solar heaters and solar lighting.
- Introduction of novel technology for improving energy efficiency in CPP boilers.
- Optimisation of grinding media, including size and quantity to reduce power consumption.
- Introduction of latest Advance Process Control Tool and Analytical software.
- Low efficiency process fan impellers are being replaced with high efficiency impellers to improve energy efficiency.
- Cyclones and ducts modification with CFD analysis to reduce pressure drop to reduce energy consumption and improve process efficiencies.
- Focused drive for energy and natural resources conservation by forming task forces and implementation of identified schemes.
- Installation of different variable speed drives and energy efficient motors.
- Introduction of latest turbo blower technology wherever applicable.
- Heat reflective coat paint and Nano technology application on roof walls.

b) **Steps taken by the Company for utilising alternate sources of energy**

- The Company has prioritised and is using various waste materials as substitute for convention fossil fuels in its kilns and as additives in cement manufacturing.
- Infrastructure for handling, storage, testing, pre-processing and usage of waste materials as energy source is being augmented at plants in phased manner based on potential availability of such materials.
- Uses of waste heat to generate power through Waste Heat Recovery System.
- Uses of power from renewable energy sources, mainly solar power at different locations.

c) **The capital investment on energy conservation equipment**

- During the year, the Company has made ₹ 159 crores investment on equipment or various capital schemes for conserving the energy resources.

B. TECHNOLOGY ABSORPTION:

a) **Efforts made towards technology absorption**

- Productivity enhancement / energy efficiency improvement through usage of computational techniques, digitalisation and analytical modeling.
- Installation of advanced process control systems at cement plants and power plants.
- Implementation of new technology like low NOx burner and low NOx calciner and high frequency controller to meet new environmental dust, gases and environment norms.
- Six pulse rectifiers with three phase transformer technology in electrostatic precipitators.
- Upgradation of existing electrostatic precipitator with bag house for particulate matter emission reduction.
- Introduction of new Electro Chemical battery technology for battery life enhancement.
- Implementation of latest Advance Process Control for optimising operations.
- Participation in national / international seminars.

b) **Benefits derived like product improvement, cost reduction, product development or import substitution**

- Reduction in specific energy consumption in milling and pyro-processing.
- Achieved energy conservation targets assigned under PAT-Cycle-II (Perform, Achieve and Trade) targets.
- Improvement in environmental performance of the manufacturing facilities.
- Meeting the product quality and customer satisfaction including offering technical support.
- Increased skill development of R&D personnel to face future challenges.
- Raw Mix optimisation for conservation of limestone reserves and other natural resources.
- Use of waste material as substitution of natural raw material.
- Design & development of new application-based product to increase market awareness, share & profitability.
- Improvement in packaging bags quality to improve handling and environment through a systematic study including benchmarking.
- Alternate vendor development for best cost procurement.
- Getting R&D future-ready by creating new capabilities in the area of new cement and concrete product development, Pollution abatement, Raw mix optimisation and mill optimisation.
- Working with external agencies (such as NCCBM, CMA, BIS and others) to develop, validate and support, new initiatives for new construction materials and standards.

c) **In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)**

Nil

d) **Expenditure incurred on Research and Development (R&D)**

(₹ in crores)

		2019-20	2018-19
I	For In-house R&D:		
	Capital Expenditure	**1.12**	9.92
	Recurring Expenditure	**16.34**	17.31
	Total In-house R&D Expenditure	**17.46**	27.23
II	Contribution to Scientific Research Company	**7.5**	6.15
III	Total R&D Expenditure (I+II)	**24.96**	33.38
IV	R&D Expenditure as % of turnover	**0.06**	0.10

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

- Foreign exchange earnings for the year ended 31st March, 2020: ₹ 391.52 crores.
- Foreign exchange outgo for the year ended 31st March, 2020: ₹ 276.83 crores.

For and on behalf of the Board

Kumar Mangalam Birla
Chairman
(DIN: 00012813)

Kolkata, 20th May, 2020

Annexure VI

Details pertaining to remuneration as required under section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

i. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2019-20, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2019-20 are as under:

Sr. No.	Name of Director / Key Managerial Personnel (KMP) and Designation	Remuneration* of Director / KMP for financial year 2019-20 (₹ in crores)	% increase in remuneration in the financial year 2019-20	Ratio of remuneration of each Director /to median remuneration of employees
1	Kumar Mangalam Birla, Chairman and Non-Executive Director	Nil	Not Applicable	-
2	Mrs. Rajashree Birla, Non-Executive Director	1.22	(7.58)	20.5
3	Arun Adhikari, Independent Director	0.26	52.94	4.4
4	Mrs. Alka Bharucha, Independent Director	0.28	47.37	4.7
5	G. M. Dave, Independent Director (till 5th August, 2019)	0.08	(68.00)	1.3
6	Mrs. Sukanya Kripalu, Independent Director	0.20	25.00	3.4
7	S. B. Mathur, Independent Director	0.37	25.86	6.1
8	Mrs. Renuka Ramnath, Independent Director (till 21st October, 2019)	0.04	33.33	0.7
9	O. P. Puranmalka, Non-Executive Director (till 18th July, 2019)	Nil	Not Applicable	-
10	Mrs Usha Sangwan, Independent Director (from 10th January, 2020 to 16th May, 2020)	0.03	Not Applicable	0.4
11	K. K. Maheshwari, Managing Director (till 31st December, 2019)**	12.92	(0.30)	217.2
12	K. C. Jhanwar, Managing Director (w.e.f. 1st January, 2020)	6.40	Not Applicable	107.6
13	Atul Daga, Whole-time Director and Chief Financial Officer	2.61	(2.79)	44.0
14	Sanjeeb Kumar Chatterjee, Company Secretary	1.28	4.74	Not Applicable

** Remuneration includes commission payable to Directors for the year ended 31st March, 2020 which is subject to the approval of the members of the Company.*

*** Mr. K. K. Maheshwari was Managing Director till 31st December, 2019 and was designated as Vice Chairman and Non-Executive Director w.e.f. 1st January, 2020. On retirement, in addition to the above, he has been paid Gratuity and Leave Encashment of ₹ 8.27 crores. Hence his total remuneration for the year was ₹ 21.19 crores. Further the Board has approved one-time payout of ₹ 9.45 crores and pension of ₹ 28,34,000 per month w.e.f. 1st January, 2020.*

ii. The median remuneration of employees of the Company during the financial year was ₹ 5.95 lakhs.

iii. In the financial year, there was an increase of 7.2% in the median remuneration of employees.

iv. There were 21,592 permanent employees on the rolls of Company as on 31st March, 2020.

v. Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2019-20 was 8.1% whereas decline in the managerial remuneration for the same financial year is 39.6%, excluding one-time and post retirals benefits to Vice Chairman and Non-Executive Director as mentioned in point (i) above.

vi. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

For and on behalf of the Board

Kumar Mangalam Birla
Chairman
(DIN: 00012813)

Kolkata, 20th May, 2020

Annexure VII

UltraTech Cement Limited ("the Company") an Aditya Birla Group Company adopts/shall adopt this Executive Remuneration Philosophy/Policy as applicable across Group Companies. This philosophy/ policy is detailed below.

Aditya Birla Group: Executive Remuneration Philosophy/Policy

At the Aditya Birla Group, we expect our executive team to foster a culture of growth and entrepreneurial risk-taking. Our Executive Remuneration Philosophy/Policy supports the design of programs that align executive rewards – including incentive programs, retirement benefit programs, promotion and advancement opportunities – with the long-term success of our stakeholders.

Our business and organisational model

Our Group is a conglomerate and organised in a manner such that there is sharing of resources and infrastructure. This results in uniformity of business processes and systems thereby promoting synergies and exemplary customer experiences.

I. Objectives of the Executive Remuneration Program

Our executive remuneration program is designed to attract, retain, and reward talented executives who will contribute to our long-term success and thereby build value for our shareholders.

Our executive remuneration program is intended to:

1. Provide for monetary and non-monetary remuneration elements to our executives on a holistic basis.
2. Emphasize "Pay for Performance" by aligning incentives with business strategies to reward executives who achieve or exceed Group, business and individual goals.

II. Executives

Our Executive Remuneration Philosophy/Policy applies to the following:

1. Directors of the Company.
2. Key Managerial Personnel: Chief Executive Officer and equivalent (eg: Deputy Managing Director), Chief Financial Officer and Company Secretary.
3. Senior Management: as may be decided by the Board of Directors.

III. Business and Talent Competitors

We benchmark our executive pay practices and levels against peer companies in similar industries, geographies and of similar size. In addition, we look at secondary reference (internal and external) benchmarks in order to ensure that pay policies and levels across the Group are broadly equitable and support the Group's global mobility objectives for executive talent. Secondary reference points bring to the table, the executive pay practices and pay levels in other markets and industries, to appreciate the differences in levels and medium of pay and build in as appropriate for decision making.

IV. Executive Pay Positioning

We aim to provide competitive remuneration opportunities to our executives by positioning target total remuneration (including perks and benefits, annual incentive pay-outs, long term incentive pay-outs at target performance) and target total cash compensation (including annual incentive pay-outs) at target performance directionally between median and top quartile of the primary talent market. We recognise the size and scope of the role and the market standing, skills and experience of incumbents while positioning our executives.

We use secondary market data only as a reference point for determining the types and amount of remuneration while principally believing that target total remuneration packages should reflect the typical cost of comparable executive talent available in the sector.

V. Executive Pay-Mix

Our executive pay-mix aims to strike the appropriate balance between key components: (i) Fixed Cash compensation (Basic Salary + Allowances) (ii) Annual Incentive Plan (iii) Long-Term Incentives (iv) Perks and Benefits.

Annual Incentive Plan:

We tie annual incentive plan pay-outs of our executives to relevant financial and operational metrics achievement and their individual performance. We annually align the financial and operational metrics with priorities/ focus areas for the business.

Long-Term Incentive:

Our Long-term incentive plans incentivise stretch performance, link executive remuneration to sustained long term growth and act as a retention and reward tool.

We use stock options as the primary long-term incentive vehicles for our executives as we believe that they best align executive incentives with stockholder interests.

We grant restricted stock units as a secondary long term incentive vehicle, to motivate and retain our executives.

VI. Performance Goal Setting

We aim to ensure that for both annual incentive plans and long term incentive plans, the target performance goals shall be achievable and realistic.

Threshold performance (the point at which incentive plans are paid out at their minimum, but non-zero, level) shall reflect a base-line level of performance, reflecting an estimated 90% probability of achievement.

Target performance is the expected level of performance at the beginning of the performance cycle, taking into account all known relevant facts likely to impact measured performance.

Maximum performance (the point at which the maximum plan payout is made) shall be based on an exceptional level of achievement, reflecting no more than an estimated 10% probability of achievement.

VII. Executive Benefits and Perquisites

Our executives are eligible to participate in our broad-based retirement, health and welfare, and other employee benefit plans. In addition to these broad-based plans, they are eligible for perquisites and benefits plans commensurate with their roles. These benefits are designed to encourage long-term careers with the Group.

Other Remuneration Elements

Each of our executives is subject to an employment agreement. Each such agreement generally provides for a total remuneration package for our executives including continuity of service across the Group Companies.

We limit other remuneration elements, for e.g. Change in Control (CIC) agreements, severance agreements, to instances of compelling business need or competitive rationale and generally do not provide for any tax gross-ups for our executives.

Risk and Compliance

We aim to ensure that the Group's remuneration programs do not encourage excessive risk taking. We review our remuneration programs for factors such as, remuneration mix overly weighted towards annual incentives, uncapped pay- outs, unreasonable goals or thresholds, steep pay-out cliffs at certain performance levels that may encourage short-term decisions to meet pay-out thresholds.

Claw back Clause

In an incident of restatement of financial statements, due to fraud or non-compliance with any requirement of the Companies Act, 2013 and the rules made thereafter, we shall recover from our executives, the remuneration received in excess, of what would be payable to him / her as per restatement of financial statements, pertaining to the relevant performance year.

Implementation

The Group and Business Centre of Expertise teams will assist the Nomination, Remuneration and Compensation Committee in adopting, interpreting and implementing the Executive Remuneration Philosophy/Policy. These services will be established through "arm's length", agreements entered into as needs arise in the normal course of business.

Annexure VIII

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

For the Financial Year ended on 31st March, 2020

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

To,
The Members,
UltraTech Cement Limited,
"B" Wing, 2nd Floor,
Ahura Centre, Mahakali Caves Road,
Andheri (East),
Mumbai 400093.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **UltraTech Cement Limited (CIN: L26940MH2000PLC128420)** (hereinafter called the 'Company') for the audit period from **1st April, 2019 to 31st March, 2020** (the "audit period"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts /statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, soft copy of the various records sent over mail as provided by the company, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the audit period according to the provisions of:

i. The Companies Act, 2013 (the 'Act') and the Rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Direct Investment by Residents in Joint Venture / Wholly Owned Subsidiary Abroad and External Commercial Borrowings;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');

   a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015,

   b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011,

   c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015,

   d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014,

   e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 to the extent as applicable to the Company; and

   f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008

vi. We have also examined, on 'test check' basis, the relevant documents and records maintained by the Company under the Mines and Minerals (Development and Regulation) Act, 1957 and Rules thereunder which is applicable specifically to the Company.

We have also examined compliance with the applicable clauses of Secretarial Standards issued by The Institute of Company Secretaries of India relating to Board meetings and General meetings.

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

During the audit period under review, provisions of the following laws though prescribed under the Form no. MR-3 were not applicable to the Company:

(i) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment,

(ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018,

(iii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

(iv) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

We further report that –

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors as on 31st March, 2020 as under:

i. Two Executive Director;

ii. Three Non- Executive Director; and

iii. Five Non- Executive Independent Directors, namely Mr. Arun Adhikari, Mr. Sunil B Mathur, Mrs. Alka Bharucha, Mrs. Sukanya Kripula and Mrs. Usha Sangwan.

During the year, the following changes in the composition of the Board of Directors were carried out in compliance with the provisions of the Act, Rules made thereunder and SEBI Listing Regulations:

i. Re-appointment of Mr. Arun Adhikari (DIN 00591057) as an Independent Director for second term of 5 years w.e.f. 18th July, 2019 to 17th July, 2024.

ii. Re-appointment of Mr. S. B. Mathur (DIN 00013239) as an Independent Director for second term of 5 years w.e.f. 18th July, 2019 to 17th July, 2024.

iii. Re-appointment of Mrs. Sukanya Kripula (DIN 06994202) as an Independent Director for second term of 5 years w.e.f. 11th October, 2019 till 10th October, 2024.

iv. Re-appointment of Mrs. Renuka Ramnath (DIN 00147182) as an Independent Director for second term of 5 years w.e.f. 11th October, 2019 till 10th October, 2024. She, however, resigned from the Board of Director of the Company as the Non – Executive Independent Director w.e.f. 21st October, 2019.

v. Mr. O. P. Puranmalka (DIN: 00062212), ceasing to be Non – Executive Director w.e.f. 18th July, 2019.

vi. Completion of term of Mr. Girish M. Dave (DIN: 00036455), as Non – Executive Independent Director upto 5th August, 2019.

vii. Appointment of Mrs. Usha Sangwan (DIN: 02609263), as the Additional Non - Executive Independent Director w.e.f. 10th January, 2020 by the Board of Director based on the recommendation of the Nomination, Remuneration and Compensation Committee.

Adequate notice is given to all Directors to schedule the Board meetings. Agenda and detailed notes on agenda were sent at least seven days in advance and where the same were given at shorter notice than 7 days, proper consent thereof were obtained. A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the meetings of the Board of Directors of the Company and at Committees thereof were carried through unanimously.

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

We further report that during the audit period, the following specific events were held:

1. On 4th June, 2019, the Company has allotted 2,500 listed, Unsecured Non-Convertible Debentures of Rs. 10,00,000/- each aggregating to Rs. 250 crores with a coupon rate of 7.64%, on private placement basis.

2. Approval of members was accorded at the 19th Annual General Meeting of the Company by passing special resolutions for increasing the borrowing limits from Rs. 6,000 crores over and above the aggregate of the paid-up share capital and free reserves of the Company to Rs. 8,000 crores over and above the aggregate of the paid-up share capital, free reserves and securities premium of the Company and Creation of charge on the movable and immovable properties of the Company, both present and future, in respect of borrowings.

3. The Scheme of Demerger amongst Century Textiles and Industries Limited ("Century"), the Company and their respective shareholders and creditors ("the Scheme") has been made effective from 1st October, 2019 consequent to completion of conditions precedent specified in the Scheme. The National Company Law Tribunal, Mumbai Bench ("NCLT") had earlier approved the Scheme by its Order dated 3rd July, 2019 and fixed 20th May, 2018 as the Appointed Date. Consequently, the Company has restated its financial statements with effect from 20th May, 2018, to include the financial information of the acquired Cement Business of Century.

4. In terms of the Scheme, the Company has allotted 13,961,960 equity shares having face value of Rs. 10/- each in the ratio of 1 (one) equity share of the Company of face value Rs. 10/- each for every 8 (eight) equity shares of Century of face value Rs. 10/- each, to the shareholders of Century as on 14th October, 2019, being the record date fixed by Century in terms of the Scheme.

5. On 11th December 2019, the Company has allotted 2,500 listed, Unsecured Non-Convertible Debentures of Rs. 10,00,000/- each aggregating to Rs. 250 crores with a coupon rate of 6.72%, on private placement basis.

6. On 20th February 2020, the Company has allotted 2,500 listed, Unsecured Non-Convertible Debentures of Rs. 10,00,000/- each aggregating to Rs. 250 crores with a coupon rate of 6.68%, on private placement basis.

7. During the audit period, the Company has allotted its equity shares under Employee Stock Option Schemes, as follows:
   i. First Quarter from 1st April, 2019 to 30th June, 2019 - 7,130 equity shares of Rs. 10 each.
   ii. Second Quarter from 1st July, 2019 to 30th September, 2019 - 658 equity shares of Rs. 10/- each.
   iii. Third Quarter from 1st October, 2019 to 31st December, 2019 - 5,548 equity shares of Rs. 10/- each.
   iv. Fourth Quarter from 1st January, 2020 to 31st March, 2020 - 7,089 equity shares of Rs. 10/- each.

8. During the audit period, applications were received from some option grantees who had been granted Options earlier under Employee Stock Option Schemes, 2018 for transfer of 1,286 equity shares of the Company in their name from the Trust account out of which 1,163 equity shares have been transferred.

For **BNP & Associates**
Company Secretaries
[Firm Regn. No. P2014MH037400]
PR No. 637/2019

B. Narasimhan
Partner
FCS No.: 1303/C P No.: 10440
UDIN: F001303B000259968

Place: Mumbai
Date: 20th May, 2020

Note: *This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.*

Annexure A

To,
The Members,
UltraTech Cement Limited,
"B" Wing, 2nd Floor,
Ahura Centre, Mahakali Caves Road,
Andheri (East),
Mumbai 400093

Our Secretarial Audit Report of even date is to be read along with this letter.

1. The compliance of provisions of all laws, rules, regulations, standards applicable to UltraTech Cement Limited (the 'Company') is the responsibility of the management of the Company. Our examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and other legal records, legal compliance mechanism and corporate conduct. The verification was done on test check basis to ensure that correct facts are reflected in secretarial and other records. We believe that the processes and practices we followed, provides a reasonable basis for our opinion for the purpose of issue of the Secretarial Audit Report.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and major events during the audit period.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **BNP & Associates**
Company Secretaries
[Firm Regn. No. P2014MH037400]
PR No. 637/2019

B. Narasimhan
Partner
FCS No.: 1303/C P No.: 10440
UDIN: F001303B000259968

Place: Mumbai
Date: 20th May, 2020

Annexure IX

Form No. MGT – 9

Extract of Annual Return as on the financial year ended on 31st March, 2020
Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014

I.	REGISTRATION AND OTHER DETAILS	
i)	CIN	L26940MH2000PLC128420
ii)	Registration Date	24th August, 2000
iii)	Name of the Company	UltraTech Cement Limited
iv)	Category / Sub-Category of the Company	Public Limited - Limited by shares and company having share capital
v)	Address of the Registered office and contact details	'B' Wing, Ahura Centre, 2nd Floor, Mahakali Caves Road, Andheri (East), Mumbai 400 093 Tel. No: 022 66917800/29267800; Fax: 022 66928109
vi)	Whether Listed company Yes / No	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any.	KFin Technologies Private Limited, Selenium Tower B, Plot Nos. 31&32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad -500032 Toll Free No. 1800 5724 001 email: *ultratech.ris@kfintech.com* / *einward.ris@kfintech.com*

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated

Sl. No.	Name and Description of main products/services	NIC Code of the Product/service	% to total turnover of the Company
1.	Ordinary Portland and Portland Pozzolana Cement	2394	86%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1.	Grasim Industries Limited Birlagram, Nagda 456 331 Madhya Pradesh	L17124MP1947PLC000410	Holding	57.28	2(46)
2.	Dakshin Cements Limited 503, Aditya Trade Centre, 5th Floor, Ameerpet Hyderabad - 500 038, Telangana	U26940TG1993PLC016002	Subsidiary	100	2(87)
3.	Harish Cement Limited Ground Floor, Jagjit Complex, Near Naresh Chowk, Sundernagar, Himachal Pradesh - 175 019	U26941HP1996PLC019173	Subsidiary	100	2(87)
4.	Gotan Lime Stone Khanij Udyog Pvt. Limited D-7, Shastri Nagar, Jodhpur, Rajasthan – 342 003	U14200RJ2012PTC038369	Subsidiary	100	2(87)
5.	Bhagwati Limestone Company Pvt. Limited NH-08, Village Mohanpura, Kotputli, Jaipur, Rajasthan- 303 108	U14101RJ1993PTC007788	Subsidiary	100	2(87)
6.	UltraTech Nathdwara Cement Limited Block D, 4th Floor, 22 Camac Street, Kolkata, West Bengal - 700 016	U26941WB1996PLC076612	Subsidiary	100	2(87)

Sl. No.	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
7.	Madanpur (North) Coal Company Pvt. Limited Navbharat Udyog Bhawan Ring Road No-1, Telibandha, Raipur, Chhattisgarh - 492 006	U10101CT2007PTC020161	Associate	11.17	2(6)
8.	Bhaskarpara Coal Company Limited Crystal Tower, 1st Floor, G. E. Road, Opp. Minocha Petrol Pump, Telibandha Raipur, Chhattisgarh - 492 006	U10100CT2008PLC020943	Associate	47.37	2(6)
9.	UltraTech Cement Lanka (Pvt.) Limited 81/11/1, New Nuge Road, Peliyagoda, Sri Lanka	Not Applicable	Subsidiary	80	2(87)
10.	UltraTech Cement Middle East Investments Limited P. O. Box 4421, Dubai, UAE	Not Applicable	Subsidiary	100	2(87)
11.	PT UltraTech Mining Indonesia Menara Bataia, 16th Floor, Jl. K. H. Mas Mansyur Kav, 126, Jakarta 10220, Indonesia	Not Applicable	Subsidiary	76	2(87)
12.	PT UltraTech Investments Indonesia Menara Bataia, 16th Floor, Jl. K. H. Mas Mansyur Kav, 126, Jakarta 10220, Indonesia	Not Applicable	Subsidiary	95	2(87)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Sl. No.	Category of shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A.	**Promoters**									
1.	**Indian**									
(a)	Individual/HUF	77,009	-	77,009	0.03	77,009	-	77,009	0.03	-
(b)	Central Govt	-	-	-	-	-	-	-	-	-
(c)	State Govt (s)	-	-	-	-	-	-	-	-	-
(d)	Bodies Corp.	166,593,905	-	166,593,905	60.66	170,480,315	-	170,480,315	59.07	(1.60)
(e)	Banks/FI	-	-	-	-	-	-	-	-	-
(f)	Any Other....	-	-	-	-	-	-	-	-	-
	Sub-total (A)(1)	**166,670,914**	**-**	**166,670,914**	**60.69**	**170,557,324**	**-**	**170,557,324**	**59.09**	**(1.60)**
2.	**Foreign**									
(a)	NRIs- Individuals	-	-	-	-	-	-	-	-	-
(b)	Other-Individuals	-	-	-	-	-	-	-	-	-
(c)	Bodies corp	-	-	-	-	-	-	-	-	-
(d)	Banks/FI	-	-	-	-	-	-	-	-	-
(e)	Any Other...	-	-	-	-	-	-	-	-	-
	Sub-total (A)(2)	-	-	-	-	-	-	-	-	-
	Total shareholding of Promoter (A) = (A)(1) + (A)(2)	**166,670,914**	**-**	**166,670,914**	**60.69**	**170,557,324**	**-**	**170,557,324**	**59.09**	**(1.60)**
B.	**Public Shareholding**									
1.	**Institutions**									
(a)	Mutual Funds	8,273,679	1,900	8,275,579	3.01	30,341,695	2,435	30,344,130	10.51	7.50
(b)	Banks/FI	203,206	15,545	218,751	0.08	394,439	21,919	416,358	0.14	0.06
(c)	Central Govt	113,896	-	113,896	0.04	196,323	-	196,323	0.07	0.03
(d)	State Govt(s)	-	-	-	-	-	-	-	-	-
(e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f)	Insurance Companies	12,903,538	138	12,903,676	4.70	10,094,044	85	10,094,129	3.50	(1.20)
(g)	FIIs	54,931,785	3,290	54,935,075	20.00	47,559,534	3,308	47,562,842	16.48	(3.52)
(h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i)	Others (specify)	-	-	-	-	-	-	-	-	-
	Sub-total (B)(1)	**76,426,104**	**20,873**	**76,446,977**	**27.84**	**88,586,035**	**27,747**	**88,613,782**	**30.70**	**2.86**
2.	**Non-Institutions**									
(a)	Bodies Corp.									
	(i) Indian	9,747,925	67,399	9,815,324	3.57	5,996,476	68,004	6,064,480	2.10	(1.47)
	(ii) Overseas	-	-	-	-	-	-	-	-	-
(b)	Individuals									
	(i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	12,492,161	1,988,550	14,480,711	5.27	14,202,551	1,802,686	16,005,237	5.55	0.28
	(ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	207,058	-	207,058	0.08	257,845	55,620	313,465	0.11	0.03
(c)	Others (specify)									
	NBFCs	7,392	-	7,392	-	7,461	-	7,461	-	-
	Non-Resident (REP)	396,587	-	396,587	0.14	342,494	-	342,494	0.12	(0.02)
	Non-Resident (Non-REP)	203,140	160	203,300	0.07	301,850	2,103	303,953	0.11	0.04
	Non-Domestic Cos./OCB	-	1,498,852	1,498,852	0.55	-	1,498,852	1,498,852	0.52	(0.03)
	Foreign National	48,638	1,267	49,905	0.02	48,638	1,267	49,905	0.02	-
	Clearing Members	60,345	-	60,345	0.02	90,053	-	90,053	0.03	0.01
	Non-Resident Indians	103,172	101,833	205,005	0.07	169,903	90,931	260,834	0.09	0.02
	Sub-total (B)(2)	**23,266,418**	**3,658,061**	**26,924,479**	**9.80**	**21,417,271**	**3,519,463**	**24,936,734**	**8.64**	**(1.16)**
	Total Public Shareholding (B) = (B)(1) + (B)(2)	**99,692,522**	**3,678,934**	**103,371,456**	**37.64**	**110,003,306**	**3,547,210**	**113,550,516**	**39.34**	**1.70**
	TOTAL (A) + (B)	**266,363,436**	**3,678,934**	**270,042,370**	**98.32**	**280,560,630**	**3,547,210**	**284,107,840**	**98.43**	**0.11**
C.	**Shares held by Custodian for GDRs & ADRs**									
	Promoter and Promoter Group	2,744,168	-	2,744,168	1.00	2,744,168	-	2,744,168	0.95	(0.05)
	Public	1,654,160	-	1,654,160	0.60	1,563,497	-	1,563,497	0.54	(0.06)
	Shares held by Employee Trusts	202,022	-	202,022	0.07	209,600	-	209,600	0.07	-
	Grand Total (A + B + C)	**270,963,786**	**3,678,934**	**274,642,720**	**100.00**	**285,077,895**	**3,547,210**	**288,625,105**	**100.00**	**-**

(ii) Shareholding of Promoters

Sl. No.	Shareholder's name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share-holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total Shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total Shares	
1	Mr. Kumar Mangalam Birla	3,837	0.00	-	3,837	0.00	-	0.00
2	Aditya Vikram Kumar Mangalam Birla HUF	10,228	0.00	-	10,228	0.00	-	0.00
3	Grasim Industries Limited	165,335,150	60.20	-	165,335,150	57.28	-	(2.92)
4	Mrs. Rajashree Birla	41,701	0.02	-	41,701	0.01	-	(0.01)
5	Mrs. Neerja Birla	8,011	0.00	-	8,011	0.00	-	0.00
6	Mrs. Vasavadatta Bajaj	13,232	0.00	-	13,232	0.00	-	0.00
7	Trapti Trading & Investments Pvt. Limited	1	0.00	-	0	0.00	-	0.00
8	Birla Group Holdings Pvt. Limited	1	0.00	-	3	0.00	-	0.00
9	Turquoise Investment & Finance Pvt. Ltd.	1	0.00	-	0	0.00	-	0.00
10	Hindalco Industries Limited	1,258,515	0.46	-	1,258,515	0.44	-	(0.02)
11	Rajratna Holdings Pvt. Limited	76	0.00	-	76	0.00	-	0.00
12	Vaibhav Holdings Pvt. Limited	76	0.00	-	76	0.00	-	0.00
13	Vikram Holding Pvt. Limited	85	0.00	-	85	0.00	-	0.00
14	Pilani Investment and Industries Corporation Limited	0	0.00	-	3,884,321	1.35	-	1.35
15	Padmavati Investment Limited	0	0.00	-	2,087	0.00	-	0.00
16	IGH Holdings Pvt. Limited	0	0.00	-	1	0.00	-	0.00
17	Aditya Marketing and Manufacturing Pvt. Limited	0	0.00	-	1	0.00	-	0.00
	Total	**166,670,914**	**60.69**	**-**	**170,557,324**	**59.09**	**-**	**(1.60)**

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Shareholder's name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	**Aditya Marketing and Manufacturing Private Limited**				
	At the beginning of the year	-	-		
	Date wise increase / decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	Allotment of shares on 16th October, 2019	945,112	0.33	945,112	0.33
	Sale of shares on 25th October, 2019	(77,000)	(0.03)	868,112	0.30
	Sale of shares on 27th October, 2019	(10,000)	(0.00)	858,112	0.30
	Sale of shares on 30th October, 2019	(24,800)	(0.01)	833,312	0.29
	Sale of shares on 31st October, 2019	(20,000)	(0.01)	813,312	0.28
	Sale of shares on 4th November, 2019	(271,798)	(0.09)	541,514	0.19
	Sale of shares on 5th November, 2019	(57,200)	(0.02)	484,314	0.17
	Sale of shares on 6th November, 2019	(250,000)	(0.09)	234,314	0.08
	Sale of shares on 7th November, 2019	(130,678)	(0.04)	103,636	0.04
	Sale of shares on 8th November, 2019	(103,635)	(0.04)	1	0.00
	At the end of the year			1	0.00
2.	**Birla Group Holdings Private Limited**				
	At the beginning of the year	1	0.00		
	Date wise increase / decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	Vesting of shares on 8th July, 2019 pursuant to a Scheme of Amalgamation.	2	0.00	3	0.00
	At the end ofthe year			3	0.00
3.	**IGH Holdings Private Limited**				
	At the beginning of the year	-	-		
	Date wise increase / decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	Allotment of shares on 16th October, 2019	1,393,750	0.48	1,393,750	0.48
	Sale of shares on 8th November, 2019	(93,611)	(0.03)	1,300,139	0.45
	Sale of shares on 11th November, 2019	(122,500)	(0.04)	1,177,639	0.41
	Sale of shares on 13th November, 2019	(127,600)	(0.05)	1,050,039	0.36
	Sale of shares on 18th November, 2019	(93,000)	(0.03)	957,039	0.33
	Sale of shares on 19th November, 2019	(96,000)	(0.03)	861,039	0.30
	Sale of shares on 20th November, 2019	(582,800)	(0.20)	278,239	0.10
	Sale of shares on 25th November, 2019	(159,000)	(0.06)	119,239	0.04
	Sale of shares on 26th November, 2019	(119,238)	(0.04)	1	0.00
	At the end of the year			1	0.00
4.	**Padmavati Investment Limited**				
	At the beginning of the year	-	-	-	-
	Date wise increase / decrease in Promoters Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer /bonus/ sweat equity etc):				
	Allotment of shares on 16th October, 2019	2,087	0.00	2,087	0.00
	At the end of the year			2,087	0.00
5.	**Pilani Investment and Industries Corporation Limited**				
	At the beginning of the year	-	-		
	Date wise increase / decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	Allotment of shares on 16th October, 2019	4,622,321	1.60	4,622,321	1.60
	Sale of shares on 26th December, 2019	(42,000)	(0.01)	4,580,321	1.59
	Sale of shares on 27th December, 2019	(136,000)	(0.05)	4,444,321	1.54
	Sale of shares on 30th December, 2019	(95,000)	(0.03)	4,349,321	1.51
	Sale of shares on 31st December, 2019	(40,000)	(0.02)	4,309,321	1.49
	Sale of shares on 28th January, 2020	(100,000)	(0.03)	4,209,321	1.46
	Sale of shares on 29th January, 2020	(43,000)	(0.02)	4,166,321	1.44
	Sale of shares on 30th January, 2020	(62,000)	(0.02)	4,104,321	1.42
	Sale of shares on 19th Feburary, 2020	(80,000)	(0.03)	4,024,321	1.39
	Sale of shares on 20th Feburary, 2020	(126,000)	(0.04)	3,898,321	1.35
	Sale of shares on 24th Feburary, 2020	(14,000)	(0.00)	3,884,321	1.35
	At the end of the year			3,884,321	1.35
6.	**Trapti Trading & Investments Private Limited**				
	At the beginning of the year	1	0.00		
	Date wise increase / decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	Transfer of shares on 8th July, 2019 pursuant to a Scheme of Amalgamation.	(1)	(0.00)	-	-
	At the end of the year			-	-
7.	**Turquoise Investments & Finance Private Limited**				
	At the beginning of the year	1	0.00		
	Date wise increase / decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	Transfer of shares on 8th July, 2019 in terms of a Scheme of Amalgamation.	(1)	(0.00)	-	-
	At the end of the year			-	-

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name of shareholder	Shareholding		Date of Transaction	Increase/ Decrease in Shareholding during the year	Reason	Cumulative Shareholding during the year	
		No. of Shares at the beginning/ end of the year	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
1.	LIFE INSURANCE CORPORATION OF INDIA	10,598,752	3.86	1-Apr-19				
				9-Aug-19	(190,052)	Transfer	10,408,700	3.79
				16-Aug-19	(176,830)	Transfer	10,231,870	3.73
				23-Aug-19	(322,172)	Transfer	9,909,698	3.61
				30-Aug-19	(172,633)	Transfer	9,737,065	3.55
				6-Sep-19	(98,086)	Transfer	9,638,979	3.51
				13-Sep-19	(472,633)	Transfer	9,166,346	3.34
				20-Sep-19	(286,455)	Transfer	8,879,891	3.23
				27-Sep-19	(200,000)	Transfer	8,679,891	3.16
				4-Oct-19	(139,489)	Transfer	8,540,402	3.11
				11-Oct-19	(37,101)	Transfer	8,503,301	3.10
				25-Oct-19	272,055	Transfer	8,775,356	3.04
				7-Feb-20	(208,563)	Transfer	8,566,793	2.97
				14-Feb-20	(245,559)	Transfer	8,321,234	2.88
				21-Feb-20	(173,458)	Transfer	8,147,776	2.82
				28-Feb-20	(37,275)	Transfer	8,110,501	2.81
				20-Mar-20	50,000	Transfer	8,160,501	2.83
				27-Mar-20	45,000	Transfer	8,205,501	2.84
		8,205,501	2.84	31-Mar-20				
2.	OPPENHEIMER DEVELOPING MARKETS FUND	3,599,657	1.31	1-Apr-19				
				3-May-19	(212,597)	Transfer	3,387,060	1.23
				10-May-19	(433,582)	Transfer	2,953,478	1.08
				17-May-19	(237,646)	Transfer	2,715,832	0.99
				24-May-19	(895,646)	Transfer	1,820,186	0.66
				31-May-19	(279,497)	Transfer	1,540,689	0.56
				7-Jun-19	(315,577)	Transfer	1,225,112	0.45
				14-Jun-19	(421,667)	Transfer	803,445	0.29
				21-Jun-19	(301,193)	Transfer	502,252	0.18
				28-Jun-19	(373,938)	Transfer	128,314	0.05
				5-Jul-19	(128,314)	Transfer	-	-
		-	-	31-Mar-20				
3.	ICICI PRUDENTIAL LIFE INSURANCE COMPANY LIMITED	1,093,603	0.40	1-Apr-19				
				5-Apr-19	269,652	Transfer	1,363,255	0.50
				12-Apr-19	548,125	Transfer	1,911,380	0.70
				19-Apr-19	38,652	Transfer	1,950,032	0.71
				26-Apr-19	55,921	Transfer	2,005,953	0.73
				3-May-19	200	Transfer	2,006,153	0.73
				10-May-19	229,421	Transfer	2,235,574	0.81
				17-May-19	127,038	Transfer	2,362,612	0.86
				24-May-19	221,318	Transfer	2,583,930	0.94
				31-May-19	1,719	Transfer	2,585,649	0.94
				7-Jun-19	343,414	Transfer	2,929,063	1.07
				14-Jun-19	268,247	Transfer	3,197,310	1.16
				21-Jun-19	96,220	Transfer	3,293,530	1.20
				28-Jun-19	57,939	Transfer	3,351,469	1.22
				5-Jul-19	98,427	Transfer	3,449,896	1.26
				12-Jul-19	(111,989)	Transfer	3,337,907	1.22
				19-Jul-19	48,231	Transfer	3,386,138	1.23
				26-Jul-19	9,771	Transfer	3,395,909	1.24
				2-Aug-19	70,960	Transfer	3,466,869	1.26
				9-Aug-19	(568)	Transfer	3,466,301	1.26
				16-Aug-19	974	Transfer	3,467,275	1.26
				23-Aug-19	(121,922)	Transfer	3,345,353	1.22
				30-Aug-19	164,851	Transfer	3,510,204	1.28
				6-Sep-19	(32,530)	Transfer	3,477,674	1.27
				13-Sep-19	161	Transfer	3,477,835	1.27
				20-Sep-19	418	Transfer	3,478,253	1.27
				27-Sep-19	6,606	Transfer	3,484,859	1.27
				4-Oct-19	76,802	Transfer	3,561,661	1.30
				11-Oct-19	18,494	Transfer	3,580,155	1.30
				18-Oct-19	(11,638)	Transfer	3,568,517	1.30
				25-Oct-19	(45,067)	Transfer	3,523,450	1.22
				1-Nov-19	11,395	Transfer	3,534,845	1.22
				8-Nov-19	(2,629)	Transfer	3,532,216	1.22
				15-Nov-19	(20,636)	Transfer	3,511,580	1.22
				29-Nov-19	(135)	Transfer	3,511,445	1.22
				6-Dec-19	(20,948)	Transfer	3,490,497	1.21
				13-Dec-19	(121,096)	Transfer	3,369,401	1.17
				20-Dec-19	(32,202)	Transfer	3,337,199	1.16
				27-Dec-19	(101,168)	Transfer	3,236,031	1.12
				31-Dec-19	(14,184)	Transfer	3,221,847	1.12
				3-Jan-20	(118,140)	Transfer	3,103,707	1.08
				10-Jan-20	(106,606)	Transfer	2,997,101	1.04
				17-Jan-20	(105,366)	Transfer	2,891,735	1.00
				24-Jan-20	(33,837)	Transfer	2,857,898	0.99
				31-Jan-20	(4,829)	Transfer	2,853,069	0.99
				7-Feb-20	(67,582)	Transfer	2,785,487	0.97
				14-Feb-20	(57)	Transfer	2,785,430	0.97
				21-Feb-20	(318)	Transfer	2,785,112	0.96
				28-Feb-20	21,457	Transfer	2,806,569	0.97
				6-Mar-20	9,912	Transfer	2,816,481	0.98
				13-Mar-20	31,309	Transfer	2,847,790	0.99
				20-Mar-20	36,208	Transfer	2,883,998	1.00
				27-Mar-20	92,308	Transfer	2,976,306	1.03
				31-Mar-20	17,751	Transfer	2,994,057	1.04
		2,994,057	1.04	31-Mar-20				
4.	KOTAK STANDARD MULTICAP FUND	1,000,000	0.36	1-Apr-19				
				10-May-19	100,000	Transfer	1,100,000	0.40
				17-May-19	250,000	Transfer	1,350,000	0.49
				24-May-19	6,913	Transfer	1,356,913	0.49
				31-May-19	94,031	Transfer	1,450,944	0.53
				7-Jun-19	49,056	Transfer	1,500,000	0.55
				14-Jun-19	42,732	Transfer	1,542,732	0.56
				21-Jun-19	32,268	Transfer	1,575,000	0.57
				12-Jul-19	14,147	Transfer	1,589,147	0.58
				26-Jul-19	2,567	Transfer	1,591,714	0.58
				2-Aug-19	108,286	Transfer	1,700,000	0.62
				20-Sep-19	70,000	Transfer	1,770,000	0.64
				27-Sep-19	30,000	Transfer	1,800,000	0.66
				11-Oct-19	6,962	Transfer	1,806,962	0.66

Sr. No.	Name of shareholder	Shareholding		Date of Transaction	Increase/ Decrease in Shareholding during the year	Reason	Cumulative Shareholding during the year	
		No. of Shares at the beginning/ end of the year	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
				18-Oct-19	6,819	Transfer	1,813,781	0.66
				25-Oct-19	211,219	Transfer	2,025,000	0.70
				1-Nov-19	25,000	Transfer	2,050,000	0.71
				20-Dec-19	50,000	Transfer	2,100,000	0.73
				10-Jan-20	100,000	Transfer	2,200,000	0.76
				17-Jan-20	100,000	Transfer	2,300,000	0.80
				7-Feb-20	129,529	Transfer	2,429,529	0.84
				14-Feb-20	20,471	Transfer	2,450,000	0.85
				21-Feb-20	100,000	Transfer	2,550,000	0.88
				28-Feb-20	65,800	Transfer	2,615,800	0.91
				6-Mar-20	84,200	Transfer	2,700,000	0.94
				13-Mar-20	35,000	Transfer	2,735,000	0.95
				20-Mar-20	65,000	Transfer	2,800,000	0.97
				27-Mar-20	151,686	Transfer	2,951,686	1.02
		2,951,686	1.02	31-Mar-20				
5.	EUROPACIFIC GROWTH FUND	2,112,000	0.77	1-Apr-19				
				20-Mar-20	(255,814)	Transfer	1,856,186	0.64
		1,856,186	0.64	31-Mar-20				
6.	FRANKLIN TEMPLETON INVESTMENT FUNDS	1,742,379	0.63	1-Apr-19				
				5-Apr-19	(79,476)	Transfer	1,662,903	0.61
				12-Apr-19	(99,251)	Transfer	1,563,652	0.57
				3-May-19	(98,021)	Transfer	1,465,631	0.53
				10-May-19	(52,578)	Transfer	1,413,053	0.51
				24-May-19	(25,756)	Transfer	1,387,297	0.51
				28-Jun-19	(13,763)	Transfer	1,373,534	0.50
				16-Aug-19	(44,982)	Transfer	1,328,552	0.48
				18-Oct-19	56,625	Transfer	1,385,177	0.50
				1-Nov-19	37,475	Transfer	1,422,652	0.49
				22-Nov-19	128,104	Transfer	1,550,756	0.54
				29-Nov-19	12,596	Transfer	1,563,352	0.54
				20-Dec-19	261,700	Transfer	1,825,052	0.63
				17-Jan-20	(20,452)	Transfer	1,804,600	0.63
		1,804,600	0.63	31-Mar-20				
7.	SBI-ETF NIFTY 50	1,126,167	0.41	1-Apr-19				
				5-Apr-19	28,814	Transfer	1,154,981	0.42
				12-Apr-19	(247)	Transfer	1,154,734	0.42
				19-Apr-19	(26)	Transfer	1,154,708	0.42
				26-Apr-19	743	Transfer	1,155,451	0.42
				3-May-19	3,276	Transfer	1,158,727	0.42
				10-May-19	8,775	Transfer	1,167,502	0.43
				17-May-19	15,444	Transfer	1,182,946	0.43
				24-May-19	5,109	Transfer	1,188,055	0.43
				31-May-19	4,693	Transfer	1,192,748	0.43
				7-Jun-19	3,718	Transfer	1,196,466	0.44
				14-Jun-19	5,161	Transfer	1,201,627	0.44
				21-Jun-19	6,006	Transfer	1,207,633	0.44
				28-Jun-19	(1,831)	Transfer	1,205,802	0.44
				5-Jul-19	10,075	Transfer	1,215,877	0.44
				12-Jul-19	20,566	Transfer	1,236,443	0.45
				19-Jul-19	15,626	Transfer	1,252,069	0.46
				26-Jul-19	6,545	Transfer	1,258,614	0.46

Sr. No.	Name of shareholder	Shareholding		Date of Transaction	Increase/ Decrease in Shareholding during the year	Reason	Cumulative Shareholding during the year	
		No. of Shares at the beginning/ end of the year	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
				2-Aug-19	10,257	Transfer	1,268,871	0.46
				9-Aug-19	12,844	Transfer	1,281,715	0.47
				16-Aug-19	7,176	Transfer	1,288,891	0.47
				23-Aug-19	3,471	Transfer	1,292,362	0.47
				30-Aug-19	4,316	Transfer	1,296,678	0.47
				6-Sep-19	3,216	Transfer	1,299,894	0.47
				13-Sep-19	3,536	Transfer	1,303,430	0.47
				20-Sep-19	4,810	Transfer	1,308,240	0.48
				27-Sep-19	(4,605)	Transfer	1,303,635	0.47
				30-Sep-19	1,495	Transfer	1,305,130	0.48
				4-Oct-19	3,406	Transfer	1,308,536	0.48
				11-Oct-19	1,938	Transfer	1,310,474	0.48
				18-Oct-19	9,750	Transfer	1,320,224	0.48
				25-Oct-19	4,537	Transfer	1,324,761	0.46
				1-Nov-19	9,659	Transfer	1,334,420	0.46
				8-Nov-19	114,234	Transfer	1,448,654	0.50
				15-Nov-19	8,806	Transfer	1,457,460	0.50
				22-Nov-19	6,930	Transfer	1,464,390	0.51
				29-Nov-19	5,754	Transfer	1,470,144	0.51
				6-Dec-19	5,600	Transfer	1,475,744	0.51
				13-Dec-19	6,062	Transfer	1,481,806	0.51
				20-Dec-19	4,704	Transfer	1,486,510	0.52
				27-Dec-19	592	Transfer	1,487,102	0.52
				31-Dec-19	1,661	Transfer	1,488,763	0.52
				3-Jan-20	3,752	Transfer	1,492,515	0.52
				10-Jan-20	3,374	Transfer	1,495,889	0.52
				17-Jan-20	2,842	Transfer	1,498,731	0.52
				24-Jan-20	4,144	Transfer	1,502,875	0.52
				31-Jan-20	2,188	Transfer	1,505,063	0.52
				7-Feb-20	4,998	Transfer	1,510,061	0.52
				14-Feb-20	3,696	Transfer	1,513,757	0.52
				21-Feb-20	2,786	Transfer	1,516,543	0.53
				28-Feb-20	27,342	Transfer	1,543,885	0.53
				6-Mar-20	32,090	Transfer	1,575,975	0.55
				13-Mar-20	16,619	Transfer	1,592,594	0.55
				20-Mar-20	40,056	Transfer	1,632,650	0.57
				27-Mar-20	46,831	Transfer	1,679,481	0.58
				31-Mar-20	26,022	Transfer	1,705,503	0.59
		1,705,503	0.59	31-Mar-20				
8	VANGUARD TOTAL INTERNATIONAL STOCK INDEX FUND	1,613,996	0.59	1-Apr-19				
				5-Apr-19	8,812	Transfer	1,622,808	0.59
				19-Apr-19	10,391	Transfer	1,633,199	0.59
				26-Apr-19	(42,752)	Transfer	1,590,447	0.58
				10-May-19	17,354	Transfer	1,607,801	0.59
				24-May-19	22,333	Transfer	1,630,134	0.59
				7-Jun-19	7,748	Transfer	1,637,882	0.60
				12-Jul-19	9,712	Transfer	1,647,594	0.60
				9-Aug-19	16,178	Transfer	1,663,772	0.61
				16-Aug-19	16,508	Transfer	1,680,280	0.61
				25-Oct-19	64,870	Transfer	1,745,150	0.60
				17-Jan-20	6,641	Transfer	1,751,791	0.61

Sr. No.	Name of shareholder	Shareholding		Date of Transaction	Increase/ Decrease in Shareholding during the year	Reason	Cumulative Shareholding during the year	
		No. of Shares at the beginning/ end of the year	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
				31-Jan-20	7,923	Transfer	1,759,714	0.61
				7-Feb-20	7,226	Transfer	1,766,940	0.61
				21-Feb-20	6,407	Transfer	1,773,347	0.61
				28-Feb-20	19,451	Transfer	1,792,798	0.62
				6-Mar-20	13,741	Transfer	1,806,539	0.63
				13-Mar-20	17,418	Transfer	1,823,957	0.63
				20-Mar-20	40,402	Transfer	1,864,359	0.65
				27-Mar-20	31,115	Transfer	1,895,474	0.66
		1,895,474	0.66	31-Mar-20				
9	VANGUARD EMERGING MARKETS STOCK INDEX FUND, A SERI	1,593,801	0.58	1-Apr-19				
				12-Apr-19	12,276	Transfer	1,606,077	0.58
				10-May-19	21,937	Transfer	1,628,014	0.59
				21-Jun-19	(8,694)	Transfer	1,619,320	0.59
				28-Jun-19	(3,534)	Transfer	1,615,786	0.59
				27-Sep-19	(36,280)	Transfer	1,579,506	0.58
				25-Oct-19	52,127	Transfer	1,631,633	0.57
				27-Dec-19	(22,818)	Transfer	1,608,815	0.56
				27-Mar-20	(15,466)	Transfer	1,593,349	0.55
		1,593,349	0.55	31-Mar-20				
10	SBI LIFE INSURANCE CO. LTD	716,937	0.26	1-Apr-19				
				5-Apr-19	19,781	Transfer	736,718	0.27
				12-Apr-19	1,574	Transfer	738,292	0.27
				19-Apr-19	(207)	Transfer	738,085	0.27
				26-Apr-19	67,313	Transfer	805,398	0.29
				3-May-19	(864)	Transfer	804,534	0.29
				10-May-19	45,668	Transfer	850,202	0.31
				17-May-19	(7,870)	Transfer	842,332	0.31
				24-May-19	444	Transfer	842,776	0.31
				31-May-19	(9,093)	Transfer	833,683	0.30
				7-Jun-19	(67,295)	Transfer	766,388	0.28
				14-Jun-19	(4,641)	Transfer	761,747	0.28
				21-Jun-19	(13,798)	Transfer	747,949	0.27
				28-Jun-19	6,469	Transfer	754,418	0.27
				5-Jul-19	28,143	Transfer	782,561	0.28
				12-Jul-19	(141)	Transfer	782,420	0.28
				19-Jul-19	24,824	Transfer	807,244	0.29
				26-Jul-19	88,842	Transfer	896,086	0.33
				2-Aug-19	11,268	Transfer	907,354	0.33
				9-Aug-19	9,968	Transfer	917,322	0.33
				16-Aug-19	4,680	Transfer	922,002	0.34
				23-Aug-19	19,944	Transfer	941,946	0.34
				30-Aug-19	33,638	Transfer	975,584	0.36
				6-Sep-19	35,033	Transfer	1,010,617	0.37
				13-Sep-19	14,160	Transfer	1,024,777	0.37
				20-Sep-19	14,739	Transfer	1,039,516	0.38

Sr. No.	Name of shareholder	Shareholding		Date of Transaction	Increase/ Decrease in Shareholding during the year	Reason	Cumulative Shareholding during the year	
		No. of Shares at the beginning/ end of the year	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
				27-Sep-19	121,862	Transfer	1,161,378	0.42
				30-Sep-19	(1,018)	Transfer	1,160,360	0.42
				4-Oct-19	(4,151)	Transfer	1,156,209	0.42
				11-Oct-19	22,595	Transfer	1,178,804	0.43
				18-Oct-19	(2,106)	Transfer	1,176,698	0.43
				25-Oct-19	59,269	Transfer	1,235,967	0.43
				1-Nov-19	(47,390)	Transfer	1,188,577	0.41
				8-Nov-19	1,862	Transfer	1,190,439	0.41
				15-Nov-19	471	Transfer	1,190,910	0.41
				22-Nov-19	(2,923)	Transfer	1,187,987	0.41
				29-Nov-19	18,808	Transfer	1,206,795	0.42
				6-Dec-19	(2,304)	Transfer	1,204,491	0.42
				13-Dec-19	2,803	Transfer	1,207,294	0.42
				20-Dec-19	5,178	Transfer	1,212,472	0.42
				27-Dec-19	(2,436)	Transfer	1,210,036	0.42
				31-Dec-19	(1,695)	Transfer	1,208,341	0.42
				3-Jan-20	(3,161)	Transfer	1,205,180	0.42
				10-Jan-20	10,575	Transfer	1,215,755	0.42
				17-Jan-20	(4,017)	Transfer	1,211,738	0.42
				24-Jan-20	(2,246)	Transfer	1,209,492	0.42
				31-Jan-20	101,525	Transfer	1,311,017	0.45
				7-Feb-20	43,981	Transfer	1,354,998	0.05
				14-Feb-20	7,025	Transfer	1,362,023	0.05
				21-Feb-20	(8,659)	Transfer	1,353,364	0.05
				28-Feb-20	13,106	Transfer	1,366,470	0.05
				6-Mar-20	24,293	Transfer	1,390,763	0.48
				13-Mar-20	40,043	Transfer	1,430,806	0.50
				20-Mar-20	78,701	Transfer	1,509,507	0.52
				27-Mar-20	27,254	Transfer	1,536,761	0.53
				31-Mar-20	48,700	Transfer	1,585,461	0.55
		1,585,461	0.55	31-Mar-20				
11	STICHTING DEPOSITARY APG EMERGING MARKETS EQUITY P	1,518,516	0.55	1-Apr-19				
				5-Apr-19	4,808	Transfer	1,523,324	0.55
				3-May-19	(1,978)	Transfer	1,521,346	0.55
				10-May-19	42,982	Transfer	1,564,328	0.57
				17-May-19	69,794	Transfer	1,634,122	0.59
				24-May-19	83,205	Transfer	1,717,327	0.63
				31-May-19	22,850	Transfer	1,740,177	0.63
				7-Jun-19	8,163	Transfer	1,748,340	0.64
				14-Jun-19	22,345	Transfer	1,770,685	0.64
				21-Jun-19	5,065	Transfer	1,775,750	0.65
				28-Jun-19	11,327	Transfer	1,787,077	0.65
				5-Jul-19	26,297	Transfer	1,813,374	0.66
				12-Jul-19	3,793	Transfer	1,817,167	0.66
				19-Jul-19	3,670	Transfer	1,820,837	0.66

Sr. No.	Name of shareholder	Shareholding		Date of Transaction	Increase/ Decrease in Shareholding during the year	Reason	Cumulative Shareholding during the year	
		No. of Shares at the beginning/ end of the year	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
				26-Jul-19	(4,117)	Transfer	1,816,720	0.66
				9-Aug-19	(14,727)	Transfer	1,801,993	0.66
				30-Aug-19	38,530	Transfer	1,840,523	0.67
				13-Sep-19	5,526	Transfer	1,846,049	0.67
				20-Sep-19	728	Transfer	1,846,777	0.67
				25-Oct-19	(68,937)	Transfer	1,777,840	0.62
				1-Nov-19	(44,388)	Transfer	1,733,452	0.60
				8-Nov-19	(37,718)	Transfer	1,695,734	0.59
				22-Nov-19	(70,233)	Transfer	1,625,501	0.56
				29-Nov-19	(23,156)	Transfer	1,602,345	0.56
				6-Dec-19	(4,981)	Transfer	1,597,364	0.55
				13-Dec-19	(1,667)	Transfer	1,595,697	0.55
				20-Dec-19	(174,069)	Transfer	1,421,628	0.49
				7-Feb-20	(4,216)	Transfer	1,417,412	0.49
				21-Feb-20	(45,100)	Transfer	1,372,312	0.48
				28-Feb-20	(35,000)	Transfer	1,337,312	0.46
				6-Mar-20	(4,515)	Transfer	1,332,797	0.46
				27-Mar-20	(1,710)	Transfer	1,331,087	0.46
		1,331,087	0.46	31-Mar-20				
12	NOMURA INDIA INVESTMENT FUND MOTHER FUND	1,500,993	0.55	1-Apr-19				
				30-Aug-19	50,000	Transfer	1,550,993	0.56
				25-Oct-19	(59,680)	Transfer	1,491,313	0.52
				1-Nov-19	50,312	Transfer	1,541,625	0.53
				29-Nov-19	(100,000)	Transfer	1,441,625	0.50
				20-Dec-19	(200,172)	Transfer	1,241,453	0.43
				17-Jan-20	(50,000)	Transfer	1,191,453	0.41
				31-Jan-20	(90,000)	Transfer	1,101,453	0.38
				28-Feb-20	(50,000)	Transfer	1,051,453	0.36
		1,051,453	0.36	31-Mar-20				
13	GOVERNMENT OF SINGAPORE	1,346,061	0.49	1-Apr-19				
				5-Apr-19	16,801	Transfer	1,362,862	0.50
				26-Apr-19	(88,485)	Transfer	1,274,377	0.46
				3-May-19	(6,663)	Transfer	1,267,714	0.46
				10-May-19	(19,154)	Transfer	1,248,560	0.45
				17-May-19	(1,338)	Transfer	1,247,222	0.45
				24-May-19	6,956	Transfer	1,254,178	0.46
				31-May-19	(21,133)	Transfer	1,233,045	0.45
				7-Jun-19	132,894	Transfer	1,365,939	0.50
				14-Jun-19	8,848	Transfer	1,374,787	0.50
				21-Jun-19	30,182	Transfer	1,404,969	0.51
				5-Jul-19	5,000	Transfer	1,409,969	0.51
				19-Jul-19	(3,383)	Transfer	1,406,586	0.51
				26-Jul-19	(4,931)	Transfer	1,401,655	0.51
				2-Aug-19	(6,241)	Transfer	1,395,414	0.51
				9-Aug-19	(10,719)	Transfer	1,384,695	0.50

Sr. No.	Name of shareholder	Shareholding		Date of Transaction	Increase/ Decrease in Shareholding during the year	Reason	Cumulative Shareholding during the year	
		No. of Shares at the beginning/ end of the year	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
				16-Aug-19	(4,296)	Transfer	1,380,399	0.50
				23-Aug-19	(7,584)	Transfer	1,372,815	0.50
				30-Aug-19	38,443	Transfer	1,411,258	0.51
				6-Sep-19	1,098	Transfer	1,412,356	0.51
				13-Sep-19	57,047	Transfer	1,469,403	0.54
				20-Sep-19	2,834	Transfer	1,472,237	0.54
				27-Sep-19	45,390	Transfer	1,517,627	0.55
				30-Sep-19	(815)	Transfer	1,516,812	0.55
				4-Oct-19	13,100	Transfer	1,529,912	0.56
				11-Oct-19	(3,495)	Transfer	1,526,417	0.56
				18-Oct-19	22,928	Transfer	1,549,345	0.56
				25-Oct-19	5,765	Transfer	1,555,110	0.54
				1-Nov-19	(2,719)	Transfer	1,552,391	0.54
				8-Nov-19	1,309	Transfer	1,553,700	0.54
				15-Nov-19	9,507	Transfer	1,563,207	0.54
				22-Nov-19	(345)	Transfer	1,562,862	0.54
				29-Nov-19	(42,288)	Transfer	1,520,574	0.53
				6-Dec-19	(24,135)	Transfer	1,496,439	0.52
				13-Dec-19	(460)	Transfer	1,495,979	0.52
				20-Dec-19	9,988	Transfer	1,505,967	0.52
				31-Dec-19	(4,963)	Transfer	1,501,004	0.52
				3-Jan-20	(14,465)	Transfer	1,486,539	0.52
				10-Jan-20	(3,455)	Transfer	1,483,084	0.51
				17-Jan-20	(9,936)	Transfer	1,473,148	0.51
				24-Jan-20	(7,761)	Transfer	1,465,387	0.51
				31-Jan-20	(2,093)	Transfer	1,463,294	0.51
				7-Feb-20	(35,370)	Transfer	1,427,924	0.49
				14-Feb-20	(2,390)	Transfer	1,425,534	0.49
				21-Feb-20	(24,246)	Transfer	1,401,288	0.49
				28-Feb-20	(1,032)	Transfer	1,400,256	0.49
				6-Mar-20	35,912	Transfer	1,436,168	0.50
				13-Mar-20	(2,131)	Transfer	1,434,037	0.50
				20-Mar-20	(7,232)	Transfer	1,426,805	0.49
				27-Mar-20	15,307	Transfer	1,442,112	0.50
				31-Mar-20	(8,630)	Transfer	1,433,482	0.50
		1,433,482	0.50	31-Mar-20				
14	JP MORGAN FUNDS - EMERGING MARKETS EQUITY FUND	1,274,161	0.46	1-Apr-19				
				5-Apr-19	22,350	Transfer	1,296,511	0.47
				5-Jul-19	26,880	Transfer	1,323,391	0.48
				9-Aug-19	(291,203)	Transfer	1,032,188	0.38
				16-Aug-19	(357,321)	Transfer	674,867	0.25
				23-Aug-19	(287,483)	Transfer	387,384	0.14
				30-Aug-19	(304,357)	Transfer	83,027	0.03
				6-Sep-19	(83,027)	Transfer	-	0.00
		-	-	31-Mar-20				

(v) Shareholding of Directors and Key Managerial Personnel (KMP)

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	**Kumar Mangalam Birla**				
	At the beginning of the year	14,065	0.01		
	Date-wise increase / decrease	-	-	-	-
	At the end of the year			14,065	0.00
2	**Mrs. Rajashree Birla**				
	At the beginning of the year	41,701	0.02		
	Date-wise increase / decrease	-	-	-	-
	At the end of the year			41,701	0.01
3	**O. P. Puranmalka***				
	At the beginning of the year	60,571	0.02		
	Date-wise increase / decrease	-	-	-	-
	At the end of the year			60,571	0.02
4	**K. C. Jhanwar**				
	At the beginning of the year	-	-		
	Purchase of shares on 25th October, 2019	112	0.00		
	Allotment upon exercise of stock options on 3rd December, 2019	1,000	0.00	1,112	0.00
	Sale of shares on 20th February, 2020	(300)	0.00	812	0.00
	Sale of shares on 24th February, 2020	(300)	0.00	512	0.00
	Allotment upon exercise of stock options on 3rd March, 2020	3,029	0.00	3,541	0.00
	At the end of the year			3,541	0.00
5	**Atul Daga**				
	At the beginning of the year	7,068	0.00		
	Allotment upon exercise of stock options on 3rd June, 2019	1,430	0.00	8,498	0.00
	Purchase of shares on 20th August, 2019	30	0.00	8,528	0.00
	Allotment upon exercise of stock options on 6th March, 2020	100	0.00	8,628	0.00
	Allotment upon exercise of stock options on 13th March, 2020	40	0.00	8,668	0.00
	At the end of the year			8,668	0.00
6	**Sanjeeb Kumar Chatterjee**				
	At the beginning of the year	2,207	0.00		
	Allotment upon exercise of stock options on 3rd December, 2019	141	0.00	2,348	0.00
	Allotment upon exercise of stock options on 6th March, 2020	100	0.00	2,448	0.00
	At the end of the year			2,448	0.00

* Mr. O. P. Puranmalka ceased to be Director w.e.f.18th July, 2019.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment.

(₹ in crores)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (restated)				
(i) Principal Amount	15,109	5,528	-	20,637
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	177	39	-	216
Total (i + ii + iii)	**15,286**	**5,567**	**-**	**20,853**
Change in Indebtedness during the financial year				
• Addition	659	16,606	-	17,265
• Reduction	4,176	15,444	-	19,620
Net Change	**(3,517)**	**1,162**	**-**	**(2,355)**
Indebtedness at the end of the financial year				
(i) Principal Amount	11,592	6,690	-	18,282
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	114	62	-	176
Total (i + ii + iii)	**11,706**	**6,752**	**-**	**18,458**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Director and / or Manager

(₹ in crores)

Sl No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Mr. K. K. Maheshwari Managing Director	Mr. K. C. Jhanwar Managing Director	Mr. Atul Daga Whole-time Director & CFO	
1.	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	20.77	5.86	2.43	29.06
	(b) Value of Perquisites u/s 17(2) of the Income Tax Act, 1961	0.06	0.60	0.28	0.94
	(c) Profit in lieu of Salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-
2.	Stock Option	-	1.34	0.18	1.52
3.	Sweat Equity	-	-	-	-
4.	Commission				
	– as % of profit	-	-	-	-
	– others, specify	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total (A)	**20.83**	**7.80**	**2.89**	**31.52**
	Ceiling as per the Act (being 10% of the net profit as worked out as per Section 198 of the Companies Act, 2013)				336.60

Note: Mr. K. K. Maheshwari was Managing Director till 31st December, 2019 and was designated as Vice Chairman and Non-Executive Director w.e.f. 1st January, 2020. On retirement, in addition to the above, he has been paid Gratuity and Leave Encashment of ₹ 8.27 crores. Further, the Board has approved one-time payout of ₹ 9.45 crores and pension of ₹ 28,34,000 per month w.e.f. 1st January, 2020. Mr. K. C. Jhanwar took over as Managing Director of your Company w.e.f. 1st January, 2020.

B. REMUNERATION TO OTHER DIRECTORS

(₹ in crores)

Sl. No.	Particulars of Remuneration	Name of Directors							Total Amount
1.	Independent Directors	Arun Adhikari	G. M. Dave	Mrs. Sukanya Kripalu	S. B. Mathur	Mrs. Renuka Ramnath	Mrs. Alka Bharucha	Mrs. Usha Sangwan	
	Fee for attending board / Committee Meetings	0.045	0.015	0.038	0.043	0.008	0.048	0.005	0.202
	Commission	0.260	0.080	0.200	0.365	0.040	0.280	0.025	1.250
	Others, please specify	-	-	-	-	-	-	-	-
	Total (1)	**0.305**	**0.095**	**0.238**	**0.408**	**0.048**	**0.328**	**0.030**	**1.452**
2.	Other Non-Executive Directors	Kumar Mangalam Birla	Mrs. Rajashree Birla	O. P. Puranmalka	K. K. Maheshwari				
	Fee for attending board / Committee Meetings	0.040	0.017	0.010	0.010		-		0.077
	Commission	-	1.220	-	-		-		1.220
	Others, please specify	-	-	-	-		-		-
	Total (2)	**0.040**	**1.237**	**0.010**	**0.010**		**-**		**1.297**
	Total (B) = (1 + 2)								**2.749**
	Total Managerial Remuneration								**34.269**
	Overall Ceiling as per the Act (being 11% of the net profit as worked out as per Section 198 of the Companies Act, 2013)								370.260

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD /MANAGER / WTD

(₹ in crores)

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Atul Daga Whole - time Director & CFO	Sanjeeb Kumar Chatterjee Company Secretary	
1.	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	2.43	1.19	3.62
	(b) Value of Perquisites u/s 17(2) of the Income Tax Act, 1961	0.28	0.01	0.29
	(c) Profit in lieu of Salary under section 17(3) of the Income Tax Act,1961	-	-	-
2.	Stock Option	0.18	0.03	0.21
3.	Sweat Equity	-	-	-
4.	Commission			
	- as % of profit	-	-	-
	- others, specify	-	-	-
5.	Others, please specify	-	-	-
	Total	**2.89**	**1.23**	**4.12**

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES

There were no penalties / punishment / compounding of offences for year ended 31st March, 2020.

For and on behalf of the Board

Kumar Mangalam Birla
Chairman
(DIN: 00012813)

Kolkata, 20th May, 2020

Report on Corporate Governance

The Report on Corporate Governance as prescribed by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, ("the Listing Regulations") is given below:

COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

UltraTech Cement Limited ("Your Company") is committed to the adoption of best governance practices and their adherence in true spirit at all times. Your Company's philosophy on Corporate Governance enshrines the goal of achieving the highest levels of transparency, accountability and ethical behaviour in all spheres of its operations and in all its communication with stakeholders. These have evolved over the years and help in maintaining the trust and appreciation of the stakeholders in the working of your Company.

Your Company's corporate structure comprises of the Board of Directors ("the Board") on one hand and the management team on the other. The Board provides strategic guidance to your Company, sets goals and targets; governance standards; reporting and accounting mechanism, thereby protecting the interest of all stakeholders. The management team, led by the Managing Director, who reports to the Board, is responsible for implementing the strategies and achieving the goals and targets set by the Board.

Your Company continuously strives to achieve excellence in corporate governance through its values – Integrity, Commitment, Passion, Seamlessness and Speed.

In terms of the Listing Regulations, the details of compliance for the year ended 31st March, 2020 are as follows:

I. BOARD OF DIRECTORS

- **Composition**

Your Company's Board comprised of 10 (ten) Directors, which include the Managing Director, 1 (one) Executive Director, 3 (three) Non-Executive Directors,1 (one) of whom is a woman Director and 5 (five) Independent Directors, of which, 3 (three) are women Directors.

The composition of the Board is compliant with the provisions of the Companies Act, 2013 ("the Act"), Rules made thereunder and the Listing Regulations. Fifty percent of the Board comprised of Independent Directors. The Independent Directors meet the criteria of independence as provided under the Act and Listing Regulations.

The details of the Directors with regard to outside directorships and committee positions are as follows:

Name of Director	Executive/ Non- Executive/ Independent[2]	No. of outside directorship(s) held[3]	No. of outside committee position(s) held[4]		Names of outside listed entities where the person is a director and the category of directorship
		Public	Chairman	Member	
Kumar Mangalam Birla (DIN: 00012813)	Chairman Non-Executive	8	-	-	1. Aditya Birla Capital Limited: Non-Executive Director 2. Century Textiles and Industries Limited: Non-Executive Director 3. Grasim Industries Limited: Non-Executive Director 4. Hindalco Industries Limited: Non-Executive Director 5. Vodafone Idea Limited: Non-Executive Director

Name of Director	Executive/ Non- Executive/ Independent[2]	No. of outside directorship(s) held[3]	No. of outside committee position(s) held[4]		Names of outside listed entities where the person is a director and the category of directorship
		Public	Chairman	Member	
Mrs. Rajashree Birla (DIN: 00022995)	Non-Executive	6	-	-	1. Century Enka Limited: Non-Executive Director 2. Century Textiles and Industries Limited: Non-Executive Director 3. Grasim Industries Limited: Non-Executive Director 4. Hindalco Industries Limited: Non-Executive Director 5. Pilani Investment and Industries Corporation Limited: Non-Executive Director
Arun Adhikari (DIN: 00591057)	Independent	4	-	2	1. Aditya Birla Capital Limited: Independent Director 2. Vodafone Idea Limited: Independent Director 3. Voltas Limited: Independent Director
Mrs. Alka Bharucha (DIN: 00114067)	Independent	8	3	7	1. Birlasoft Limited: Independent Director 2. Hindalco Industries Limited: Independent Director 3. Honda Siel Power Products Limited: Independent Director 4. Orient Electric Limited: Independent Director
Mrs. Sukanya Kripalu (DIN: 06994202)	Independent	5	1	7	1. Aditya Birla Fashion and Retail Limited: Independent Director 2. Colgate-Palmolive (India) Limited: Independent Director 3. Entertainment Network (India) Limited: Independent Director 4. Huhtamaki PPL Limited*: Independent Director
S. B. Mathur (DIN: 00013239)	Independent	7	2	7	1. DCM Shriram Industries Limited: Independent Director 2. ITC Limited: Independent Director 3. Thomas Cook (India) Limited: Independent Director
Mrs. Usha Sangwan (DIN: 02609263)	Independent	3	1	3	1. BSE Limited: Nominee Director 2. Grasim Industries Limited: Nominee Director 3. Century Enka Limited: Independent Director
K. K. Maheshwari (DIN: 00017572)	Vice Chairman Non-Executive	-	-	-	-
K. C. Jhanwar (DIN: 01743559)	Managing Director	4	1	-	-
Atul Daga (DIN: 06416619)	Whole-time Director & CFO	1	-	-	-

** Resigned w.e.f. 6th May, 2020*

1. *The composition of the Board is balanced and well diversified.*
2. *Independent Director means a Director as defined under the Listing Regulations and the Act.*
3. *Excluding directorships in private limited companies, foreign companies and companies under Section 8 of the Act.*
4. *Only two committees viz. Audit Committee and Stakeholders Relationship Committee of all public limited companies are considered.*
5. *No Director is related to any other Director on the Board, except for Mr. Kumar Mangalam Birla and Mrs. Rajashree Birla, who are son and mother respectively.*
6. *Mr. K.K. Maheshwari stepped down as Managing Director of your Company on 31st December, 2019. He was appointed Vice Chairman and Non-Executive Director w.e.f. 1st January, 2020. Mr. K. C. Jhanwar took over as Managing Director of your Company w.e.f. 1st January, 2020.*
7. *Mrs. Usha Sangwan was appointed Independent Director w.e.f. 10th January, 2020 and she has resigned w.e.f. 16th May, 2020.*
8. *None of the Directors (i) hold membership in more than ten public limited companies and (ii) is a member of more than ten committees or chairperson of more than five committees across all the public companies in which he / she is a Director.*

The Nomination, Remuneration and Compensation Committee recommend to the Board the appointment of Directors. The Directors are appointed or re-appointed with the approval of the shareholders.

Non-Independent Directors: Non-Independent Directors comprise of the Executive Directors and the Non-Independent Non-Executive Directors. The Executive Directors are appointed for a fixed tenure and are not liable to retire by rotation. The Non-Executive Directors retire by rotation. The directors to retire by rotation at every annual general meeting are those who have been longest in office since their last appointment.

Independent Directors: The Independent Directors are appointed for a term not exceeding five years and are not liable to retire by rotation. The Company issues formal letters of appointment to them and the terms and conditions of their appointment are posted on the Company's website viz. www.ultratechcement.com. All Independent Directors have confirmed that they fulfil the criteria of independence as provided under the Act and the Listing Regulations and that they are not debarred from holding the office of director by virtue of any order passed by the Securities and Exchange Board of India ("the SEBI") or any other such authorities. All the Independent Directors are independent of the Company's management and not related to any director or key managerial personnel.

Skills, expertise and competencies:

Your Company's Board has identified the following skills / expertise / competencies to function and discharge their responsibilities effectively and as available to the Board:

Industry Knowledge; Innovation; Financial Expertise; Corporate Governance; Strategic Expertise; Marketing; Legal and Compliance; Sustainability; Risk Management; Human Resource Development; General Management.

- **The names of directors who have such skills / expertise / competence:**

	Industry Knowledge	Innovation	Financial Expertise	Corporate Governance	Strategic Expertise	Marketing	Legal & Compliance	Sustain ability	Risk Manage-ment	Human Resource Develop-ment	General Manage-ment
Kumar Mangalam Birla	✓	✓	✓	✓	✓			✓	✓	✓	✓
Mrs. Rajashree Birla	✓			✓				✓			✓
Arun Adhikari		✓	✓	✓	✓	✓				✓	✓
Mrs. Alka Bharucha			✓	✓			✓				✓
Mrs. Sukanya Kripalu		✓		✓		✓		✓			✓
S. B. Mathur			✓	✓			✓		✓		✓
K. K. Maheshwari	✓	✓	✓	✓	✓			✓	✓	✓	✓
K. C. Jhanwar	✓	✓	✓	✓	✓			✓	✓	✓	✓
Atul Daga	✓	✓	✓	✓	✓		✓	✓	✓		✓

The Board members collectively display the following personal qualities -

- *Integrity: fulfilling a director's duties and responsibilities.*
- *Curiosity and courage: ask questions and persistence in challenging management and fellow board members where necessary.*
- *Interpersonal skills: work well in a group, listen well, tactful and ability to communicate their point of view frankly.*
- *Interest: in the organisation, its business and the people.*
- *Instinct: good business instincts and acumen, ability to get to the crux of the issue quickly.*
- *Believer in gender diversity.*
- *Active participation:* at deliberations in the meeting.

The Directors are professionals, possessing wide experience and expertise in their areas of function - strategy; finance; governance and legal; marketing; insurance; among others, which together with their collective wisdom fuel your Company's growth. With one -third of the Board comprising of women directors, the Board reflects gender diversity.

A BRIEF PROFILE OF THE BOARD IS GIVEN BELOW:

Mr. Kumar Mangalam Birla, is the Chairman of the US$ 48.3 billion multinational Aditya Birla Group ("the Group"), which operates in 36 countries across six continents. He is a Chartered Accountant and holds an MBA degree from the London Business School.

Mr. Birla chairs the Boards of all major Group companies in India and globally - Novelis, Columbian Chemicals, Aditya Birla Minerals, Aditya Birla Chemicals, Thai Carbon Black, Alexandria Carbon Black, Domsjö Fabriker and Terrace Bay Pulp Mill. In India, apart from chairing your Company's Board, he also chairs the Boards of Hindalco Industries Limited, Grasim Industries Limited, Aditya Birla Capital Limited, Vodafone Idea Limited and Century Textiles and Industries Limited .

In over two decades, that he has been at the helm of the Group, he has accelerated growth, built meritocracy and enhanced stakeholder value. In the process he has raised the Group's turnover from US$ 2 billion in 1995, to over US$ 48 billion today.

He has been the architect of over 40 acquisitions by the Group in 20 years in India and globally, the highest by an Indian multinational in India. Under his stewardship, the Group enjoys a position of leadership in all the major sectors in which it operates. Over the years, Mr. Birla has built a highly successful meritocratic organisation, anchored by an extraordinary force of 120,000 employees belonging to 42 different nationalities.

Outside the Group, Mr. Birla has held several key positions on various regulatory and professional Boards. He was a Director on the Central Board of the Reserve Bank of India. He was Chairman of the Advisory Committee constituted by the Ministry of Corporate Affairs and also served on the Prime Minister of India's Advisory Council on Trade and Industry. As the Chairman of the SEBI Committee on Corporate Governance, he authored the First Report on Corporate Governance titled "Report of the Kumar Mangalam Birla Committee on Corporate Governance". Mr. Birla also served as Chairman of SEBI's committee on Insider Trading.

Mr. Birla is deeply engaged with educational institutions. He is the Chancellor of the Birla Institute of Technology & Science ("BITS") with campuses in Pilani, Goa, Hyderabad and Dubai. He is also the Chairman of the Indian Institute of Management, Ahmedabad. On the global arena, Mr. Birla serves on the London Business School's Asia Pacific Advisory Board and is an Honorary Fellow of the London Business School.

A firm practitioner of the trusteeship concept, Mr. Birla has institutionalised the concept of caring and giving at the Group. With his mandate, the Group is involved in meaningful welfare driven activities that distinctively impact the quality of life of weaker sections of society.

Mrs. Rajashree Birla is an exemplar in the area of community initiatives and rural development. Mrs. Birla spearheads the Aditya Birla Centre for Community Initiatives and Rural Development, the Group's apex body responsible for development projects. She oversees the Group's social and welfare driven work across 40 companies. The footprint of the Centre's work straddles over 5,000 villages, reaching out to 7.5 million people. Furthermore, Mrs. Birla is the Chairperson of the FICCI – Aditya Birla CSR Centre for Excellence, Habitat for Humanity (India) and is on the Board of the Asia Pacific Committee as well as Habitat's Global Committee. She is the Chairperson of FICCI's first ever Expert Committee on CSR. She serves on the Board of Director's CSR Committee of State Bank of India. She is Member on the Advisory Board of "The Research Society for the Care, Treatment and Training of Children in Need of Special Care", Mumbai, and of BAIF Development Research Foundation, Pune. As a patron of arts and culture, she heads the "Sangit Kala Kendra", a Centre for performing arts, as its President.

In recognition of the exemplary work done by Mrs. Birla, leading national and international organisations have showered accolades upon her. Among these the most outstanding ones have been that of the Government of India's "Padma Bhushan" Award in 2011 in the area of "Social Work", The Economic Times "Corporate Citizen of the Year Award" twice over, in 2002 and 2012, besides the "Global Golden Peacock Award for CSR" presented by Dr. Ola Ullsten, the Former Prime Minister of Sweden in Portugal in 2010. The Institute of Directors ("IOD") Distinguished Fellowship Award, and FICCI FLO's Lifetime Achievement Award, are among the many other distinctions received by her.

Apart from your Company, Mrs. Birla is a Director on the Boards of Grasim Industries Limited, Hindalco Industries Limited, Century Textiles and Industries Limited, Century Enka Limited and Pilani Investment and Industries Corporation Limited. She is also on the Board of the Group's international companies spanning Thailand, Indonesia, Philippines and Egypt.

Mr. Arun Adhikari is an alumni of the Indian Institute of Technology, Kanpur and the Indian Institute of Management, Calcutta. He joined Hindustan Lever Limited as a Management Trainee in 1977 and worked with the Unilever Group in India, UK, Japan and Singapore. His areas of responsibility included sales and marketing, culminating in general management and leadership roles. Mr Adhikari retired from Unilever in January, 2014 following which he was a Senior Advisor with McKinsey and Company for four years. He is now an Independent Director on the boards of Vodafone Idea Limited, Aditya Birla Capital Limited and Voltas Limited.

Mrs Alka Bharucha Masters in Law from the University of Bombay and University of London and Solicitor High Court Mumbai and Supreme Court of England and Wales began her career with Mulla & Mulla & Craigie Blunt & Caroe, and joined Amarchand & Mangaldas as partner in 1992. In 2008, she co-founded Bharucha & Partners which, on inception, was ranked by RSG Consulting, London among the top fifteen firms in India. Mrs. Bharucha has been ranked by Chambers Global, Legal 500 and Who's Who Legal amongst India's leading lawyers. She chairs the transactions practice at Bharucha & Partners. Her core areas of expertise are mergers and acquisitions, joint ventures, private equity, banking and finance.

Mrs. Sukanya Kripalu is a graduate from St. Xavier's College and the Indian Institute of Management, Calcutta. She is a consultant in the fields of marketing, strategy, advertising and market research. Her experience includes working with leading corporates like Nestle India Limited, Cadbury India Limited and Kellogg's India. She was also the CEO of Quadra Advisory, a WPP group company. Apart from your Company's Board, Mrs. Kripalu is also on the Board of Aditya Birla Fashion and Retail Limited, Aditya Birla Health Insurance Company Limited, Entertainment Network (India) Limited (Radio Mirchi), and Colgate-Palmolive (India) Limited.

Mr. S. B. Mathur is a Chartered Accountant who has served as the Chairman of the Life Insurance Corporation of India from August, 2002 to October, 2004. He is on the Board of various companies. He has held Trusteeships, Advisory / Administrative Roles on Government Bodies, Authorities and Corporations. He is an Independent Director on the Boards of DCM Shriram Industries Limited, ITC Limited and Thomas Cook (India) Limited.

Mr. K. K. Maheshwari is a proven leader with expertise in strategy and finance, a passion for building outstanding teams and a disciplined focus on innovation and excellence in operations. In a distinguished career spanning 4 decades, of which 36 years have been with the Group, Mr. Maheshwari has held several key leadership roles, including that of steering the Group's Chemicals, International Trading, Pulp & Fibre, Textiles and Cement Business. Mr. Maheshwari is credited with scripting the growth of each of the businesses towards a more competitive and sustainable model and has overseen various greenfield and brownfield expansions as well as strategic acquisitions globally. Mr. Maheshwari ceased to be the Managing Director of your Company on 31st December, 2019. He was appointed as Vice Chairman and Non-Executive Director w.e.f 1st January, 2020.

Mr. Maheshwari holds a master's degree in commerce (business administration) and is a Fellow Member of the Institute of Chartered Accountants of India.

Mr. K. C. Jhanwar, Managing Director of your Company from 1st January, 2020 is a Chartered Accountant with over 40 years' experience, of which 39 years' have been with the Group. He has held various roles in Finance, Operations and General Management across the Cement and Chemicals Business of the Group, including greenfield and brownfield projects.

Mr. Atul Daga, Whole-time Director and Chief Financial Officer of your Company, is a Chartered Accountant with over 33 years' experience, of which over 26 years have been with the Group. His ability to penetrate deep into business areas and understanding of the dynamics has been his constant strength.

His key responsibilities include, risk management, audit and compliance, planning, treasury, capital structuring and capital allocation and best use of financial reporting. He has undertaken several initiatives such as creating a robust platform for managing Investor Relations, evaluating M&A opportunities and setting new benchmarks for raising long term borrowings in the domestic financial markets. Development of financial strategy and monitoring of control systems, internal audit and actively participating in your Company's growth strategy are also part of his portfolio.

- Non-Executive Directors' compensation and disclosures

  Sitting fees / commission paid to the Non-Executive Directors and Independent Directors are recommended by the Nomination, Remuneration and Compensation Committee of the Board and approved by the Board of Directors and shareholders. The details of sitting fees / commission paid to the Non-Executive Directors and Independent Directors are given separately in this Report.

- Certification from Company Secretary in Practice

  Mr. B. N. Narasimhan of M/s. BNP & Associates, Practicing Company Secretary, has issued a certificate as required under the Listing Regulations, confirming that none of the Directors on the Board of your Company have been debarred or disqualified from being appointed or continuing as Director of companies by the SEBI / the Ministry of Corporate Affairs or any such Statutory Authority. The certificate is enclosed with this Report.

- **Other provisions as to Board and Committees**

The number of Board meetings held during the year, dates on which held and number of Directors present are as follows:

Date of Board Meeting	Board Strength	No. of Directors Present
8th April, 2019	12	6
24th April, 2019	12	11
8th August, 2019	10	7
4th September, 2019	10	6
30th September, 2019	10	7
21st October, 2019	9	9
24th January, 2020	10	9

Your Company's Board plays a pivotal role in ensuring good governance and functioning of your Company. The Board has unfettered and complete access to any information within your Company. Members of the Board freely express their views on the meeting agenda and discuss pertinent issues at the meeting with the permission of the Chairman. They provide valuable guidance and advice to the Board and the management on various aspects of business, policy direction, governance and compliance. The Board periodically reviews all the relevant information, which is required to be placed before it pursuant to Schedule II of Regulation 17 of the Listing Regulations and in particular reviews and approves corporate strategies, business plans, annual budgets, projects and capital expenditure etc. The Board provides direction and exercises appropriate control to ensure that your Company is managed in a manner that fulfils stakeholder aspirations and societal expectations.

In addition to the quarterly meetings, the Board also meets to address specific needs and business requirement of your Company.

The details of attendance of each Director at the Board meetings and the last Annual General Meeting ("AGM") are as follows:

Name of Director	No. of Board Meetings		Attended last AGM@
	Held	Attended	
Kumar Mangalam Birla	7	6	No
Mrs. Rajashree Birla	7	3	No
Arun Adhikari	7	5	Yes
Mrs. Alka Bharucha	7	6	Yes
G. M. Dave*	7	2	Yes
Mrs. Sukanya Kripalu	7	6	Yes
S. B. Mathur	7	5	Yes
O. P. Puranmalka*	7	2	No
Mrs. Renuka Ramnath*	7	1	Yes
Mrs. Usha Sangwan$	7	1	Not Applicable
K. K. Maheshwari#	7	7	Yes
K. C. Jhanwar#	7	6	Yes
Atul Daga	7	5	Yes

@ *AGM held on 18th July, 2019 at Ravindra Natya Mandir, P. L. Deshpande Maharashtra Kala Academy, Near Siddhivinayak Temple, Sayani Road, Prabhadevi, Mumbai-400 025.*

* *Mr. G. M. Dave, Mr. O. P. Puranmalka and Mrs. Renuka Ramnath ceased to be directors on the Board of your Company w.e.f. 5th August, 2019, 18th July, 2019 and 21st October, 2019 respectively.*

Mr. K. K.Maheshwari stepped down as Managing Director on 31st December, 2019. He was appointed Vice Chairman and Non-Executive Director w.e.f. 1st January, 2020. Mr. K. C. Jhanwar took over as Managing Director of your Company w.e.f. 1st January, 2020.

$ *Mrs. Usha Sangwan was appointed Independent Director w.e.f. 10th January, 2020 and she resigned w.e.f. 16th May, 2020.*

- **Code of Conduct**

The Board has laid down a Code of Conduct ("the Code") for all Board members and senior management personnel of your Company. The Code is uploaded on your Company's website viz. www.ultratechcement.com.

All Board members and senior management personnel have confirmed compliance with the Code. A declaration to that effect signed by the Managing Director is attached and forms part of this Report.

- **Induction and training**

A letter of appointment together with an induction kit is given to Independent Directors at the time of their appointment setting out their roles, functions, duties and responsibilities. In terms of the Listing Regulations, the terms and conditions of appointment of Independent Directors are available on the website of your Company viz. www.ultratechcement.com.

The Directors are familiarised with your Company's business and its operations. Interactions are held between the Directors and senior management of your Company. Directors are familiarised with the organisational set-up, functioning of various departments, internal control processes and relevant information pertaining to your Company. They are periodically updated on the industry scenario, changes in regulatory framework and the impact thereof on the working of your Company, peer review - based on information which is publicly available, business risks and mitigation plans among others. Familiarisation programme imparted to Directors of your Company is available on your Company's website viz. www.ultratechcement.com.

- **Performance evaluation of Board**

A formal annual evaluation mechanism has been adopted for evaluating the performance of the Board, Committees thereof, individual Directors and the Chairman of the Board. The evaluation is based on criteria which includes, among others, attendance and preparedness for the meetings, contribution at meetings, effective decision making ability, role of the Committees. Structured questionnaires were circulated to the Directors. The Directors completed questionnaires providing feedback on functioning of the Board, Committees and Chairman of the Board. Based on the inputs received, action plans are drawn up in consultation with the Directors to encourage greater engagement with your Company.

- **Independent Director's meeting**

A meeting of the Independent Directors was held, *inter alia*, to discuss evaluation of the performance of Non-Independent Directors, evaluation of the performance of the Chairman, taking into account the views of the Executive and Non-Executive Directors and the evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties. The Independent Directors expressed satisfaction on the Board's freedom to express views on matters transacted at meetings and the manner in which the management discusses various subject matters specified in the agenda of meetings. The suggestions made by the Independent Directors were discussed at the Board meeting and are being implemented.

- **Prevention of Insider Trading**

In terms of the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended, your Company has adopted a 'Code of Conduct to regulate, monitor and report trading by designated persons in listed or proposed to be listed securities' of your Company ("the Code") and the 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information'.

The Code aims at preserving and preventing misuse of unpublished price sensitive information ("UPSI"). All Designated Persons (including Directors, key managerial personnel and employees) of your Company are covered under the Code, which provides *inter alia* for periodical disclosures and obtaining pre-clearances for trading in securities of your Company. A structured digital database is maintained, which contains the names and other particulars as prescribed, of the persons covered under the abovementioned Codes.

The Board has also formulated a policy for determination of 'legitimate purposes' as a part of the Code of Fair Disclosure and Conduct as per the requirements of the Prohibition of Insider Trading Regulations. The Board, designated persons and other connected persons have affirmed compliance with the Code. Your Company's Vigil Mechanism / Whistle Blower Policy has also been amended to make employees aware of the existence of policies and procedures for inquiry in case of leakage of UPSI to enable them report on leakages, if any, of such information.

II. AUDIT COMMITTEE

- **Composition, meetings, attendance during the year and sitting fees paid**

The Audit Committee of the Board comprises 4 (four) Directors, of which 3 (three) are Independent Directors. The members of the Audit Committee are financially literate. The composition of the Audit Committee complies with the requirements of Section 177 of the Act and Regulation 18 of the Listing Regulations.

During the year, the Audit Committee meetings were held on 24th April, 2019, 8th August, 2019, 21st October, 2019 and 24th January, 2020.

The composition, attendance and sitting fees paid are as follows:

Name of Member	No. of meetings		Sitting fees paid (₹ in lakhs)
	Held	Attended	
S. B. Mathur	4	4	1.00
Arun Adhikari*	4	3	0.75
G. M. Dave#	4	1	0.25
Mrs. Renuka Ramnath#	4	1	0.25
Mrs. Alka Bharucha	4	3	0.75
K. K. Maheshwari	4	4	0.25

Mr. G. M. Dave and Mrs. Renuka Ramnath ceased to be members of the Committee w.e.f. 5th August, 2019 and 21st October, 2019 respectively.

* *Mr. Arun Adhikari was appointed as a member of the Committee on 7th August, 2019.*

Mr. S. B. Mathur is the Chairman of the Committee.

Permanent Invitee: Mr. Atul Daga, Whole-time Director & CFO.

The Statutory and Internal Auditors of your Company attend the Audit Committee meetings.

The Company Secretary acts as the Secretary to the Committee.

The Audit Committee acts as a link between the management, the statutory and internal auditors and the Board.

The Audit Committee monitors and effectively supervises your Company's financial reporting process with a view to provide accurate, timely and proper disclosure and maintain the integrity and quality of financial reporting. The Audit Committee also reviews from time to time, the audit and internal control procedures, the accounting policies of your Company, oversight of your Company's financial reporting process so as to ensure that the financial statements are correct, sufficient and credible.

- **Role**

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
   i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Act;
   ii. Changes, if any, in accounting policies and practices and reasons for the same;
   iii. Major accounting entries involving estimates based on the exercise of judgment by management;
   iv. Significant adjustments made in the financial statements arising out of audit findings;
   v. Compliance with listing and other legal requirements relating to financial statements;
   vi. Disclosure of any related party transactions;
   vii. Modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
8. Approval or any subsequent modification of transactions of the Company with related parties.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the Company, wherever it is necessary.
11. Evaluation of internal financial controls and risk management systems.
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors of any significant findings and follow up there on.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
18. To review the functioning of the Whistle Blower mechanism.
19. Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate.
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
21. Reviewing the utilisation of loans and / or advances from / investment by the holding Company in the subsidiary exceeding ₹ 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

- **The Audit Committee reviews the following information**

1. Management Discussion and Analysis of financial condition and results of operations.
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management.
3. Management letters / letters of internal control weaknesses issued by the Statutory Auditors.
4. Internal audit reports relating to internal control weaknesses.
5. The appointment, removal and terms of remuneration of the Chief Internal Auditor.
6. Statement of deviations:
   (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the Listing Regulations.
   (b) Annual statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice in terms of Regulation 32(7) of the Listing Regulations.

- **Vigil Mechanism / Whistle Blower Policy**

Your Company has in place a vigil mechanism pursuant to which a Values Committee has been constituted for addressing complaints received from Directors and employees concerning unethical behaviour, actual or suspected fraud and violation of the Code of Conduct or Ethics Policy of your Company. The policy provides for adequate safeguards against victimisation and all personnel have access to the Audit Committee. The policy is also uploaded on your Company's website viz. www.ultratechcement.com.

III. NOMINATION, REMUNERATION AND COMPENSATION COMMITTEE

- **Composition, meetings, attendance during the year and sitting fees paid**

During the year, the Nomination, Remuneration and Compensation Committee ("the NRC Committee") met five times to deliberate on various matters. The meetings were held on 24th April, 2019, 8th August, 2019, 4th September, 2019, 21st October, 2019 and 24th January, 2020.

The composition, attendance and sitting fees paid are as follows:

Name of Member	No. of meetings		Sitting fees paid (₹ in lakhs)
	Held	Attended	
Kumar Mangalam Birla	5	5	1.00
Arun Adhikari	5	4	0.80
Mrs. Alka Bharucha*	5	3	0.60
G. M. Dave#	5	1	0.20

 # Mr. G. M. Dave ceased to be a member of the Committee w.e.f. 5th August, 2019.

**Mrs. Alka Bharucha was appointed as a member of the NRC Committee on 7th August, 2019.*

Mr. Arun Adhikari is the Chairman of the NRC Committee.

The Company Secretary acts as the Secretary to the NRC Committee.

- **Terms of reference of the NRC Committee**

The NRC Committee is authorised to:

- set the level and composition of remuneration which is reasonable and sufficient to attract, retain and motivate Directors and senior management of the quality required to run the Company successfully.
- set the relationship of remuneration to performance.
- check whether the remuneration provided to Directors and senior management includes a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.
- formulate appropriate policies, institute processes which enable the identification of individuals who are qualified to become Directors and who may be appointed in senior management and recommend the same to the Board.
- review and implement succession and development plans for Managing Director, Executive Directors and senior management.
- devise a policy on Board diversity.
- formulate the criteria for determining qualifications, positive attributes and independence of Directors.
- recommend to the Board, all remuneration, in whatever form, payable to senior management.

Employee Stock Options Scheme – 2006 ("ESOS-2006")

The NRC Committee has allotted 1,632 equity shares of ₹ 10/- each of your Company to option grantees during the year.

Employee Stock Options Scheme – 2013("ESOS-2013")

During the year, the NRC Committee vested 14,890 Stock Options and 14,948 Restricted Stock Units ("RSUs") to eligible employees, subject to the provisions of the ESOS – 2013, statutory provisions as may be applicable from time to time and the rules and procedures set out by your Company in this regard. Further, the NRC Committee has during the financial year under review, allotted 18,793 equity shares of ₹ 10/- each of your Company to option grantees upon exercise of Stock Options under ESOS -2013.

No Stock Options and RSUs have been granted to the option grantees in terms of the provisions of ESOS-2013.

Employee Stock Option Scheme – 2018 ("ESOS-2018")

During the year, the NRC Committee has:

a) on 23rd December, 2019 granted 3,320 Stock Options at an exercise price of ₹ 4,120.45 per Stock Option exercisable into the same number of equity shares of ₹ 10/- each and 917 RSUs at an exercise price of ₹ 10/- each.

b) on 4th March, 2020 granted 12,620 Stock Options at an exercise price of ₹ 4,299.90 per Stock Option exercisable into the same number of equity shares of ₹ 10/- each and 3,482 RSUs at an exercise price of ₹ 10/- each.

During the year, the NRC Committee vested 37,519 Stock Options to eligible employees, subject to the provisions of ESOS–2018, statutory provisions as may be applicable from time to time and the rules and procedures set out by your Company in this regard. Applications were received from some option grantees for transfer of 1,286 equity shares of your Company into their name from the UltraTech Employee Welfare Trust account alongwith the consideration amount. 1,163 equity shares have been transferred.

- Remuneration Policy

Your Company has adopted Executive Remuneration Philosophy / Policy and the same is disclosed in this Annual Report.

IV. SUBSIDIARY COMPANY

Your Company does not have any material non-listed Indian subsidiary company. The Audit Committee and Board reviews the financial statements, significant transactions and working of the unlisted subsidiary companies and the minutes are placed before the Board. Your Company has unlisted subsidiary companies in Sri Lanka, Middle East and Indonesia. The financial results of these companies are presented to your Company's Board. The policy for determining material subsidiaries is available on your Company's website viz. www.ultratechcement.com.

V. RISK MANAGEMENT

In terms of the provisions of the Listing Regulations, your Company has constituted a Risk Management and Sustainability Committee comprising of Mr. K. K. Maheshwari, Vice Chairman and Non-Executive Director; Mr. K. C. Jhanwar, Managing Director and Mr. Atul Daga, Whole-time Director & CFO of your Company.

The Risk Management and Sustainability Committee is mandated to review the risk management and sustainability process of your Company and to provide oversight and stewardship to your Company's sustainability performance, manage risks, leverage opportunities, create stakeholder value.

The Company Secretary acts as the Secretary to the Risk Management and Sustainability Committee .

The objectives and scope of the Risk Management and Sustainability Committee broadly include:

- Overall responsibility to monitor and approve risk management and sustainability framework.
- Review and monitoring of operational, strategic risks and cyber risks.
- Assist the Board in determining measures that can be adopted to mitigate risk, ensure balance between risk and reward and create value for your Company's stakeholders.

During the year, the Committee meetings were held on 4th June, 2019 and 21st October, 2019.

The Directors' Report and Management Discussion & Analysis sets out the risks identified and the mitigation plans thereof.

VI. RELATED PARTY TRANSACTIONS

Related party transactions entered by your Company during the year were on arm's length basis and in the ordinary course of business. There were no material transactions with any related party as defined under the Act and the Listing Regulations. All related party transactions have prior approval of the Audit Committee and are reviewed by the Audit Committee on a quarterly basis.

The policy on Related Party Transactions as approved by the Audit Committee and the Board is available on your Company's website viz. www.ultratechcement.com.

VII. DISCLOSURES

- **Disclosures on materially significant related parties**

During the year, there were no material transactions with related parties of your Company.

Particulars of related party transactions are listed out in Note No. 40 to the Standalone Financial Statements of your Company.

- Your Company has followed all relevant accounting standards while preparing the financial statements.

- **Remuneration of Directors**

Based on the recommendation of the NRC Committee, all decisions relating to remuneration of Directors are taken by the Board of your Company in accordance with the shareholder's approval, wherever necessary.

Shareholders have approved payment of commission to the Non-Executive Directors of an amount not exceeding 1% per annum of the net profit of your Company. Based on the performance evaluation of each Director and the remuneration policy, the Board has recommended an amount of ₹ 2.47 crores as commission to be paid to the Non-Executive Directors for 2019-20.

Details of remuneration paid / to be paid to the Directors for attending Board meetings, and their shareholding in your Company are as under:

Name of Director	Sitting fees paid (₹ in lakhs)	Commission payable@ (₹ in lakhs)	Number of shares held
Kumar Mangalam Birla	3.00	-	14,065
Mrs. Rajashree Birla	1.50	122.00	41,701
Arun Adhikari	2.50	26.00	-
Mrs. Alka Bharucha	3.00	28.00	-
G. M. Dave*	1.00	8.00	-
Mrs. Sukanya Kripalu	3.00	20.00	-
S. B. Mathur	2.50	36.50	-
Mrs. Usha Sangwan#	0.50	2.50	-
O. P. Puranmalka*	1.00	-	60,571
Mrs. Renuka Ramnath*	0.50	4.00	-
K. K. Maheshwari	0.50	-	-
K. C. Jhanwar	-	-	3,541
Atul Daga	-	-	8,668

@ subject to the approval of the Shareholders of your Company.

**Mr. G. M. Dave; Mr. O. P. Puranmalka and Mrs. Renuka Ramnath ceased to be Directors on the Board of your Company w.e.f. 5th August, 2019, 18th July, 2019 and 21st October, 2019, respectively.*

 # Mrs. Usha Sangwan was appointed as Independent Director of your Company w.e.f. 10th January, 2020 and resigned w.e.f. 16th May, 2020.

None of the Directors hold any convertible instruments of your Company.

The details of remuneration paid to the Executive Directors is as follows:

Executive Director	Relationship with other Directors	Remuneration during 2019-20			
		All elements of remuneration package i.e. salary, benefits, pensions etc.	Performance linked incentives, alongwith performance criteria (a), (b) & (c)	Service contracts, notice period, severance fee	Stock option details, if any
K. K. Maheshwari Vice Chairman and Non-Executive Director (upto 31st December, 2019)	-	₹ 15.18 crores	₹ 6.01 crores	See note (d)	See notes (e) & (f)
K. C. Jhanwar Managing Director	-	₹ 4.61 crores	₹ 1.79 crores		
Atul Daga Whole-time Director & CFO	-	₹ 1.96 crores	₹ 0.65 crores		

The NRC Committee while recommending to the Board the remuneration of Executive Directors, considers the performance of the business, individual performance, practices followed in other similar sized companies, among others, while also ensuring that the remuneration is in compliance with the terms and conditions of appointment as approved by the shareholders. All decisions relating to the remuneration of Executive Directors is taken by the Board based on the remuneration policy and in terms of the resolution passed / to be passed by the shareholders of your Company.

(a) Mr. K. K. Maheshwari was paid ₹ 6.01 crores towards performance linked incentive for achievement of targets for the year 2018-19. Mr. K. K. Maheshwari was Managing Director till 31st December, 2019 and was designated as Vice Chairman and Non-Executive Director w.e.f. 1st January, 2020. On retirement, in addition to the above, he has been paid Gratuity and Leave Encashment of ₹ 8.27 crores. Hence his total remuneration for the year was ₹ 21.19 crores. Further the Board has approved one-time payout of ₹ 9.45 crores and pension of ₹ 28,34,000 per month w.e.f. 1st January, 2020, for his past services as Managing Director.

(b) Mr. K. C. Jhanwar was paid ₹ 1.79 crores towards performance linked incentive for achievement of targets for the year 2018-19.

(c) Mr. Atul Daga was paid ₹ 0.65 crores towards performance linked incentive for achievement of targets for the year 2018-19.

(d) Appointment of Mr. K. C. Jhanwar as Managing Director and Mr. Atul Daga as Whole-time Director & CFO are subject to termination by three months' notice in writing on either side.

(e) In terms of ESOS-2013, 3,761 stock options and 5,313 RSUs have vested in Mr. K. K. Maheshwari; 2,143 stock options and 3,029 RSUs have vested in Mr. K. C. Jhanwar, respectively.

(f) In terms of ESOS-2018, 7,380 stock options have vested in Mr. K. K. Maheshwari; 3,296 stock options have vested in Mr. K. C. Jhanwar and 1,062 stock options vested in Mr. Atul Daga, during the year.

There were no pecuniary relationships or transactions between your Company and Non-Executive Directors during the year. For further details, please refer to the Directors' Report and Management Discussion & Analysis.

- **D&O Insurance for Directors**: In line with the requirements of Regulation 24(10) of the Listing Regulations, your Company has a Directors and Officers Insurance policy ("D&O") for all its Directors and Members of the senior management for such quantum and for such risks as determined by the Board.

- **Management**:

  - The Management Discussion & Analysis forms part of the Directors' Report and is in accordance with the requirements of the Listing Regulations.
  - No material transaction has been entered into by your Company with its related parties that may have a potential conflict with interests of your Company.

- **Shareholders**

  - Details of the Directors seeking re-appointment / appointment at the ensuing AGM, are provided in the Notice convening the AGM.
  - Press Releases and financial results are made available on the website of your Company viz. www.ultratechcement.com and also that of the Aditya Birla Group viz. www.adityabirla.com

- **Stakeholder Relationship Committee**

Composition, meeting, attendance and sitting fees paid during the year:

A Stakeholders Relationship Committee ("SRC") has been constituted at the Board level under the Chairmanship of a Non-Executive Independent Director.

During the year the SRC met on 24th April, 2019, 8th August, 2019, 21st October, 2019 and 24th January, 2020. The composition, attendance and sitting fees paid are as follows:

Name of Member	No. of meetings		Sitting fees paid (₹ in lakhs)
	Held	Attended	
S. B. Mathur	4	4	0.80
Mrs. Sukanya Kripalu	4	3	0.60
K. C. Jhanwar	4	4	-

Mr. S. B. Mathur is the Chairman of the SRC.

The Company Secretary acts as Secretary to the SRC and is also the Compliance Officer.

- **Role**

  - To monitor complaints received by the Company from its Shareholders, Debenture holders, other security holders, SEBI, Stock Exchanges, Registrar of Companies etc. and action taken by the Company for redressing the same.
  - To approve allotment of shares, debentures or any other securities as per the authority conferred / to be conferred to the SRC by the Board of Directors from time to time.
  - To approve requests for transposition, deletion, consolidation, sub-division, change of name, dematerialisation , rematerialisation etc. of shares, debentures and other securities.
  - To authorise officers of the Company to approve requests for transposition, deletion, consolidation, sub-division, change of name, dematerialisation, rematerialisation etc. of shares, debentures and other securities.
  - To approve and ratify the action taken by the authorised officers of the Company in compliance of the requests received from the shareholders / investors for issue of duplicate / replacement / consolidation / sub-division, dematerialisation, rematerialisation and other purposes for the shares, debentures and other securities of the Company.
  - To monitor and expedite the status and process of dematerialisation and rematerialisation of shares, debentures and other securities of the Company.
  - To give directions for monitoring the stock of blank stationery and for printing of stationery required by the Secretarial Department of the Company from time to time for issuance of share certificates, debenture certificates, allotment letters, dividend warrants, pay orders, cheques and other related stationery.
  - To review the measures taken to reduce the quantum of unclaimed dividend / interest and ensuring timely receipt of dividend warrants / annual reports / statutory notices by the shareholders of the Company.
  - Resolving grievances of security holders including complaints related to transfers / transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new / duplicate certificates, general meetings etc.
  - Review measures taken for effective exercise of voting rights by shareholders.
  - Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Transfer Agent.
  - To perform such other acts, deeds, and things as may be delegated to the SRC by the Board from time to time.

- **Number of shareholders' complaint received so far / number not solved to the satisfaction of shareholders / number of pending complaints**

Details of complaints received, number of shares transferred during the year, time taken for effecting these transfers and the number of share transfers pending are furnished in the "Shareholder Information" section of this Annual Report.

- **Details of non-compliance by the Company, penalties and strictures imposed on the Company by stock exchanges or the SEBI or any other Statutory Authority, on any matter relating to capital markets, during the year**

There has been no instance of non-compliance by the Company on any matter related to capital markets during the year under review and hence no strictures / penalties have been imposed on your Company by the stock exchanges or the SEBI or any Statutory Authority.

- **Finance Committee**

A "Finance Committee" has been constituted at the Board level, under the Chairmanship of an Independent Director. The Finance Committee comprises of Mr. Arun Adhikari, Mrs. Alka Bharucha and Mr. Atul Daga.

During the year, the Finance Committee met on 24th April, 2019 and 21st October, 2019. The composition, attendance and sitting fees paid are as follows:

Name of Member	No. of meetings		Sitting fees paid (₹ in lakhs)
	Held	Attended	
Arun Adhikari	2	2	0.40
Mrs. Alka Bharucha	2	2	0.40
Atul Daga	2	2	-

The Company Secretary acts as Secretary to the Finance Committee.

The Finance Committee is authorised to exercise all powers and discharge all functions relating to working capital management, foreign currency contracts, operation of bank accounts and authorising officers of your Company to deal in matters relating to excise, GST, income tax, customs and other judicial or quasi-judicial authorities.

- **Corporate Social Responsibility Committee**

The Corporate Social Responsibility ("CSR") Committee comprises of Mrs. Rajashree Birla, Mrs. Sukanya Kripalu and Mr. K. K. Maheshwari.

Dr. Pragnya Ram, Group Executive President, CSR is a permanent invitee to the CSR Committee.

The Company Secretary acts as Secretary to the CSR Committee.

During the year the CSR Committee met on 17th March, 2020. The composition, attendance and sitting fees paid are as follows:

Name of Member	No. of meetings		Sitting fees paid (₹ in lakhs)
	Held	Attended	
Mrs. Rajashree Birla	1	1	0.20
Mrs. Sukanya Kripalu	1	1	0.20
K. K. Maheshwari	1	1	0.20

The CSR Committee recommends to the Board the activities to be undertaken during the year and amount to be spent on these activities. The CSR Policy and the CSR Report forms part of this Annual Report.

- **Proceeds from public issues, rights issues, preferential issues**

  During the year, your Company did not raise any funds by way of public issues, rights issues, preferential issues etc.

- **Confirmation of criteria of Independence**

  Your Company's Board confirms that the Independent Directors fulfill the conditions specified in the Listing Regulations and are independent of the management.

- **Reasons for resignation of Independent Directors**

  Mrs. Renuka Ramnath, Independent Director stepped down from your Company's Board on 21st October, 2019, due to commitments to her business venture, viz. Multiples Equity, which was at a very important juncture and did not allow her to spare adequate time to be involved as a committed Board Member outside of her investments. As confirmed by her, there were no other reasons for her stepping down.

VIII. CEO/CFO Certification

The Managing Director and Whole-time Director & CFO of your Company have issued necessary certificate pursuant to the provisions of Regulation 17(8) of the Listing Regulations and the same forms part of this Annual Report.

IX. REPORT ON CORPORATE GOVERNANCE

Your Company has complied with the Corporate Governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

X. COMPLIANCE

- A certificate from the statutory auditors confirming compliance with the conditions of Corporate Governance as stipulated in the Listing Regulations forms part of this Annual Report.
- A certificate from a Company Secretary in practice confirming that none of the directors on the Board of your Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Board / Ministry of Corporate Affairs or any such Statutory Authority, forms part of this Report.
- During the year under review, the Board has accepted the recommendations, which are required to be made by the Committee's constituted.
- Total fees for all services paid by your Company and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm / network entity of which the statutory auditor is a part is ₹ 4.53 crores.
- Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:
  a. number of complaints filed during the financial year: 2
  b. number of complaints disposed of during the financial year: 1
  c. number of complaints pending as at the end of the financial year: 1 *(The investigation could not be completed due to the lockdown imposed as a result of the outbreak of COVID-19).*
- **Status of Compliances of Non – Mandatory Requirements**
  1. Your Company maintains a separate office for its Non-Executive Chairman. All necessary infrastructure and assistance is made available to enable him to discharge his responsibilities effectively.
  2. The position of the Chairman of the Board of Directors and the Managing Director are separate.
  3. The Internal Auditors report to the Audit Committee.
  4. The statutory financial statements of your Company are unqualified.

XI. GENERAL BODY MEETINGS

Date and time of the AGMs, held during the preceding 3 years and the Special Resolution(s) passed thereat are as follows:

2019
Date and time: 18th July, 2019; 3.30 p.m.
Place: Ravindra Natya Mandir, P. L. Deshpande Maharashtra Kala Academy, Near Siddhivinayak Temple, Sayani Road, Prabhadevi, Mumbai – 400 025.

Special Resolutions passed:

- Re-appointment of Mr. Arun Adhikari as an Independent Director.
- Re-appointment of Mr. S. B. Mathur as an Independent Director.
- Re-appointment of Mrs. Sukanya Kripalu as an Independent Director.
- Re-appointment of Mrs. Renuka Ramnath as an Independent Director.
- Increase in borrowing limits from ₹ 6,000 crores over and above the aggregate of the paid-up share capital and free reserves of the Company to ₹ 8,000 crores over and above the aggregate of the paid-up share capital, free reserves and securities premium of the Company.
- Creation of charge on the movable and immovable properties of the Company, both present and future, in respect of borrowings.

2018
Date and time: 18th July, 2018; 3.30 p.m.
Place: Ravindra Natya Mandir, P. L. Deshpande Maharashtra Kala Academy, Near Siddhivinayak Temple, Sayani Road, Prabhadevi, Mumbai – 400 025.

Special Resolution passed:

- Issue of Redeemable Non-Convertible Debentures, secured or unsecured in one or more series / tranches aggregating to an amount not exceeding ₹ 9,000 crores.

2017
Date and time: 18th July, 2017; 3.30 p.m.
Place: Ravindra Natya Mandir, P. L. Deshpande Maharashtra Kala Academy, Near Siddhivinayak Temple, Sayani Road, Prabhadevi, Mumbai – 400 025.

Special Resolution passed:

- Issue of Redeemable Non-Convertible Debentures, secured or unsecured in one or more series / tranches aggregating to an amount not exceeding ₹ 9,000 crores.

Whether any special resolution passed last year through postal ballot.

- No resolution was passed through postal ballot during the year 2019-20.

XII. MEANS OF COMMUNICATION

- **Quarterly results**
  - **Which newspapers normally published in:**

Newspaper	Cities of Publication
Business Standard	All editions
Economic Times	All editions
Free Press Journal	Mumbai
Navshakti	Mumbai

  - **Any website, where displayed:**

    www.ultratechcement.com

    www.adityabirla.com

  - **Whether your Company's website displays**

All official news releases	Yes
Presentation made to Institutional Investors / Analysts	Yes

XIII. WEBSITE DISCLOSURES

The information as required to be disseminated on the website of your Company pursuant to the Listing Regulations have been updated on the website of your Company viz. www.ultratechcement.com

CODE OF CONDUCT

DECLARATION

As provided under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended 31st March, 2020.

K. C. Jhanwar
Managing Director
(DIN:01743559)

Mumbai
20th May, 2020

CEO/CFO CERTIFICATION

The Board of Directors
UltraTech Cement Limited

We certify that:

1. We have reviewed the financial statement, read with the cash flow statement of UltraTech Cement Limited ("the Company") for the year ended 31st March, 2020 and to best of our knowledge and belief:
   (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
   (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct;
3. We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Company's Auditors and the Audit Committee of the Company's Board of Directors deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps taken or proposed to be taken to rectify the deficiencies.
4. We have indicated to the Auditors and the Audit Committee:
   a) significant changes in the Company's internal control over financial reporting during the year.
   b) significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements.
   c) instances of significant fraud of which we have become aware and involvement therein if any of management or other employees having a significant role in the Company's internal control system over financial reporting.

Mumbai
20th May, 2020

K. C. Jhanwar
Managing Director
(DIN: 01743559)

Atul Daga
Whole-time Director & CFO
(DIN: 06416619)

CERTIFICATE

Pursuant to regulation 34(3) and Schedule V Para C clause (10)(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")

To
The Members
UltraTech Cement Limited
B-Wing Ahura Centre 2nd Floor
Mahakali Caves Road Andheri (East)
Mumbai - 400093

We have examined the relevant books, papers, minutes books, forms and returns filed, Notices received from the Directors during the financial year 2019-20, and other records maintained by UltraTech Cement Limited CIN.: L26940MH2000PLC128420 (hereinafter called the '**Company**') having its Registered office at B-Wing, Ahura Centre, 2nd Floor, Mahakali Caves Road, Andheri (East) Mumbai – 400093 and also the information provided by the Company, its officers, and authorised representatives of the Company for the purpose of issue of a Certificate, in accordance with Regulation 34 (3) read with Schedule V Para-C Sub clause 10 (i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) 2015 ("SEBI Listing Regulations"), as amended vide notification no (SEBI/LAD/NRO/GN/2018/10 dated 9th May, 2018 issued by SEBI.

In our opinion and to the best of our knowledge and based on such examination as well as information and explanations furnished to us, which to the best of our knowledge and belief were necessary for the purpose of issue of this certificate and based on such verification as considered necessary, we hereby certify that None of the Directors stated below who are on the Board of the Company as on 31st March 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by Securities and Exchange Board of India or the Ministry of Corporate Affairs ("MCA"), Government of India or any such other statutory authority(ies).

S. No.	Name of the Director	DIN	*Date of Appointment in the Company
1	Mr. Kumar Mangalam Birla	00012813	14/05/2004
2	Mrs. Rajashree Birla	00022995	14/05/2004
3	Mr. Arun Kumar Adhikari	00591057	03/12/2013
4	Mrs. Alka Marezban Bharucha	00114067	09/06/2016
5	Mrs. Sukanya Kripalu Anand	06994202	11/10/2014
6	Mr. Sunil Behari Mathur	00013239	10/09/2008
7	Mrs. Usha Sangwan	02609263	10/01/2020
8	Mr. Krishna Kishore Maheshwari	00017572	01/04/2016
9	Mr. Kailash Chandra Jhanwar	01743559	19/10/2018
10	Mr. Atul Daga	06416619	09/06/2016

**Date of appointment is taken from MCA.*

We further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **BNP & Associates**
Company Secretaries
[Firm Regn. No. P2014MH037400]
PR No. 637/2019

B. Narasimhan
Partner
FCS No.: 1303 / C P No.: 10440
UDIN: F001303B000259981

Dated : 20th May, 2020
Place : Mumbai

Shareholder Information

1.	**Annual General Meeting**	
	- Date and Time	Wednesday, 12th August, 2020 at 3:00 p.m. (IST)
	- Venue	The venue of the meeting shall be deemed to be the registered office of the Company i.e. 'B' Wing, Ahura Centre, 2nd Floor, Mahakali Caves Road, Andheri (East), Mumbai - 400 093.
2.	**Financial Calendar**	
	• Financial reporting for the quarter ending 30th June, 2020	End July, 2020
	• Financial reporting for the half year ending 30th September, 2020	End October, 2020
	• Financial reporting for the quarter ending 31st December, 2020	End January, 2021
	• Financial reporting for the year ending 31st March, 2021	End April, 2021
	• Annual General Meeting for the year ending 31st March, 2021	End July / August, 2021
3.	**Dates of Book Closure**	Friday, 31st July, 2020 to Wednesday, 12th August, 2020 (both days inclusive)
4.	**Dividend Payment Date**	On or after Thursday, 13th August, 2020
		In terms of Circular No. 20/2020 dated 5th May, 2020, issued by the Ministry of Corporate Affairs, Government of India, where the Company is unable to pay the dividend to any Shareholder by electronic mode, due to non-availability of the details of the Shareholders' bank account and on account of the prevailing situation arising out of the outbreak of the COVID-19 pandemic, making it difficult to dispatch physical dividend warrants, the dividend warrant to such Shareholders will be dispatched upon normalisation of the postal services. *Shareholders may also note that the Income Tax Act, 1961 amended by the Finance Act, 2020, mandates that dividend paid or distributed by a Company on or after 1st April, 2020 shall be taxable in the hands of the Shareholders. The Company shall therefore be required to deduct tax at source (TDS), wherever applicable, at the applicable rates at the time of making the payment of final dividend.*
5.	**Registered Office**	UltraTech Cement Limited 'B' Wing, Ahura Centre, 2nd Floor, Mahakali Caves Road, Andheri (East), Mumbai – 400 093. Tel.: (022) 6691 7800 Fax: (022) 6692 8109 Email: sharesutcl@adityabirla.com Web: www.ultratechcement.com www.adityabirla.com CIN: L26940MH2000PLC128420

6. (a) Listing Details:

Equity Shares	Non-Convertible Debentures	Global Depository Receipts (GDRs)
1. BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400 001 2. National Stock Exchange of India Limited "Exchange Plaza", Plot No. C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051	National Stock Exchange of India Limited "Exchange Plaza", Plot No. C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051	Luxembourg Stock Exchange 35 A, Boulevard Joseph II L-1840 Luxembourg.

Note: Listing fees for the year 2020 – 21 will be paid within the due dates. Listing fee for the GDRs has been paid to Luxembourg Stock Exchange (LSE) for the calendar year 2020.

(b) Name and address of Trustees for the Debentureholders : SBICAP Trustee Company Limited
Appejay House, 6th Floor, West Wing,
3, Dinshaw Wachha Road,
Churchgate, Mumbai – 400 020
Tel No: (022) 4302 5555
Fax No: (022) 2204 0465

(c) Overseas Depository for GDRs : Citibank N. A.
Depository Receipt Services
388, 6th Floor, Greenwich Street,
New York, NY-10013 USA
Tel: +212 – 816 – 6852
Fax: +212 –816 – 6876

(d) Domestic Custodian of GDRs : Citibank N.A.
Custody Services
FIFC 11th Floor, C 54 & 55, G Block,
Bandra Kurla Complex
Bandra (East), Mumbai – 400 098
Tel: (022) 6175 6895
Fax: (022) 2653 2205

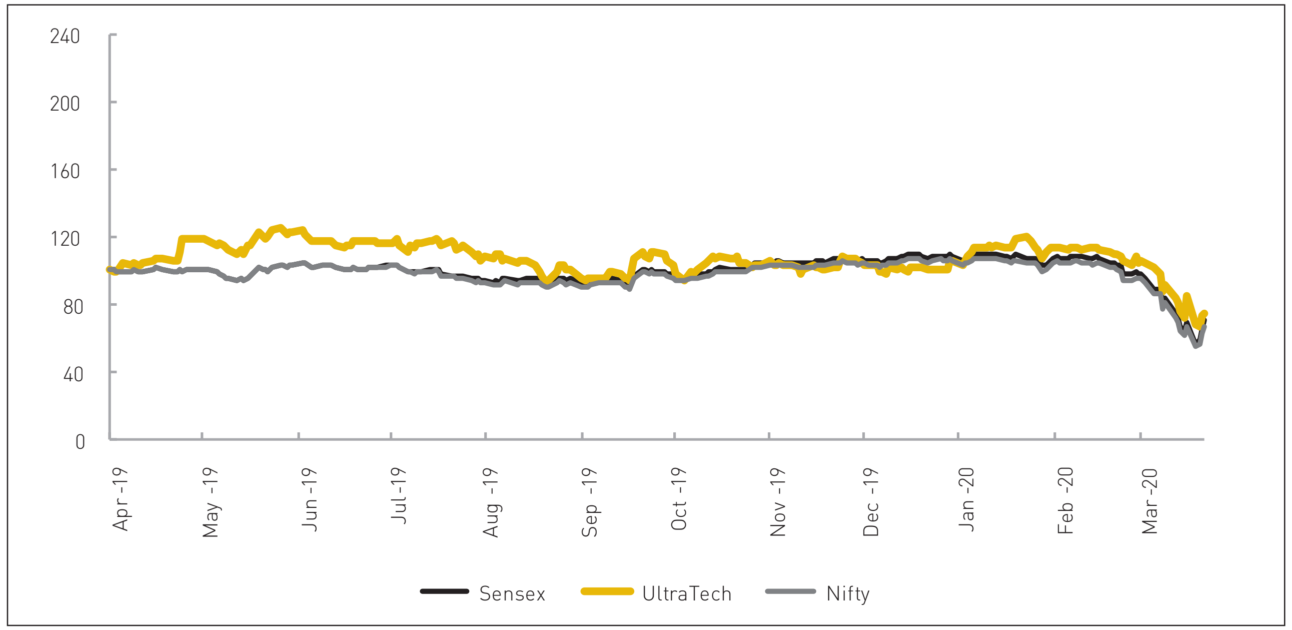
7. Stock Code : ISIN for equity shares – INE481G01011
: ISIN for 144A GDRs – US90403E1038
: ISIN for Level 1 GDRs – US90403E2028

	Stock Code	Reuters	Bloomberg
BSE	532538	ULTC.BO	UTCEM IB
NSE	ULTRACEMCO	ULTC.NS	UTCEM IS
LSE	-	-	UTCEM LX

8. Stock Price Data:

	BSE				NSE				LSE		
	High	Low	Close	Volume (In Nos.)	High	Low	Close	Volume (In Nos.)	High	Low	Close
	(In l)				(In l)				(In USD)		
Apr-19	4,686.30	3,985.05	4,618.95	4,65,728	4,686.60	3,985.00	4,616.80	1,32,34,992	66.50	58.50	66.50
May-19	4,903.90	4,289.65	4,757.65	5,58,470	4,904.95	4,289.05	4,760.10	1,28,68,885	69.50	61.50	68.00
Jun-19	4,796.30	4,425.40	4,553.15	3,55,068	4,792.70	4,425.00	4,555.85	78,72,405	69.00	63.50	66.00
Jul-19	4,707.55	4,210.70	4,342.70	4,07,172	4,710.00	4,211.00	4,346.90	83,98,170	68.00	62.50	63.00
Aug-19	4,424.00	3,792.00	4,052.55	8,23,932	4,423.30	3,791.10	4,052.25	1,38,34,533	61.50	53.50	56.50
Sep-19	4,440.00	3,831.10	4,330.55	6,44,405	4,447.85	3,832.00	4,341.25	1,16,32,305	62.50	54.00	61.50
Oct-19	4,407.30	3,853.05	4,144.40	3,52,519	4,410.00	3,853.00	4,143.20	1,05,22,053	61.00	54.50	58.50
Nov-19	4,338.10	3,992.75	4,255.75	9,90,434	4,337.50	3,993.10	4,259.10	1,02,17,322	60.00	55.50	60.00
Dec-19	4,320.00	3,970.00	4,046.85	3,33,817	4,320.00	3,970.00	4,046.05	97,62,915	59.50	56.50	57.00
Jan-20	4,753.35	4,046.00	4,418.00	4,20,721	4,754.10	4,045.00	4,416.10	1,44,15,273	65.50	57.50	62.00
Feb-20	4,546.35	4,193.70	4,219.70	3,30,117	4,547.00	4,194.70	4,219.60	88,45,619	63.00	58.50	58.50
Mar-20	4,326.30	2,913.15	3,254.25	5,13,959	4,329.00	2,910.00	3,244.85	1,58,66,272	59.00	39.60	43.20

9. Stock Performance:



10. Stock Performance and Returns:

Absolute Returns

(In Percentage)	1 Year	3 Years	5 Years
UltraTech	(18.85)	(17.85)	0.50
BSE Sensex	(23.80)	(10.62)	16.28
NSE Nifty	(26.03)	(14.99)	11.11

Annualised Returns

(In Percentage)	1 Year	3 Years	5 Years
UltraTech	(18.85)	(6.34)	0.10
BSE Sensex	(23.80)	(3.67)	3.06
NSE Nifty	(27.89)	(5.27)	2.13

11. Registrar and Transfer Agent (RTA):
(For share transfers and other communication relating to share certificates, dividend and change of address)

KFin Technologies Private Limited
Selenium Tower B, Plot Nos. 31 & 32,
Financial District, Nanakramguda,
Serilingampally Mandal,
Hyderabad – 500 032
Toll Free No. 1800 5724 001
Email: ultratech.ris@kfintech.com/
einward.ris@kfintech.com

12. Share Transfer system:

Trading in shares of your Company are permitted only in dematerialised form. However, for those cases which were received before 1st April, 2019 and in which there were some discrepancies in the documents submitted by the share-holders, have been re-lodged and processed during the year.

The RTA attends to investor grievances in consultation with the Secretarial Department of your Company.

Transfer Period (in days)	2019-20			2018-19		
	No. of transfers	No. of shares	%	No. of transfers	No. of shares	%
1 – 15	508	16,603	100	1,987	58,263	100
Total	**508**	**16,603**	**100**	**1,987**	**58,263**	**100**

Number of pending share transfers as on 31st March, 2020 : Nil

13. Investor Services:

Complaints received during the year

Nature of Complaints	2019-20		2018-19	
	Received	Cleared	Received	Cleared
Relating to Transfer, Transmission, Dividend, Demat and Change of address etc.	49	49	78	70

Number of complaints pending as on 31st March, 2020 : Nil

Legal proceedings on share transfer issues, if any : No major legal proceedings relating to transfer of shares.

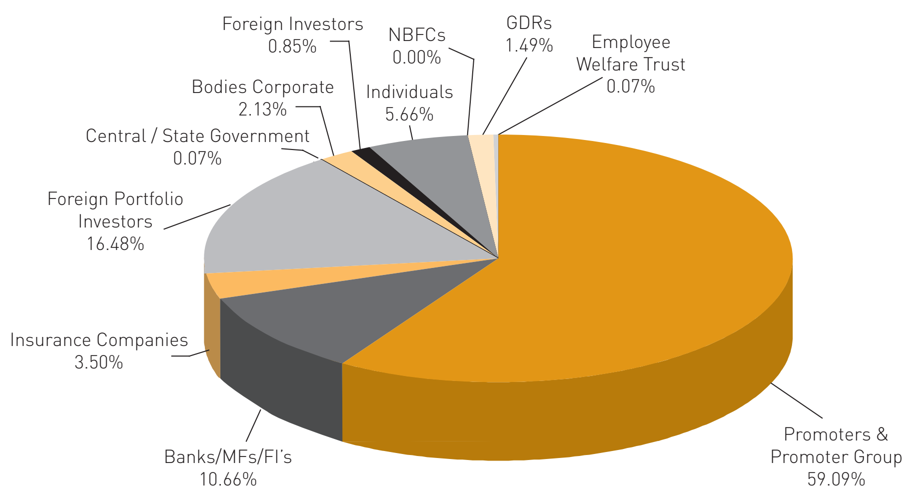
14. Distribution of Shareholding as on 31st March, 2020:

Range of Shareholding	No. of share holders	% of share holders	No. of shares held	% share holding
1 – 100	2,76,804	89.38	63,80,347	2.21
101 – 200	17,532	5.66	25,35,521	0.88
201 – 500	10,024	3.24	31,20,392	1.08
501 – 1000	2,898	0.94	20,17,423	0.69
1001 - 5000	1,759	0.57	33,33,724	1.16
5001-10000	213	0.06	15,02,460	0.52
10001 & above	458	0.15	26,97,35,238	93.46
Total	**3,09,688**	**100.00**	**28,86,25,105**	**100.00**

15. Category of Shareholding as on 31st March, 2020 :

Category	No. of share holders	% of share holders	No. of shares held	% share holding
Promoter & Promoter Group	20	0.01	17,05,57,324	59.09
Banks / MFs / FIs	231	0.07	3,07,60,488	10.66
Insurance Companies	7	0.00	1,00,94,129	3.50
Foreign Portfolio Investors	699	0.23	4,75,62,842	16.48
Central / State Government	2	0.00	1,96,323	0.07
Bodies Corporate	2,278	0.74	61,54,533	2.13
Foreign Investors	8,630	2.79	24,56,038	0.85
Individuals	2,97,802	96.16	1,63,18,702	5.66
NBFCs	17	0.00	7,461	0.00
GDRs[@]	1	0.00	43,07,665	1.49
Employee Welfare Trust	1	0.00	209,600	0.07
Total	**309,688**	**100.00**	**28,86,25,105**	**100.00**

[@] 2,744,168 GDRs held by Promoter and Promoter Group.



16. Dematerialisation of Shares and Liquidity : 98.77% of outstanding equity shares have been dematerialised as on 31st March, 2020.

17. Details on use of public funds obtained in the last three years : No public funds have been obtained.

18. Outstanding GDR / Warrants and Convertible Bonds : 43,07,665 GDRs are outstanding as on 31st March, 2020. Each GDR represents one underlying equity share. There are no warrants / convertible bonds outstanding as at the year end.

19. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:

Your Company hedges its foreign currency exposure in respect of its imports, borrowings and export receivables as per its laid down policies. Your Company uses a mix of various derivatives instruments like forward covers, currency swaps, interest rates swaps, principal only swaps or a mix of all. Further, your Company also hedges its commodity price risk through fixed price swaps.

Your Company does not have material exposure to any commodity for which hedging instruments are available in the financial markets and accordingly, no hedging activities for the same are carried out. Therefore, there is no disclosure to offer in terms of Securities and Exchange Board of India ("SEBI") circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated 15th November, 2018.

20. Plant Locations

Integrated Plants:

Aditya Cement Works	**Andhra Pradesh Cement Works**	**Awarpur Cement Works**
Adityapuram, Sawa – Shambhupura Road, District: Chittorgarh, Rajasthan – 312 622 Tel: 01472- 221014-15 Fax: 01472- 221020	Bhogasamudram, Tadipatri Mandal, District: Anantapur, Andhra Pradesh – 515 413 Tel: 08558 – 288825 Fax: 08558-288821	P.O. Awarpur, Taluka: Korpana, District: Chandrapur, Maharashtra – 442 917 Tel: 07173-266233 / 036 Fax: 07173-266339
Baga Cement Works	**Baikunth Cement Works**	**Balaji Cement Works**
Village Baga, P.O. Kandhar, Tehsil Arki, District: Solan, Himachal Pradesh – 171 102 Tel: 01796-223300, Fax: 01796-223344	P.O. Baikunth District: Raipur, Chhattisgarh - 493 116 Tel: 07721-261222 Fax: 07721-261230	Survey No. 99, Vill. + Post Budawada Mandal-Jaggaiahpet, District: Krishna, Andhra Pradesh – 521 175
Bela Cement Works	**Dalla Cement Works**	**Dhar Cement Works**
Jaypee Puram P.O. Jaypee Puram, District: Rewa Madhya Pradesh – 486 450 Tel: 07662 - 403301 - 8 Fax: 07662 - 409309	SH-5, Kota, Post: Dalla, District: Sonebhadra, Uttar Pradesh – 231 207	Village: Tonki; Tehsil: Manawar, District: Dhar, Madhya Pradesh – 454 446
Gujarat Cement Works	**Hirmi Cement Works**	**Jafrabad Cement Works**
P.O. Kovaya, Taluka: Rajula, District: Amreli, Gujarat – 365 541 Tel: 02794 – 283034 Fax: 02794 – 283036	Village & Post: Hirmi Taluka: Simga, District: Baloda Bazar, Bhatapara, Chhattisgarh – 493 195 Tel: 07726-281221-222 Fax: 07726-281268	P. B. No. 10, Village: Babarkot, Taluka: Jafrabad, District: Amreli, Gujarat – 365 540
Kotpuli Cement Works	**Maihar Cement Works**	**Manikgarh Cement Works**
V & P. O. Mohanpura, Tehsil: Kotputli, District: Jaipur, Rajasthan - 303 108 Tel: 01421-243702	Sarla Nagar, Tehsil Maihar, District: Satna, Madhya Pradesh - 485 772 Tel: 07674-277067 Fax: 07674-277806	At post Gadchandur, Tehsil : Korpana, District: Chandrapur, Maharashtra - 442 908 Tel: 07173-246840
Rajashree Cement Works	**Rawan Cement Works**	**Reddipalayam Cement Works**
Adityanagar,Malkhed Road, Taluk: Sedam, District: Kalaburagi Karnataka – 585 292 Tel: 08441-288888/ 9844890200 Fax: 08441-288624	Village: Rawan, PO: Grasim Vihar, Tehsil: Simga, District: Baloda Bazar–Bhatapara, Chhattisgarh - 493 196 Tel: 07726 – 288668/367 Fax: 07726 - 288215, 288208	Reddipalayam P.O. District: Ariyalur, Tamil Nadu – 621 704 Tel: 04329 - 249240 Fax: 04329 - 249253
Sewagram Cement Works	**Sidhi Cement Works**	**Vikram Cement Works**
Village: Vayor, Taluka Abdasa, District: Kutch, Gujarat – 370 511 Tel: 02831-279200 Fax: 02831-279279	Aditya Vihar, Majhigawan, P.O. Bharatpur, Tehsil – Rampur Naikin, Sidhi, Madhya Pradesh – 486 776	Vikram Nagar, P.O. Khor, Tehsil - Jawad, District: Neemuch, Madhya Pradesh – 458 470 Tel: 07420 - 230554, 230567 Fax: 07420 - 235524

Grinding Plants:

Aligarh Cement Works	Arakkonam Cement Works	Bagheri Cement Works
Village: Kasimpur, Tehsil: Koel, District: Aligarh Uttar Pradesh – 202 127 Tel: 9105000 843-44	Chitteri post, Arakkonam, District: Vellore Tamil Nadu – 631 003 Tel: 812 - 4086 9629	Village - Pandiyana P.O.- Khillian Tehsil Nalagarh, Solan, Himachal Pradesh – 174 101
Bathinda Cement Works	**Dadri Cement Works**	**Dankuni Cement Works**
Behind G.H.T.P. Lehra Mohabbat, Tehsil – Rampuraphul, District: Bathinda, Punjab - 151 111 Tel: 0164-2863100-105	Village: Ranuali Latiffpur, Post Vidyutnagar, Tehsil: Dadri, District: Gautambudh Nagar, Uttar Pradesh – 201 008 Tel: 0120-2809056	JL-80, Village: Panchghara, P.O.: Panchghara Bazar, PS: Chanditala, District: Hooghly, West Bengal – 712 306 Tel: 03212 - 223822
Ginigera Cement Works	**Hotgi Cement Works**	**Jhajjar Cement Works**
Gangavathi Road, Ginigera, District: Koppal, Karnataka – 583 228 Tel: 08539 - 286572	Village/ Post: Hotgi Station, South Solapur, District: Solapur, Maharashtra - 413 215 Tel: 0217-2250303-05	Village: Jharli, Tehsil: Matanhail, District: Jhajjar, Haryana – 124 106 Tel: 8221902800
Jharsuguda Cement Works	**Magdalla Cement Works**	**Nagpur Cement Works**
Near Dhutra Railway Station, P.O. Arda, District: Jharsuguda, Odisha – 768 202 Tel: 06645-283161	Magdalla Port, Dumas Road, Surat, Gujarat – 395 007 Tel: 0261-2725175	Village: Ashti, Navegaon and Tarsa, Tehsil: Mauda, District: Nagpur, Maharashtra – 441 106 Tel: 7720037095
Panipat Cement Works	**Patliputra Cement Works**	**Ratnagiri Cement Works**
Village: Karad, Israna Pardhana Road, Israna, Panipat, Haryana – 132 107, Tel: 9992112031/32	Village: Shajahnapur, Near Sigariyawan Station, Daniyawana Hilsa Road, Patna, Bihar – 801 305	MIDC Indl. Estate, Zadgaon Block, Ratnagiri, Maharashtra – 415 639 Tel: 02352-223997
Roorkee Cement Works	**Sikandarabad Cement Works**	**Sonar Bangla Cement Works**
Village- Nalheri Dehviran Tehsil – Roorkee, Post - Nalhera Anantapur, District: Haridwar, Uttarakhand – 247 668 Tel: 9105771143 / 44	19-20, Industrial Area Post: Sikandrabad, District: Bulandshahr, Uttar Pradesh – 203 205	Village-Dhalo, P.O. Gankar Block Raghunathganj -1 District: Murshidabad, West Bengal - 742227 Tel: 03483237130 Fax: 03483237140
Tanda Cement Works	**Wanakbori Cement Works**	**West Bengal Cement Works**
Post: Hussainpur Sudhana Tanda, District: Ambedkarnagar, Uttar Pradesh – 224 190	Village: Sangol, Post. Sonipur, Taluka: Thasra, District: Kheda, Gujarat – 388 245 Tel: 02699-232000	Near EPIP Plot, P.O. - Rajbandh Muchipara, Durgapur, West Bengal – 713 212 Tel: 9093200609

Bulk Terminals:

Birla Super Bulk Terminal	Cochin Bulk Terminal	Mangalore Bulk Terminal
Near Railway Station Veerapura, Doddaballapur, District: Bengaluru, Karnataka – 561 163 Tel: 080-28020444	Survey No. 2578/4 Indira Gandhi Road, Willingdon Island, Kochi, Kerala - 682 003 Tel: 0484-4055229	Post Box No. 17 Beach Road, Panambur, Mangaluru, Karnataka – 575 010 Tel: 0824-2408112
Navi Mumbai Bulk Terminal	**Pune Bulk Terminal**	**Shankarpalli Bulk Terminal**
Sector-1, Dronagiri Indl. Area Uran, Navi Mumbai Maharashtra - 400 707 Tel: 022-27241930	Tah-Haveli, Village: Peth Naygaon District: Pune, Maharashtra – 412 110 Tel: 7722065952 - 53	Village: Fathepur, Shankarpalli Mandal, District: Rangareddy, Telangana – 501 203 Tel: 9743893113

White Cement

Birla White	Birla White Unit: Katni	Birla White Unit: GRC
Birla White Rajashree Nagar, P.O. Kharia Khangar Tehsil: Bhopalgarh, District: Jodhpur, Rajasthan – 342 606 Tel: 02920-264040/ 47 Fax: 02920-264225 / 264222	Village: Pati – Jharela, Post: Bijori, Tehsil: Badwara, District: Katni, Madhya Pradesh - 483 773 Tel: 07626-279201	Plot No.14, GIDC Estate Village: Manjusar Taluka: Savli, District: Vadodara Gujarat - 391 775 Tel: 02667-264380/81

21. Investor Correspondence:

Registered Office	Registrar & Transfer Agent
UltraTech Cement Limited 'B' Wing, Ahura Centre, 2nd Floor, Mahakali Caves Road, Andheri (East), Mumbai – 400 093 Tel: (022) 6691 7800 Fax: (022) 6692 8109 Email: sharesutcl@adityabirla.com; swati.patil@adityabirla.com Contact Person: Ms. Swati Patil	KFin Technologies Private Limited Selenium Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032 Toll Free No. 1800 5724 001 Email: ultratech.ris@kfintech.com; einward.ris@kfintech.com Contact Person: Mr. Satish Poojary

Email for investor correspondence under SEBI requirements: sharesutcl@adityabirla.com

22. Credit Ratings:

Instrument	Rating Agency	Rating
Non-Convertible Debentures (NCDs)	CRISIL	CRISIL AAA/Stable
	India Ratings and Research (Ind-Ra)	IND AAA/Stable
External Commercial Borrowing	CRISIL	CRISIL AAA/Stable
Commercial Paper	CRISIL	CRISIL A1+
	India Ratings and Research (Ind-Ra)	IND A1+
Rupee Term Loan	CRISIL	CRISIL AAA/Stable
Working Capital Limits	India Ratings and Research (Ind-Ra)	IND AAA/Stable IND A1+
Short Term Loan	India Ratings and Research (Ind-Ra)	IND A1+

23. Other Useful Information for Shareholders:

Unpaid / Unclaimed Dividends

Dividend warrants in respect of the dividend declared in July, 2019 have been despatched to the shareholders at the addresses registered with the Company. Those shareholders who have not yet received the dividend warrants may please write to the Company or its RTA for further information in this behalf. Shareholders who have not encashed the warrants are requested to do so by getting them revalidated from the Registered Office of the Company or its RTA.

Transfer of Unclaimed Equity Shares to Investor Education and Protection Fund ("IEPF") Account

In terms of the provisions of Section 124(5) of the Act, dividend which remains unpaid / unclaimed for a period of seven years from the date of declaration will be transferred to the IEPF.

Further, in terms of the provisions of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), equity shares in respect of which dividend has not been paid or claimed for seven consecutive years or more from the date of declaration will also be transferred to an account viz. IEPF Suspense Account, which is operated by the IEPF Authority pursuant to the IEPF Rules.

The Company had issued individual notices to all shareholders who have not claimed dividend for the last seven consecutive years. Further, notices were also published in newspapers on 22nd June, 2019. The Company has transferred ₹ 1,11,77,622 to the IEPF being the unclaimed / unpaid dividend for 2011-12 during the year.

In compliance with the aforesaid Rules, the Company has already transferred equity shares pertaining to the financial year 2011-12 to the IEPF Suspense Account after providing necessary intimations to the relevant shareholders.

As required in terms of the Secretarial Standard on Dividend (SS-3), details of unpaid dividend account and due dates of transfer to the IEPF is given below:

Sr No	Financial Year	Due date of transfer to IEPF	Amount (I in crores)
1	2012-2013	3rd September, 2020	1.30
2	2013-2014	11th September, 2021	1.41
3	2014-2015	3rd October, 2022	1.40
4	2015-2016	25th August, 2023	1.68
5	2016-2017	2nd September, 2024	1.77
6	2017-2018	24th August, 2025	1.45
7	2018-2019	24th August, 2026	1.40
	Total		**10.41**

Shareholders, who have so far not encashed their dividend relating to the financial year 2012-13 are requested to do so by 31st July, 2020, by writing to the Secretarial Department at the Registered Office of the Company or to the RTA, failing which the dividend and the equity shares relating thereto will be transferred to the IEPF and the IEPF Suspense Account respectively.

Details of unpaid / unclaimed dividend and equity shares for the financial year 2011–12 are uploaded on the website of the Company as well as that of the Ministry of Corporate Affairs, Government of India ("MCA"). No claim shall lie against the Company in respect of unclaimed dividend amount and equity shares transferred to the IEPF and IEPF Suspense Account, respectively, pursuant to the IEPF Rules. Shareholders can however claim both the unclaimed dividend amount and the equity shares from the IEPF Authority by making applications in the manner provided in the IEPF Rules.

Unclaimed shares in physical form

Regulation 39(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the "Listing Regulations") provide the manner of dealing with the shares issued in physical form pursuant to a public issue or any other issue, which remains unclaimed with the Company. In compliance with the provisions of the above Regulation, the Company has sent three reminders to the shareholders whose share certificates are lying unclaimed.

Disclosure in terms of Regulation 39(4) of the Listing Regulations:

Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account as at 1st April, 2019:	2,579 shareholders holding 92,788 equity shares.
Number of shareholders who approached the issuer for transfer of shares from Unclaimed Suspense Account during the year:	34 shareholders holding 840 equity shares.
Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year:	34 shareholders holding 840 equity shares.
No. of shareholders whose shares were transferred to IEPF account pursuant to MCA circular dated 5th September, 2016:	356 shareholders holding 9,385 Equity Shares.
Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account as at 31st March, 2020:	2,189 shareholders holding 82,563 equity shares.

ECS/ NECS Facility

The Company uses Electronic Clearing Service ("ECS") facility for remitting dividend to its shareholders wherever available. In terms of a notification issued by the Reserve Bank of India, w.e.f 1st October, 2009, remittance of dividend through ECS is replaced by National Electronic Clearing Service ("NECS"). Banks have been instructed to move to the NECS platform. The advantages of NECS over ECS include faster credit of remittance to the beneficiary's account, coverage of more bank branches and ease of operations. NECS essentially operates on the new and unique bank account number, allotted by banks post implementation of Core Banking Solutions ("CBS") for centralised processing of inward instructions and efficiency in handling bulk transactions. To enable remittance of dividend through NECS, shareholders are requested to provide their new account number allotted to them by their respective banks after implementation of CBS. The account number must be provided to the Company or its RTA in respect of shares held in physical form and to the Depository Participants in respect of shares held in electronic form. The SEBI vide its Circular dated 21st March, 2013 provided that companies making cash payments to its shareholders shall use approved electronic mode of payment such as NECS, NEFT etc. To enable usage of electronic payment instruments, companies are required to maintain requisite bank details of their shareholders:-

- For securities held in electronic form, companies shall seek relevant bank details from the Depositories.
- For securities held in physical form, companies shall maintain updated bank details of its shareholders.

Dematerialisation

1. Dematerialisation requests duly completed in all respects are normally processed within 7 days from the date of their receipt at the Company or its RTA.
2. Equity Shares of the Company are under compulsory demat trading by all investors. Considering the advantages of scripless trading, shareholders are requested to consider dematerialisation of their shareholding so as to avoid inconvenience in future.
3. The equity shares of the Company have been admitted with the National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") bearing ISIN No. **INE481G01011.**

Correspondence with the Company

Shareholders / Beneficial Owners are requested to quote their Folio Number / DP & Client ID Numbers as the case may be, in all correspondence with the Company. All correspondence regarding shares and debentures of the Company should be addressed to the Company or its RTA.

Non-Resident Shareholders

Non-resident shareholders are requested to immediately notify:

- Indian address for sending all communications, if not provided so far;
- Change in their residential status on return to India for permanent settlement;
- Particulars of their NRE Bank Account with a bank in India, if not furnished earlier.

Others

1. In terms of the Regulations of NSDL and CDSL, the bank account details of Beneficial Owners of shares in demat form will be printed on the dividend warrants as furnished by the Depository Participants ("DPs"). The Company will not entertain any request for change of

bank details printed on their dividend warrants. In case of any changes in your bank details please inform your DPs immediately.

2. Shareholders holding shares in physical form are requested to notify to the Company or its RTA, change in their address / pin code number and bank account details promptly by written request under the signatures of sole / first joint holder. Beneficial Owners of shares in demat form are requested to send their instructions regarding change of name, change of address, bank details, nomination, power of attorney, etc. directly to their DPs as the same are maintained by the DPs.

3. To prevent fraudulent encashment of dividend warrants, shareholders are requested to provide their bank account details (if not provided earlier) to the Company or its RTA (if shares held in physical form) or to DPs (if shares held in electronic form), as the case may be, for printing of the same on their dividend warrants.

4. In case of loss / misplacement of shares, shareholders should immediately lodge a FIR / Complaint with the Police and inform the Company or its RTA along with original or certified copy of FIR / Acknowledged copy of Police complaint.

5. In terms of the amendments to the Listing Regulations, w.e.f 1st April, 2019, the Company has stopped effecting transfer of securities in physical form unless the securities are held in dematerialised form with the depository, i.e NSDL and CDSL.

   Members are therefore requested to demat their physical holding for any further transfer. Members can however continue to make request for transmission or transposition of securities held in physical form.

6. Shareholders are requested to keep record of their specimen signature before lodgement of shares with the Company to obviate possibility of difference in signature at a later date.

7. Section 72 of the Companies Act, 2013 extends nomination facility to individuals holding shares in physical form in companies. Shareholders, particularly those holding shares in single name, should avail of the above facility by furnishing the particulars of their nominations in the prescribed Nomination Form which can be obtained from the Company or its RTA or download the same from the Company's website.

8. Shareholders are requested to give us their valuable suggestions for improvement of our shareholder services.

9. Addresses of the redressal agencies for shareholders to lodge their grievances:

Ministry of Corporate Affairs (MCA)
'A' Wing, Shastri Bhawan,
Rajendra Prasad Road,
New Delhi – 110 001
Tel.: (011) 23384660, 23384659
Web: www.mca.gov.in

Securities and Exchange Board of India (SEBI)
Plot No. C4-A,'G' Block, Bandra Kurla Complex,
Bandra (East), Mumbai – 400 051
Tel.: (022) 26449000/40459000
Fax: (022) 26449019-22
Web: www.sebi.gov.in

Stock Exchanges:
BSE Limited (BSE)
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001
Tel.: (022) 22721233/34
Fax: (022) 22721919
Web: www.bseindia.com

National Stock Exchange of India Limited (NSE)
"Exchange Plaza", Plot No. C-1,
Block G, Bandra-Kurla Complex,
Bandra (East), Mumbai - 400 051
Tel.: (022) 26598100-8114
Fax: (022) 26598120
Web: www.nseindia.com

Depositories:
National Securities Depository Limited (NSDL)
Trade World, 'A' Wing, 4th Floor,
Kamala Mills Compound,
Lower Parel, Mumbai – 400 013
Tel.: (022) 24994200
Toll Free No.: 1800222990
Web: www.nsdl.co.in

Central Depository Services (India) Limited (CDSL)
Marathon Futurex, A-Wing, 25th Floor,
N. M. Joshi Marg,
Lower Parel, Mumbai – 400 013
Tel.: (022) 2305 8640
Web: www.cdslindia.com

Social Report

*"**COVID-19** as you know, is having a devastating effect. The damage it has caused across nations is immeasurable. Our Government is working hard to patch the developmental pieces. The choice between saving lives and saving livelihoods is an excruciating one. Our Government has initiated a slew of reforms. Particularly notable is the sharp focus on the rural ecosystem and the MSMEs, besides the relief measures for the marginalised. That there is a long road ahead is undeniable.*

As of now, getting out of this despair is our fervent hope. In these stressful times, we must face the reality, have the equanimity, fortitude, resilience and the faith, deep in our heart, that we shall overcome. As long as we all work together, we can and we will overcome this pandemic. That this too shall pass.

I believe, in this hour of crisis, there is a compelling need to reach out, not in terms of physical proximity, but in terms of financial and other material support, to those afflicted directly or indirectly.

As many of you may be aware, we in the Aditya Birla Group have been reaching out to the COVID afflicted in many ways. Our initiatives include:

- *Contribution of ₹ 400 crore to the PM-CARES Fund.*
- *Giving a grant of ₹ 50 crore to FICCI-Aditya Birla CSR Centre for Excellence for COVID relief measures.*
- *Activating a 100-bed COVID-19 facility at Seven Hills Hospital in Mumbai, in partnership with BMC.*
- *Earmarking more than 200 beds for Covid-19 Patients across locations including Ujjain, Pune, Hazaribagh, Rayagada, Solapur and Kharach.*
- *Allocating ₹ 50 crore towards supply of 1 million N95 masks, 2,80,000 personal protective equipment (PPE), as well as ventilators.*
- *Undertaking a production of 1 million triple layer surgical masks and 1 lakh coverall garments with the support of the Textiles Ministry.*
- *Involving community and self-help groups in home production of lakhs of masks across several locations.*
- *Ongoing pro-active engagement with local communities and other stakeholders. This includes awareness camps across 200 locations and door to door campaign to reinforce prevention message as well as social distancing.*
- *In the hinterland of the country, we sanitised 1,000 villages/urban slums and distributed 10,00,000 meals pan India.*

We were also much encouraged by over 26,000 colleagues who contributed to help migrant workers recharge mobiles. This has been our humble effort towards which your Company has made a significant contribution.

In the context of your Company's CSR activities for FY19-20, we continue to align our work to UNSDGs."

Mrs. Rajashree Birla
Chairperson,
Aditya Birla Centre for Community Initiatives and Rural Development
Chairperson, UltraTech CSR Board

On Track with Sustainable Development Goals ("SDGs")

Our community engagement in our five focus areas viz. education, healthcare, sustainable livelihood, infrastructure development and social reform, have been linked with the key nine SDGs. A number of SDGs flow into each other and hence have been clubbed.

For instance, **SDG-1**, which is to end poverty is an overarching goal that connects to all the other goals. Collectively our programmes aim at this very objective.

We are spread across 16 States, spanning 502 villages, reaching out to 16 lakh people. Over decades of unrelentingly battling with poverty, in collaboration with the District Authorities and leveraging Government Schemes, collectively we have been able to lift the burden of poverty from the shoulders of nearly 75% of the people in the villages where we work.

The **second SDG**, is to end hunger, achieve food security, and improved nutrition and promote sustainable agriculture. Hunger issues are inextricably linked with poverty alleviation where water and agriculture play a major part. In the villages where we work, the malnutrition rate is minimal, in the range of approximately 4% to 5%. We have set for ourselves the target to lower it to 3% to 5% in the next 3-5 years, through our projects and taking Government Schemes forward as catalysts. We have had to change our targets, given the roadblocks that COVID-19 has presented.

Water positivity, within the fence and beyond, is one of the most important tasks before us. It includes water conservation, and water harvesting structures. Water is the lifeline for agriculture. The farm-based interventions, farmer training programmes, farmer producer groups, improved agriculture techniques, and animal husbandry management, take us close to the goal of sustainable agriculture.

Our farmer meetings aimed at knowledge sharing on farm related activities, boosting agriculture and horticulture and training programmes that profess the best-in-class agricultural practices and mechanism, have touched the lives of over 26,000 farmers.

Furthermore, farmers are taken to the Krishi Vigyan Kendras and ICAR centres largely in Tamil Nadu, Chhattisgarh and Madhya Pradesh to attune them to the latest cropping patterns, which they can apply to their field. Farmers with marginal holdings gain a lot of on ground knowledge through exposure to demonstration plots and agricultural techniques with minimum inputs.

At Jafrabad and Kovaya (Gujarat) and Khor (Madhya Pradesh), we supported the upkeep of 124 biogas plants. As a measure of our commitment to the green movement, we sponsor tree plantation on roads, wastelands and farm boundaries, pan India.

This year 53,400 animals were immunised in veterinary camps and a large number were artificially inseminated for improved milk yielding breed. This has raised the milk output and consequently there has been a surge in the income of the farmers. BAIF and the JK Trust have been our project partners in the cattle breeding project for Kovaya, Jafrabad, Wanakbori, Khor and Hirmi. At all other locations we collaborate with the Government services available. Over 18,200 cattle owners have been the beneficiaries.

Additionally, our fodder support programme in collaboration with the Panchayat in the drought prone areas of Sewagram (Gujarat), caters to the entire populace in 14 villages and gaushalas at Kharia in Rajasthan.

The **third SDG** pertains to ensuring healthy lives and promoting well-being for all, at all ages. Here what we do is indeed noteworthy to cater to the basic healthcare needs of people. More than 4 lakh people across our Units, have been the beneficiaries of our projects.

This year, we held 248 rural medical / awareness camps and 48 speciality camps under the aegis of our preventive healthcare projects. Over 1,52,000 people accessed our programmes. Health check-ups were conducted for ailments such as malaria, diarrhea, diabetes, hepatitis, arthritis, skin diseases, gynecological disorders and cardiac related issues. Our rural mobile medical van services complemented these efforts.

One of the major concern issues is that even where we are working, more than 70% of women including adolescent girls are anemic. In the near future, our aim is to bring it down to less than 20%, with the support of the District Authorities.

In two districts of Jhalawar and Baran, we completely renovated 162 anganwadis, making them an attractive pull for children and providing the requisite care for expectant and other mothers.

Splendid patient care is accorded at your Company's 8 hospitals located at Khor; Shambhupura and Kharia Khangar (Rajasthan); Kovaya, Jafrabad and Sewagram; Rawan (Chhattisgarh) and Malkhed (Karnataka). More than 64000 patients were treated. We would also like to mention that our medical teams at Hirmi (Chhattisgarh), Kovaya and Jafrabad have gone in for alternate therapies, such as homeopathy, ayurveda and yoga. Over 3,340 patients recoursed to these therapies.

At mega eye camps, we treated 12,064 people, performed 2,632 intraocular operations and distributed 4,453 spectacles.

Eye, dental and health check-up camps are a regular feature in the schools at our Units. These included Sirohi, Manawar, Kharia Khangar, Awarpur (Maharashtra), Tadipatri (Andhra Pradesh), Malkhed, Khor (Madhya Pradesh), Kovaya, Reddipalayam (Tamil Nadu), Dankuni (West Bengal), Shahjahanpur (Uttar Pradesh) and Hirmi. Our teams examined 5,423 students on their dental hygiene and treatment.

In collaboration with the District Health Department, our mother and child healthcare project served 13,122 women (antenatal, post-natal care, mass immunisation, nutrition, and escort services for institutional delivery). Over 124,439 children were immunised against polio, BCG, DPT and Hepatitis-B across your Company's Units.

Our focused programme on adolescent health care covered, 3,126 girls at the Government's Girls High Schools and Kasturba Gandhi Balika Vidyalayas.

Our intensive motivational drive towards responsible family raising led to 1,473 villagers opting for planned families across 16 locations.

At blood donation camps, we garnered 1,776 donors at Bela, Sidhi, Kovaya, Khor, Hirmi, Kharia Khangar, Malkhed, Tadipatri and Reddipalayam. Several of your Company colleagues were among the donors.

SDG-4 Education

Inclusive and equitable quality education, and in the larger context, promoting lifelong learning opportunities, for all, is the pivot of the fourth SDG.

Our proactive initiatives to foster education in the villages have yielded encouraging results. In order to provide children with appropriate learning environment at the initial stage we support 162 anganwadis reaching out to 5,312 children. We would like to particularly mention our enrolment campaign titled "Shala Praveshotsav". This was popularised in Bela and Sidhi (Madhya Pradesh), Dalla (Uttar Pradesh), Arakkonam, Jafrabad, Khor, Shambhupura and Kharia Khangar. The campaign was successful. It not only got students in schools but also stemmed the dropout rate. Under its aegis we also distributed education material including notebooks, school bags and uniforms to over 40,200 children. We leveraged the Sarva Shiksha Abhiyan. We align very well with the Kasturba Balika Vidyalayas at Malkhed, Reddipalayam, Kharia Khangar, Jafrabad, Kovaya and Tadipatri encouraging girls to pursue education. Through the talent search programmes, we recognised 1,274 bright students, giving them scholarships.

Over 3,866 students from the hinterland attended the 6-month computer literacy programmes conducted by us.

A remarkable feature of our programme is specialised coaching classes across 14 of our plants, covering 34,233 high school students. They shone at the Board exams. Likewise, tutoring Grade-V students for the Navodaya competitive exams has been a very fulfilling project. Digitisation at schools in tandem with the Government was yet another exciting project that energised school children.

In collaboration with Government of Rajasthan in Kharia Khangar technology enabled education: 'Utkarsh' viz. the smart class computer project, enthuses 22,782 children. At 34 government schools, in Jhalawar we facilitated the conversion to smart classes.

Facilities such as transport and other support processes, better infrastructure, sanitation and safe drinking water benefits yet another 52,426 children.

SDG-5

Women empowerment and gender equality, is the focus of the fifth SDG. We already have 840 Self-Help Groups ("SHGs") comprising of 8,000 women. We are working to broaden the base, and provide the last mile linkage. Over the last couple of years, we have been very successful in getting five of our Units have the uniforms tailored by our rural poor trained in tailoring and SHGs. Andhra Pradesh Cement Works ("APCW"), Kotputli Cement Works, Rajashree Cement Works, Rawan Cement Works, Hirmi Cement Works, Reddipalayam Cement Works, Vikram Cement Works and Aditya Cement Works have taken this forward.

Over time we will have all of the other cement Units follow suit. This entails that uniforms at the plant and schools at all levels will be tailored by SHGs or women driven tailoring units. At present most of the units school uniforms are stitched by the SHGs.

It might interest you to read that we have conceptualised a unique program, specifically for women in Maharashtra's Chandrapur district. We encourage women to move out of the confines of their homes and engage in indigenous sports of Indian origin. Many women have welcomed this initiative, which besides their talent also celebrates the states' cultural heritage. As women play games in the open in a competitive spirit, they feel a different kind of empowerment and their self-esteem increases phenomenally. At the special festival titled "Ulhas Ustav", the women teams play against each other, cheered by their families and the District Officials along with our teams. Their joy and camaraderie is perceptible, as they shatter the myth that women don't wear pants in the villages. Inspired by the women of Chandrapur through our Awarpur Cement Works, the programme is now replicated at Units in Madhya Pradesh, Rajasthan and Karnataka. Of recent origin, it has already garnered participation from 3,500 women.

The **sixth, seventh and eighth SDGs**, can be bunched together, as they are interlinked. These SDGs call for, water and sanitation, reliable, sustainable, and modern energy and decent work and economic growth.

Towards providing accessibility to safe drinking water, we have installed 27 Reverse Osmosis plants at Tadipatri, Awarpur, Kotputli and Kharia Khangar, which serve 31,000 villagers.

Pipelines, bore wells provide access to water, benefiting 85,000 villagers at Khor, Shambhupura, Bela, Hirmi, Rawan, Sewagram, Malkhed, and Baga (Himachal Pradesh).

Individual toilets and sanitation facilities were set-up at schools at various locations. In the villages that we operate in, 44 villages have been declared Open Defecation Free ("ODF").

Imparting vocational training, skills training, coupled with our farm-based programmes and SHGs, meet with these goals. The two ITIs, at Rajashree Cement Works, Sidhi Cement Works, and, the Birla White applicators programme, are splendid examples. We have set up two new vocational training and knowledge centres at the Khor and Dalla. Collectively they touch the lives of nearly 100,000 people.

Watershed management project beyond the fence

Up until now 130 structures have been erected. These contributes significantly to soil conservation and enhance farm productivity.

Our multidisciplinary teams at Tonki, Dhar District, Khariya, Bela, Kotputli, Sambhupura, Kovaya, Jafrabad and Sewagram have helped survey, design and create water harvesting structures. These cater to a 7,500 population in the coastal districts of Amreli and Bhuj (Gujarat) and an additional 3,200 in the semi-arid regions of western and eastern Madhya Pradesh, Rajasthan and Maharashtra. These structures are designed to distress irrigation, support water recharge in wells, drinking water for cattle and other animals, reduce salt ingress through ground water recharge.

At Rajashree Cement Works, Karnataka, we have collaborated with National Bank for Agriculture and Rural Development ("NABARD"). We have signed an Memorandum of Understanding ("MoU") for the execution of an integrated watershed project in Udgi Gram Panchayat, Sedam Taluka. The Udgi Watershed Project will cover an area of 1,149 hectares, encompassing five villages under the Udgi Gram Panchayat. The Mysore Resettlement and Development Agency ("MYRADA"), is implementing the project, working closely with us. The project has seen considerable progress and created 130 structures contributing to soil and moisture conservation and farm productivity.

Watershed Project at Andhra Pradesh Cement Works

Likewise, APCW has signed an MoU in association with International Crops Research Institute for the Semi-Arid Tropics ("ICRISAT"). ICRISAT has been assigned to execute the watershed project in Petnikota and Ayyavaripalli villages of Kolimigundla and Tadipatri Taluks. It covers an area of 1,750 hectares. The expected outcome is increased water availability, improved agricultural productivity and ensured efficient and sustainable water usage. It will have a very salutary impact on rural livelihoods. 12 water harvesting structures have been created.

Watershed Project of Tonki in Dhar district

We have initiated a water harvesting and crop diversification project in Dhar. We reach out to more than 90% of the population, which is largely tribal. Their income levels have risen on the back of water as a critical resource and better crop management.

SDG-9 Build resilient infrastructure

Towards better infrastructure, we are engaged in the connecting / repairing of roads, community halls and assets, rest places, installation of solar lights, construction of water tanks and installation of piped water supply. These activities have aided 856,000 people.

Finally, on model villages

Of the 502 villages that we work in, we have zeroed in on 100 villages for a transformative process that raises them to become model villages. So far in a 7-year timeframe, we have been able to morph 44 villages into model villages. We are proud to report that many of these villages have been recognised as model villages by the assessments carried out by Government bodies.

Our CSR spends

For FY2020, our CSR spend was ₹ 124.51 crores (over 3.5% of the average net profit). In addition, we mobilised over ₹ 470 million through Government Schemes.

Our Board of Directors, our Management and our colleagues across your Company are committed to inclusive growth.

Sustainability and Business Responsibility Report

Building Sustainable Businesses at the Aditya Birla Group: At the Aditya Birla Group, we endeavour to become the leading Indian conglomerate for sustainable business practices across our global operations. We define a "Sustainable Business" as one that can continue to survive and thrive within the growing needs and tightening legal and resource constraints of a "Sustainable World". We believe that this means that as we go forward towards the constrained operating environments of 2030 and 2050 that for a continued "Sustainable World" it can increasingly only contain "Sustainable Businesses". To achieve our Group vision, we are innovating away from the traditional sustainability models to one consistent with our vision to build sustainable businesses capable of operating in the next three decades. It is in our own interests to mitigate our own impact in every way we can as this is a direct assistance to creating a sustainable planet. It also prepares us for further mitigation and the need to adapt to a world that is a full two degrees or even three or four hotter than today.

We began our quest with the question, "If everyone and every business followed the law as written today, is the planet sustainable?" We quickly concluded that around the year 2050, when the Earth's population reaches an estimated 9 billion, climate change, water scarcity, pollution, biodiversity loss and an overload of waste, if left unchecked, would set the planet on a possibly irreversible unsustainable course. It is therefore intuitive that leaders must find ways to transform industries such that international bodies can codify and governments can legislate over time to reduce the damage and it is imperative that the Aditya Birla Group remains ahead of the curve. The first step of our programme to build sustainable businesses is focused on increasing the capability of our business management systems. Under this programme called "Responsible Stewardship" we try to move from merely complying with current legal standards to conforming to the international standards set by the global bodies of the International Finance Corporation ("IFC"), the Organisation for Economic Cooperation and Development ("OECD"), the International Standards Organisation ("ISO"), Occupational Health and Safety Advisory Services ("OHSAS"), the Global Reporting Initiative ("GRI"), the Forestry Stewardship Council and others. To support our businesses in this endeavour, we have created the Aditya Birla Group's Sustainable Business Framework of Policies, Technical Standards, and Guidance Notes to give our leaders, managers, employees and contract employees the chance to train, learn, understand, and apply improvement techniques to help our businesses reach higher standards of performance. Our Group Sustainable Business Framework is currently certified to 14 international standards *(http://sustainability.adityabirla.com/)*. So far, we have had much success with respect to reductions in accidents, energy use, water use, and have implemented our first Biodiversity plans. Our programme to achieve the World Business Council for Sustainable Development's Water and Sanitation and Hygiene pledge ("WASH") to ensure that we provide safe drinking water, sanitation and hygiene in all our operations has resulted in our building over 600 new bathrooms, many for women and differently abled people. Each of these achievements helps reduce and mitigate our impact on the planet and are imperative to building the sustainable business platform for our future. If we are to create fully sustainable business models and systems for the future then "Responsible Stewardship" by itself is not enough. We need other components to help us with a greater transformation. We need to understand the global mega-trends and their effect on us; geographically, physically, technologically and how the legal system (including regulations and tax) will need to change in order to motivate business to create a sustainable world. Our performance will need to be improved further to meet the changes needed to mitigate and adapt to these External Factors. By talking to our Strategic Stakeholders knowledgeable in these issues, we can scan the horizon to better understand their likely risk to our business. With this information, we enhance our business models, strategies and risk profiles in order to "Future Proof" them and our value chains in the medium to long term. Since only "Sustainable" business can exist in a Sustainable World then a Sustainable Value Chain can also only contain these businesses and so it becomes imperative to map our value chains to look for vulnerabilities. Our goal is to create not only Sustainable Businesses but also Sustainable Value Chains of which we can be a key member. We are helping our leaders to understand which external changes might heavily influence our value chains and business models in the future and what might be expected of our products and brands. For example, the world will need businesses that are able to mitigate and adapt to climate change, with robust and sustainable supply chains that are also impervious to all external forces that will inevitably begin to affect us in the future. To build sustainable businesses will take time, particularly when we consider some of our very complex value chains but by pushing to be a leader today, we are giving our businesses the best possible chance of achieving longterm success not only for ourselves but also for our value chains and hence for our planet.

It has always been your Company's endeavour to enhance its environment conservation measures, continue to be profitable and sensitive towards societal wellbeing. Your Company has been consistently adopting new technologies that are cleaner and greener. Your Company's plants and processes are constantly driven to become more energy efficient, given its quest to become better stewards of natural resources. With its thrust on the use of alternative fuels, your Company has been relentlessly striving to reduce consumption of fossil fuels by substituting these with wastes from other industries. These efforts have resulted in around 3.7 % of your Company's fuel requirements being met through the use of alternative fuels. Your Company also continues to increase the use of renewable energy as part of its energy mix and has increased the consumption of RE by more than 50% as compared to previous year. It is currently exploring further opportunities for purchase of green power as well as investment in solar and wind generation.

Your Company has set a target to reduce its CO_2 intensity by 25% by FY21, as compared to FY06. During the year, your Company cut its CO_2 intensity by 19.14% compared to FY06. In energy efficiency, your Company has overachieved the target set by the Government of India for the first Perform, Achieve and Trade ("PAT") cycle.

Your Company is founding member of Global Cement and Concrete Association ("GCCA") and has been playing key role in driving sustainability and innovation agenda at Global and India level. Your Company also featured in the top 10 companies scored on Dow Jones Sustainability Index ("DJSI") in the Construction Material category. This disclosure has helped your Company to benchmark itself against world best companies in sustainability performance and will be using this to identify opportunities to excel in sustainability performance.

As part of its continuing initiatives in sustainable growth, your Company has completed Life Cycle Assessment ("LCA") studies for four products. Your Company is amongst few companies to conduct the LCA study and has used this as input to identify hotspots over the value chain to reduce environmental impact. This year your Company has considered carbon US$ 10 per tCO_2 which has enabled it to consider the impact on environment of project / capex in its evaluation and decision making. Your Company launched its Sustainability Culture building program – Project Jagruti and under the program sustainability awareness sessions were held across 22 manufacturing locations covering more than 650+ employees.

Business Responsibility Report

Section A: General Information about the Company

1.	**Corporate Identity Number (CIN) of the Company**	L26940MH2000PLC128420
2.	**Name of the Company**	UltraTech Cement Limited
3.	**Registered address**	B Wing, Ahura Centre, 2nd Floor, Mahakali Caves Road, Andheri (East), Mumbai 400 093
4.	**Website**	www.ultratechcement.com
5.	**E-mail id**	brr.utcl@adityabirla.com
6.	**Financial Year reported**	1st April, 2019 to 31st March, 2020
7.	**Sector(s) that the Company is engaged in (industrial activity code-wise)**	Group: 239; Class: 2394; Sub Class: 23941, 23942; Description: Manufacture of cement
8.	**List three key products/services that the Company manufactures/provides (as in balance sheet)**	(i) Ordinary Portland and Portland Pozzolana Cement (ii) Ready-Mix Concrete (iii) White Cement and Wall Care Putty
9.	**Total number of locations where business activity is undertaken by the Company**	**i. Number of International Locations (Provide details of major 5):** • United Arab Emirates • Sri Lanka • Bahrain **ii. Number of National Locations:** 23 Integrated Cement Units; 23 Grinding Units; 1 White Cement Unit; 1 Wall Care Putty; 6 Bulk Terminals; over 100 Ready Mix Concrete Units, Registered Office and Zonal Marketing Offices
10.	**Markets served by the Company**	Local: √; State: √; National: √; International: √

Sector(s) detail (item 7):

Group	Class	Sub Class	Description
239	2394	23941 23942	Manufacture of cement

Markets served (item 10):

Local	State	National	International
√	√	√	√

Section B: Financial Details of the Company

1.	**Paid-up Capital (INR)**	₹ 289 crores
2.	**Total Turnover (INR)**	₹ 40,033.25 crores
3.	**Total Profits after taxes (INR)**	₹ 5,455.54 crores
4.	**Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)**	The Company has spent ₹ 124.51 crores during financial year 2019-20 which amounts to over 3.5% of the average profit after taxes in the previous three financial years.
5.	**List of activities in which expenditure in 4 above has been incurred**	a. Education b. Health Care c. Women empowerment d. Sustainable Livelihood e. Infrastructure Development f. Social Welfare g. COVID-19

Section C: Other Details

1. **Does the Company have any Subsidiary Company/ Companies?**

   Yes, the Company has 9 (nine) subsidiaries - 5 (five) domestic and 4 (four) foreign.

2. **Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent Company? If yes, then indicate the number of such subsidiary Company(s):**

   The Business Responsibility initiatives of the parent Company apply to its subsidiaries.

3. **Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]:**

   Other entities viz. suppliers, distributors etc. with whom the Company does business, do not participate in the Business Responsibility initiatives of the Company.

Section D: BR Information

1. **Details of Director/Directors responsible for BR**

   a) **Details of the Director/Director responsible for implementation of the BR policy/policies**

DIN Number	01743559
Name	Mr. K. C. Jhanwar
Designation	Managing Director

   b) **Details of the BR head**

Sr. No.	Particulars	Details
1.	DIN Number (if applicable)	01743559
2.	Name	Mr. K. C. Jhanwar
3.	Designation	Managing Director
4.	Telephone number	022 66917800
5.	e-mail id	brr.utcl@adityabirla.com

2. **Principle-wise (as per NVGs) BR Policy/policies (Reply in Y/N)**

   The 9 principles are:

P1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
P2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
P3	Businesses should promote the wellbeing of all employees.
P4	Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.
P5	Businesses should respect and promote human rights.
P6	Businesses should respect, protect and make efforts to restore the environment.
P7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
P8	Businesses should support inclusive growth and equitable development.
P9	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

(a) Details of compliance:

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy / policies for...	Y	Y	Y	Y	Y	Y	Y	Y	Y
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3.	Does the policy conform to any national / international standards? If yes, specify?	—								
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/Owner / CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5.	Does the Company have a specified committee of the Board / Director / Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6.	Indicate the link for the policy to be viewed online?	view restricted to employees								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policies have been communicated to key internal stakeholders of the Company. The communication is an on-going process to cover all stakeholders.								
8.	Does the Company have in-house structure to implement the policy / policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies ?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10.	Has the Company carried out independent audit / evaluation of the working of this policy by an internal or external agency?	The Company publishes a Sustainability Report which is GRI Standard and covers policies mentioned herein. The Report is assured by an independent certifying agency.								

(b) If answer to S. No.1 against any principle, is 'No', please explain why: (Tick up to 2 options)

S.No.	Questions	P 1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The Company has not understood the Principles	Not Applicable								
2.	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3.	The Company does not have financial or manpower resources available for the task									
4.	It is planned to be done within next 6 months									
5.	It is planned to be done within the next 1 year									
6.	Any other reason (please specify)									

3. Governance related to BR

(a) Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year

The Business Responsibility performance of the Company is assessed periodically by the management.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The Company publishes its Sustainability Report annually. The Report is compliant with the GRI Standard. The Report is assured by an independent certifying agency and will be available on the website of the Company –https://www.ultratechcement.com/about-us/sustainability/overview

Section E: Principle-wise performance

Principle 1 – Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. **Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/ Contractors/NGOs /Others?**

   The Company's governance structure guides the organisation keeping in mind the core values of Integrity, Commitment, Passion, Seamlessness and Speed. The Corporate Principles and Code of Conduct cover the Company and its subsidiaries and is applicable to all the employees of the Company and its subsidiaries.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

   No complaints were received during the year.

Principle 2 – Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

   The Company is strategically focusing on development of products and services that help customers build sustainable structures which are more durable, more resource-efficient, more cost-effective and more conducive to human lifestyle. We manufacture a range of products that cater to construction needs from foundation to finish. These include Ordinary Portland Cement (OPC), Portland Composite Cement (PCC), Portland Pozzolana Cement (PPC), Portland Pozzolana Cement Super (PPCS), White Cement and White Cement based Products, Ready Mix Concrete including Specialty Concrete, building products like AAC bricks and jointing mortars and a host of others in Retail Formats. We are continuously striving for developing products which are greener in nature and less resource intensive. To get a better insight on these product, we conducted Lifecycle assessments for major categories of our products such as OPC, PPC, PPCS and PCC to understand the environmental impacts associated with all the stages of the products life and what can be done to minimise them.

Five of our cement brands of PPC and PCC have been certified as green products by CII- Green Product and service council.

For manufacturing blended cements (PPC, PCC and PPCS), the Company use waste materials such as fly ash and slag that helps in the substitution of natural resource such as limestone. These cements are also less carbon and energy intensive.

The Company's Building Products Division (BPD) also manufactures number of products which are smarter in nature and help in saving natural resources. Some of these are listed below:

- Super Stucco - (a self-curing no water curing plaster).
- Power Grout – (a self-curing Industrial grout for anchoring / grouting applications).
- Seal & Dry – water proofing systems which helps in water conservations (arresting leakages) in water storage tanks, canals, thus preserving water.
- Repair mortars and concrete in the name of Basekrete and Microkrete are self- curing (no water curing required) variants, which are used in repairs of buildings.
- C'retePro - a liquid system for mortar and concrete modifier, which also reduces the water intake into the cement mixes used for preparing mortars, plasters and concrete (10-15 % water reduction possible).

In addition to the above, other sustainable products such as Xtralite (AAC blocks) and Readiplast are also catering to the Company's customers.

Some of the Company's BPD products are also listed in the Indian Green Building Council Directory of green products under the category of energy efficiency and low emitting materials. White Cement, Wall Care Putty, Textura & Level Plast have been recognised by Indian Green Building Council ("IGBC") for use in Green Building.

The Company is focusing on different options to reduce its carbon footprint and other emissions such as replacing traditional fuels with alternative fuels, improving energy efficiency of its products, using clinker additives, implementing Waste Heat Recovery Systems ("WHRS") wherever possible. This will eventually reflect in lower carbon footprint of its products (OPC, PPC etc).

The Company has also taken initiatives for educating its stakeholders on the sustainable aspects of its products. The Technical Services Department educates the users of cement like masons and the Individual House Builder ("IHB") on using cement optimally and reducing wastage. The Company also informs government agencies about the advantages of using cement for mass housing and roads and the benefits of using blended cement. Several seminars have been conducted on concrete roads and white toping to impress on the environmental benefits of switching from bituminous roads.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):**

   i. **Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?**

   The Company consumes alternate materials like flyash, chemical gypsum, slag etc which help in conserving natural raw materials used for the cement production. Alternative fuels are also used for thermal energy generation which help in the substitution of fossil fuels and allow better management of industrial waste. Recycling water, rainwater harvesting and recharging of ground water are standard operating procedures at all our manufacturing sites.

   The Company has joined initiatives like EP100 where target is to double its energy productivity (revenue/ GJ) by 2035, compared to its 2010 baseline.

   ii. **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

   Cement as a product is used for variety of purposes and by diverse consumers. Hence it is not feasible to measure the usage (energy, water) by consumers.

3. **Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.**

Procurement practices and selection criteria by the Company are focused on protection of environment, societal interest and cost effective procurement seeking resources efficiency, improving the quality of products and services and ultimately optimising the cost. The criteria for procurement of equipment are based upon resource efficiency, mainly comprising of but not limited to energy efficiency, fuel efficiency, emission control etc. The impact of the product / services being procured is considered over its whole life cycle i.e. from cradle to grave, including giving due weightage to the disposal aspect also, e.g. E-waste/ hazardous waste is disposed of in an environmental friendly manner and no compromise, whatsoever, is made on the same. As regard social aspect, the emphasis is made on ethical issues at the time of vendor evaluation stage itself. The vendor registration form of the Company requires its potential vendors to specify their commitment on the following social aspects:

1. Child Labour
2. Forced and Compulsory Labour
3. Health and Society
4. Working Hours
5. Statutory compliances

The Company believes that sustainability in logistics may be achieved by using less polluting and less fuel consuming transport options or selecting vendors who are close to the manufacturing locations. The Company imports fuel in bulk size vessels with full cost advantage of freight. This consumes lesser fuel as compared to smaller size shipment in terms of per ton of material shipped. The Company also maps the Polypropylene ("PP") bags suppliers across the country to minimise distance between supplier plants and Units across the country. The Company also encouraged and empowered our PP bag suppliers to achieve 9001:2008 certification.

E-procurement has made our sourcing process more transparent and efficient. An upgraded web based supplier portal with features like Request For Quote (RFQ), submission of offers by the suppliers, generation of comparative charts and the release of orders is expected to be launched in mid-2020. The module is integrated with our SAP system. A reverse auction process of real time competitive bidding for buying and transportation of material, adds to the efficacy of the process.

E-procurement has resulted in more effective communication with our vendors and enabled significant reduction in paper work as well as travel hours.

4. **Has the Company taken any steps to procure goods and services from local and small producers, including communities surrounding their place of work?**

If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The Company has consistently increased the breadth of vendors across goods and services through vendor base enhancement. The objective is to focus on indigenous suppliers, mutual collaboration and partnership for long term growth.

The Company has always given preference to local vendors when it comes to sourcing materials. In case of PP packing bags vendors, the Company has optimised the vendors located near to its cement plants, based on their capability and capacity. Sourcing of PP bag from vendors located close to the plants has resulted in lower fuel consumption.

The Company also believes in long term partnership with the vendors by having rate contracts with them and providing periodical feedback on their performances in terms of quality, delivery, services, environmental health and safety etc., which helps the vendors to improve their performance by taking corrective actions on the parameters where they are found lacking. Transparency and fair approach are maintained while dealing with the vendors during the entire procurement cycle. The Company uses information technology efficiently for reducing the procurement cycle time and is launching an upgraded vendor portal which will not only reduce the cycle time but also empower vendors to make use of its useful features like knowing the approval status of their material, payment status, posting advance shipping notification etc. It will also help in reduction of paper usage as most of the activities / documentation are done in electronic format. The Company has a zero tolerance policy for safety compromise and business is done only with those vendors who are approved on stringent safety parameters.

5. **Does the Company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.**

The cement manufacturing process as such does not involve production of any by-products or waste. However, the flyash generated from the Company's captive power plants are utilised in blended cement. The Company also uses alternative materials such as flyash, chemical gypsum, slag etc. that are waste materials generated from other industries to substitute the raw material required for cement production. The Company also uses waste materials as fuels in our kilns which helps in the substitution of fossil fuels such as coal and pet coke.

Principle 3 – Businesses should promote the wellbeing of all employees

1. **Please indicate the total number of employees.**

   21,592

2. **Please indicate the total number of employees hired on temporary/contractual/casual basis.**

   36,721

3. **Please indicate the number of permanent women employees.**

   467

4. **Please indicate the number of permanent employees with disabilities.**

   40

5. **Do you have an employee association that is recognised by management.**

   The Company's workmen from respective manufacturing plants are unionised. Recognition has been granted in conformity to the applicable laws.

6. **What percentage of your permanent employees is members of this recognised employee association?**

   Around 26.53% of permanent employees are members of the above-mentioned trade unions.

7. **Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

Sr. No.	Category	No of complaints filed during the financial year	No of complaints pending as at end of the financial year
1.	Child labour / forced labour / involuntary labour	NIL	NA
2.	Sexual harassment	02	01#
3.	Discriminatory employment	NIL	NA

 # The investigation could not be completed due to the outbreak of COVID-19.

8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

	Safety	Skill upgradation
Permanent Employees (Management)	94%	95.8%
Permanent Women Employees	96%	90.6%
Casual / Temporary / Contractual Employees	99%	8.4%
Employees with Disabilities	100%	88.2%

Principle 4 – Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.

1. **Has the Company mapped its internal and external stakeholders? Yes/No**

   Yes, the Company has mapped its internal as well as external stakeholders.

2. **Out of the above, has the Company identified the disadvantaged, vulnerable & marginalised stakeholders?**

   The Company has identified the disadvantaged, vulnerable and marginalised stakeholder's viz. communities around its manufacturing Units and its workers / contractual workers.

3. **Are there any special initiatives taken by the Company to engage with the disadvantaged, vulnerable and marginalised stakeholders. If so, provide details thereof, in about 50 words or so.**

   The Company's endeavor to bring in inclusive growth are channelised through the Aditya Birla Centre for Community Initiatives and Rural Development.

   Several initiatives such as health care, education, infrastructure, watershed management, safe drinking water and sanitation, sustainable livelihood, self-help groups and income generation etc. are extended to the Company's contract workers and people living near to the Company's manufacturing Units.

   The Company has adopted safety as a culture. It has engaged employees at all levels – whether employees, contractors, suppliers or the community and has taken a structured approach, through leadership involvement, in order to bring about a culture change that views safety as non-negotiable.

Principle 5 – Businesses should respect and promote human rights.

1. **Does the policy of the Company on human rights cover only the Company or extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs/Others?**

   The Company has a Human Rights Policy which is also applicable to its subsidiaries.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   No complaints were received during the last financial year.

Principle 6 – Businesses should respect, protect and make efforts to restore the environment.

1. **Does the policy related to Principle 6 cover only the Company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/others.**

   The Company's policy on Safety, Health and Environment extends to its subsidiaries as well.

2. **Does the Company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc.**

   The Company has taken long-term target to reduce CO_2 emission intensity by 25% from 2005-06 levels by 2021. To achieve this it has developed a roadmap focusing on key areas such as further reducing specific energy consumption (the Company is one of the best in the industry in terms of specific thermal energy consumption), increasing the flyash utilisation rate, increasing the thermal substitution rate, increasing the share of power from renewable energy sources and from WHRS. Currently the installed WHRS capacity stands at 118 MW which is expected to increase to 145 MW. The Company has committed to EP100 to double the energy productivity by 2035 from 2009-10 levels. The Company has also adopted an internal carbon price of US$ 10/ton of carbon emissions. Please refer to the sustainability reports for more details at: *https://www.ultratechcement.com/about-us/sustainability/overview*

3. **Does the Company identify and assess potential environmental risks? Y/N**

   The Company follows a structured risk management approach which encompasses identifying potential risks, assessing their impact, mitigating them through taking timely action and continuous monitoring. The Company uses various tools such as Aqueduct/ India Water Tool, Integrated Biodiversity Assessment Tool (IBAT) to assess the potential water and biodiversity risks arising out of its operations and takes necessary actions to mitigate the same. The Company will also be using the recently launched GeoSust Tool developed by the Group Sustainability Cell to identify climate change related risks for its operations.

   The Company has already completed biodiversity assessments at 5 of its Integrated Units and have taken a target to complete the assessment by 2024 for all its Integrated Units.

4. **Does the Company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

   Yes, the Company has two registered projects under Clean Development Mechanism ("CDM").

   - use of alternative fuels at Reddipalayam Cement Works, Tamil Nadu.
   - Waste Heat Recovery ["WHR"] based power generation at Andhra Pradesh Cement Works – Tadipatri, Andhra Pradesh. Five others WHR projects are registered.

5. **Has the Company undertaken any other initiatives on – clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page etc.**

   As the largest cement producer in India, the Company continually strives to play a key role in finding effective and responsible ways to preserve the environment. The Company has also taken a lead by becoming a founding member of Global Cement & Concrete Association ("GCCA") and will play a key role in defining the sustainable construction landscape. The Company has a thermal substitution rate of ~3.7% which is achieved by using alternate waste materials. The Company has an installed capacity of 118 MW of WHRS and 27 MW under execution. The Company's installed renewable energy capacity stands at 3.73 MW and bilateral/ Group captive capacity is more than 95 MW. This has been possible through a myriad of energy conserving measures implemented at various Units. The Company is continuously striving to increase its renewable energy share.

6. **Are the emissions/waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

   Yes, the emissions / waste generated by the Company are within the permissible limits given by Central Pollution Control Board / State Pollution Control Boards.

7. **Number of show cause/ legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as at end of Financial Year.**

   No such cases are pending at the end of the financial year.

Principle 7 – Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. **Is your Company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with:**

   a. Global Cement & Concrete Association ("GCCA").

   b. Confederation of Indian Industry ("CII").

   c. Federation of Indian Chambers of Commerce and Industry ("FICCI").

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

   The Company continuously advocates the use of eco-friendly mining practices, use of alternative fuels, energy conservation and construction of concrete roads.

Principle 8 – Businesses should support inclusive growth and equitable development.

1. **Does the Company have specified programmes / initiatives / projects in pursuit of the policy related to Principle 8? If yes details thereof.**

   The Company has specified issue based development projects in pursuit of its policy on inclusive growth and equitable development. These cover education and capability enhancement, basic healthcare, women empowerment, sustainable livelihood and natural resource management, basic infrastructure and social reforms.

2. **Are the programmes / projects undertaken through in-house team / own foundation /external NGO / government structures/any other organisation?**

   The Company's social projects are carried on under the aegis of the Aditya Birla Centre for Community Initiatives and Rural Development. Need based collaborative partnerships are formed with the government agencies, district authorities, village panchayats, NGOs and like-minded stakeholders for its CSR initiatives. The Company also engages with the CII and FICCI in its social activities.

3. **Have you done any impact assessment of your initiative?**

   To measure the impact of the work done, a periodic social satisfaction survey / audit is carried out by an external agency.

4. **What is your Company's direct contribution to community development projects- Amount in INR and the details of the projects undertaken.**

   The Company has spent an amount of ₹ 124.51 crores on its CSR activities during 2019-20 on education, women empowerment, sustainable livelihood, infrastructure development, COVID-19 etc.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

   Prior to the commencement of projects, a baseline study of the villages is carried out. The study methodology includes participatory rural appraisal also and encompasses various parameters such as health indicators, literacy levels, sustainable livelihood processes, population data, and state of infrastructure, among others. From the need identified development initiatives are framed which are then discussed with the community. From the data generated a 1-year plan and a 5-year rolling plan is developed. Projects are assessed under the agreed strategy and are monitored on a quarterly basis. Wherever necessary, midcourse corrections are carried out.

Principle 9 – Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year.**

   18 cases of customer complaints / consumer cases were pending as at the end of FY 2020.

2. **Does the Company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A. /Remarks (additional information)**

   The Company displays only product information as mandated by Bureau of Indian Standards.

3. **Is there any case filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year. If so, provide details thereof, in about 50 words or so.**

   The Company had filed appeals against the orders of the Competition Commission of India ("CCI") dated 31st August, 2016 and 19th January, 2017. Upon the National Company Law Appellate Tribunal ("NCLAT") disallowing its appeal against the CCI order dated 31st August, 2016, the Hon'ble Supreme Court has, by its order dated 5th October, 2018, granted a stay against the NCLAT order. Consequently, the Company has deposited an amount equivalent to 10% of the penalty amount. The Company, backed by a legal opinion, believes that it has a good case in both the matters and accordingly no provision has been made in the accounts.

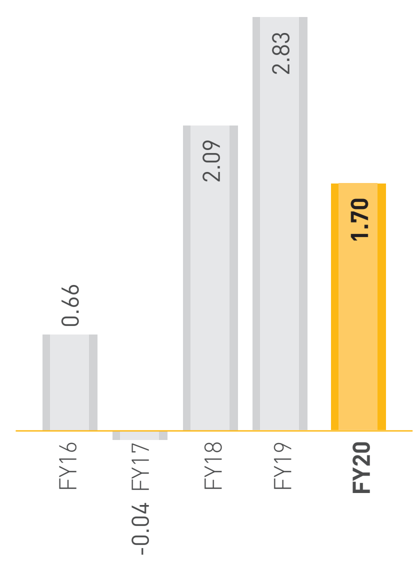
4. **Did your Company carry out any consumer survey / consumer satisfaction trends?**

   The Company carries out a brand health study regularly (thrice a year) across urban and rural markets. The study is conducted by a globally renowned research agency - Ipsos India Private Limited, for tracking performance of brands on various metrics across multiple segments (consumers, influencers and channel partners). It also conducts a Customer Loyalty / Net Promoter Score ("NPS") study once in 2 years with the Key Account (B2B) customers. The latest round of the NPS study is currently on. Dun & Bradstreet Information Services India Pvt. Ltd. is the agency engaged for the NPS study.

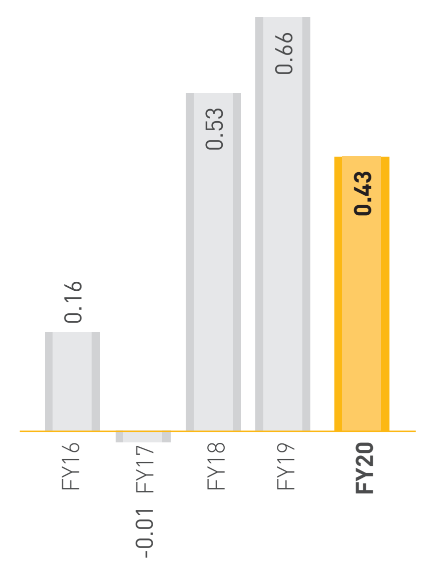
   Birla White carried out Top Down NPS study amongst retailers, BHI study amongst end consumers in FY20 to better understand its target customers viz. retailers, painters and individual house builders. Birla White also carried out other researches like concept study, application study for new products.

Performance Indicators

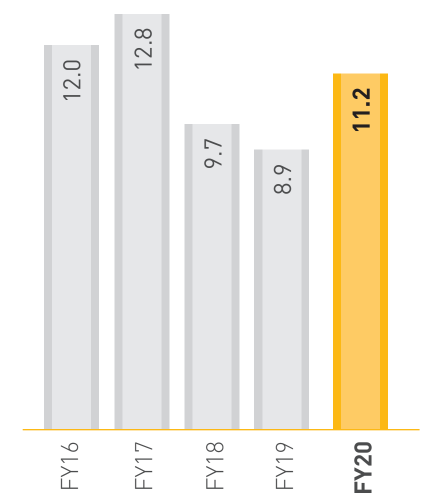
Net debt / EBITDA
(Times)



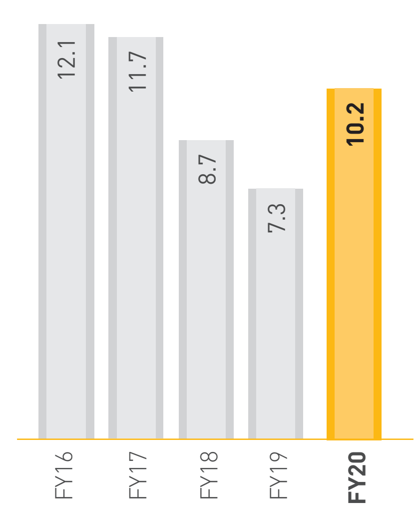
Net debt : Equity
(Times)



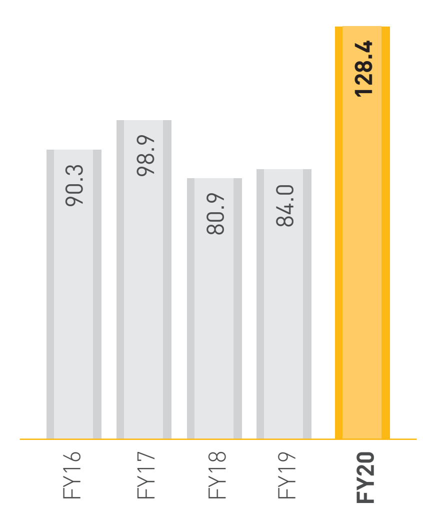
ROCE
(%)



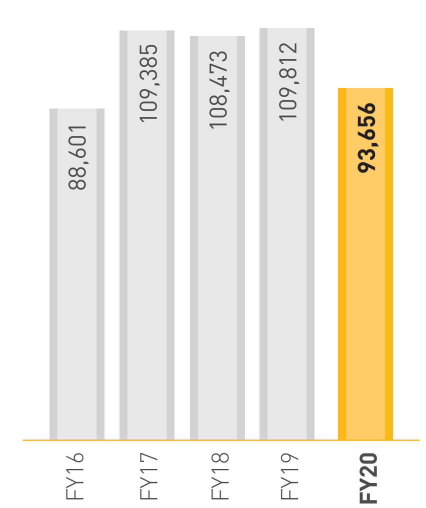
ROE
(%)



Normalised EPS
(in ₹ per share)



Market Cap
(₹ in crores)



Standalone Financial Statements

Independent Auditors' Report

To the Members of
UltraTech Cement Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of UltraTech Cement Limited ("the Company"), which comprise the standalone balance sheet as at 31 March 2020, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("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 31 March 2020, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India 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 opinion on the standalone financial statements.

Emphasis of matter

1. We draw attention to Note 37 of the standalone financial statements which states that the Scheme of Demerger of Cement division of Century Textiles and Industries Limited ("Demerged Cement Division") ("the Scheme") has been given effect based on the Appointed Date of 20 May 2018 as approved by the National Company Law Tribunal, which is deemed to be the acquisition date for the purpose of accounting under Ind AS 103 'Business Combinations'. Consequently, financial information for the year ended 31 March 2019 included in these standalone financial statements has been restated. Our opinion is not modified in respect of this matter.

2. We draw attention to Note 33 (b) of the standalone financial statements which refers to the following matters:

   (a) In terms of Order dated 31 August 2016, the Competition Commission of India ('CCI') had imposed penalty of Rs.1,449.51 crores for alleged contravention of the provisions of the Competition Act, 2002 by the Company (including Demerged Cement Division). The Company (including Demerged Cement Division) had filed an appeal against the CCI Order before the Competition Appellate Tribunal ("COMPAT"). Consequent to reconstitution of Tribunals by

Independent Auditors' Report (Continued)

the Government, this matter was transferred to the National Company Law Appellate Tribunal ("NCLAT"). NCLAT completed its hearing on the matter and disallowed the appeal filed by the Company (including Demerged Cement Division) against the CCI order. Aggrieved by the order of NCLAT, the Company (including Demerged Cement Division) has filed an appeal before the Honorable Supreme Court, which has granted a stay against the NCLAT order on the condition that the Company (including Demerged Cement Division) deposits 10% of the penalty amounting to Rs. 144.95 crores which has been deposited. Based on a competent legal opinion obtained by the Company (including Demerged Cement Division), the Company believes that it has a good case in this matter. Considering the uncertainty relating to the outcome of this matter pending hearing of the case by the Supreme Court, no provision has been considered in the books of account. Our opinion is not modified in respect of this matter.

(b) In terms of Order dated 19 January 2017, the CCI had imposed penalty of Rs.68.30 crores pursuant to a reference filed by the Government of Haryana for alleged contravention of the provisions of the Competition Act, 2002 in August 2012 by the Company. The Company had filed an appeal before COMPAT and received the stay order dated 10 April 2017. Consequent to reconstitution of Tribunals by the Government, this matter was transferred to the NCLAT for which hearing is pending. Based on a competent legal opinion, the Company believes that it has a good case in this matter. Considering the uncertainty relating to the outcome of this matter, pending hearing of the case no provision has been considered in the books of account. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current year. 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.

Description of Key Audit Matter

Key Audit Matters	How the matter was addressed in our audit
Revenue recognition – Discounts, incentives and rebates [Refer note 1(B)(p) and 54 to the standalone financial statements] • Revenue is measured net of discounts, incentives, rebates etc. given to the customers on the Company's sales. • The Company's presence across different marketing regions within the country and the competitive business environment makes the assessment of various types of discounts, incentives and rebates as complex and judgmental. • Therefore, there is a risk of revenue being misstated as a result of variations in the assessment of discounts, incentives and rebates. • Given the complexity and judgement required to assess the provision for discounts, incentives and rebates, this is a key audit matter.	Our audit procedures included: • We have assessed the Company's accounting policies relating to revenue, discounts, incentives and rebates by comparing with applicable accounting standards. • We have assessed the design and implementation and tested the operating effectiveness of Company's internal controls over the provisions, approvals and disbursements of discounts, incentives and rebates. • We have assessed the Company's computations for accrual of discounts, incentives and rebates, on a sample basis, and compared the accruals made with the approved schemes and underlying documents. • We have verified, on a sample basis, the underlying documentation for discounts, incentives and rebates recorded and disbursed during the year. • We have compared the historical trend of payments and reversal of discounts, incentives and rebates to provisions made to assess the current year accruals. • We have examined the manual journals posted to discounts, rebates and incentives to identify unusual or irregular items.

Independent Auditors' Report (Continued)

Regulations - Litigations and claims [Refer note 33 to the standalone financial statements] • The Company operates in various states within India and is exposed to different Central and State/Local laws, regulations and interpretations thereof. In this regulatory environment, there is an inherent risk of litigations and claims. • Consequently, provisions and contingent liability disclosures may arise from indirect tax proceedings, legal proceedings, including regulatory and other government/department proceedings, as well as investigations by authorities and commercial claims. • The Company applies significant judgement in estimating the likelihood of the future outcome in each case and in determining the provisions or disclosures required for each matter. • Resolution of tax and legal proceedings may span over multiple years due to the highly complex nature and magnitude of the legal matters involved and may involve protracted negotiation or litigation. • These estimates could change significantly over time as new facts emerge and each legal case progresses. • Given the inherent complexity and magnitude of potential exposures and the judgement necessary to estimate the amount of provisions required or to determine required disclosures, this is a key audit matter.	Our audit procedures included: • We have gained an understanding of outstanding litigations against the Company from the Company's in-house legal counsel and other key managerial personnel who have knowledge of these matters. • We have read the correspondence between the Company and the various tax/legal authorities and the legal opinions of external legal advisors, where applicable, for significant matters. • We have tested the completeness of the litigations and claims by examining, on a sample basis, the Company's legal expenses and minutes of the board meetings. • We have challenged the Company's estimate of the possible outcome of the disputed cases based on applicable tax laws and legal precedence by involving our tax specialists. • We have assessed the adequacy of the Company's disclosures in respect of contingent liabilities for tax and legal matters.
Business combination - Acquisition of Cement Division of Century Textiles and Industries Limited ("Demerged Cement Division") [Refer note 37 to the standalone financial statements] • The Company has completed the acquisition of Cement Division of Century Textiles and Industries Limited effective 1 October 2019 pursuant to a Scheme of Arrangement ('the Scheme'). • The Scheme was approved by the National Company Law Tribunal (NCLT) with an appointed date of 20 May 2018. • The Company has accounted for such acquisition as a business combination as per Ind AS 103 'Business Combinations' by recognizing identifiable assets and liabilities at fair value. • The measurement of the identifiable assets and liabilities acquired at fair value is inherently judgmental. • Fair value was determined by the Company with the assistance of an external valuation expert using various valuation models, which were applied according to the assets and liabilities being measured.	Our audit procedures included: • We have read the Scheme and the NCLT Order documents to understand the key terms and conditions of the acquisition. • We have compared the accounting treatment specified in the Scheme with the one specified in Ind AS 103. • We have assessed the competence and objectivity of the experts engaged by the Company. • We have critically evaluated the key assumptions, purchase price allocation adjustments and the identification and valuation of acquired intangible assets by involving our valuation specialists and based on our knowledge of the Company and the industry. • We have involved our valuation specialists to gain an understanding of the work of the experts by examining the valuation reports. • We have assessed the adequacy of the Company's disclosures in respect of the acquisition in accordance with the requirements of Ind AS 103.

Independent Auditors' Report (Continued)

• Given the complexity and judgement involved in fair value measurements and magnitude of the acquisition made by the Company, this is a key audit matter.	
Recognition and measurement of Income Taxes (Refer note 18 and 41 to the standalone financial statements) • The Company operates in a complex tax jurisdiction and is subject to periodic challenges by tax authorities on various matters relating to claims for tax exemptions / deductions. • The determination of provision for income tax and deferred taxes including write backs of provisions involves significant judgements and estimates and interpreting the prevailing tax laws and rules. • These also involve significant judgment to determine the possible outcome of the uncertain tax positions, consequently having an impact on related accounting and disclosures in the standalone financial statements. • Considering the complexity and significant level of estimation and judgement, this is a key audit matter.	Our audit procedures included: • We have obtained an understanding of key tax matters. • We have read and analysed select key correspondences, external legal opinions/ consultations obtained by the Company for key tax matters. • We have critically challenged the key assumptions made by the Company in estimating current and deferred taxes by involving our tax specialists. • We have challenged the Company's estimate of the possible outcome of the disputed tax cases by considering legal precedence and other judicial rulings by involving our tax specialists. • We have assessed the adequacy of the Company's disclosures for income taxes in the standalone financial statements.
Adoption of Ind AS 116 - Leases (Refer note 1(B)(q) and 3 of the standalone financial statements) • The Company adopted Ind AS 116 'Leases' (Ind AS 116) with effect from 1 April 2019. • The application and transition to this accounting standard is complex and is an area of focus in our audit since the Company has a large number of leases with different contractual terms. • Ind AS 116 introduces a new lease accounting model, wherein lessees are required to recognise a right-of-use (ROU) asset and a lease liability arising from a lease on the balance sheet. • The lease liabilities are initially measured by discounting future lease payments during the lease term as per the contract/ arrangement. • Adoption of the standard involves significant judgements and estimates in determination of the discount rates and the lease term including termination and renewal options. • Additionally, Ind AS 116 requires detailed disclosures in respect of transition. • Considering the judgements and complexities involved in transitioning to this new standard, this is a key audit matter.	Our audit procedures included: • We have obtained an understanding of the Company's processes and controls for adoption of Ind AS 116. • We have assessed the Company's evaluation on the identification of leases based on the contractual agreements and our knowledge of the business. • Upon transition as at 1 April 2019: o We have evaluated the method of transition and practical expedients applied. o We have tested the completeness of the lease data by reconciling the Company's operating lease commitments to data used in computing ROU asset and lease liabilities. • We have evaluated the computation of lease liabilities, on a sample of lease contracts, and challenged the key estimates such as discount rates and the lease term. • We have assessed the presentation and disclosures relating to Ind AS 116 including disclosures relating to transition.

Independent Auditors' Report (Continued)

Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the standalone financial statements and our auditors' report thereon.

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

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

Management's and Board of Directors' Responsibility for the Standalone Financial Statements

The Company's Management and Board of Directors are 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 state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Company's Management and 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

Independent Auditors' Report (Continued)

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 in the standalone financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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

We did not audit the financial statements of the Demerged Cement Division, as considered in these standalone financial statements, whose financial statements reflects total assets of Rs.4,019.16 crores as at 31 March 2019 and total revenues of Rs.4,259.52 crores and net cash flows amounting to Rs.(8.39) crores for the period from 20 May 2018 to 31 March 2019.

These financial statements have been audited by an independent practitioner whose report has been furnished to us by the management and our opinion on the standalone financial statements, in so far as it relates to the amounts and disclosures included in respect of the Demerged Cement Division, is based solely on the report of the independent practitioner, as adjusted for the accounting effects of the Scheme recorded by the Company (in particular, the accounting effects of Ind AS 103 'Business Combinations') and other consequential adjustments, which have been audited by us.

Independent Auditors' Report (Continued)

Our opinion on the standalone financial statements is not modified in respect of the above matter with respect to our reliance on the work done and the report of the independent practitioner.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

    b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

    c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account;

    d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act;

    e) On the basis of the written representations received from the directors as on 31 March 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2020 from being appointed as a director in terms of section 164(2) of the Act;

    f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

    i. The Company has disclosed the impact of pending litigations as at 31 March 2020 on its financial position in its standalone financial statements - Refer note 33 to the standalone financial statements;

    ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer note 47 to the standalone financial statements;

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

    iv. The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November 2016 to 30 December 2016 have not been made in these standalone financial statements since they do not pertain to the financial year ended 31 March 2020.

Independent Auditors' Report (Continued)

(C) With respect to the matter to be included in the Auditors' Report under section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Vijay Mathur
Partner
Membership No: 046476
ICAI UDIN: 20046476AAAABX4053

Mumbai
20 May 2020

For **Khimji Kunverji & Co LLP**
(Formerly Khimji Kunverji & Co.)
Chartered Accountants
Firm's Registration No: 105146W/ W-100621

Ketan Vikamsey
Partner
Membership No: 044000
ICAI UDIN: 20044000AAAAAF2045

Mumbai
20 May 2020

Annexure A to the Independent Auditors' Report on standalone financial statements

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain fixed assets were physically verified by the Management during the year. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.

(c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company except for the following which are not held in the name of the Company:

Particulars	Leasehold Land	Freehold Land	Buildings
Gross block as at 31 March 2020 (Rs. in Crore)	678.15	2496.22	393.91
Net block as at 31 March 2020 (Rs. in Crore)	584.05	2496.22	338.61
Total number of cases	422	2840	50

ii. The inventory, except for goods-in-transit and stocks lying with third parties, has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. For stocks lying with third parties at the year-end, written confirmations have been obtained and in respect of goods-in-transit, subsequent goods receipts have been verified or confirmations have been obtained from the parties. The discrepancies noticed on verification between the physical stocks and the book records have been properly dealt with in the books of account.

iii. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.

iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act, with respect to the loans given, investments made, guarantees given and security provided.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public during the year in terms of the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.

vi. We have broadly reviewed the books of account maintained by the Company as specified under Section 148(1) of the Act, for maintenance of cost records in respect of products manufactured by the Company, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, Duty of Customs, Cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, Duty of Customs, Cess and other material statutory dues were in arrears as at 31 March 2020 for a period of more than six months from the date they became payable.

Annexure A to the Independent Auditors' Report on standalone financial statements (Continued)

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, details of dues of Income-tax, Sales-tax, Service tax, Duty of Customs, Duty of Excise and Value added tax which have not been deposited as at 31 March 2020 on account of disputes are given below:

Name of the Statute	Nature of the Dues	Forum where dispute is pending	Period to which amount relates (Assessment Year)	Amount* (Rs. in Crore)
Sales Tax/ Value Added Tax (VAT)	Sales Tax, VAT, Interest and Penalty	Supreme Court	2000 to 2017	282.07
		High Court	1988 to 2017	67.11
		Tribunal(s)	1985 to 2016	142.42
		Appellate Authorities	1990 to 2020	108.71
		Assessing Officers	1997 to 2017	8.98
Customs Act, 1962	Customs Duty, Interest and Penalty	High Court	2002 to 2006	50.96
		Tribunal(s)	2000 to 2014	233.96
		Appellate Authorities	2003 to 2015	0.14
Central Excise Act, 1944	Excise Duty, Interest and Penalty	Supreme Court	1994 to 2018	106.18
		High Court	1996 to 2016	39.39
		Tribunal(s)	1994 to 2017	1295.31
		Appellate Authorities	2002 to 2018	19.26
Finance Act, 1994	Service Tax, Interest and Penalty	Supreme Court	2004 to 2008	21.50
		High Court	2003 to 2014	12.97
		Tribunal(s)	2005 to 2018	374.01
		Appellate Authorities	2006 to 2018	17.97
Income Tax Act, 1961	Income Tax, Interest and Penalty	High Court	2001 to 2016	5.89
		Tribunal(s)	2014 to 2016	0.03

* net of amounts paid under protest.

viii. According to the information and explanations given to us, and based on the records of the Company, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks, government and dues to debenture holders.

ix. According to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained. The Company did not raise money by way of initial public offer or further public offer (including debt instruments) during the year.

x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

xi. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

Annexure A to the Independent Auditors' Report on standalone financial statements (Continued)

xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

xvi. According to the information and explanations given to us, the Company is not required to be registered under Section 45 - IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Vijay Mathur
Partner
Membership No: 046476
ICAI UDIN: 20046476AAAABX4053

Mumbai
20 May 2020

For **Khimji Kunverji & Co LLP**
(Formerly Khimji Kunverji & Co.)
Chartered Accountants
Firm's Registration No: 105146W/ W-100621

Ketan Vikamsey
Partner
Membership No: 044000
ICAI UDIN: 20044000AAAAAF2045

Mumbai
20 May 2020

Annexure B to the Independent Auditors' Report on the standalone financial statements

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of sub-section 3 of section 143 of the Companies Act, 2013

Opinion

We have audited the internal financial controls with reference to standalone financial statements of UltraTech Cement Limited ("the Company") as of 31 March 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and whether 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 standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to 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 standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements include 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

Annexure B to the Independent Auditors' Report on the standalone financial statements (Continued)

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 controls 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.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Vijay Mathur
Partner
Membership No: 046476
ICAI UDIN: 20046476AAAABX4053

Mumbai
20 May 2020

For **Khimji Kunverji & Co LLP**
(Formerly Khimji Kunverji & Co.)
Chartered Accountants
Firm's Registration No: 105146W/ W-100621

Ketan Vikamsey
Partner
Membership No: 044000
ICAI UDIN: 20044000AAAAAF2045

Mumbai
20 May 2020

Standalone Balance Sheet

as at March 31, 2020

₹ in Crores

Particulars	Note No.	As at March 31, 2020			As at March 31, 2019 (Restated)
ASSETS					
Non-Current Assets					
Property, Plant and Equipment	2	39,662.39			40,404.82
Capital Work-in-Progress	2	860.01			1,106.19
Right of Use Assets	3	1,007.94			-
Goodwill	37	2,208.82			2,208.82
Other Intangible Assets	2	3,896.14			4,023.11
Intangible Assets under Development	2	10.07			4.69
			47,645.37		47,747.63
Financial Assets:					
Investments	4	5,838.93			5,549.66
Loans	5	141.94			142.84
Other Financial Assets	6	397.05	6,377.92		272.01
Income Tax Assets (Net)			278.23		127.18
Other Non-Current Assets	7		2,763.88		2,753.68
Total Non-Current Assets				57,065.40	56,593.00
Current Assets					
Inventories	8		3,833.88		3,787.47
Financial Assets					
Investments	9	4,243.69			1,514.85
Trade Receivables	10	1,848.28			2,353.19
Cash and Cash Equivalents	11	140.06			423.48
Bank Balances other than Cash and Cash Equivalents	12	170.46			232.99
Loans	5	1,903.53			1,933.47
Other Financial Assets	6	1,068.93	9,374.95		976.83
Other Current Assets	13		1,505.32		1,400.49
Total Current Assets				14,714.15	12,622.77
Non-Current Assets held for Sale	53			37.37	55.18
TOTAL ASSETS				71,816.92	69,270.95
EQUITY AND LIABILITIES					
EQUITY					
Equity Share Capital	14 (a)		288.63		274.64
Other Equity	14 (b)		38,007.69		27,634.36
				38,296.32	27,909.00
Share Pending Issuance	14 (c)			-	5,387.71
Share Application Money Pending Allotment				-	0.65
LIABILITIES					
Non-Current Liabilities					
Financial Liabilities					
Borrowings	15	14,147.63			16,038.50
Other Financial Liabilities	16	813.78	14,961.41		-
Provisions	17		213.13		142.71
Deferred Tax Liabilities (Net)	18		4,076.88		5,246.52
Other Non-Current Liabilities	19		5.88		6.27
Total Non-Current Liabilities				19,257.30	21,434.00
Current Liabilities					
Financial Liabilities					
Borrowings	20	3,953.21			3,586.82
Trade Payables					
Total Outstanding Dues of Micro Enterprises and Small Enterprises	56	53.21			20.31
Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	21	3,197.64			2,951.02
Other Financial Liabilities	16	2,473.72	9,677.78		3,230.98
Other Current Liabilities	22		3,449.92		3,728.85
Provisions	17		534.51		581.94
Current Tax Liabilities (Net)			601.09		439.67
Total Current Liabilities				14,263.30	14,539.59
TOTAL EQUITY AND LIABILITIES				71,816.92	69,270.95
Significant Accounting Policies	1				

The accompanying notes form an integral part of the Standalone Financial Statements.

In terms of our report attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No: 101248W/W-100022

For **Khimji Kunverji & Co LLP**
(formerly Khimji Kunverji & Co.)
Chartered Accountants
Firm Registration No: 105146W/W-100621

VIJAY MATHUR
Partner
Membership No: 46476

KETAN VIKAMSEY
Partner
Membership No: 44000

Mumbai: May 20, 2020

For and on behalf of the Board of Directors

ATUL DAGA
Whole-time Director and CFO
DIN: 06416619

K. C. JHANWAR
Managing Director
DIN: 01743559

SANJEEB KUMAR CHATTERJEE
Company Secretary

Standalone Statement of Profit and Loss

for the year ended March 31, 2020

₹ in Crores

Particulars	Note No.	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
Revenue from Operations	23	40,649.17	39,998.61
Other Income	24	726.58	496.86
TOTAL INCOME (I)		41,375.75	40,495.47
EXPENSES			
Cost of Materials Consumed	25	4,960.81	5,039.32
Purchases of Stock-in-Trade	26	2,262.78	1,582.35
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	27	(362.74)	62.94
Employee Benefits Expense	28	2,336.17	2,158.29
Finance Costs	29	1,704.22	1,648.44
Depreciation and Amortisation Expense	30	2,454.90	2,321.20
Power and Fuel		7,703.19	8,828.30
Freight and Forwarding Expense	31	9,631.85	10,315.55
Other Expenses	32	5,479.11	4,956.97
		36,170.29	36,913.36
Less: Captive Consumption of Cement		(14.30)	(24.15)
TOTAL EXPENSES (II)		36,155.99	36,889.21
Profit before Exceptional Items and Tax Expense (I)-(II)		5,219.76	3,606.26
Exceptional Items			
Stamp Duty on Acquisition of Assets	37	-	(113.88)
Profit before Tax Expense		5,219.76	3,492.38
Tax Expense:			
Current Tax		915.38	717.55
Short / (Excess) Tax Provision related to prior years		3.25	(3.69)
Deferred Tax (Credit) / Charge	18	(1,154.41)	366.07
Total Tax Expense		(235.78)	1,079.93
Profit for the Year (III)		5,455.54	2,412.45
Other Comprehensive Income			
A (i) Items that will not be reclassified to Profit or Loss - Remeasurement Gain / (Loss) on defined benefit plan		(59.21)	(6.93)
(ii) Income Tax Relating to Items that will not be reclassified to Profit or Loss		20.69	2.42
B (i) Items that will be reclassified to Profit or Loss - Cash Flow Hedge		(10.78)	(11.01)
(ii) Income Tax Relating to Items that will be reclassified to Profit or Loss		0.63	3.85
Other Comprehensive Income for the year (IV)		(48.67)	(11.67)
Total Comprehensive Income for the year (III+IV)		5,406.87	2,400.78
Earnings Per Equity Share (Face Value ₹ 10 each)	42		
Basic (in ₹)		189.15	84.33
Diluted (in ₹)		189.10	84.31
Significant Accounting Policies	1		

The accompanying notes form an integral part of the Standalone Financial Statements.

In terms of our report attached.

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For **Khimji Kunverji & Co LLP**
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Membership No: 44000

Mumbai: May 20, 2020

For and on behalf of the Board of Directors

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Whole-time Director and CFO
DIN: 06416619

K. C. JHANWAR
Managing Director
DIN: 01743559

SANJEEB KUMAR CHATTERJEE
Company Secretary

Standalone Statement of Changes in Equity

for the year ended March 31, 2020

A. Equity Share Capital

For the Year ended March 31, 2020 ₹ in Crores

Balance as at April 01, 2019	Changes in Equity Share Capital during the Year	Balance as at March 31, 2020
274.64	13.99	288.63

For the Year ended March 31, 2019

Balance as at April 01, 2018	Changes in Equity Share Capital during the Year	Balance as at March 31, 2019
274.61	0.03	274.64

B. Other Equity

For the Year ended March 31, 2020 ₹ in Crores

Particulars	Reserves & Surplus							Cash Flow Hedge Reserve	Total Other Equity
	Capital Reserve	Securities Premium	Debenture Redemption Reserve	General Reserve	Share Option Outstanding Reserve#	Treasury Shares @@	Retained Earnings		
Balance as at April 01, 2019	**170.72**	**77.97**	**416.27**	**21,830.41**	**23.00**	**(81.21)**	**5,211.00**	**(13.80)**	**27,634.36**
Transition Impact of Ind AS 116 Leases (Refer Note 3)	-	-	-	-	-	-	(43.41)^	-	(43.41)
Profit for the year	-	-	-	-	-	-	5,455.54	-	**5,455.54**
Other Comprehensive Income / (Loss) for the year									
Remeasurement Gain / (Loss) on defined benefit plan	-	-	-	-	-	-	(38.52)*	-	**(38.52)**
Effective portion of Gains / (Loss) on hedging instruments	-	-	-	-	-	-	-	(10.15)@	**(10.15)**
Total Comprehensive Income / (Loss) for the year	-	-	-	-	-	-	**5,417.02**	**(10.15)**	**5,406.87**
Purchase of Treasury Shares	-	-	-	-	-	**(3.59)**	-	-	**(3.59)**
Issue of Treasury Shares	-	-	-	-	-	**0.51**	-	-	**0.51**
Contribution by and Distribution to Owners									
Dividends (includes Dividend Distribution Tax)	-	-	-	-	-	-	(380.56)##	-	**(380.56)**
Issue of Shares pursuant to scheme of Demerger (Refer Note 37)	-	5,373.75	-	-	-	-	-	-	**5,373.75**
Transfer to Retained Earnings	-	-	(168.77)	-	-	-	168.77	-	-
Transfer from Retained Earnings	-	-	-	5,000.00	-	-	(5,000.00)	-	-
Employees Stock Options Exercised	-	6.93	-	-	(3.57)	-	-	-	**3.36**
Employees Stock Options Granted	-	-	-	-	16.40	-	-	-	**16.40**
Total Contribution by and Distribution to Owners	-	**5,380.68**	**(168.77)**	**5,000.00**	**12.83**	-	**(5,211.79)**	-	**5,012.95**
Balance as at March 31, 2020	**170.72**	**5,458.65**	**247.50**	**26,830.41**	**35.83**	**(84.29)**	**5,372.82**	**(23.95)**	**38,007.69**

\# Net of Deferred Employees Compensation Expenses ₹ 23.14 Crores.

@@ The Company has formed an Employee Welfare Trust for purchasing Company's share to be allotted to eligible employees under Employees Stock Options Scheme, 2018 (ESOS 2018).

As per Ind AS 32 - Financial Instruments: Presentation, Reacquired equity shares of the Company are called Treasury Shares and deducted from equity.

* Net of Tax amounting to ₹ 20.69 Crores.

@ Net of Deferred Tax amounting to ₹ 0.63 Crores.

^ Net of Deferred Tax amounting to ₹ 14.60 Crores.

\## Dividend of ₹ 11.50/- per share and including Dividend Distribution Tax of ₹ 64.93 Crores.

Standalone Statement of Changes in Equity

for the year ended March 31, 2020 (Continued)

For the Year ended March 31, 2019 (Restated) ₹ in Crores

Particulars	Reserves & Surplus							Cash Flow Hedge Reserve	Total Equity
	Capital Reserve	Securities Premium	Debenture Redemption Reserve	General Reserve	Share Option Outstanding Reserve#	Treasury Shares @@	Retained Earnings		
Balance as at April 01, 2018	170.72	69.67	324.17	20,030.41	17.29	-	5,042.79	(6.64)	25,648.41
Profit for the year	-	-	-	-	-	-	2,412.45	-	2,412.45
Other Comprehensive Income / (Loss) for the year									
Remeasurement Gain / (Loss) on defined benefit plan	-	-	-	-	-	-	(4.51)*	-	(4.51)
Effective portion of Gains / (Loss) on hedging instruments	-	-	-	-	-	-	-	(7.16)@	(7.16)
Total Comprehensive Income / (Loss) for the year	-	-	-	-	-	-	**2,407.94**	**(7.16)**	**2,400.78**
Purchase of Treasury Shares	-	-	-	-	-	**(81.21)**	-	-	**(81.21)**
Contribution by and Distribution to Owners									
Dividends (includes Dividend Distribution Tax)	-	-	-	-	-	-	(347.63)##	-	(347.63)
Transfer to Retained Earnings	-	-	(100.00)	-	-	-	100.00	-	
Transfer from Retained Earnings	-	-	192.10	1,800.00	-	-	(1,992.10)	-	-
Employees Stock Options Exercised	-	8.30	-	-	(3.77)	-	-	-	4.53
Employees Stock Options Granted	-	-	-	-	9.48	-	-	-	9.48
Total Contribution by and Distribution to Owners	-	**8.30**	**92.10**	**1,800.00**	**5.71**	-	**(2,239.73)**	-	**(333.62)**
Balance as at March 31, 2019	**170.72**	**77.97**	**416.27**	**21,830.41**	**23.00**	**(81.21)**	**5,211.00**	**(13.80)**	**27,634.36**

\# Net of Deferred Employees Compensation Expenses ₹ 38.02 Crores.

@@ The Company has formed an Employee Welfare Trust for purchasing Company's share to be allotted to eligible employees under Employees Stock Options Scheme, 2018 (ESOS 2018).

As per Ind AS 32 - Financial Instruments: Presentation, Reacquired equity shares of the Company are called Treasury Shares and deducted from equity.

* Net of Tax amounting to ₹ 2.42 Crores.

@ Net of Deferred Tax amounting to ₹ 3.85 Crores.

\## Dividend of ₹ 10.50/- per share and including Dividend Distribution Tax of ₹ 59.27 Crores.

Significant Accounting Policies Note 1

The accompanying notes form an integral part of the Standalone Financial Statements.

In terms of our report attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No: 101248W/W-100022

VIJAY MATHUR
Partner
Membership No: 46476

For **Khimji Kunverji & Co LLP**
(formerly Khimji Kunverji & Co.)
Chartered Accountants
Firm Registration No: 105146W/W-100621

KETAN VIKAMSEY
Partner
Membership No: 44000

For and on behalf of the Board of Directors

ATUL DAGA
Whole-time Director and CFO
DIN: 06416619

K. C. JHANWAR
Managing Director
DIN: 01743559

SANJEEB KUMAR CHATTERJEE
Company Secretary

Mumbai: May 20, 2020

Standalone Statement of Cash Flow

for the year ended March 31, 2020

₹ in Crores

	Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019 (Restated)
(A)	**Cash Flow from Operating Activities:**		
	Profit Before tax	5,219.76	3,492.38
	Adjustments for:		
	Depreciation and Amortisation	2,454.90	2,321.20
	Gain on Fair Valuation of Investments	(289.12)	(120.36)
	Gain on Fair Valuation of VAT Deferment Loan	-	(45.49)
	Gain on Fair Value movement in Derivative Instruments	-	(1.66)
	Compensation Expenses under Employees Stock Options Scheme	16.40	9.48
	Allowances for Credit Losses on Advances / Debts (net)	15.32	14.76
	Bad Debts Written-off	0.83	0.66
	Excess Provision written back (net)	(66.56)	(90.06)
	Provision for Stamp duty	-	113.88
	Provision for Mines Restoration - (Release) / Charge	17.15	(6.29)
	Interest and Dividend Income	(280.12)	(200.20)
	Finance Costs	1,704.22	1,648.44
	(Profit) / Loss on Sale / Retirement of Property, Plant and Equipment (net)	2.84	(2.45)
	Profit on Sale of Current and Non-Current Investments (net)	(64.74)	(108.92)
	Operating Profit before Working Capital Changes	8,730.88	7,025.37
	Movements in working capital:		
	Increase in Trade payables and other Liabilities	123.62	882.13
	Increase / (Decrease) in Provisions	12.60	(2.54)
	Decrease/(Increase) in Trade receivables	487.72	(359.95)
	(Increase)/ Decrease in Inventories	(46.41)	54.38
	(Increase) in Financial and Other Assets	(144.90)	(782.70)
	Cash generated from Operations	9,163.51	6,816.69
	Taxes paid (net of refunds)	(887.57)	(700.37)
	Net Cash generated from Operating Activities (A)	8,275.94	6,116.32
(B)	**Cash Flow from Investing Activities:**		
	Purchase of Property, Plant and Equipment	(1,590.41)	(1,726.30)
	Sale of Property, Plant and Equipment	72.37	147.04
	Expenditure for Cost of transfer of Assets	(76.53)	(52.32)
	Sale of Liquid Investment (net)	66.13	108.92
	Purchase of Investments	(6,085.57)	(1,700.00)
	Sale of Investments	3,366.07	4,356.35
	Investment in Non-Current Bank Fixed deposits	(41.72)	(3.53)
	Redemption / (Investment) in Other Bank deposits	62.53	(65.64)
	Investment in Subsidiaries / Joint Venture and Associates	(10.88)	(3,407.70)
	Investment in Preference Shares	-	(20.00)
	Redemption of Preference Shares	-	20.00
	Inter Corporate Deposit to Subsidiary (net)	10.55	(1,799.75)
	Dividend Received	32.47	22.45
	Interest Received	226.98	120.14
	Net Cash used in Investing Activities (B)	(3,968.01)	(4,000.34)

Standalone Statement of Cash Flow

for the year ended March 31, 2020 (Continued)

₹ in Crores

	Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019 (Restated)
(C)	**Cash Flow from Financing Activities:**		
	Proceeds from Issue of Share Capital on Exercise of ESOS	2.74	5.21
	Purchase of Treasury Shares	(3.59)	(81.21)
	Sale of Treasury Shares	0.51	-
	Repayment of Non-Current Borrowings	(3,946.10)	(6,697.59)
	Proceeds from Non-Current Borrowings	1,111.77	7,100.47
	Proceeds/ (Repayment) of Current Borrowings (net)	366.39	(174.61)
	Repayment of Principal towards Lease Liability	(74.90)	-
	Interest Paid on Lease Liability	(37.56)	-
	Interest Paid	(1,630.63)	(1,574.91)
	Dividend Paid Including Dividend Distribution Tax	(379.98)	(346.16)
	Net Cash used in Financing Activities (C)	(4,591.35)	(1,768.80)
Net Increase/ (Decrease) in Cash and Cash Equivalents (A + B + C)		(283.42)	347.18
Cash and Cash Equivalents at the beginning of the year		423.48	63.91
Cash and Cash Equivalents transferred from CTIL (Refer Note 37 (C))		-	12.39
Cash and Cash Equivalents at the end of the Year		140.06	423.48

Notes:

1. The Statement of Cash flows has been prepared under the indirect method as set out in Ind AS - 7 specified under Section 133 of the Act.
2. Purchase of Property, Plant and Equipment includes movements of capital work-in-progress (including capital advances) during the year.
3. The Scheme of demerger amongst Century Textiles and Industries Limited and the Company and their respective shareholders does not involve any cash outflow and the consideration has been discharged through issue of Equity Shares. (Refer Note 37)
4. Changes in liabilities arising from financing activities:

₹ in Crores

Particulars	As at March 31, 2019 (Restated)	Cashflows	Non Cash changes Foreign Exchange rates	As at March 31, 2020
Non-Current Borrowing (including current maturities of Non-Current Borrowing)	17,049.97	(2,834.33)	112.69	14,328.33
Current Borrowing	3,586.82	366.39	-	3,953.21
	20,636.79	(2,467.94)	112.69	18,281.54

5. Cashflow from Operating Activities includes ₹ 441.79 Crores towards short-term lease payments, payments for leases of low-value assets and variable lease payments not included in the measurement of the lease liability.

Significant Accounting Policies Note 1

The accompanying notes form an integral part of the Standalone Financial Statements.

In terms of our report attached.

For **B S R & Co. LLP**
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Managing Director
DIN: 01743559

SANJEEB KUMAR CHATTERJEE
Company Secretary

Mumbai: May 20, 2020

Notes to Standalone Financial Statements

NOTE 1: Company Overview and Significant Accounting Policies:

Note 1(A) Company Overview

UltraTech Cement Limited ("the Company") is a Public Limited Company incorporated in India having its registered office at Mumbai, Maharashtra, India. The Company is engaged in the manufacture and sale of Cement and Cement related products.

Note 1(B) Significant Accounting Policies

(a) Statement of Compliance

These standalone financial statements (hereinafter referred to as "financial statements") are prepared in accordance with the Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013 ("the Act"), amendments thereto and other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India ("SEBI"), as applicable.

The financial statements were authorised for issue by the Board of Directors of the Company at their meeting held on May 20, 2020.

(b) Basis of Preparation and Presentation:

Basis of Preparation

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities:

(i) Derivative Financial Instruments measured at fair value

(ii) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

(iii) Assets held for disposal – measured at the lower of its carrying amount and fair value less costs to sell

(iv) Employee's Defined Benefit Plan as per actuarial valuation.

(v) Assets and liabilities acquired under Business Combination measured at fair value; and

(vi) Employee share based payments measured at fair value.

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 under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

Functional and Presentation Currency

(i) The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

(ii) Figures less than ₹ 50,000 have been shown at actual, wherever statutorily required to be disclosed, all other figures have been rounded off to the nearest ₹ in lakhs, unless otherwise stated.

Classification of Assets and Liabilities into Current/Non-Current

The Company has ascertained its operating cycle as twelve months for the purpose of Current / Non-Current classification of its Assets and Liabilities.

For the purpose of Balance Sheet, an asset is classified as current if:

(i) It is expected to be realised, or is intended to be sold or consumed, in the normal operating cycle; or

(ii) It is held primarily for the purpose of trading; or

Notes to Standalone Financial Statements (Continued)

(iii) It is expected to realise the asset within twelve months after the reporting period; or

(iv) The asset is a 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 period.

All other assets are classified as non-current.

Similarly, a liability is classified as current if:

(i) It is expected to be settled in the normal operating cycle; or

(ii) It is held primarily for the purpose of trading; or

(iii) It is due to be settled within twelve months after the reporting period; or

(iv) The Company does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could result in its settlement by the issue of equity instruments at the option of the counterparty does not affect this classification.

All other liabilities are classified as non-current.

(c) Property, Plant and Equipment (PPE):

The initial cost of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of decommissioning.

Subsequent costs are included in the assets's carrying amount or recognized 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. All other repairs and maintenance cost are charged to the Statement of Profit and Loss during the period in which they were incurred.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Material items such as spare parts, stand-by equipment and service equipment are classified as PPE when they meet the definition of PPE as specified in Ind AS 16 – Property, Plant and Equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the Statement of Profit and Loss.

PPE are stated at their cost of acquisition/installation or construction net of accumulated depreciation, and impairment losses, if any.

(d) Expenditure during construction period:

Expenditure/ Income during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) is included under Capital Work-in-Progress, and the same is allocated to the respective PPE on the completion of their construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other non-current Assets".

(e) Depreciation:

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided on a straight-line basis over the useful lives as prescribed in Schedule II to the Act or as per technical assessment. Freehold Land with indefinite life is not depreciated.

Depreciable amount for PPE is the cost of PPE less its estimated residual value. The useful life of PPE is the period over which PPE is expected to be available for use by the Company, or the number of production or similar units expected to be obtained from the asset by the Company.

Notes to Standalone Financial Statements (Continued)

In case of certain classes of PPE, the Company uses different useful lives than those prescribed in Schedule II to the Act. The useful lives have been assessed based on technical advice, taking into account the nature of the PPE and the estimated usage of the asset on the basis of management's best estimation of obtaining economic benefits from those classes of assets. The estimated useful life is reviewed periodically, with the effect of any changes in estimate being accounted for on a prospective basis.

Such classes of assets and their estimated useful lives are as under:

No	Nature	Estimated Useful life
1	Buildings	3-60 Years
2	Plant & Equipment	8-50 Years
3	Leasehold Land	Over the lease agreement
4	Office Equipment	4-7 Years
5	Furniture and Fixtures	7-12 Years
6	Mobile Phones	3 Years
7	Company Vehicles (other than those provided to the employees)	5-12 Years
8	Motor Cars given to the employees as per the Company's Scheme	4-5 Years
9	Servers and Networks	3 Years
10	Stores and Spares in the nature of PPE	8-30 Years
11	Assets individually costing less than or equal to Rs.10,000	Fully Depreciated in the year of purchase

Depreciation on additions is provided on a pro-rata basis from the month of installation or acquisition and in case of Projects from the date of commencement of commercial production. Depreciation on deductions/disposals is provided on a pro-rata basis up to the month preceding the month of deduction/disposal.

(f) Intangible Assets and Amortisation:

- **Internally generated Intangible Assets:**

  Expenditure pertaining to research is expensed out as and when incurred. Expenditure incurred on development is capitalised if such expenditure leads to creation of an asset, otherwise such expenditure is charged to the Statement of Profit and Loss.

- **Intangible Assets acquired separately:**

  Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment loss, if any. Cost comprises the purchase price (net of tax / duty credits availed wherever applicable) and any directly attributable cost of bringing the assets to its working condition for its intended use. The Company determines the amortisation period as the period over which the future economic benefits will flow to the Company after taking into account all relevant facts and circumstances. The estimated useful life and amortisation method are reviewed periodically, with the effect of any changes in estimate being accounted for on a prospective basis.

- **Class of intangible assets and their estimated useful lives / basis of amortisation are as under**:

No	Nature	Estimated Useful life / Basis of amortization
1	Jetty Rights	Over the period of the relevant agreement such that the cumulative amortisation is not less than the cumulative rebate availed by the Company.
2	Mining Rights	Over the period of the respective mining agreement
3	Mining Reserve	On the basis of mineral material extraction (proportion of mineral material extracted per annum to total estimated mining reserve)
4	Software	3 Years
5	Brand Rights	18 months

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an item of intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of such item of intangible asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

(g) Non-current assets (or disposal groups) classified as 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. This condition 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 asset and its sale is highly probable. Such assets or group of assets / liabilities are presented separately in the Balance Sheet, in the line "Assets / Disposal groups held for sale" and "Liabilities included in disposal group held for sale" respectively. Once classified as held for sale, intangible assets and PPE are no longer amortised or depreciated.

Such assets or disposal groups held for sale are stated at the lower of carrying amount and fair value less costs to sell.

(h) Impairment of Non-Financial Assets

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

(i) Inventories:

Inventories are valued as follows:

- **Raw materials, fuel, stores & spares and packing materials:**

  Valued at lower of cost and net realisable value (NRV). However, these items are considered to be realisable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost. Cost is determined on weighted average basis which includes expenditure incurred for acquiring inventories like purchase price, import duties, taxes (net of tax credit) and other costs incurred in bringing the inventories to their present location and condition

Notes to Standalone Financial Statements (Continued)

- **Work-in- progress (WIP), finished goods, stock-in-trade and trial run inventories:**

  Valued at lower of cost and NRV. Cost of Finished goods and WIP includes cost of raw materials, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost of Stock-in Trade includes cost of purchase and other costs incurred in bringing the inventories to the present location and condition. Cost of inventories is computed on weighted average basis.

- **Waste / Scrap:**

  Waste / Scrap inventory is valued at NRV.

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

(j) Employee Share based payments:

Equity- settled share-based payments to employees are measured at the fair value of the employee stock options at the grant date using an appropriate valuation model.

The fair value determined at the grant date of the equity-settled share-based payments is amortised over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

For Stock Appreciation Rights ("SARs") which are cash-settled share-based payments, the fair value of liability is recognised for the services acquired over the period that the employees unconditionally become entitled to the payment. At the end of each reporting period until the liability is settled, and at the date of settlement, the liability is re-measured based on the fair value of the SAR's and any changes in fair value of the liability are recognised in the Statement of Profit and Loss.

(k) Treasury Shares:

The Company has formed an Employee Welfare Trust for purchasing the Company's shares to be allotted to eligible employees under Employee Stock Options Scheme, 2018. The Company has considered the said Employee Welfare Trust as its extension and shares held by the Trust is treated as Treasury Shares. As per Ind AS 32, the consideration paid for treasury shares including any directly attributable incremental cost is presented as a deduction from total equity, until they are cancelled, sold or reissued.

(l) Borrowing Costs:

General and specific borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of such asset till such time the asset is ready for its intended use and borrowing costs are being incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred.

Borrowing cost includes interest expense, amortization of discounts, hedge related cost incurred in connection with foreign currency borrowings, ancillary costs incurred in connection with borrowing of funds and exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to the Interest cost.

(m) Government Grants:

Government grants, related to assets, are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises the related costs for which the grants are intended to compensate.

Notes to Standalone Financial Statements (Continued)

Government grants related to income under State Investment Promotion Scheme linked with VAT / GST payment, are recognised in the Statement of Profit and Loss in the period in which they become receivable.

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates and is being recognised in the Statement of Profit and Loss.

(n) Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised. A contingent asset is disclosed, in financial statements, where an inflow of economic benefits is probable.

(o) Mines Restoration Provision:

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

(p) Revenue Recognition:

(i) Revenue from Contracts with Customers

- Revenue is recognized 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 for those goods or services.

Notes to Standalone Financial Statements (Continued)

- Revenue is measured at the fair value of consideration received or receivable taking into account the amount of discounts, incentives, volume rebates, and outgoing taxes on sales. Any amounts receivable from the customer are recognised as revenue after the control over the goods sold are transferred to the customer which is generally on dispatch/delivery of goods.
- Variable consideration - This includes incentives, volume rebates, discounts etc. It is estimated at contract inception considering the terms of various schemes with customers and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. It is reassessed at end of each reporting period.
- Significant financing component - Generally, the Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

(ii) Dividend income is accounted for when the right to receive the income is established.

(iii) Interest income is recognised using the Effective Interest Method.

(q) Lease :

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

(i) the contract involves the use of identified asset;

(ii) the Company has substantially all of the economic benefits from the use of the asset through the period of lease and;

(iii) the Company has the right to direct the use of the asset.

As a lessee

The Company recognizes a right-of-use asset ("ROU") and a lease liability at the lease commencement date. The ROU is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

The ROU is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprises fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option.

Notes to Standalone Financial Statements (Continued)

The lease liability is subsequently measured at amortised cost using the effective interest method, except those which are payable in other than functional currency which is measured at fair value through profit or loss. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the ROU, or is recorded in Statement of Profit or Loss if the carrying amount of the ROU has been reduced to zero.

Lease Liabilities have been presented in 'Financial Liabilities' and the 'ROU' have been presented separately in the Balance Sheet. Lease payments have been classified as financing activities in the Statement of Cash Flows.

Short-term leases and leases of low-value assets

The Company has elected not to recognise ROU and lease liabilities for short term leases that have a lease term of 12 months or lower and leases of low value assets. The Company recognises the lease payments associated with these leases as an expense over the lease term. The related cash flows are classified as Operating activities in the Statement of Cash Flows.

As a lessor

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right of use asset arising from the head lease.

Under Ind AS 17

In the comparative period, accounting for leases were done as per Ind AS 17. Leases were classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as Operating Leases.

As a Lessee:

Operating Lease: Lease rentals are charged or recognised in the Statement of Profit and Loss on a straight-line basis over the lease term, except where the payments are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increase.

Finance Lease: Assets held under finance leases are recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to the Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's policy on borrowing costs.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income over the lease term. The respective leased assets are included in the balance sheet based on their nature.

(r) Employee benefits:

Gratuity

The gratuity, a defined benefit plan, payable to the employees is the based on the Employees' service and last drawn salary at the time of the leaving of the services of the Company and is in accordance with the Rules of the Company for payment of Gratuity. Liability with regards to gratuity plan is determined using the projected unit credit method, with

Notes to Standalone Financial Statements (Continued)

Notes to Standalone Financial Statements (Continued)

actuarial valuations being carried out by a qualified independent actuary at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in Other Comprehensive Income (OCI) in the period in which they occur. Re-measurement recognised in OCI is reflected immediately in retained earnings and will not be reclassified to Statement of Profit and Loss. Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment. Interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset and is recognised in the Statement of Profit and Loss. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

The defined benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Superannuation

Certain employees of the Company are eligible for participation in defined contribution plans such superannuation and national pension fund. Contributions towards these funds are recognized as an expense periodically based on the contribution by the Company, since Company has no further obligation beyond its periodic contribution.

Provident Fund

The eligible employees of the Company are entitled to receive benefits in respect of provident fund, which is a defined benefit plan, for which both the employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The contributions as specified under the law are made to the approved provident fund which is set up by the Company. The Company is liable for annual contributions and any shortfall in the fund assets based on the government specified minimum rates of return and recognises such contributions and shortfall, if any, as an expense in the year incurred.

Other employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured using the projected unit credit method by a qualified independent actuary at the end of each annual reporting period, at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date. With reference to some employees, liability of other fixed long-term employee benefits is recognised at the present value of the future cash outflows expected to be made by the Company.

Remeasurement gains / losses are recognised in the Statement of Profit and Loss in the period in which they arise.

(s) Income Taxes:

Income Tax expenses comprise current tax and deferred tax charge or credit.

Current Tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws.

Deferred tax is recognised, on all temporary differences at the reporting date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Tax relating to items recognised directly in equity or OCI is recognised in equity or OCI and not in the Statement of Profit and Loss. Minimum Alternate Tax (MAT) Credits are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence it is grouped with Deferred Tax Asset. MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

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. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized 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; and

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.

Deferred tax assets are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised.

The Government of India, on September 20, 2019, vide the Taxation Laws (Amendment) Ordinance 2019, inserted a new Section 115BAA in the Income Tax Act, 1961, which provides an option to the Company for paying Income Tax at reduced rates as per the provisions/conditions defined in the said section. The Company is continuing with higher income tax rate option, based on the available outstanding MAT credit entitlement and different exemptions & deduction enjoyed by the Company. However, the Company has estimated and applied the lower income tax rate on the deferred tax assets / liabilities to the extent these are expected to be realized or settled in the future period when the Company may be subjected to lower tax rate.

(t) Earnings Per Share:

Basic Earnings Per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares.

For the purpose of calculating diluted earnings per share, net profit / (loss) after tax for the year attributable to the equity shareholders is divided by the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares and is adjusted for the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

(u) Foreign Currency transactions:

Transactions in currencies other than the Company's functional currency (i.e. foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items carried at

Notes to Standalone Financial Statements (Continued)

fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of initial transactions.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences relating to qualifying effective cash flow hedges and qualifying net investment hedges in foreign operations which are recognised in OCI.

(v) Investment in Subsidiaries, Associates and Joint Ventures:

The Company's investment in its subsidiaries, associates and Joint Ventures are carried at cost net of accumulated impairment loss, if any

On disposal of the Investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

(w) Financial Instruments:

A Financial Instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Initial Recognition:

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 profit or loss and ancillary costs related to borrowings) 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 profit or loss are charged to the Statement of Profit and Loss over the tenure of the financial assets or financial liabilities.

Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, Fair Value through Other Comprehensive Income ("FVOCI") or Fair Value through Profit or Loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

Amortised Cost:

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

In case of financial assets classified and measured at amortised cost, any interest income, foreign exchange gains or losses and impairment are recognised in the Statement of Profit and Loss.

Notes to Standalone Financial Statements (Continued)

Fair Value through OCI:

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair Value through Profit or Loss:

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through OCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

For financial assets at FVTPL, net gains or losses, including any interest or dividend income, are recognised in the Statement of Profit and Loss.

Classification and Subsequent Measurement: Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

Financial Liabilities at FVTPL:

Financial liabilities are classified as FVTPL when the financial liability is held for trading or is a derivative (except for effective hedge) or are designated upon initial recognition as FVTPL:

Gains or Losses, including any interest expense on liabilities held for trading are recognised in the Statement of Profit and Loss.

Other Financial Liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest rate is the rate that exactly discounts estimated future cash 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 financial liability, or (where appropriate) a shorter period, to the amortised cost on initial recognition.

Interest expense (based on the effective interest method), foreign exchange gains and losses, and any gain or loss on derecognition is recognised in the Statement of Profit and Loss.

Impairment of financial assets:

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financial assets in FVTPL category. For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition.

The Company's trade receivables do not contain significant financing component and as per simplified approach, 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 impairment losses and reversals are recognised in Statement of Profit and Loss.

Notes to Standalone Financial Statements (Continued)

Notes to Standalone Financial Statements (Continued)

Derecognition of financial assets and financial liabilities:

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises an associated liability for amounts it has to pay.

On derecognition of a financial asset, 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 OCI and accumulated in equity is recognised in the Statement of Profit and Loss.

The Company de-recognises financial liabilities when and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

Financial Guarantee Contract Liabilities

Financial Guarantee Contract Liabilities are disclosed in financial statements in accordance with Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets.

(x) Cash and cash equivalents:

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand and short-term deposits with banks that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

(y) 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.

- **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 a Company are recognised at the proceeds received.

(z) Derivative financial instruments:

The Company enters into derivative financial instruments viz. foreign exchange forward contracts, interest rate swaps and cross currency swaps to manage its exposure to interest rate, foreign exchange rate risks and commodity prices. The Company does not hold derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately excluding derivatives designated as cashflow hedge.

(aa) Hedge accounting:

The Company designates certain hedging instruments in respect of foreign currency risk, interest rate risk and commodity price risk as cash flow hedges. At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

The effective portion of changes in the fair value of the designated portion of derivatives that qualify as cash flow hedges is recognised in OCI and accumulated under equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Amounts previously recognised in OCI and accumulated in equity relating to effective portion as described above are reclassified to Statement of Profit and Loss in the periods when the hedged item affects the Statement of Profit or Loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued prospectively when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in OCI and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the Statement of Profit and Loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the Statement of Profit and Loss.

(bb) Segment Reporting - 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. Based on the management approach as defined in Ind AS 108, the CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

(cc) Business Combination:

The Company applies the acquisition method in accounting for business combinations. The consideration transferred by the Company to obtain control of a business is calculated as the sum of the fair values of assets transferred, liabilities incurred and the equity interests issued by the Company as at the acquisition date i.e. date on which it obtains control of the acquiree which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition-related costs are recognised in the statement of profit and loss as incurred, except to the extent related to the issue of debt or equity securities.

Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values on acquisition-date.

Intangible Assets acquired in a Business Combination and recognised separately from Goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible Assets acquired in a Business Combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Goodwill is measured as the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. Such goodwill is tested annually for impairment. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the excess is termed as bargain purchase.

In case of a bargain purchase, before recognizing a gain in respect thereof, the Company determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase, thereafter, the

Notes to Standalone Financial Statements (Continued)

Company reassesses whether it has correctly identified all the assets acquired and liabilities assumed and recognises any additional assets or liabilities that are so identified, any gain thereafter is recognised in OCI and accumulated in equity as Capital Reserve. If there does not exist clear evidence of the underlying reasons for classifying the Business combination as a bargain purchase, the Company recognises the gain, after reassessing and reviewing, directly in equity as Capital Reserve.

Contingent consideration is classified either as equity or financial liability. Amount classified as financial liability are subsequently re-measured to fair value with changes in fair value recognised in statement of profit and loss.

Note 1(C) Critical accounting judgements and key sources of estimation uncertainty:

The preparation of the Company's financial statements requires management to make judgements, 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.

(a) Critical judgments in applying accounting policies:

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognised in the standalone financial statements.

(i) Classification of Lease Ind AS 116:

Ind AS 116 Leases requires a lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying lease to the Company's operations taking into account the location of the underlying asset and the availability of the suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

(ii) Classification of Madanpur (North) Coal Company Limited as Investment in an Associate:

A Joint Venture Company (JV) "Madanpur (North) Coal Company Limited" was formed by allocatees of Madanpur North Coal Block. As per Ind AS 111, when all the parties, or a group of parties, considered collectively, are able to direct the activities that significantly affect the returns of the arrangement (i.e. the relevant activities), the parties control the arrangement collectively. Also, joint control exists only when decisions about the relevant activities require the unanimous consent of all the parties. In terms of the JV agreement between the parties, each JV partner has right to nominate one director on the board of JV and major decisions shall be taken by a majority of 75% of the directors present. Since there is no unanimous consent required from the parties, in the judgement of the management the Company does not have joint control over the JV. However, considering the Company's representation in the board and the extent of its ability to exercise the influence over the decision over the relevant activities, the JV has been considered as an associate and accounted under the equity method.

(b) Key assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Notes to Standalone Financial Statements (Continued)

(i) Useful Lives of Property, Plant & Equipment and Intangible Assets:

The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets. In case of certain mining rights the amortisation is based on the extracted quantity to the total mineral reserve.

(ii) Impairment of Assets:

The Company reviews its carrying value of assets annually where there is an indication of impairment by estimating the future economic benefits from using such assets If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

(iii) Recognition and measurement of deferred tax assets and liabilities:

Deferred tax assets and liabilities are recognised for deductible temporary differences and unused tax losses for which there is probability of utilisation against the future taxable profit. The Company uses judgement to determine the amount of deferred tax liability / asset that can be recognised, based upon the likely timing and the level of future taxable profits and business developments.

(iv) Income Taxes:

The Company calculates income tax expense based on reported income and estimated exemptions / deduction likely available to the Company The Company is continuing with higher income tax rate option, based on the available outstanding MAT credit entitlement and different exemptions & deduction enjoyed by the Company. However, the Company has applied the lower income tax rates on the deferred tax assets / liabilities to the extent these are expected to be realised or settled in the future when the Company may be subject to lower tax rate based on the future financials projections.

(v) Fair value measurement of financial instruments:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

(vi) Defined benefit plans:

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

Notes to Standalone Financial Statements (Continued)

(vii) Mines Restoration Obligation:

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

(viii) Share-based payments:

The Company measures the cost of equity-settled transactions with employees using Black-Scholes model and cash settled transactions with employees using binomial tree model to determine the fair value of the liability incurred on the grant date. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant.

This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 45.

(ix) Business Combination:

(a) Fair Valuation of Intangibles:

Mining Rights:

The Company has used royalty saved method for value analysis of limestone mining rights. The method estimates the value of future savings in royalty payments over the life of the mine accruing to the Company, by virtue of the transaction instead of obtaining the mining rights via the Government e-auction process.

The resulting post-tax cash flows for each of the years are recognised at their present value using a Weighted Average Cost of Capital ('WACC') relating to the risk of achieving the mine's projected savings.

Brand:

The Company has used relief from royalty method for value analysis of Brand. The method estimates the value as the present value of the after-tax projected revenues cash flows attributable to the Brand value.

The resulting post-tax cash flows for each of the years are recognised at their present value using a Weighted Average Cost of Capital ('WACC') relating to the risk associated with the Brand Name.

(b) Fair Valuation of Tangibles:

Freehold land:

Freehold land was valued using the sales comparison method using prevailing rates of similar plots of land, circle rates provided by department of revenue and general market intelligence based on the size of land parcel.

Leasehold land:

Leasehold land was valued basis the leasehold interest for the remaining duration of the lease.

Other Assets:

The cost approach has been adopted for fair valuing all the assets except vehicles which have been measured at the old book values less depreciation.

The cost approach includes calculation of replacement cost using price trends applied to historical cost and capitalisation of all the indirect cost, these trends are on the basis of price indices obtained from recognized sources such as the RBI/ OEA or market intelligence. In the case of buildings in cement plants, appropriate weightages have been applied to cement, iron & steel and labour indices to arrive at the escalation factor and depreciating the same for past usage based on estimated total and remaining useful life of the asset.

Note 1(D) Change of Accounting Policies on adoption of Ind AS 116:

Effective from 1 April 2019 ('the date of transition'), the Company applied Ind AS 116 Leases, using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at 1 April 2019. Accordingly, the comparative information is not restated and is presented, as previously reported, under Ind AS 17. Additionally, the disclosure requirements in Ind AS 116 have not generally been applied to comparative information.

The Company as a lessee:

As a lessee, the Company leases many assets including ships, land, buildings, plant & equipment, etc. The Company previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Company. Under Ind AS 116, the Company recognises right-of-use assets and lease liabilities for most of these leases i.e. on balance sheet accounting.

On transition, for leases classified as operating leases under Ind AS 17, the lease liabilities are measured at the present value of the remaining lease payments, discounted at the Company's incremental borrowing rate as at April 1, 2019. Right-of-use assets are measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments. The Company has tested its right-of-use assets for impairment on the date of transition and has concluded that there is no indication that the right-of-use assets are impaired.

The Company used a number of practical expedients when applying Ind AS 116 to leases previously classified as operating leases under Ind AS 17. In particular, the Company:

a. applied a single discount rate to a portfolio of leases with reasonably similar characteristics.

b. relied on previous assessments on whether leases are onerous as an alternative to performing an impairment review – there were no onerous contracts as at 1 April 2019

c. did not recognise right-of-use assets and liabilities for leases for which the lease term ends within 12 months of the date of initial application

d. did not recognise right-of-use assets and liabilities for leases where the Right of Use value of assets is not material as per company policy.

e. excluded initial direct costs from the measurement of the right-of-use asset at the date of initial application.

The difference between the future minimum lease rental commitments towards non-cancellable operating leases and finance leases reported as at March 31, 2019 compared to the lease liability as accounted as at April 1, 2019 is primarily due to inclusion of present value of the lease payments for the cancellable term of the leases, reduction due to discounting of the lease liabilities as per the requirement of Ind AS 116 and exclusion of the commitments for the leases to which the Company has chosen to apply the practical expedients as per the standard.

The Company as a lessor:

The Company is not required to make any adjustments on transition to Ind AS 116 for leases in which it acts as a lessor, except for a sub - lease. The Company accounted for its sub leases in accordance with Ind AS 116 from the date of initial application.

Notes to Standalone Financial Statements (Continued)

NOTE 2: Property, Plant and Equipment and Other Intangible Assets

₹ in Crores

Particulars	Gross Block				Accumulated Depreciation and Amortisation				Net Block
	As at April 01, 2019	Additions	Deductions/ Adjustments/ Held for Disposal	**As at March 31, 2020**	As at April 01, 2019	For the year	Deductions/ Adjustments/ Held for Disposal	**As at March 31, 2020**	**As at March 31, 2020**
(A) Tangible Assets *									
Land:									
Freehold Land	5,973.64	196.95	126.19	**6,044.40**	-	-	-	**-**	**6,044.40**
Leasehold Land	964.73	31.05	140.06	**855.72**	87.68	43.23	9.03	**121.88**	**733.84**
Buildings	4,878.29	224.46	2.19	**5,100.56**	604.87	212.83	0.98	**816.72**	**4,283.84**
Railway Sidings	853.42	14.53	0.15	**867.80**	146.68	51.74	0.08	**198.34**	**669.46**
Plant and Equipment:									
Own	33,211.37	1,148.81	89.12	**34,271.06**	4,967.02	1,755.51	51.01	**6,671.52**	**27,599.54**
Given on Lease	174.64	-	-	**174.64**	48.49	10.74	-	**59.23**	**115.41**
Office Equipment	203.82	58.38	2.84	**259.36**	103.59	38.32	2.08	**139.83**	**119.53**
Furniture and Fixtures	93.49	7.27	1.07	**99.69**	50.67	13.63	0.77	**63.53**	**36.16**
Vehicles	101.78	22.83	12.37	**112.24**	41.36	18.16	7.49	**52.03**	**60.21**
Total Tangible Assets	**46,455.18**	**1,704.28**	**373.99**	**47,785.47**	**6,050.36**	**2,144.16**	**71.44**	**8,123.08**	**39,662.39**
(B) Capital Work-in-Progress									**860.01**
(C) Other Intangible Assets									
Software	64.76	20.55	0.03	**85.28**	50.71	12.53	0.03	**63.21**	**22.07**
Mining Rights	175.39	7.66	1.32	**181.73**	50.02	5.07	1.32	**53.77**	**127.96**
Mining Reserve	3,770.16	0.68	-	**3,770.84**	105.68	94.16	-	**199.84**	**3,571.00**
Jetty Rights	182.86	29.82	-	**212.68**	29.32	8.25	-	**37.57**	**175.11**
Brand Rights	155.21	-	-	**155.21**	89.54	65.67	-	**155.21**	**-**
Total Intangible Assets	**4,348.38**	**58.71**	**1.35**	**4,405.74**	**325.27**	**185.68**	**1.35**	**509.60**	**3,896.14**
(D) Intangible Assets under Development									**10.07**
Total Assets (A + B + C + D)	**50,803.56**	**1,762.99**	**375.34**	**52,191.21**	**6,375.63**	**2,329.84**	**72.79**	**8,632.68**	**44,428.61**

* Net Block of Tangible Assets, amounting to ₹ 23,913.79 Crores (March 31, 2019 ₹ 17,961.06 Crores) were pledged as security against the Secured Borrowings.

₹ in Crores

Particulars	Gross Block					Accumulated Depreciation and Amortisation				Net Block
	As at April 01, 2018	Transferred from CTIL pursuant to Scheme of Demerger ^	Additions	Deductions/ Adjustments/ Held for Disposal	As at March 31, 2019 (Restated)	As at April 01, 2018	For the year	Deductions/ Adjustments/ Held for Disposal	**As at March 31, 2019 (Restated)**	As at March 31, 2019 (Restated)
(A) Tangible Assets $										
Land										
Freehold Land	5,310.96	528.15	123.86	(10.67)	5,973.64	-	-	-	-	5,973.64
Leasehold Land	930.03	86.63	75.70	127.63	964.73	47.38	47.42	7.12	87.68	877.05
Buildings	4,206.55	519.54	210.61	58.41	4,878.29	412.12	195.98	3.23	604.87	4,273.42
Railway Sidings	653.08	159.33	41.04	0.03	853.42	98.27	48.41	-	146.68	706.74
Plant and Equipment:										
Own	26,698.11	4,779.65	1,740.10	6.49	33,211.37	3,277.35	1,706.25	16.58	4,967.02	28,244.35
Given on Lease	142.38	32.90	-	0.64	174.64	37.39	11.10	-	48.49	126.15
Office Equipment	148.99	27.85	42.03	15.05	203.82	84.40	31.79	12.60	103.59	100.23
Furniture and Fixtures	70.49	10.02	14.08	1.10	93.49	38.01	13.39	0.73	50.67	42.82
Vehicles	82.74	2.21	26.57	9.74	101.78	29.43	17.43	5.50	41.36	60.42
Total Tangible Assets	**38,243.33**	**6,146.28**	**2,273.99**	**208.42**	**46,455.18**	**4,024.35**	**2,071.77**	**45.76**	**6,050.36**	**40,404.82**
(B) Capital Work-in-Progress										**1,106.19**
(C) Other Intangible Assets										
Software	52.75	1.80	10.21	-	64.76	42.13	8.58	-	50.71	14.05
Mining Rights	160.53	-	14.97	0.11	175.39	12.18	37.88	0.04	50.02	125.37
Mining Reserve	2,715.87	1,054.29	-	-	3,770.16	39.07	66.61	-	105.68	3,664.48
Jetty Rights	182.86	-	-	-	182.86	26.77	7.86	5.31	29.32	153.54
Brand Rights	-	155.21	-	-	155.21	-	89.54	-	89.54	65.67
Total Other Intangible Assets	**3,112.01**	**1,211.30**	**25.18**	**0.11**	**4,348.38**	**120.15**	**210.47**	**5.35**	**325.27**	**4,023.11**
(D) Intangible Assets under Development										**4.69**
Total Assets (A + B + C + D)	**41,355.34**	**7,357.58**	**2,299.17**	**208.53**	**50,803.56**	**4,144.50**	**2,282.24**	**51.11**	**6,375.63**	**45,538.81**

^ Refer Note 37 (B)

$ Net Block of Tangible Assets of the Demerged Undertaking, amounting to ₹ 6039.14 Crores (Book value of transferred assets from CTIL: ₹ 2501.85 Crs) were pledged as security against the borrowings of the Demerged Undertaking and Century Textiles and Industries Limited.

Note: Title deeds

(a) In respect of Manikgarh Cement Division, land measuring 41.20 hectares occupied by Forest Department and disputed by the Company was adjudicated by the Collector and the Divisional Commissioner (Appeals) in favour of the Company. The Government of Maharashtra on reference made by the Forest Department directed the Controller for a fresh demarcation of the sight boundaries and has also directed the Forest department to refund the compensation paid by the Company along with interest for the land falling within their boundaries. The Revisional Authority has since observed that approx. 17 Hectares fall within the boundaries of the reserved Forest and the Company has filed a writ petition before the Bombay High Court, Nagpur Bench against the said order. The Bombay High Court, Nagpur Bench on April 3, 2014 upheld the order passed by the Government of Maharashtra and directed collector Chandrapur to complete the documentation of the land within six months with a right to Manikgarh Cement division to challenge the forest notification issued in the year 1953, if such occasion arises. Adjustments, if any, will be made in the year in which the matter will be settled.

(b) Includes 1.45 hectares of land at Manikgarh cement division at a cost of ₹ 0.01 Crores for which Sale and Conveyance deeds and other transfer formalities are yet to be executed. Stamp duty and incidental expenses will be capitalised on the execution of the same.

Notes to Standalone Financial Statements (Continued)

NOTE 2: Property, Plant and Equipment and Other Intangible Assets (Continued)

₹ in Crores

	Particulars	**Year ended March 31, 2020**	Year ended March 31, 2019 (Restated)
A)	Depreciation and Amortisation for the year	**2,329.84**	2,282.24
	Add: Obsolescence (Including impairment of ₹ Nil Crores (March 31, 2019 ₹ 18.63 Crores) towards Assets classified as held for disposal) (Refer Note 53)	**30.88**	39.21
	Less: Depreciation transferred to Pre-operative Expenses	**(0.04)**	(0.25)
	Add: Depreciation on ROU (Refer Note 3)	**94.22**	-
	Depreciation as per Statement of Profit and Loss	**2,454.90**	**2,321.20**

B) 1. Tangible Assets include assets for which ownership is not in the name of the Company - Gross Block of ₹ 406.72 Crores (March 31, 2019 ₹ 389.08 Crores).

2. Buildings include ₹ 12.13 Crores (March 31, 2019 ₹ 12.13 Crores) being cost of Debentures and Shares in a company entitling the right of exclusive occupancy and use of certain premises.

3. Opening Gross Block includes Research and Development Assets (Building, Plant and Equipment, Furniture and Fixtures, Office Equipment and Intangible Assets) of ₹ 44.54 Crores (March 31, 2019 ₹ 34.64 Crores) and Net Block of ₹ 24.65 Crores (March 31, 2019 ₹ 23.15 Crores). Addition for the Research and Development Assets during the year is ₹ 1.12 Crores (March 31, 2019 ₹ 9.92 Crores).

4. Title of immovable properties having Gross Block of ₹ 3,568.28 Crores (March 31, 2019 ₹ 4,013.37 Crores) and Net Block of ₹ 3,418.88 Crores (March 31, 2019 ₹ 3,905.84 Crores) is yet to be transferred in the name of the Company.

5. The amount of expenditures recognised in the carrying amount of an item of PPE in the course of its construction:

₹ in Crores

Particulars	**Year ended March 31, 2020**	Year ended March 31, 2019 (Restated)
Pre-operative expenses pending allocation:		
Raw Materials Consumed	**11.75**	0.39
Power and Fuel Consumed	**1.70**	8.56
Salary, Wages, Bonus, Ex-gratia and Provisions	**9.77**	6.63
Insurance	**0.60**	0.06
Depreciation	**0.04**	0.25
Finance Costs	**0.93**	6.45
Miscellaneous expenses	**19.31**	17.63
Total Pre-operative expenses	**44.10**	**39.97**
Less: Sale of Products / Other Income	**(14.41)**	(1.38)
Less: Trial Run production transferred to Inventory	**(4.78)**	(8.46)
Add: Brought forward from Previous Year	**32.52**	85.65
Less: Capitalised / Charged during the Year	**(5.96)**	(83.26)
Balance included in Capital Work-in-Progress	**51.47**	**32.52**

Notes to Standalone Financial Statements (Continued)

NOTE 3: Leases

(I) As a lessee (Ind AS 116)

(a) The Company has implemented Indian Accounting Standard for Leases ("Ind AS 116") with effect from April 1, 2019 using the modified retrospective approach, under which the cumulative effect of Initial application is recognized in retained earnings as on April 1, 2019. The effect of initial recognition as per Ind AS 116 is as follows:

₹ in Crores

Particulars	As on April 01, 2019
Lease liability	787.90
Right of Use (ROU) asset	729.89
Deferred tax assets	14.60
Net Impact on Retained Earnings	**43.41**

(b) The difference between the future minimum lease rental commitments towards non-cancellable operating leases and finance leases reported as at March 31, 2019 compared to the lease liability as accounted as at April 1, 2019 is primarily due to contracts reassessed as lease contracts under Ind AS 116, reduction due to discounting of the lease liabilities as per the requirement of Ind AS 116 and exclusion of the commitments for the leases to which the Company has chosen to apply the practical expedient as per the standard.

₹ in Crores

Particulars	Amount
Lease commitments as at 31 March 2019	13.07
Add: Impact of assessment of opening lease commitments under Ind AS 116	13.23
Add/(less): contracts reassessed as lease contracts	761.60
Lease liabilities as on 1 April 2019	**787.90**

(c) Following are the carrying value of Right of Use Assets for the year ended March 31, 2020:

₹ in Crores

Particulars	Gross Block				Accumulated depreciation and amortisation				Net Block
	As at April 01, 2019	Reclassified on account of Ind AS 116	Additions	As at March 31, 2020	As at April 01, 2019	Reclassified on account of Ind AS 116	For the year	As at March 31, 2020	As at March 31, 2020
Leasehold Land	60.17	254.01	122.45	**436.63**	-	8.86	15.89	**24.75**	**411.88**
Leasehold Building	89.64	-	1.09	**90.73**	-	-	17.92	**17.92**	**72.81**
Plant and Machinery	4.84	-	8.58	**13.42**	-	-	2.82	**2.82**	**10.60**
Ships	575.24	-	-	**575.24**	-	-	62.59	**62.59**	**512.65**
Total	**729.89**	**254.01**	**132.12**	**1,116.02**	**-**	**8.86**	**99.22**	**108.08**	**1,007.94**
Less: Depreciation transferred to CWIP							**5.00**		
Net Depreciation Charged to Statement of Profit & Loss							**94.22**		

(d) Impact of adoption of Ind AS 116 for the year ended March 31, 2020 is as follows:

₹ in Crores

Particulars	Year Ended March 31, 2020
Decrease in Power and Fuel, Freight & Forwarding expenses and Other expenses by	116.44
Increase in Depreciation by (excludes depreciation on reclassified assets)	90.06
Increase in Finance cost by	85.53
Net Impact on Profit/Loss	**(59.15)**

Notes to Standalone Financial Statements (Continued)

NOTE 3: Leases (Continued)

(e) Lease Expenses recognized in Profit and Loss statement not included in the measurement of lease liabilities:

₹ in Crores

Particulars	Year Ended March 31,2020
Variable lease payments	42.20
Expenses relating to short-term leases	397.13
Expenses relating to leases of low-value assets, excluding short-term leases of low value assets	15.39

(f) Maturity analysis of lease liabilities– contractual undiscounted cash flows:

₹ in Crores

Particulars	Year Ended March 31,2020
Less than one year	125.92
One to five years	455.02
More than five years	772.87
Total undiscounted lease liabilities at March 31, 2020	**1,353.81**
Discounted Lease liabilities included in the statement of financial position at March 31, 2020	**893.09**
Current lease liability	79.31
Non-Current lease liability	813.78

(g) The Weighted average incremental borrowing rate of 9.16% p.a. for local currency borrowings and 3.27% p.a. for foreign currency borrowings has been applied for measuring the lease liability at the date of initial application.

(h) The total cash outflow for leases for year ended March 31, 2020 is ₹ 112.46 Crores.

(i) Income from sub leasing of Right to use assets is ₹ 64.87 Crores.

(II) As a lessee (Ind AS 17) for year ended March 31, 2019 (Restated):

(a) Future minimum rentals payable under non-cancellable operating lease

₹ in Crores

Particulars	Year Ended March 31,2019
Not later than one year	5.49
Later than one year and not later than five years	7.29
More than five years	0.29

(b) Operating lease payment recognised in the Statement of Profit and Loss amounts to ₹ 169.48 Crores for the year ended March 31, 2019.

(c) General Description of leasing agreements:

- Leased Assets: Land, Godowns, Offices, Flats, Machinery and Others.
- Future Lease rentals are determined on the basis of agreed terms.
- At the expiry of lease terms, the Company has an option to return the assets or extend the term by giving notice in writing.
- Lease agreements are generally cancellable and are renewable by mutual consent on mutually agreed terms.

Notes to Standalone Financial Statements (Continued)

NOTE 4: Investments

₹ in Crores

Particulars	As at March 31, 2020 Nos.	As at March 31, 2020 Amount	As at March 31, 2019 (Restated) Nos.	As at March 31, 2019 (Restated) Amount
Unquoted:				
Investments measured at Cost:				
Equity Instruments:				
Subsidiaries:				
Face value of ₹ 10 each fully paid:				
Dakshin Cements Limited	50,000	0.05	50,000	0.05
Harish Cement Limited	2,47,601	154.22	2,47,217	153.93
Bhagwati Lime Stone Company Private Limited	11,900	13.03	11,900	13.03
Gotan Lime Stone Khanij Udyog Private Limited (Refer Note 35)	23,15,780	184.48	23,15,780	184.48
UltraTech Nathdwara Cement Limited (Refer Note 36) ^	3,40,00,00,000	3,429.20	3,40,00,00,000	3,429.20
Face value of ₹ 10 each partly paid:				
Gotan Lime Stone Khanij Udyog Private Limited (Refer Note 35)	23,000	0.98	23,000	0.98
Harish Cement Limited	578	0.23	384	0.15
Face Value of Sri Lankan Rupee 10 each fully paid:				
UltraTech Cement Lanka (Private) Limited	4,00,00,000	23.03	4,00,00,000	23.03
Face Value of UAE Dirham 10 each fully paid:				
UltraTech Cement Middle East Investments Limited	2,51,28,890	345.37	2,51,28,890	345.37
Face Value of Indonesian Rupiah 8,923 each fully paid:				
PT UltraTech Mining Indonesia	9,87,069	4.75	9,87,069	4.75
Face Value of Indonesian Rupiah 9,163 each fully paid:				
PT UltraTech Investment Indonesia	19,00,000	11.46	19,00,000	11.46
Less: Provision for Impairment in value of Investment in both Indonesian Subsidiaries		(13.69)		(13.69)
		4,153.11		4,152.74
Joint Ventures:				
Face value of ₹ 10 each fully paid:				
Bhaskarpara Coal Company Limited	81,41,050	8.14	81,41,050	8.14
Less: Provision for Impairment in value of Investment		(1.65)		(1.65)
		6.49		6.49
Associates:				
Face value of ₹ 10 each fully paid:				
Madanpur (North) Coal Company (P) Limited	11,52,560	1.15	11,52,560	1.15
Less: Provision for Impairment in value of Investment		(0.22)		(0.22)
		0.93		0.93
Aditya Birla Renewables SPV 1 Limited	1,62,78,663	16.60	1,08,52,442	10.85

Notes to Standalone Financial Statements (Continued)

NOTE 4: Investments (Continued)

₹ in Crores

Particulars	As at March 31, 2020 Nos.	As at March 31, 2020 Amount	As at March 31, 2019 (Restated) Nos.	As at March 31, 2019 (Restated) Amount
Investments measured at Fair value through Profit or Loss:				
Equity Instruments:				
Face value of ₹ 10 each fully paid:				
Raj Mahal Coal Mining Limited	10,00,000	1.00	10,00,000	1.00
Green Infra Wind Power	1,44,000	0.14	1,20,000	0.12
NU Power Wind Farm	39,548	0.04	39,548	0.04
Watsun Infrabuild Private Limited	1,82,053	0.18	2,03,115	0.24
Amplus Sunshine Pvt Ltd	38,67,848	4.80	-	
SBG Cleantech Energy Eight Pvt Ltd (For FY2019-20: Equity shares of ₹ 10 each aggregating to ₹ 200)	20	-	-	-
		6.16		1.40
Preference Shares:				
7% Non Cumulative Non-Convertible Redeemable Preference Shares of ₹ 100 each fully paid				
Aditya Birla Health Services Limited	20,00,000	17.60	20,00,000	16.00
Units of Debt schemes of Various Mutual Funds		928.77		890.35
		5,129.66		**5,078.76**
Quoted:				
Investments measured at Fair value through Profit or Loss:				
Tax free Bonds		283.83		356.40
Taxable Corporate Bonds		425.44		114.50
		5,838.93		**5,549.66**
Aggregate Book Value of:				
Quoted Investments		709.27		470.90
Unquoted Investments		5,129.66		5,078.76
		5,838.93		5,549.66
Aggregate Market Value of Quoted Investments		709.27		470.90
Aggregate amount of impairment in value of investment		15.56		15.56

^ Includes waiver of preference dividend of ₹ 29.20 Crores considered as deemed investment.

Notes to Standalone Financial Statements (Continued)

NOTE 5: Loans

₹ in Crores

Particulars	Non-Current As at March 31, 2020	Non-Current As at March 31, 2019 (Restated)	Current As at March 31, 2020	Current As at March 31, 2019 (Restated)
Considered good, Secured:				
Loans against House Property (Secured by way of title deeds)	0.01	0.01	0.07	-
Considered good, Unsecured:				
Security Deposits	132.89	130.23	107.25	126.42
Loans to Related Parties (Refer Note 40)	-	-	1,789.20	1,799.75
Loans to Employees	9.04	12.60	7.01	7.30
	141.94	142.84	1,903.53	1,933.47

Note 5.1 - Disclosure of Loans and Advances given to subsidiaries as per Regulation 34 (3) and 53 (f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186 of the Companies Act, 2013:

Name of the Subsidiary Company	Amount Outstanding as at March 31, 2020	Amount Outstanding as at March 31, 2019 (Restated)	Maximum Balance Outstanding during the year ended March 31, 2020	Maximum Balance Outstanding during the year ended March 31, 2019 (Restated)	Investment by Subsidiary in Shares of the Company (No. of Shares) March 31, 2020	Investment by Subsidiary in Shares of the Company (No. of Shares) March 31, 2019 (Restated)
UltraTech Nathdwara Cement Limited (avg. interest rate 1month MCLR) (For discharging the liabilities in UNCL upon its acquisition)	1,789.20	1,799.75	1,799.75	1,834.75	-	-

Note 5.2 - No loans are due from directors or other officers of the Company or any of them either severally or jointly with any other person. Further, no loans are due from firms or private companies in which any director is a partner, a director or a member.

NOTE 6: Other Financial Assets

₹ in Crores

Particulars	Non-Current As at March 31, 2020	Non-Current As at March 31, 2019 (Restated)	Current As at March 31, 2020	Current As at March 31, 2019 (Restated)
Derivative Assets	104.53	19.99	-	-
Interest Accrued on Deposits and Investment	-	-	38.31	17.64
Fixed Deposits with Bank with Maturity Greater than twelve Months^	62.09	20.37	-	-
Government Grants Receivable	230.43	231.65	989.59	830.93
Others (Includes Insurance Claims, Railway Claims and Other Receivables)	-	-	41.03	128.26
	397.05	272.01	1,068.93	976.83

^ Lodged as Security with Government Departments - ₹ 19.32 Crores (March 31, 2019: ₹ 17.95 Crores)

Notes to Standalone Financial Statements (Continued)

NOTE 7: Other Non-Current Assets

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Capital Advances	1,869.74	1,850.73
Less: Provision for Impairment	(29.54)	(30.58)
	1,840.20	1,820.15
Balance with Government Authorities	922.64	931.69
Prepaid Expenses	1.04	1.84
	2,763.88	2,753.68

NOTE 8: Inventories: (Valued at lower of cost and net realisable value, unless otherwise stated)

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Raw Materials {includes in transit ₹ 12.22 Crores, (March 31, 2019: ₹ 42.65 Crores)}	308.61	375.26
Work-in-Progress	743.47	654.85
Finished Goods {includes in transit ₹ 84.57 Crores, (March 31, 2019: ₹ 61.98 Crores)}	709.66	415.93
Stock-in-trade {includes in transit ₹ 2.67 Crores, (March 31, 2019: Nil)}	16.71	31.54
Stores & Spares {includes in transit ₹ 6.43 Crores, (March 31, 2019: ₹ 2.32 Crores)}	1,125.87	1,078.07
Fuel {includes in transit ₹ 92.24 Crores, (March 31, 2019: ₹ 427.62 Crores)}	839.32	1,161.32
Packing Materials {includes in transit ₹ Nil Crores, (March 31, 2019: ₹ 0.24 Crores)}	79.54	63.02
Scrap (valued at net realisable value)	10.70	7.48
	3,833.88	3,787.47

The Company follows suitable provisioning norms for writing down the value of Inventories towards slow moving, non-moving and surplus inventory. Provision as on date is ₹ 34.09 Crores (March 31, 2019 ₹ 28.31 Crores).

NOTE 9: Current Investments

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Quoted:		
Investments measured at Fair value through Profit or Loss:		
Taxable Corporate Bonds	75.96	57.54
Unquoted:		
Investments measured at amortised Cost:		
Fixed Deposits with Financial Institution with Maturity less than twelve months	100.00	-
Investments measured at Fair value through Profit or Loss:		
Units of Debt Schemes of Various Mutual Funds	4,067.73	1,457.31
	4,243.69	1,514.85
Aggregate Book Value of:		
Quoted Investments	75.96	57.54
Unquoted Investments	4,167.73	1,457.31
	4,243.69	1,514.85
Aggregate Market Value of Quoted Investments	75.96	57.54

Notes to Standalone Financial Statements (Continued)

NOTE 10: Trade Receivables

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Considered good, Secured	253.89	508.55
Considered good, Unsecured	1,594.39	1,844.64
Significant increase in Credit Risk	73.95	57.59
	1,922.23	2,410.78
Less: Allowances for credit losses	(73.95)	(57.59)
	1,848.28	2,353.19

NOTE 11: Cash and Cash Equivalents

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Balance with banks (Current Account)	138.55	365.59
Cheques on hand	0.24	56.74
Cash on hand	1.27	1.15
	140.06	423.48

NOTE 12: Bank Balances other than Cash and Cash Equivalents

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Fixed Deposits with Banks (Maturity more than three months and upto twelve months) ^	160.04	222.72
Earmarked Balance with Bank for Unpaid Dividends	10.42	10.27
	170.46	232.99

^ Lodged as security with Government Departments ₹ 0.52 Crores (March 31, 2019 ₹ 1.81 Crores). Earmarked for specific purpose ₹ 144.95 Crores (March 31, 2019 ₹ 219.95 Crores).

NOTE 13: Other Current Assets

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Advances to related parties (Refer Note 40)	141.15	129.58
Balance with Government Authorities	613.55	621.07
Advances to Suppliers	618.76	542.87
Prepaid Expenses	42.91	35.96
Others (Receivable from Gratuity Trust and Other Receivables)	88.95	71.01
	1,505.32	1,400.49

Notes to Standalone Financial Statements (Continued)

NOTE 14(a): Equity Share Capital

₹ in Crores

Particulars	As at March 31, 2020		As at March 31, 2019 (Restated)	
	No. of Shares	Amount	No. of Shares	Amount
Authorised				
Equity Shares of ₹ 10 each	78,00,00,000	780.00	28,00,00,000	280.00
Issued, Subscribed and Fully Paid-up				
Equity Shares of ₹ 10 each fully paid-up	28,86,25,105	288.63	27,46,42,720	274.64
(a) Reconciliation of the Shares Outstanding at the beginning and at the end of the year				
Outstanding at the beginning of the year	27,46,42,720	274.64	27,46,13,985	274.61
Add: Shares issued under Employees Stock Options Scheme (ESOS)	20,425	0.03	28,735	0.03
Add: Shares issued to the shareholders of Century Textiles & Industries Limited pursuant to the Scheme of Demerger (Refer Note 37)	1,39,61,960	13.96	-	-
Outstanding at the end of the year	28,86,25,105	288.63	27,46,42,720	274.64
(b) Shares held by Holding Company				
Grasim Industries Limited	16,53,35,150	165.34	16,53,35,150	165.34
	No. of Shares	% Holding	No. of Shares	% Holding
(c) List of shareholders holding more than 5% of Paid-up Equity Share Capital				
Grasim Industries Limited	16,53,35,150	57.28%	16,53,35,150	60.20%
	No. of Shares	Amount	No. of Shares	Amount
(d) Equity Shares of ₹ 10 each reserved for issue under ESOS	88,002	0.09	1,14,952	0.11
(e) Aggregate number of Shares issued for consideration other than cash during the period of five years immediately preceding the reporting date				
Equity Shares of ₹ 10 each issued as fully paid up to the shareholders of Century Textiles and Industries Limited, pursuant to the Scheme of Demerger (Refer Note 37)	1,39,61,960	13.96	-	-
Equity Shares of ₹ 10 each issued in the financial year 2014-2015 as fully paid up to the shareholders of Jaypee Cement Corporation Ltd (JCCL), pursuant to the Scheme of Arrangement	1,41,643	0.14	1,41,643	0.14

(f) The Company has only one class of Equity Shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held except for Global Depository Receipts. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(g) Pursuant to the Scheme of Amalgamation of Samruddhi Cement Limited (SCL) with the Company in the year 2014, the Company issued 149,533,484 Equity Shares of ₹ 10 each issued as fully paid up, for a consideration other than cash, to the shareholders of erstwhile SCL. {Excluding issue of 8,503 Equity Shares kept in abeyance against shares of Grasim Industries Limited}.

Notes to Standalone Financial Statements (Continued)

NOTE 14(b): Other Equity

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Capital Reserve	170.72	170.72
Securities Premium	5,458.65	77.97
Debenture Redemption Reserve	247.50	416.27
General Reserve	26,830.41	21,830.41
Share option outstanding reserve	35.83	23.00
Treasury Shares	(84.29)	(81.21)
Retained Earnings	5,372.82	5,211.00
Cash Flow Hedge Reserve	(23.95)	(13.80)
Total Other Equity	**38,007.69**	**27,634.36**

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

a) **Capital Reserve:** Company's capital reserve is mainly on account of acquisition of cement business of Larsen & Toubro Ltd., Gujarat Units of JCCL and cement capacities of 21.2 MTPA of Jaiprakash Associates Ltd (JAL) and JCCL, being excess of the net assets acquired over the consideration paid.

b) **Securities Premium:** Securities premium is credited when shares are issued at premium. It is utilised in accordance with the provisions of the Act, to issue bonus shares, to provide for premium on redemption of shares or debentures, equity related expenses like underwriting costs, etc.

c) **Debenture Redemption Reserve (DRR):** The Company has issued redeemable non-convertible debentures. Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), requires the company to create DRR out of profits of the company available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued. However, this requirement is no more applicable w.e.f. April 1, 2018 as per the amendment in the Companies (Share capital and Debentures) Rules, 2014 vide dated August 16, 2019; accordingly the Company has not made any new addition in the said reserve and accounted the reversal of outstanding reserve linked to payment of specific non-convertible debentures.

d) **General Reserve:** The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provision of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.

e) **Shares Options Outstanding Reserve:** The Company has three share option schemes under which options to subscribe for the Company's shares have been granted to certain executives and senior employees. The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration. Refer to Note 45 for further details of these plans.

f) **Treasury Shares:** The Company has formed an Employee Welfare Trust for purchasing Company's shares to be allotted to eligible employees under Employees Stock Options Scheme, 2018 (ESOS 2018). As per Ind AS 32 - Financial Instruments: Presentation, Reacquired equity shares of the Company are called Treasury Shares and deducted from equity.

g) **Cashflow Hedge Reserve:** The Company has designated its hedging instruments as cash flow hedges and any effective portion of cashflow hedge is maintained in the said reserve. In case the hedging becomes ineffective, the amount is recognised in the Statement of Profit and Loss.

Notes to Standalone Financial Statements (Continued)

NOTE 14(c): Share Pending Issuance

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
1,39,61,960 Shares issued to Century Textiles and Industries Limited Shareholders, one share of the Company against eight shares held in Century Textiles and Industries Limited, pursuant to the Scheme of Demerger on October 16, 2019 accounted for on the basis of the market price of the Company's share on the previous closing date of the appointed date for the Scheme. (Refer Note 37)	-	5,387.71

NOTE 15: Non-Current Borrowings

₹ in Crores

Particulars	Non-Current		Current Maturities of Long-Term debts *	
	As at March 31, 2020	As at March 31, 2019 (Restated)	As at March 31, 2020	As at March 31, 2019 (Restated)
Secured:				
Non-Convertible Debentures - Note (a1)	1,050.00	1,050.00	-	675.07
Term Loans from Banks:				
In Foreign Currency - Note (b1)	378.33	345.78	-	-
In Local Currency - Note (c)	9,892.12	12,582.60	116.85	280.90
	10,270.45	12,928.38	116.85	280.90
Sales Tax Deferment Loan - Note (d1)	114.60	142.40	39.30	31.87
	11,435.05	14,120.78	156.15	987.84
Unsecured:				
Non-Convertible Debentures - Note (a2)	1,760.00	1,010.00	-	-
Term Loans from Banks:				
In Foreign Currency - Note (b2)	729.63	666.85	-	-
Sales Tax Deferment Loan - Note (d2)	222.95	240.87	24.55	23.63
	2,712.58	1,917.72	24.55	23.63
Total	14,147.63	16,038.50	180.70	1,011.47

* Amount disclosed under the head 'Other Financial Liabilities' (Refer Note 16). -

Notes to Standalone Financial Statements (Continued)

(a1) Non-Convertible Debentures (NCDs):

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Secured:		
7.53% NCDs (Redeemable at par on August 21, 2026)	500.00	500.00
7.15% NCDs (Redeemable at par on October 18, 2021)	300.00	300.00
7.57% NCDs (Redeemable at par on August 06, 2021)	250.00	250.00
7.57% NCDs (Redeemed at par on August 13, 2019)	-	300.00
7.57% NCDs (Redeemed at par on August 08, 2019)	-	175.00
8.88% NCDs (Redeemed at par on April 12, 2019) ^	-	200.07
	1,050.00	1,725.07
Less: Current Portion of NCDs shown under Other Financial Liabilities	-	(675.07)
Total	1,050.00	1,050.00

The NCDs are secured by way of first charge, having pari passu rights, on the Company's fixed assets (save and except stocks and book debts), both present and future, situated at certain locations, in favour of Debenture Trustees.

^ In the previous year, The NCDs are secured by way of first charge, having pari passu rights, on the Plant & Machinery (both present and future) of Demerged Undertaking, Birla Century, Pulp & Paper Divisions of Century Textiles and Industries Limited and freehold land admeasuring 25,323.78 Sq. meters and Birla Centurion Building thereon situated at Worli, Lower Parel Divisions, District Mumbai bearing C.S. No 794 (Part) of Lower Parel Divisions, G/S ward (excluding Furniture & Fixtures and Vehicles of all above Divisions).

(a2) Non-Convertible Debentures (NCDs):

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Unsecured:		
6.68% NCDs (Redeemable at par on February 20, 2025)	250.00	-
7.64% NCDs (Redeemable at par on June 04, 2024)	250.00	-
6.72% NCDs (Redeemable at par on December 09, 2022)	250.00	-
6.93% NCDs (Redeemable at par on November 25, 2021)	250.00	250.00
6.99% NCDs (Redeemable at par on November 24, 2021)	400.00	400.00
8.36% NCDs (Redeemable at par on June 07, 2021)	360.00	360.00
Total	1,760.00	1,010.00

(b1) Term Loans from Banks in Foreign Currency:

₹ in Crores

Particulars	Repayment Schedule	As at March 31, 2020	As at March 31, 2019 (Restated)
Secured:			
State Bank of India, New York @ (US Dollar: 1.00 Crores; March 31, 2019: 1.00 Crores)	March 2023	75.67	69.16
State Bank of India, New York @ (US Dollar: 2.00 Crores; March 31, 2019: 2.00 Crores)	February 2023	151.33	138.31
State Bank of India, New York @ (US Dollar: 2.00 Crores; March 31, 2019: 2.00 Crores)	February 2023	151.33	138.31
Total		378.33	345.78

The above mentioned loans are secured by way of first charge, having pari passu rights, on the Company's fixed assets, both present and future, situated at certain locations, in favour of Company's lenders / trustees.
@ Initially availed from J P Morgan Chase Bank N.A., Singapore; transferred to State Bank of India, New York in August 2018 by the lender.

(b2) Term Loans from Banks in Foreign Currency:

₹ in Crores

Particulars	Repayment Schedule	As at March 31, 2020	As at March 31, 2019 (Restated)
Unsecured:			
Export Development, Canada (US Dollar: 4.64 Crores; March 31, 2019: 4.64 Crores)	June 2021	351.30	321.08
Export Development, Canada (US Dollar: 5.00 Crores; March 31, 2019: 5.00 Crores)	May 2021	378.33	345.77
Total		729.63	666.85

(c) Term Loans from Banks in Local Currency:

₹ in Crores

Particulars	Repayment Schedule	As at March 31, 2020	As at March 31, 2019 (Restated)
Secured:			
Axis Bank Ltd	20 quarterly installments beginning December 2022	507.08	757.08
HDFC Bank Ltd	60 quarterly installments beginning September 2022	3,331.91	3,317.92
State Bank of India	4 Half yearly installments beginning May 2022	300.00	300.00
State Bank of India @	60 quarterly installments beginning September 2022	4,000.00	5,000.00
HDFC Bank Ltd @	76 quarterly installments beginning February 2020	1,494.38	1,500.00
Axis Bank Ltd $$	Bullet repayment in September 2027	150.00	497.01
HDFC Bank Ltd **	10 quarterly installments last installment in December 2020	75.60	154.80
HDFC Bank Ltd ^^	32 quarterly installments beginning June 2020	150.00	149.66
State Bank of India **	Repaid in February 2020	-	333.28
HDFC Bank Ltd #	Repaid in September 2019	-	90.05
ICICI Bank Ltd	Repaid in June 2019	-	614.00
Axis Bank Ltd^^^	Repaid in January 2020	-	149.70
		10,008.97	12,863.50
Less: Current Portion of Term Loans shown under Other Financial Liabilities		(116.85)	(280.90)
Total		9,892.12	12,582.60

The above mentioned loans are secured by way of first charge, having pari passu rights, on the Company's fixed assets, both present and future, situated at certain locations, in favour of Company's lenders / trustees.

@ The Company is in the process of creating Security against the loan.

** In the previous year, The above mentioned loans are secured by way of first charge, having pari passu rights, on property, plant and equipment (both present and future) of the Demerged Undertaking (including the property, plant and equipment of expansion plant at Manikgarh and Sonar Bangla Cement Plant at West Bengal), Birla Century, Pulp and Paper divisions, Phase I of Real Estate Development at Worli excluding leasehold land at Pulp and Paper, Sonar Bangla Cement and Century, furniture and fixtures, vehicles and other miscellaneous assets of all divisions and land and building thereon of Maihar Cement Unit- I & II divisions

$$ In the previous year, The loan is secured by way of first charge, having pari passu rights on the fixed assets, present and future, of the Demerged Undertaking, CTIL's Birla Century and Pulp and Paper Divisions and Centurion Building at Pandurang Budhkar Marg, Mumbai, with a minimum cover of 1.25 (Excluding Leasehold land of all divisions and land and buildings thereon of Sonar Bangla Cement, Pulp & Paper & Birla Century Divisions and land and buildings thereon of Maihar Cement Unit I & II divisions, Furniture & Fixtures, Vehicles and other miscellaneous assets of all the divisions).

In the previous year, The loan is secured by way of first charge, having pari passu rights on the Plant and

Notes to Standalone Financial Statements (Continued)

Machineries of the Demerged Undertaking, Birla Century, Pulp & Paper and Land & Buildings thereon (which are already mortgaged to existing Lenders) of Birla Estates (Freehold land admeasuring 25,323.78 Sq. meters and Birla Centurion Building (earlier known as Greenspan Building) thereon situated at Worli, Mumbai and Manikgarh Cement Divisions of the Company (excluding Furniture & Fixtures and vehicles of all divisions).

^^ In the previous year, The above mentioned loan is secured by way of first charge, having pari passu rights on Plant and Machineries of Birla Century, Century Pulp & Paper, Baikunth Cement, Manikgarh Cement Unit I & II, Maihar Cement Unit I & II, Sonar Bangla Cement and Land and Buildings thereon of Centurion Building at Pandurang Budhkar Marg, Worli, Mumbai and Manikgarh Cement Division of the Company with Security cover of 1.25 on book value basis.

^^^ In the previous year, The loan is secured by way of first charge, having pari passu rights on fixed assets, present and future, of the Demerged Undertaking, the Birla Century, Pulp & Paper Divisions and Centurion Building at Pandurang Budhkar Marg, Mumbai, with a minimum cover of 1.25 (excluding Leasehold land of all divisions and land and building thereon of Maihar Cement Unit I & II, Baikunth Cement and Century Pulp and Paper divisions, Furniture & Fixtures, Vehicles and other miscellaneous assets of the above divisions).
The Company has subsequently released the charge over the assets of CTIL (Birla Century, Pulp & Paper Divisions, Centurion Building, Freehold Land and Birla Estate).

(d1) Sales Tax Deferment Loan:

₹ in Crores

Particulars	Repayment Schedule	As at March 31, 2020	As at March 31, 2019 (Restated)
Secured:			
Uttar Pradesh Financial Corporation	Varied Annual Payments from August 2019 to December 2024	153.90	174.27
Less: Current Portion of Sales Tax Deferment loan shown under Other Financial Liabilities		(39.30)	(31.87)
Total		114.60	142.40

Sales Tax Deferment Loan is secured by bank guarantee backed by hypothecation of Inventories and Book debts of the Company.

(d2) Sales Tax Deferment Loan:

₹ in Crores

Particulars	Repayment Schedule	As at March 31, 2020	As at March 31, 2019 (Restated)
Unsecured:			
Department of Industries and Commerce, Haryana	Varied Annual Payments from January 2017 to March 2022	61.33	63.69
Commercial Tax Department, Hyderabad	Varied Annual payments from October 2012 to October 2026	182.03	196.68
Commercial Tax Department, Chhattisgarh	Payable on Assessment	4.14	4.13
		247.50	264.50
Less: Current Portion of Sales tax deferment loan shown under Other Financial Liabilities		(24.55)	(23.63)
Total		222.95	240.87

Notes to Standalone Financial Statements (Continued)

NOTE 16: Other Financial Liabilities

₹ in Crores

Particulars	Non-Current		Current	
	As at March 31, 2020	As at March 31, 2019 (Restated)	As at March 31, 2020	As at March 31, 2019 (Restated)
Current maturities of long-term debts (Refer Note 15)	-	-	180.70	1,011.47
Interest Accrued but not due on Borrowings	-	-	176.68	215.56
Derivative Liability	-	-	-	0.06
Liability for Capital Goods	-	-	161.92	186.22
Security Deposits	-	-	1,624.15	1,571.92
Salaries, Wages, Bonus and Other Employee Payables	-	-	240.10	235.47
Investor Education and Protection Fund, will be credited with the following amounts (as and when due)				
Unpaid Dividends	-	-	10.44	10.28
Unpaid Fractional liability on issue of shares pursuant to scheme of Demerger	-	-	0.42	-
Lease Liability	813.78	-	79.31	-
	813.78	-	2,473.72	3,230.98

NOTE 17: Provisions

₹ in Crores

Particulars	Non-Current		Current	
	As at March 31, 2020	As at March 31, 2019 (Restated)	As at March 31, 2020	As at March 31, 2019 (Restated)
For Employee Benefits (Refer Note 38)	48.15	5.36	279.58	250.48
Others:				
For Mines Restoration Expenditure	164.98	137.35	-	-
For Cost of transfer of Assets	-	-	254.93	331.46
	213.13	142.71	534.51	581.94

Note 17.1 - Movement of provisions during the year as required by Ind AS - 37 "Provisions, Contingent Liabilities and Contingent Assets" specified under Section 133 of the Companies Act, 2013:

(a) Mines Restoration Expenditure:

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Opening Balance	137.35	129.58
Add: Provision transferred from CTIL pursuant to scheme of Demerger	-	6.73
Add: Provision / (Reversal) during the year	17.15	(6.29)
Add: Unwinding of discount on Mine Restoration Provision	10.56	7.33
Less: Utilisation during the year	(0.08)	-
Closing Balance	164.98	137.35

Notes to Standalone Financial Statements (Continued)

(b) **Provision for Cost of Transfer of Assets:**

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Opening Balance	331.46	270.81
Add: Provision during the year	-	113.88
Less: Utilisation during the year	(76.53)	(53.23)
Closing Balance	254.93	331.46

NOTE 18: Deferred Tax Liabilities (Net)

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)	Recognised in Statement of Profit and Loss	Recognised in OCI	Recognised directly in Other Equity
Deferred Tax Assets:					
MAT Credit Entitlement	(1,047.25)	(1,438.95)	391.70	-	-
Provision allowed under tax on payment basis	(182.16)	(239.15)	56.99	-	-
Others	(148.55)	(169.97)	36.65	(0.63)	(14.60)
	(1,377.96)	(1,848.07)	485.34	(0.63)	(14.60)
Deferred Tax Liabilities:					
Tangible and Intangible Assets	5,370.14	7,026.28	(1,656.14)	-	-
Fair valuation of Investments	73.64	30.77	42.87	-	-
Others	11.06	37.54	(26.48)	-	-
	5,454.84	7,094.59	(1,639.75)	-	-
Net Deferred Tax Liability	4,076.88	5,246.52	(1,154.41)	(0.63)	(14.60)

₹ in Crores

Particulars	As at March 31, 2019 (Restated)	As at March 31, 2018	Transferred from CTIL/ arising pursuant to Scheme of De-merger	Recognised in Statement of Profit and Loss	Recognised in OCI	Recognised directly in Other Equity
Deferred Tax Assets:						
MAT Credit Entitlement	(1,438.95)	(1,168.40)	-	(270.55)	-	-
Provision allowed under tax on payment basis	(239.15)	(166.35)	(84.15)	11.35	-	-
Others	(169.97)	(103.01)	(27.07)	(36.04)	(3.85)	-
	(1,848.07)	(1,437.76)	(111.22)	(295.24)	(3.85)	-
Deferred Tax Liabilities:						
Tangible and Intangible Assets	7,026.28	4,487.87	1,801.46	736.95	-	
Fair valuation of Investments	30.77	117.05	-	(86.28)	-	-
Others	37.54	6.89	20.01	10.64	-	-
	7,094.59	4,611.81	1,821.47	661.31	-	-
Net Deferred Tax Liability	5,246.52	3,174.05	1,710.25	366.07	(3.85)	-

The Government of India, on September 20, 2019, vide the Taxation Laws (Amendment) Ordinance 2019, inserted a new Section 115BAA in the Income Tax Act, 1961, which provides an option to the Company for paying Income Tax at reduced rates as per the provisions/conditions defined in the said section. The Company is continuing to provide for income tax at the old rates, based on the available outstanding MAT credit entitlement and various exemptions and deductions available to the Company under the Income Tax Act, 1961. However, the Company has applied the lower income tax rates on the deferred tax assets / liabilities to the extent these are expected to be realised or settled in the future period when the Company may be subjected to lower tax rate and accordingly reversed net deferred tax liability of ₹ 1,803.29 Crores.

In Respect of Deferred taxes, all items are attributable to origination and reversal of temporary differences. Deferred tax benefits are generally recognised for all deductible temporary differences to the extent it is probable that taxable profits will be available against which, those deductible temporary differences can be realised.

NOTE 19: Other Non-Current Liabilities

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Deferred Income on Government Grants	4.17	4.33
Others	1.71	1.94
Total	5.88	6.27

NOTE 20: Current Borrowings

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Secured:		
Loans repayable on demand:		
From Banks - Cash Credits / Working Capital Borrowings *	-	0.61
Unsecured:		
Redeemable preference shares issued	1,000.10	1,000.10
Loans repayable on demand:		
From Banks - Cash Credits / Working Capital Borrowings	3.69	0.18
Others		
From Banks (includes commercial paper)	224.03	846.23
From Others (commercial paper)	2,725.39	1,739.70
	2,953.11	2,586.11
	3,953.21	3,586.82

* For the previous year, Working capital loans from banks were secured against a first and pari passu charge over the current assets (including documents, of title to goods/related receivables) and 2nd charge on a pari-passu basis over the present and future property plant and equipment (plant and machinery) of Birla Century (Gujarat), Maihar Cement Unit I & II, Manikgarh Cement Unit I & II, Sonar Bangla Cement, Century Pulp and paper and Phase 1 of Real Estate Development, Worli (excluding furniture, fixtures, vehicles and other miscellaneous assets) and mortgage of freehold immovable properties of Baikunth Cement, Century Pulp and Paper on pari-passu 2nd charge basis with other working capital lenders.

Notes to Standalone Financial Statements (Continued)

NOTE 21: Trade Payables

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Trade Payables (other than Micro and Small Enterprises)	3,193.51	2,945.58
Due to Related Parties (Refer Note 40)	4.13	5.44
	3,197.64	2,951.02

NOTE 22: Other Current Liabilities

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Advance from Customers and Others	460.66	320.09
Deferred Income on Government Grants	0.17	0.17
Others (including Provision for Expenses, Statutory liabilities)	2,989.09	3,408.59
	3,449.92	3,728.85

NOTE 23: Revenue from Operations (Refer Note 54)

₹ in Crores

Particulars	Year ended March 31, 2020		Year ended March 31, 2019 (Restated)	
Sale of Products and Services				
Sale of Manufactured Products	36,602.92		37,043.55	
Sale of Traded Products	3,430.09		2,188.95	
Sale of Services	0.24		1.37	
		40,033.25		39,233.87
Other Operating Revenues				
Scrap Sales	64.87		78.15	
Lease Rent	0.33		0.02	
Insurance Claim	21.85		19.20	
Provisions no longer required written back	37.87		62.22	
Unclaimed Liabilities written back	28.69		27.62	
Government Grants (Refer Note 52)	381.84		485.72	
Miscellaneous Income / Receipts	80.47		91.81	
		615.92		764.74
		40,649.17		39,998.61

NOTE 24: Other Income

₹ in Crores

Particulars	Year ended March 31, 2020		Year ended March 31, 2019 (Restated)
Interest Income on			
Government and Other Securities	19.46		24.90
Bank and Other Accounts	228.19		152.85
		247.65	177.75
Dividend Income on			
Current Investments - Mutual Fund		32.47	22.45
Exchange Gain (net)		42.09	41.73
Profit on Sale of Property, plant and equipment (net)		-	2.45
Fair Value movement in Derivative Instruments		-	1.66
Gain on Fair valuation of Investments through Profit or Loss		289.12	120.36
Profit on Sale of Current and Non-Current Investments (net)		64.74	108.92
Provision no Longer required written back		-	0.22
Others		50.51	21.32
		726.58	496.86

NOTE 25: Cost of Materials Consumed

₹ in Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
Opening Stock	375.26	234.62
Add: Stock transferred from CTIL, pursuant to Scheme of Demerger	-	42.12
Purchases	4,894.16	5,137.84
	5,269.42	5,414.58
Less: Closing Stock	308.61	375.26
	4,960.81	5,039.32

NOTE 26: Purchases of Stock-in-Trade

₹ in Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
Grey Cement	1,847.41	1,161.49
Others (UltraTech Building Solution)	415.37	420.86
	2,262.78	1,582.35

Notes to Standalone Financial Statements (Continued)

Notes to Standalone Financial Statements (Continued)

NOTE 27: Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress

₹ in Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
Closing Inventories		
Work-in-progress	743.47	654.85
Finished Goods	709.66	415.93
Stock in Trade	16.71	31.54
	1,469.84	1,102.32
Opening Inventories		
Work-in-progress	654.85	594.15
Finished Goods	415.93	280.52
Stock in Trade	31.54	11.11
	1,102.32	885.78
(Increase) / Decrease in Inventories	(367.52)	(216.54)
Add: Stock transferred from CTIL, pursuant to Scheme of Demerger	-	271.02
Add: Stock Transfer from Pre-Operative Account	4.78	8.46
	(362.74)	62.94

NOTE 28: Employee Benefits Expense

₹ in Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
Salaries, Wages and Bonus	2,081.13	1,915.64
Contribution to Provident and Other Funds		
Contribution to Gratuity and Other Defined Benefit Plans	102.73	99.56
Contribution to Superannuation and Other Defined Contribution Funds	24.72	25.42
Expenses on Employees Stock Options Scheme	16.40	9.48
Staff Welfare Expenses	111.19	108.19
	2,336.17	2,158.29

NOTE 29: Finance Costs

₹ in Crores

Particulars	Year ended March 31, 2020		Year ended March 31, 2019 (Restated)
Interest Expense:			
On Borrowings (at amortised cost)	1,479.35		1,513.45
Others (including interest on deposits from dealers and contractors)	126.06		131.73
Interest paid to Income Tax Department	-		0.23
Interest on Lease Liability	37.56		-
Unwinding of discount on Mine Restoration Provision	10.56		7.33
		1,653.53	1,652.74
Exchange (Gain)/ Loss on revaluation of Lease Liability		47.97	-
Other Borrowing Cost (Finance Charges)		3.65	2.15
Less: Finance Costs Capitalised		(0.93)	(6.45)
		1,704.22	1,648.44

Borrowing costs are capitalised using rates based on specific borrowings ranging from 7.50% to 7.86% per annum. (For the year ended March 31, 2019: 7.34% to 7.88% per annum)

NOTE 30: Depreciation and Amortisation Expense

₹ in Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
Depreciation	2,144.12	2,071.52
Depreciation on ROU Assets (Refer Note 3)	94.22	-
Amortisation	185.68	210.47
Obsolescence	30.88	39.21
	2,454.90	2,321.20

NOTE 31: Freight and Forwarding Expense

₹ in Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
On Finished Products	8,231.52	8,525.12
On Clinker Transfer	1,400.33	1,790.43
	9,631.85	10,315.55

Notes to Standalone Financial Statements (Continued)

NOTE 32: Other Expenses

₹ in Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
Consumption of Stores, Spare Parts and Components	856.05	833.20
Consumption of Packing Materials	1,111.33	1,256.51
Repairs to Plant and Machinery, Buildings and Others	844.85	772.44
Insurance	81.05	66.03
Rent	142.00	169.48
Rates and Taxes (Refer Note 55)	267.33	120.95
Directors' Fees	0.28	0.35
Directors' Commission	2.47	18.00
Contribution to General Electoral Trust	-	23.00
Advertisement	441.89	336.87
Sales Promotion and Other Selling Expenses	530.26	492.90
Miscellaneous Expenses	1,201.60	867.24
	5,479.11	4,956.97

NOTE 33: Contingent Liabilities (to the extent not provided for) (Ind AS 37)

(a) **Claims against the Company not acknowledged as debt**:

₹ in Crores

Particulars	Brief Description of Matter	As at March 31, 2020	As at March 31, 2019 (Restated)
(a) Excise Duty and Service Tax Matters	Related to valuation matter (Rule 8 vs. Rule 4), Denial of Cenvat credit on Input Service Distributor (ISD) and others	1,351.84	1,566.83
(b) Sales-tax / VAT / Entry Tax Matters	Related to stock transfer treated as interstate sales, Demand on freight component and levy of purchase tax on exempted supply, Demand of Entry Tax and others	546.69	549.49
(c) Royalty on Limestone/ Marl / Shale	Based on fixed conversion factor on limestone, royalty rate difference on Marl and additional royalty on mines transfer	392.47	928.66
(d) Land Related Matters	Demand of Higher Compensation	240.29	239.80
(e) Electricity Duty / Energy Development Cess	Related to electricity duty, Minimum power consumption, Energy development Cess and denial of electricity duty exemption	465.35	253.32
(f) Customs	Related to classification dispute	210.76	190.18
(g) State Industrial Incentive Matters	Related to matters on quantum	163.70	181.86
(h) Stamp duty	Related to stamp duty on debt and name change	167.45	58.01
(i) Others	Related to fly ash matters, claim raised by vendor/ supplier, Road Tax matter, Income Tax matters and others	370.00	309.72

Cash outflows for the above are determinable only on receipt of judgments pending at various forums / authorities.

(b) The Company (including the erstwhile cement division of Century Textiles and Industries Limited) had filed appeals against the orders of the Competition Commission of India ("CCI") dated August 31, 2016 and January 19, 2017. Upon the National Company Law Appellate Tribunal ("NCLAT") disallowing the Company's appeal against the CCI order dated August 31, 2016, the Hon'ble Supreme Court has, by its order dated October 05, 2018, granted a stay against the NCLAT order. Consequently, the Company (including erstwhile cement division of Century Textiles and Industries Limited) has deposited an amount of ₹ 144.95 Crores equivalent to 10% of the penalty amount. The Company, backed by legal opinions, believes that it has a good case in said the matters and accordingly no provision has been made in the accounts.

(c) **Guarantees**:

The Company has issued corporate guarantees as under:

In favour of the Banks / Lenders on behalf of some of its Subsidiaries and Joint Venture (JV), as mentioned below, for the purposes of replacing old loans, acquisition financing, working capital and other general corporate purposes:

- UltraTech Nathdwara Cement Limited: ₹ 3,050.00 Crores (March 31, 2019 ₹ 3,050.00 Crores).
- Bhaskarpara Coal Company Limited (JV): ₹ 4.00 Crores (March 31, 2019 ₹ 4.00 Crores).
- UltraTech Cement Middle East Investment Limited and its subsidiaries: USD 387.05 Million (Equivalent to ₹ 2,928.59 Crores)

  (March 31, 2019 USD 395.66 Million (Equivalent to ₹ 2,736.16 Crores)).

  (These Corporate Guarantees are issued in different currencies viz. Indian Rupee, USD and UAE Dirham.)

NOTE 34: Capital and other commitments

Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances) ₹ 832.59 Crores. (March 31, 2019 ₹ 857.61 Crores).

NOTE 35

The Supreme Court of India has allowed an appeal filed by the State of Rajasthan in a matter relating to transfer of mining lease in the name of the Company's wholly-owned subsidiary, Gotan Lime Stone Khanij Udyog Private Limited ("GKUPL") and has directed the State of Rajasthan to frame and notify its policy relating to transfer of mining lease and thereafter pass appropriate order in respect of the mining lease of GKUPL. State Government has notified the new policy related to transfer of new mining lease, based on which the Company has requested the State Government to consider reinstatement of the mines in its favour.

NOTE 36: Acquisition of Binani Cement Limited

The National Company Law Appellate Tribunal ('NCLAT') by its order dated November 14, 2018, approved the Company's Resolution Plan for acquiring Binani Cement Limited ("BCL") under the provisions of the Insolvency and Bankruptcy Code 2016, as amended ("Code"). Subsequent to the reconstitution of the Board of Directors, taking over management control and subscribing to the equity and preference share capital, BCL became a wholly owned subsidiary of the Company and has since been renamed UltraTech Nathdwara Cement Limited ("UNCL"), with effect from December 13, 2018.

UNCL has a capacity of 6.25 MTPA in the State of Rajasthan comprising an integrated cement unit with capacity of 4.85 MTPA and a split grinding unit with capacity of 1.4 MTPA. In addition, UNCL has investments in subsidiaries in China and UAE.

This acquisition continues to create value for shareholders as the acquisition adds 1/3rd additional ready to use capacity in the highly growing North market where the Company was already at high capacity utilisation levels so as to cater to the growing market. This acquisition also provide abundant additional limestone reserves sufficient to cater to even additional capacities at lower prices compared to auctioned prices and creates synergies in logistics and procurement which offers many advantages to the Company.

Notes to Standalone Financial Statements (Continued)

NOTE 37: Scheme of Demerger of Cement Business of Century Textiles and Industries Limited (Ind AS 103)

(A) The Scheme of Demerger amongst Century Textiles and Industries Limited ("CTIL" or 'the Demerged Undertaking') and the Company and their respective shareholders and creditors ("the Scheme") was made effective from October 1, 2019. The National Company Law Tribunal, Mumbai Bench ("NCLT") had approved the Scheme by its Order dated July 3, 2019 and fixed May 20, 2018 as the Appointed Date. Consequently, the Company has included the financial results/ information of the Demerged Undertaking in its standalone financial statements with effect from May 20, 2018 (which is deemed to be the acquisition date for purpose of Ind AS 103 – Business Combinations) to include the financial results/ information of the acquired Cement Business Division of CTIL ('the Demerged Undertaking'). **Consequently, the figures for the year ended March 31, 2019 have been restated to give impact of the Scheme of Demerger.** Therefore, financial statements for the year ended March 31, 2020 are not strictly comparable with the previous year's financial statement.

(B) The assets of the Demerged Undertaking comprising of 3 Integrated Units with a total capacity of 12.6 MTPA and 1 Grinding Unit with a grinding capacity of 2.0 MTPA have an enterprise valuation of ₹ 8,387.71 Crores. The acquisition of the Demerged undertaking continues to support the Company to strengthen its presence in the Eastern & the Central markets and extend its footprint in Western and Southern markets. This also provide synergies in manufacture and distribution process and logistics alignment leading to economies of scale and creation of efficiency by reducing time to market and benefiting customers. The acquisition is also creating value for its shareholders by acquiring ready to use assets which shall create operational efficiencies and reducing time to markets vis-à-vis greenfield projects which are time consuming due to challenges in acquisition of land and limestone mining leases

(C) **Fair Value of the Consideration transferred:**

As per Ind AS 103 – Business Combinations, purchase consideration has been allocated on the basis of fair valuation determined by an independent valuer. Costs related to acquisition (including stamp duty on assets transferred) have been charged to Statement of Profit and Loss on the appointed date.

Against the total enterprise value of ₹ 8,387.71 Crores, the Company has taken over borrowings of ₹ 3,000.00 Crores from CTIL. After taking these liabilities into account, effective purchase consideration of ₹ 5,387.71 Crores has been discharged on October 16, 2019, being the Record Date in terms of the Scheme, by issue of 1 (one) equity share of the Company of face value ₹ 10/- each for every 8 (eight) equity shares of CTIL of face value ₹ 10/- each to the shareholders of CTIL. The Fair value of the shares issued is ₹ 5,387.71 crores which has been determined based on the last closing price prior to the Appointed Date.

The Fair Value of identifiable assets acquired, and liabilities assumed as on the acquisition date:

₹ in Crores

Particulars	Amount
Property, Plant and Equipment	6,146.28
Capital Work-In-Progress	11.23
Intangible assets	
Limestone mining reserves	1,054.29
Brand Right	155.21
Others	1.80
Intangible assets under development	0.75
Other non-current financial assets	235.81
Other Non-Current Assets	88.86
Inventories	740.35
Trade and Other receivables	293.06
Cash and Cash Equivalents	12.39
Other bank balances	31.94
Other Financial Assets	162.93
Other Current Assets	356.84

₹ in Crores

Particulars	Amount
Total Assets	**9,291.74**
Non-Current & Current Borrowings	3,000.00
Non-Current Provisions	6.73
Deferred Tax Liabilities	1,710.25
Trade Payables	506.70
Other Financial Liabilities	375.71
Other Current Provisions	244.20
Other Current Liabilities	269.26
Total Liabilities	**6,112.85**
Total Fair Value of the Net Assets	**3,178.89**

(D) **Amount recognised as Goodwill:**

₹ in Crores

Particulars	Amount
Fair value of consideration transferred	5,387.71
Less: Fair value of the net assets acquired	3,178.89
Goodwill	**2,208.82**

This goodwill is attributed to the expected synergies in cement prices and in costs, as described in paragraph (A) above.

(E) **Acquired Receivables:**

As on the date of acquisition, gross contractual amount of the acquired Trade and other Receivables was ₹ 293.06 Crores against which no provision had been considered since fair value of the acquired receivables were equal to carrying value as on the date of acquisition.

(F) **Contingent Liabilities**

The Company has assumed all the contingent liabilities of the Demerged Undertaking as per the Scheme. Total contingent liability transferred to the Company was ₹ 806.64 Crores.

(G) **Acquisition related costs**

During the previous year acquisition related costs of ₹ 5.16 Crores had been recognised under Miscellaneous Expenses and Rates and Taxes in the Statement of Profit and Loss. The stamp duty paid / payable on transfer of the assets amounting to ₹ 113.88 Crores had been charged to the Statement of Profit and Loss and shown as an exceptional item.

(H) **Revenue and Profit/(Loss) of the Demerged Undertaking actually included in the Statement of Profit and Loss for FY 2018-19 (from Appointed date May 20, 2018):**

₹ in Crores

Revenue from Operations	4229.75
Profit/(Loss) after tax (PAT)*	(48.30)

** Tax has been applied at the rate applicable to the Company as a whole.*

(I) Revenue and Profit/ (loss) for the combined entity for FY 2018-19 if the Business Combination had taken place on April 01, 2018:

₹ in Crores

Particulars	UltraTech	Demerged Undertaking	Combined entity
Revenue from Operations	35,771.09	4,799.47	40,570.56
Profit after tax (PAT)*	2,455.72	(28.85)	2,426.87

** Tax has been applied at the rate applicable to the Company as a whole*

Notes to Standalone Financial Statements (Continued)

NOTE 38: Employee Benefits (Ind AS 19)

(A) Defined Benefit Plans:

(a) Gratuity:

The gratuity payable to employees is based on the employee's service and last drawn salary at the time of leaving the services of the Company and is in accordance with the Rules of the Company for payment of gratuity.

Inherent Risk

The plan is defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, this exposes the Company to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to any longevity risks.

(b) Pension:

The Company considers pension for some of its employees at senior management based on the period of service and contribution for the Company. There is no material risk associated with this plan.

(c) Post-Retirement Medical Benefits:

The Company provides post-retirement medical benefits to certain ex-employees who were transferred under the Scheme of arrangement for acquiring Larsen & Toubro cement business and eligible for such benefits from earlier Company. There is no material risk associated with this plan.

₹ in Crores

	Particulars	As at March 31, 2020			As at March 31, 2019 (Restated)		
		Gratuity (Funded)	Pension	Post-Retirement Medical Benefits	Gratuity (Funded)	Pension	Post-Retirement Medical Benefits
(i)	Change in defined benefit obligation						
	Balance at the beginning of the year	594.95	7.09	0.57	451.75	7.57	0.58
	Adjustment of:						
	Current Service Cost	47.42	-	-	43.39	-	-
	Interest Cost	43.22	0.50	0.04	42.08	0.55	0.04
	Actuarial (gains) losses recognised in Other Comprehensive Income:						
	- Change in Financial Assumptions	60.59	0.30	0.04	11.32	0.07	0.01
	- Change in Demographic Assumptions	-	-	-	(0.05)	(0.24)	(0.01)
	- Experience Changes	(2.80)	0.16	0.01	(1.64)	0.05	0.01
	Benefits Paid	(46.64)	(0.91)	(0.07)	(42.78)	(0.91)	(0.06)
	Obligation transferred from CTIL	-	-	-	90.88	-	-
	Balance at the end of the year	696.74	7.14	0.59	594.95	7.09	0.57
(ii)	Change in Fair Value of Assets						
	Balance at the beginning of the year	621.15	-	-	587.76	-	-
	Expected Return on Plan Assets	45.22	-	-	45.72	-	-
	Re measurements due to: Actual Return on Plan Assets less interest on Plan Assets	(0.91)	-	-	2.59	-	-
	Contribution by the employer	76.64	-	-	27.86	-	-
	Benefits Paid	(46.64)	-	-	(42.78)	-	-
	Assets transferred from CTIL	-	-	-	90.12	-	-
	Balance at the end of the year	695.46	-	-	621.15	-	-

Notes to Standalone Financial Statements (Continued)

₹ in Crores

	Particulars	As at March 31, 2020			As at March 31, 2019 (Restated)		
		Gratuity (Funded)	Pension	Post-Retirement Medical Benefits	Gratuity (Funded)	Pension	Post-Retirement Medical Benefits
(iii)	Net Asset / (Liability) recognised in the Balance Sheet						
	Present value of Defined Benefit Obligation	(696.74)	(7.14)	(0.59)	(594.95)	(7.09)	(0.58)
	Fair Value of Plan Assets	695.46	-	-	621.15	-	-
	Net Asset / (Liability) in the Balance Sheet	(1.28)	(7.14)	(0.59)	26.20	(7.09)	(0.58)
(iv)	Expenses recognised in the Statement of Profit and Loss						
	Current Service Cost	47.42	-	-	43.39	-	-
	Interest Cost	43.22	0.50	0.04	42.08	0.55	0.04
	Expected Return on Plan Assets	(45.22)	-	-	(45.72)	-	-
	Amount charged to the Statement of Profit and Loss	45.42	0.50	0.04	39.75	0.55	0.04
(v)	Re-measurements recognised in Other Comprehensive Income (OCI):						
	Changes in Financial Assumptions	60.59	0.30	0.04	11.32	0.07	0.01
	Changes in Demographic Assumptions	-	-	-	(0.05)	(0.24)	(0.01)
	Experience Adjustments	(2.80)	0.16	0.01	(1.64)	0.05	0.01
	Actual return on Plan assets less interest on plan assets	0.91	-	-	(2.59)	-	-
	Loss / (Gain) recognised in Other Comprehensive Income (OCI):	58.70	0.46	0.05	7.04	(0.12)	0.01
(vi)	Maturity profile of defined benefit obligation:						
	Within the next 12 months	80.15	0.99	0.06	75.02	0.97	0.06
	Between 1 and 5 years	221.30	3.27	0.24	225.56	3.33	0.24
	Between 5 and 10 years	230.76	2.55	0.22	249.58	2.63	0.23
	10 Years and above	994.61	3.93	0.46	843.40	4.44	0.52
(vii)	Sensitivity analysis for significant assumptions:*						
	Increase/(Decrease) in present value of defined benefits obligation at the end of the year						
	1% increase in discount rate	(60.61)	(0.35)	(0.03)	(47.13)	(0.34)	(0.03)
	1% decrease in discount rate	70.99	0.37	0.04	54.83	0.37	0.04
	1% increase in salary escalation rate	69.03	-	-	54.00	-	-
	1% decrease in salary escalation rate	(60.19)	-	-	(47.36)	-	-
	1% increase in employee turnover rate	(20.41)	-	-	(14.38)	-	-
	1% decrease in employee turnover rate	22.66	-	-	15.78	-	-
(viii)	The major categories of plan assets as a percentage of total plan @						
	Insurer Managed Funds	88%	N.A	N.A	87%	N.A.	N.A.
	Debt, Equity & Other Instruments	12%	N.A	N.A	13%	N.A.	N.A.

Notes to Standalone Financial Statements (Continued)

	Particulars	As at March 31, 2020			As at March 31, 2019 (Restated)		
		Gratuity (Funded)	Pension	Post-Retirement Medical Benefits	Gratuity (Funded)	Pension	Post - Retirement Medical Benefits
(ix)	**Actuarial Assumptions:**						
	Discount Rate (p.a.)	6.65%	6.65% - 6.75%	6.65%	7.60 - 7.65%	7.65% - 7.60%	7.65%
	Turnover Rate	1.5% - 8.00%	-	-	1.5% - 8.00%	-	-
	Mortality tables	Indian Assured Lives Mortality (2012-14)	S1PA mortality table adjusted suitably		Indian Assured Lives Mortality (2012-14) Indian Assured Lives Mortality (2006-08)	S1PA mortality table adjusted suitably	
	Salary Escalation Rate (p.a.)	8.00%	-	-	6.00 - 8.00%	-	-
	Retirement age: Management - Non-Management -	 60 Yrs. 58 Yrs.	-	-	60-63 Yrs. 58 Yrs.	-	-
(x)	Weighted Average duration of Defined benefit obligation	9.3 Yrs	6.7 Yrs	6.2 Yrs	9.6 Yrs.	6.5 Yrs.	6.1 Yrs.

* *These Sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analyses.*

@ *The plan does not invest directly in any property occupied by the Company nor in any financial securities issued by the Company.*

(xi) Discount Rate:

The discount rate is based on the prevailing market rates of Indian government securities for the estimated term of obligations.

(xii) Salary Escalation Rate:

The estimates of future salary increases are considered taking into account inflation, seniority, promotion and other relevant factors.

(xiii) Asset Liability matching strategy:

The money contributed by the Company to the Gratuity fund to finance the liabilities of the plan has to be invested.

The trustees of the plan have outsourced the investment management of the fund to an insurance Company. The insurance Company in turn manages these funds as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations. Due to the restrictions in the type of investments that can be held by the fund, it is not possible to explicitly follow an asset liability matching strategy.

There is no compulsion on the part of the Company to fully prefund the liability of the Plan. The Company's philosophy is to fund these benefits based on its own liquidity and the level of underfunding of the plan.

(xiv) The Company's expected contribution during next year is ₹ 30.00 Crores (March 31, 2019 ₹ Nil Crores).

Notes to Standalone Financial Statements (Continued)

(d) Provident Fund:

The Company is liable for any shortfall in the fund assets based on the Government specified rate of return. Such shortfall, if any, is recognised in the Statement of Profit and Loss as an expense in the year of incurring the same.

Amount recognized as an expense under the head "Contribution to Provident and other Funds" of Statement of Profit and Loss ₹ 90.36 Crores (March 31, 2019 ₹ 81.47 Crores).

The actuary has provided for a valuation and based on the below provided assumptions there is a shortfall of ₹ 0.68 Crores as at March 31, 2020 (March 31, 2019: Nil):

₹ in Crores

	Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
(a)	**Plan Assets at Fair Value**	1,589.35	1,371.69
(b)	**Present value of defined benefit obligation at year end**	1,590.13	1,369.55
(c)	**Surplus available**	0.10	-
(d)	**Liability recognised in Balance Sheet (net)**	0.68	NIL
(e)	**Assumptions used in determining the present value obligation of interest rate guarantee under the Deterministic Approach**		
	Government of India bond yield for the outstanding term of liabilities	6.65%	7.32-7.65%
	Remaining term of the maturity of Investment Portfolio	11.76-13.50 Yrs.	5.83-13.72 Yrs.
	Discount Rate for the remaining term of the maturity of Investment Portfolio	7.85-8.43%	7.00-8.56%
	Expected Guaranteed Interest Rate	8.50%	8.65%

(e) Contribution to Other Funds:

Amount recognized as an expense under the head "Contribution to Other Funds" of Statement of Profit and Loss ₹ 30.32 Crores (March 31, 2019 ₹ 34.18 Crores).

(B) Amount recognized as an expense in respect of Compensated Absences is ₹ 59.52 Crores (March 31, 2019 ₹ 24.88 Crores).

(C) Amount recognized as expense for other long-term employee benefits is ₹ 44.18 Crores (March 31, 2019 ₹ 0.96 Crores).

NOTE 39: Segment Reporting (Ind AS 108)

The Company has presented segment information in the consolidated financial statements. Accordingly, as per Ind AS 108 'Operating Segments', no disclosures related to segments are presented in these standalone financial statements.

NOTE 40: Related party disclosures (Ind AS 24)

(A) List of Related Parties where control exists:

	Name of the Related Party	Principal Place of Business	% Shareholding and Voting Power	
			As at March 31, 2020	As at March 31, 2019 (Restated)
(i)	**Holding Company:**			
	Grasim Industries Limited	India	NA	
(ii)	**Subsidiary Companies:**			
(a)	Dakshin Cements Limited @	India	100%	100%
(b)	UltraTech Cement Lanka Private Limited	Sri Lanka	80%	80%

Notes to Standalone Financial Statements (Continued)

	Name of the Related Party	Principal Place of Business	% Shareholding and Voting Power As at March 31, 2020	As at March 31, 2019 (Restated)
(c)	Harish Cement Limited	India	100%	100%
(d)	PT UltraTech Mining Indonesia	Indonesia	80%!	80%!
(e)	PT UltraTech Investments Indonesia	Indonesia	100%&	100%&
(f)	UltraTech Cement Middle East Investments Limited (UCMEIL)	United Arab Emirates	100%	100%
(g)	Star Cement Co. LLC, Dubai *	United Arab Emirates	100%$	100%$
(h)	Star Cement Co. LLC, Ras-Al-Khaimah*	United Arab Emirates	100%$	100%$
(i)	Al Nakhla Crusher LLC, Fujairah*	United Arab Emirates	100%$	100%$
(j)	Arabian Cement Industry LLC, Abu Dhabi*	United Arab Emirates	100%$	100%$
(k)	UltraTech Cement Bahrain Company WLL, Bahrain (formerly known as Arabian Gulf Cement Co WLL)*	Bahrain	100%^	100%^
(l)	Emirates Power Company Limited, Bangladesh* (Up to December, 2019)	Bangladesh	-	100%
(m)	Emirates Cement Bangladesh Limited, Bangladesh* (Up to December, 2019)	Bangladesh	-	100%
(n)	Awam Minerals LLC, Oman * (Up to December 10, 2019)	Oman	-	37%
(o)	Bhagwati Limestone Company Private Limited (BLCPL)	India	100%	100%
(p)	Gotan Limestone Khanij Udyog Private Limited	India	100%	100%
(q)	PT UltraTech Cement Indonesia#	Indonesia	99%	99%
(r)	PT UltraTech Mining Sumatera #	Indonesia	100%	100%
(s)	UltraTech Nathdwara Cement Limited (UNCL) (formerly known as Binani Cement Limited) $$	India	100%	100%
(t)	Smooth Energy Private Limited (formerly known as Binani Energy Private Limited) $$@	India	100%!!	100%!!
(u)	Bahar Ready Mix Concrete Limited (formerly known as Binani Ready Mix Concrete Limited) $$@	India	100%!!	100%!!
(v)	Merit Plaza Limited $$	India	100%!!	100%!!
(w)	Swiss Mercandise Infrastructure Limited $$	India	100%!!	100%!!
(x)	Krishna Holdings PTE Limited (KHPL) $$	Singapore	100%&&	100%&&
(y)	Bhumi Resources PTE Limited (BHUMI) $$	Singapore	100%!!	100%!!
(z)	Murari Holdings Limited (MUHL)$$	British Virgin Islands	100%!!	100%!!
(aa)	Mukundan Holdings Limited (MHL) $$	British Virgin Islands	100%!!	100%!!
(ab)	Star Super Cement Industries LLC (formerly known as Binani Cement Factory LLC) (SSCI) $$	United Arab Emirates	100%**	100%**
(ac)	Binani Cement (Tanzania) Limited $$	Tanzania	100%***	100%***
(ad)	BC Tradelink Limited., Tanzania $$	Tanzania	100%***	100%***
(ae)	Shandong Binani Rongan Cement Company Limited (SBRCC), China $$	Republic of China	92.5%^^	92.5%^^
(af)	PT Anggana Energy resources (Anggana), Indonesia $$	Indonesia	100%^^^	100%^^^
(ag)	Binani Cement (Uganda) Limited $$	Uganda	100%***	100%***

! 4% Shareholding of UCMEIL
& 5% Shareholding of UCMEIL
** Subsidiaries of UCMEIL*
$ 51% held by nominee as required by local law for beneficial interest of the Company
^ 1 share held by employee as nominee for the beneficial interest of the Company
 # Subsidiary of PT UltraTech Investments Indonesia
$$ with effect from November 20, 2018
!! Wholly owned subsidiary of UNCL
&& 55.54% held by UNCL and 44.46% held by MHL
*** 51% held by MHL through nominee as required by local law for beneficial interest of the Company and 49% held by MUHL*
**** Wholly owned subsidiary of SSCI*
^^ Subsidiary of KHPL
^^^ Wholly owned subsidiary of BHUMI
@ Applied for strike off

(B) List of Related Parties with significant influence:

	Name of the Related Party	Principal Place of Business	% Shareholding and Voting Power As at March 31, 2020	As at March 31, 2019 (Restated)
(i)	**Joint Venture:**			
	Bhaskarpara Coal Company Limited (BCCL)	India	47.37%	47.37%
(ii)	**Associate:**			
	(a) Madanpur (North) Coal Company Private Limited (MNCCPL)	India	11.17%	11.17%
	(b) Aditya Birla Renewable SPV 1 Limited	India	26.00%	26.00%

(C) Other Related Parties with whom there were transactions during the year:

Name of the Related Party	Relationship
Samruddhi Swastik Trading and Investments Limited	Fellow Subsidiary
Aditya Birla Sun Life Insurance Company Limited (formerly known as Birla Sun Life Insurance Company Limited)	Fellow Subsidiary
Aditya Birla Health Insurance Limited	Fellow Subsidiary
ABNL Investment Limited	Fellow Subsidiary
UltraTech Provident Fund	Post-Employment Benefit Plan
Maihar Employees Provident Fund	Post-Employment Benefit Plan

Notes to Standalone Financial Statements (Continued)

Name of the Related Party	Relationship
Bharucha & Partners	Other related party in which Director is interested
Dave Girish & Company	Other related party in which Director is interested
Aditya Birla Management Corporation Private Limited	Other related party in which Director is interested
Mr. Kumar Mangalam Birla – Non-Executive Chairman	Key Management Personnel (KMP)
Mrs. Rajashree Birla – Non-Executive Director	Key Management Personnel (KMP)
Mr. O.P Puranmalka - Non-Executive Director (Till July 18 , 2019)	Key Management Personnel (KMP)
Mr. Arun Adhikari – Independent Director	Key Management Personnel (KMP)
Mr. G.M. Dave - Independent Director (Till August 5, 2019)	Key Management Personnel (KMP)
Mrs. Alka Bharucha - Independent Director	Key Management Personnel (KMP)
Mrs. Sukanya Kripalu - Independent Director	Key Management Personnel (KMP)
Mr. S.B. Mathur - Independent Director	Key Management Personnel (KMP)
Mrs. Usha Sangwan- Independent Director w.e.f. January 10, 2020	Key Management Personnel (KMP)
Mrs. Renuka Ramnath - Independent Director (Till October 21, 2019)	Key Management Personnel (KMP)
Mr. K.K. Maheshwari – Vice Chairman and Non-Executive Director (Managing Director till December 31, 2019)	Key Management Personnel (KMP)
Mr. K.C. Jhanwar – Managing Director w.e.f January 1, 2020	Key Management Personnel (KMP)
Mr. Atul Daga - Whole-time Director and CFO	Key Management Personnel (KMP)
Mrs. Kritika Daga	Relative of KMP (Wife of Mr. Atul Daga)

(a) The following transactions were carried out with the related parties in the ordinary course of business:

₹ in Crores

Nature of Transaction/Relationship	Year Ended March 31, 2020	Year Ended March 31, 2019 (Restated)
Sale of Goods:		
Holding Company	18.24	16.30
Subsidiaries	463.43	500.55
Total	481.67	516.85
Purchase of Goods:		
Holding Company	2.30	2.69
Subsidiaries	1,650.69	462.33
Associate	22.32	12.66
Total	1,675.31	477.68
Sale of Fixed Assets:		
Holding Company	0.07	-
Subsidiary	0.64	0.27
Total	0.71	0.27
Purchase of Fixed Assets:		
Subsidiary	0.04	0.24
Other related party in which Director is interested	0.03	-
Total	0.07	0.24

Notes to Standalone Financial Statements (Continued)

₹ in Crores

Nature of Transaction/Relationship	Year Ended March 31, 2020	Year Ended March 31, 2019 (Restated)
Services received from:		
Holding Company	0.75	1.77
Subsidiary	0.04	-
Fellow Subsidiary	17.58	12.33
KMP	44.54	35.89
Other related party in which Director is interested	190.50	172.73
Relative of KMP	0.30	0.27
Total	253.71	222.99
Services rendered to:		
Holding Company	3.05	1.22
Subsidiaries	66.71	66.18
Total	69.76	67.40
Dividend and Interest Income:		
Subsidiary	146.40	84.54
Dividend Paid:		
Holding Company	190.14	173.60
Contribution to:		
Post-Employment Benefit Plan	76.71	62.11
Investments:		
Subsidiaries	0.38	29.35
Associates	5.75	-
Preference Shares in Subsidiary	-	1900.00
Loans Given to Subsidiary:	-	1,834.75
Loans repaid by Subsidiary:	10.55	35.00
Advances against Supply:		
Subsidiary	81.02	55.00
Corporate Guarantees on behalf of subsidiaries:		
Given / issued during the year	-	3,050.00
Released during the year	61.03	-

(b) Outstanding balances:

₹ in Crores

Nature of Transaction / Relationship	As at March 31, 2020	As at March 31, 2019 (Restated)
Loans and Advances:		
Holding Company	0.44	0.30
Subsidiaries	1,871.68	1,867.00
Fellow Subsidiary	10.32	7.68
Joint Venture and Associates	2.49	2.49
Other related party in which Director is interested	45.42	51.86
Total	1,930.35	1,929.33

Notes to Standalone Financial Statements (Continued)

₹ in Crores

Nature of Transaction / Relationship	As at March 31, 2020	As at March 31, 2019 (Restated)
Interest receivable:		
Subsidiary	10.74	-
Trade Receivables:		
Holding Company	1.15	0.99
Subsidiaries	88.06	65.51
Total	89.21	66.50
Trade Payables:		
Holding Company	0.47	0.27
Subsidiaries	1.82	4.60
Associate	1.84	0.57
Total	4.13	5.44
Deposit:		
KMP	3.00	3.59
Relative of KMP	5.00	5.00
Total	8.00	8.59
Corporate Guarantees:		
Joint Ventures	4.00	4.00
Subsidiaries	5,978.59	5,786.16
Total	5,982.59	5,790.16

(c) **Compensation of KMP of the Company:**

₹ in Crores

Nature of transaction	Year Ended March 31, 2020	Year Ended March 31, 2019 (Restated)
Short-term employee benefits	23.22	17.54
Post-employment benefits	19.26	1.58
Share based payment	3.30	1.79
Total compensation paid to KMP	45.78	20.91

Above includes compensation of Mr. K. K. Maheshwari, who was Managing Director till December 31, 2019 and was designated as Vice Chairman and Non-Executive Director w.e.f January, 01, 2020. Post- retirement benefits included amount paid to him for Gratuity and Leave Encashment of ₹ 8.27 Crores. Further the Board has approved one-time payout of ₹ 9.45 Crores and pension of ₹ 28,34,000 per month with effect from January 1, 2020 for his past services as Managing Director, which is also a part of the above Post-employment benefits.

Based on the recommendation of the Nomination, Remuneration and Compensation Committee, all decisions relating to the remuneration of the Directors are taken by the Board of Directors of the Company, in accordance with shareholders' approval, wherever necessary.

Terms and Conditions of transactions with Related Parties:

The sales to and purchases from related parties including fixed Assets are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash.

Notes to Standalone Financial Statements (Continued)

During the previous year, the Company has provided inter corporate loan to its subsidiary which is repayable on demand, for current year the rate of interest is 1 month MCLR. (March 31,2019: 3 months MCLR +15 BPS)

For the year ended March 31, 2020, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

NOTE 41: Income Taxes (Ind AS 12)

(i) **Reconciliation of Effective Tax Rate:**

In %

Particulars	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
Applicable tax rate	34.94	34.94
Effect of Tax-Exempt Income	(0.35)	(0.47)
Effect of Non-Deductible expenses	0.61	1.31
Effect of Allowances for tax purpose	(2.70)	(3.25)
Effect of Tax paid at a lower rate	(0.87)	(1.40)
Effect of changes in tax rate (deferred)	(1.41)	-
Effect of Previous year adjustments	(0.02)	(0.11)
Others	(0.13)	(0.08)
Effective Tax Rate	30.07	30.94
Effect of Reversal of Opening Deferred Tax Liability for change in income tax rates (Refer Note 18)	(34.59)	-
Net Effective Tax Rate	(4.52)	30.94

NOTE 42: Earnings per Share (EPS) (Ind AS 33)

₹ in Crores

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019 (Restated)
(A) Basic EPS:		
(i) Net Profit attributable to Equity Shareholders	5,455.54	2,412.45
(ii) Weighted average number of Equity Shares outstanding (Nos.)	288,626,496	286,267,127
(iii) Less: Treasury Shares acquired by the Company under Trust	(2,09,477)	(202,022)
(iv) Weighted average number of Equity Shares outstanding for calculation of Basic EPS (Face value ₹ 10/ share)	288,417,019	286,065,105
Basic EPS (₹) (i)/(iv)	189.15	84.33
(B) Diluted EPS:		
(i) Weighted average number of Equity Shares Outstanding (Nos.)	288,417,019	286,065,105
(ii) Add: Potential Equity Shares on exercise of options (Nos.)	85,507	79,361
(iii) Weighted average number of Equity Shares Outstanding for calculation of Dilutive EPS (i+ii) (Face Value ₹ 10/ share)	288,502,526	286,144,466
Diluted EPS (₹) {(A) (i) /(B) (iii)}	189.10	84.31

Notes to Standalone Financial Statements (Continued)

NOTE 43: Auditors' remuneration (excluding GST) and expenses

₹ in Crores

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019 (Restated)
(a) Statutory Auditors:		
Audit fees (including Quarterly Limited Reviews)	**3.63**	2.94
Tax audit fees	**0.18**	0.16
Fees for other services	**0.58**	0.16
Expenses reimbursed	**0.14**	0.12
(b) Cost Auditors:		
Audit fees	**0.29**	0.25
Expenses reimbursed	**0.01**	0.04

NOTE 44:

The following expenses are included in the different heads of expenses in the Statement of Profit and Loss:

₹ in Crores

Particulars	Year Ended March 31, 2020			Year Ended March 31, 2019 (Restated)		
	Raw Materials Consumed	Power and Fuel Consumed	Total	Raw Materials Consumed	Powerand Fuel Consumed	Total
Stores and Spares Consumed	**101.36**	**54.77**	**156.13**	108.36	61.62	169.98
Royalty and Cess	**1,053.58**	**-**	**1,053.58**	1,073.95	-	1,073.95

NOTE 45: Share Based Payments (Ind AS 102)

The Company has granted 20,339 options (including Restricted Stock units) to its eligible employees in various ESOS Schemes, details are as under:

(A) Employee Stock Option Scheme (ESOS 2006):

Particulars	Tranche I	Tranche II	Tranche III	Tranche IV*	Tranche V*	Tranche VI
Nos. of Options	99,010	69,060	60,403	88,907	8,199	7,890
Vesting Plan	Graded Vesting - 25% every year	Graded Vesting - 25% every year	Graded Vesting - 25% every year	As per the Terms of Scheme	As per the Terms of Scheme	Graded Vesting - 25% every year
Exercise Period	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting			5 Years from the date of Vesting
Grant Date	23.08.2007	25.01.2008	08.09.2010	20.09.2010	20.09.2010	01.06.2012
Exercise Price (₹ per share)	606	794	655	709	1,061	974
Fair Value on the date of Grant of Option (₹ per share)	502	404	547	447	281	762
Method of Settlement	Equity	Equity	Equity	Equity	Equity	Equity

**Issued to Employees of erstwhile Samruddhi Cement Limited (SCL) option holders pursuant to Scheme of Amalgamation of SCL with the Company.*

(B) Employee Stock Option Scheme (ESOS 2013) including Stock options and Restricted Stock Units (RSU):

Particulars	Tranche I		Tranche II		Tranche III	
	RSU	Stock Options	RSU	Stock Options	RSU	Stock Options
Nos. of Options	84,056	237,953	12,313	34,859	2,218	6,280
Vesting Plan	100% on 19.10.2016	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 18.10.2017	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 28.01.2018	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets
Exercise Period	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting
Grant Date	19.10.2013	19.10.2013	18.10.2014	18.10.2014	28.01.2015	28.01.2015
Exercise Price (₹ per share)	10	1,965	10	2,318	10	3,122
Fair Value on the date of Grant of Option (₹ per share)	1,862	750	2,241	870	3,048	1,207
Method of Settlement	Equity	Equity	Equity	Equity	Equity	Equity

Particulars	Tranche IV		Tranche V		Tranche VI	
	RSU	Stock Options	RSU	Stock Options	RSU	Stock Options
Nos. of Options	9,059	25,645	5,313	15,042	10,374	29,369
Vesting Plan	100% on 19.10.2018	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 13.04.2019	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 27.01.2020	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets
Exercise Period	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting
Grant Date	19.10.2015	19.10.2015	13.04.2016	13.04.2016	27.01.2017	27.01.2017
Exercise Price (₹ per share)	10	2,955	10	3,167	10	3,681
Fair Value on the date of Grant of Option (₹ per share)	2,897	1,728	3,108	1,810	3,608	2,080
Method of Settlement	Equity	Equity	Equity	Equity	Equity	Equity

Notes to Standalone Financial Statements (Continued)

(C) Employee Stock Option Scheme (ESOS 2018) including Stock options, Restricted Stock Units (RSU) and Stock Appreciation Rights Scheme – 2018 (SAR 2018) including Stock options and RSU

Particulars	Tranche I (ESOS, 2018)		Tranche II (ESOS, 2018)		Tranche III (ESOS, 2018)	
	RSU	Stock Options	RSU	Stock Options	RSU	Stock Options
Nos. of Options	43,718	1,58,304	917	3,320	3,482	12,620
Vesting Plan	100% on 18.12.2021	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 23.12.2022	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 04.03.2023	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets
Exercise Period	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting
Grant Date	18.12.2018	18.12.2018	23.12.2019	23.12.2019	04.03.2020	04.03.2020
Exercise Price (₹ per share)	10	4,009.30	10	4,120.45	10	4,299.90
Fair Value on the date of Grant of Option (₹ per share)	3,942	1,476	4,080	1,865	4,258	1,939
Method of Settlement	Equity	Equity	Equity	Equity	Equity	Equity

Particulars	Tranche I (SAR, 2018)	
	RSU	Stock Options
Nos. of Options	1,084	3,924
Vesting Plan	100% on 18.12.2021	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets
Exercise Period	3 Years from the date of Vesting	3 Years from the date of Vesting
Grant Date	18.12.2018	18.12.2018
Exercise Price (₹ per share)	10	4,009.30
Fair Value on the date of Grant of Option (₹ per share)	3,946	1,539
Method of Settlement	Cash	Cash

(D) Movement of Options Granted including RSU along with weighted average exercise price (WAEP):

Particulars	As at March 31, 2020		As at March 31, 2019 (Restated)	
	Nos.	WAEP (₹)	Nos.	WAEP (₹)
Outstanding at the beginning of the year	316,974	2,843.64	144,499	2,171.13
Granted during the year	20,339	3,342.77	202,022	3,143.84
Exercised during the year	(21,711)	1,799.42	(28,735)	1,585.05
Forfeited during the year	(18,123)	2,688.20	(812)	2,396.47
Outstanding at the end of the year	297,479	2,963.45	316,974	2,843.64
Options exercisable at the end of the year	118,919	2,875.80	73,273	2,394.44

Notes to Standalone Financial Statements (Continued)

The weighted average share price at the date of exercise for options was ₹ 4,181.12 per share (March 31, 2019 ₹ 3,844.48 per share) and weighted average remaining contractual life for the share options outstanding as at March 31, 2020 was 5.12 years (March 31,2019: 4.6 years).

The Company has granted Nil SAR (March 31, 2019: 5,008) to its employees during the year with a weighted average exercise price of ₹ Nil per share (March 31, 2019 ₹ 3,143.64 per share) and weighted average fair value of ₹ Nil per share (March 31, 2019: ₹ 2,060 per share). The weighted average remaining contractual life for SAR is 4.22 years (March 31, 2019: 5.3 years).

The exercise price for outstanding options and SAR is ₹ 10 per share for RSU's and ranges from ₹ 1,965 per share to ₹ 4,300 per share for options.

(E) Fair Valuation:

20,339 share options were granted during the year. Weighted Average Fair value of the options granted during the year is ₹ 2,682.45 per share (March 31, 2019 ₹ 2,009.83 per share).

The fair value of option has been done by an independent firm of Chartered Accountants on the date of grant using the Black-Scholes Model/ Binomial Model.

The Key assumptions in the Black-Scholes Model for calculating fair value as on the date of grant:

(a) For ESOS 2006:

1. Risk Free Rate - 8% (Tranche I-V), 8.14% (Tranche VI)
2. Option Life - Vesting period (1 Year) + Average of exercise period
3. Expected Volatility* - Tranche-I: 0.49, Tranche-II: 0.52,Tranche-III: 0.30, Tranche-IV: 0.30, Tranche-V: 0.30, Tranche-VI: 0.25
4. Expected Growth in Dividend - 20%

(b) For ESOS 2013:

1. Risk Free Rate - 8.5% (Tranche I), 7.8% (Tranche II-III), 8.56% (Tranche IV) 7.6% (Tranche V), 6.74% (Tranche VI)
2. Option Life - (a) For Options - Vesting period (1 Year) + Average of exercise period (b) For RSU – Vesting period (3 Years) + Average of exercise period
3. Expected Volatility* - Tranche-I: 0.29, Tranche-II: 0.27, Tranche-III: 0.28, Tranche-IV: 0.60, Tranche–V: 0.60, Tranche–VI: 0.61
4. Expected Growth in Dividend - Tranche -I: 20%, Tranche II-III: 15%, Tranche-IV: 5%, Tranche-V: 5%, Tranche-VI: 5%

(c) For ESOS 2018:

1. Risk Free Rate - 7.47% (Tranche I)
2. Option Life - (a) For Options - Vesting period (1 Year) + Average of exercise period (b) For RSU – Vesting period (3 Years) + Average of exercise period
3. Expected Volatility* - Tranche-I: 0.24
4. Dividend Yield - Tranche -I: 0.46%

*Expected volatility on the Company's stock price on National Stock Exchange based on the data commensurate with the expected life of the options/RSU's up to the date of grant.

Notes to Standalone Financial Statements (Continued)

The Key assumptions in the Binomial Tree Model for calculating fair value as on the date of grant:

(a) For ESOS – SAR - 2018:

1. Risk Free Rate - 7.47% (Tranche I)
2. Option Life - (a) For Options - Vesting period (1 Year) + Average of exercise period
(b) For RSU – Vesting period (3 Years) + Average of exercise period
3. Expected Volatility* - Tranche-I: 0.25,
4. Dividend Yield - Tranche -I: 0.46%

(b) For ESOS 2018:

1. Risk Free Rate - 6.78% (Tranche II), 6.72% (Tranche III)
2. Option Life - (a) For Options - Vesting period (1 Year) + Average of exercise period
(b) For RSU – Vesting period (3 Years) + Average of exercise period
3. Expected Volatility* - Tranche-II: 0.26, Tranche- III: 0.26
4. Dividend Yield - Tranche -II & III: 0.27%

*Expected volatility on the Company's stock price on National Stock Exchange based on the data commensurate with the expected life of the options/RSU's up to the date of grant.

(F) Details of Liabilities arising from Company's cash settled share-based payment transactions:

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Other non-current liabilities	-	0.01

NOTE 46: (A) Classification of Financial Assets and Liabilities (Ind AS 107)

₹ in Crores

Particulars	As at March 31, 2020		As at March 31, 2019 (Restated)	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets at amortised cost				
Trade Receivables	1,848.28	1,848.28	2,353.19	2,353.19
Loans	2,045.47	2,045.47	2,076.31	2,076.31
Cash and Bank Balances	310.52	310.52	656.47	656.47
Other Financial Assets	1,361.45	1,361.45	1,228.85	1,228.85
Financial Assets at fair value through Profit or Loss				
Investments	5,905.49	5,905.49	2,893.50	2,893.50
Fair Value Hedging Instruments				
Derivative Assets	104.53	104.53	19.99	19.99
Total	11,575.74	11,575.74	9,228.31	9,228.31

Notes to Standalone Financial Statements (Continued)

₹ in Crores

Particulars	As at March 31, 2020		As at March 31, 2019 (Restated)	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial liabilities at amortised cost				
Non-Convertible Debentures	2,810.00	2,809.77	2,735.07	2,662.86
Term Loan from Banks	10,008.97	10,008.97	12,863.50	12,863.50
Cash Credits / Working Capital Borrowing	3.69	3.69	0.79	0.79
Commercial Papers and others	2,949.42	2,949.42	2,585.93	2,585.93
Sales Tax Deferment Loan	401.40	401.40	438.77	438.77
Redeemable Preference Shares	1,000.10	1,000.10	1,000.10	1,000.10
Trade Payables	3,250.85	3,250.85	2,971.33	2,971.33
Other Financial Liabilities	2,213.71	2,213.71	2,219.45	2,219.45
Foreign Currency Borrowings	1,107.96	1,107.96	1,012.63	1,012.63
Lease Liability	357.51	357.51	-	-
Financial Liability at fair value through Profit or Loss				
Lease Liability payable in Foreign Currency	535.58	535.58	-	-
Fair Value Hedging Instrument				
Derivative Liability	-	-	0.06	0.06
Total	24,639.19	24,638.96	25,827.63	25,755.42

Investment in Subsidiaries, Joint ventures and Associates amounting to ₹ 4,177.13 Crores (March 31, 2019 ₹ 4,171.01 Crores) are measured at Cost in accordance with Ind AS 27.

NOTE 46: (B) Fair Value measurements (Ind AS 113)

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in an orderly transaction in the principal (or most advantageous) market at measurement date under the current market condition regardless of whether that price is directly observable or estimated using other valuation techniques.

The Company has established the following fair value hierarchy that categorizes the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1: This hierarchy uses quoted (unadjusted) prices in active markets for identical assets or liabilities. The fair value of all bonds which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market (For example traded bonds, over the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on company specific estimates. The mutual fund units are valued using the closing Net Asset Value. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Notes to Standalone Financial Statements (Continued)

₹ in Crores

Particulars	Fair Value	
	As at March 31, 2020	As at March 31, 2019 (Restated)
Financial Assets at fair value through profit or loss		
Investments – Level 2	5,881.73	2,876.10
Investments – Level 3	23.76	17.40
Fair Value Hedging Instruments		
Derivative assets – Level 2	104.53	19.99
Total	6,010.02	2,913.49
Fair Value Hedging Instruments		
Derivative liability – Level 2	-	0.06
Total	-	0.06

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

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

(a) The fair values of the quoted investments/units of mutual fund schemes are based on market price/net asset value at the reporting date.

(b) The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves and an appropriate discount factor.

(c) The fair value of forward foreign exchange contracts is calculated as the present value determined using forward exchange rates and interest rate curve of the respective currencies.

(d) The fair value of currency swap is calculated as the present value determined using forward exchange rates, currency basis spreads between the respective currencies, interest rate curves and an appropriate discount factor.

(e) The fair value of foreign currency option contracts is determined using the Black Scholes valuation model.

(f) The fair value of the remaining financial instruments is determined using discounted cash flow analysis. The discount rates used is based on management estimates.

The significant unobservable inputs used in the fair value measurement of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2020 and March 31, 2019 are as shown below:

Description of significant unobservable inputs to valuation:

Particulars	Valuation Technique	Significant unobservable inputs	Discounting Rate	Sensitivity of the input to fair value.
Investments in Unquoted instruments accounted for as fair value through Profit and Loss	DCF method	Average Cost of Borrowings to arrive at discount rate.	**March 31, 2020:** 8.50% **March 31, 2019:** 8.50%	0.5% (March 31 2019: 0.5%) increase (decrease) would result in increase (decrease) in fair value by ₹ (0.73) Crores (March 31 2019: ₹ (1.14) Crores)

Notes to Standalone Financial Statements (Continued)

Reconciliation of Level 3 Fair Value Measurements:

₹ in Crores

Balance as at March 31, 2018	**16.48**
Add: Change in Value of Investment in Preference Shares measured at FVTPL	0.70
Add: Purchase of Investment during the year	20.24
Less: Sale of Investment during the year	(20.02)
Balance as at March 31, 2019	**17.40**
Add: Change in Value of Investment in Preference Shares measured at FVTPL	1.60
Add: Purchase of Investment during the year	4.82
Less: Sale of Investment during the year	(0.06)
Balance as at March 31, 2020	**23.76**

NOTE 47: Financial Risk Management Objectives (Ind AS 107)

The Company's principal financial liabilities, other than derivatives, comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets, other than derivatives include trade and other receivables, investments and cash and cash equivalents that derive directly from its operations.

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company. The Company uses derivative financial instruments, such as foreign exchange forward contracts, foreign currency option contracts, principal only swaps, cross currency swaps that are entered to hedge foreign currency risk exposure, interest rate swaps, coupon only swaps to hedge variable interest rate exposure and commodity fixed price swaps to hedge commodity price risks. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

The sources of risks which the Company is exposed to and their management is given below:

Risk	Exposure Arising From	Measurement	Management
I) Market Risk			
A) Foreign Currency Risk	Committed commercial transaction Financial asset and Liabilities not denominated in INR	Cash Flow Forecasting Sensitivity Analysis	(a) Forward foreign exchange contracts (b) Foreign currency options (c) Principal only/Currency swaps
B) Interest Rate Risk	Long Term Borrowings at variable rates Investments in Debt Schemes of Mutual Funds and Other Debt Securities	Sensitivity Analysis, Interest rate movements	(a) Interest Rate swaps, Coupon only swaps (b) Portfolio Diversification
C) Commodity Price Risk	Movement in prices of commodities mainly Imported Thermal Coal and Pet Coke	Sensitivity Analysis, Commodity price tracking	(a) Commodity Fixed Prices (b) Swaps/Options
II) Credit Risk	Trade receivables, Investments, Derivative Financial instruments, Loans and Bank balances	Ageing analysis, Credit Rating	(a) Diversification of mutual fund investments, (b) Credit limit & credit worthiness monitoring, (c) Criteria based approval process
III) Liquidity Risk	Borrowings and Other Liabilities and Liquid Investments	Rolling cash flow forecasts Broker Quotes	(a) Adequate unused credit lines and borrowing facilities (b) Portfolio Diversification

Notes to Standalone Financial Statements (Continued)

The Company has standard operating procedures and investment policy for deployment of surplus liquidity, which allows investment in debt securities and mutual fund schemes of debt categories only and restricts the exposure in equity markets.

Compliances of these policies and principles are reviewed by the internal auditors/internal risk management committee on periodical basis.

The Corporate Treasury team updates the Audit Committee on a quarterly basis about the implementation of the above policies. It also updates the Risk Management Committee of the Company on periodical basis about the various risks to the business and status of various activities planned to mitigate the risks.

(I) Market Risk:

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings.

(A) 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 changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the foreign currency borrowings, import of fuels, raw materials and spare parts, capital expenditure, exports of cement and the Company's net investments in foreign subsidiaries.

When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure.

The Company evaluates exchange rate exposure arising from foreign currency transactions. The Company follows established risk management policies and standard operating procedures. It uses derivative instruments like foreign currency swaps and forwards to hedge exposure to foreign currency risk.

₹ in Crores

Outstanding foreign currency exposure (Gross) as at	March 31, 2020	March 31, 2019 (Restated)
Trade receivables		
USD	1.08	1.10
Euro	0.02	0.08
Trade Payables		
USD	2.39	3.15
Euro	0.25	0.42
Others	0.04	0.11
Borrowings		
USD	14.64	14.64
Investments		
USD	6.92	6.92

Foreign currency sensitivity on unhedged exposure:

100 bps increase in foreign exchange rates will have the following impact on profit before tax.

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
USD	(5.24)	(4.78)
Others	-	0.01

Note: If the rate is decreased by 100 bps profit will increase by an equal amount.

Notes to Standalone Financial Statements (Continued)

(B) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowing with floating interest rates. For all long-term borrowings with floating rates, the risk of variation in the interest rates is mitigated through interest rate swaps. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

Interest rate exposure:

₹ in Crores

Particulars	Total Borrowings	Floating Rate Borrowings	Fixed Rate Borrowings	Non-Interest Bearing Borrowings
INR	17,173.58	10,012.66	6,759.52	401.40
USD	1,107.96	-	1,107.96	-
Total as at March 31, 2020	**18,281.54**	**10,012.66**	**7,867.48**	**401.40**
INR	19,624.16	12,864.29	6,321.10	438.77
USD	1,012.63	-	1,012.63	-
Total as at March 31, 2019	**20,636.79**	**12,864.29**	**7,333.73**	**438.77**

Note: Interest rate risk hedged for FCY borrowings has been shown under Fixed Rate borrowings

Interest rate sensitivities for unhedged exposure (impact on profit before tax due to increase in 100 bps):

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
INR	(100.13)	(128.64)

Note: If the rate is decreased by 100 bps profit will increase by an equal amount.

Interest rate sensitivity has been calculated assuming the borrowings outstanding at the reporting date have been outstanding for the entire reporting period.

Foreign Currency and Interest Rate Risk Management:

Forward Exchange and Interest Rates Swaps Contracts:

(A) Derivatives for hedging currency and interest rates, outstanding are as under:

₹ in Crores

Particulars	Hedged Item	Currency	As at March 31, 2020	As at March 31, 2019 (Restated)	Cross Currency
a. Forward Contracts	Imports	USD	8.99	10.74	Rupees
	Imports	Euro	-	0.26	Rupees
	Imports	Euro	0.72	1.24	USD
	Exports	USD	-	0.71	Rupees
b. Other Derivatives:					
i. Currency & Interest Rate Swap (CIRS)	ECB*	USD	7.32	7.32	Rupees
ii. Principal only Swap	ECB*	USD	7.32	7.32	Rupees
iii. Interest Rate Swap	ECB*	USD	7.32	7.32	USD

*External Commercial Borrowings

Notes to Standalone Financial Statements (Continued)

Notes to Standalone Financial Statements (Continued)

(B) **Cash Flow Hedges:** The Company has raised foreign currency external commercial borrowings and to mitigate the risk of foreign currency and floating interest rates the Company has taken forward contracts, currency swaps, interest rates swaps and principal only swaps. The Company is following hedge accounting for all the foreign currency borrowings raised on or after April 01, 2015 based on qualitative approach.

The Company assesses hedge effectiveness based on following criteria:

(i) an economic relationship between the hedged item and the hedging instrument;

(ii) the effect of credit risk; and

(iii) assessment of the hedge ratio

The Company designates the derivatives to hedge its currency risk and generally applies a hedge ratio of 1:1. The Company's policy is to match the critical terms of the forward exchange contracts to match with the hedged item.

Foreign currency cash flows:

Particulars	As at	Average Exchange Rate (USD/INR)	Nominal Foreign Currency USD Crores	Fair Value Assets (Liabilities) ₹ in Crores
Buy Currency for External Commercial Borrowings (USD)	**March 31, 2020**	**65.19**	**7.32**	**81.25**
Buy Currency for External Commercial Borrowings (USD)	March 31, 2019	65.19	7.32	17.25

Interest rates outstanding on Receive Floating and Pay Fix contracts:

Particulars	As at	Average contracted fixed interest rates*	Nominal Amount USD Crores	Fair Value Assets (Liabilities) ₹ in Crores
2 to 5 years	**March 31, 2020**	**7.47%**	**7.32**	**(24.74)**
2 to 5 years	March 31, 2019	7.47%	7.32	(0.02)

Cross Currency and Interest rate Swaps:

Particulars	As at	Average contracted fixed interest rates*	Average Exchange Rate (USD/INR)	Nominal Amount USD Crores	Fair Value Assets (Liabilities) ₹ in Crores
2 to 5 years	**March 31, 2020**	**7.79%**	**67.49**	**7.32**	**48.02**
2 to 5 years	March 31, 2019	7.79%	67.49	7.32	2.76

* Includes weighted average rate for Cross Currency Interest Rate Swaps, Principal Only Swap and Coupon Swaps

The above Hedging Instruments are included in the Balance Sheet under the head "Other Financial Assets"/ "Other Financial Liabilities".

Refer Statement of changes in equity for movement on OCI.

Recognition of gains / (losses) under forward exchange and interest rates swaps contracts designated under cash flows hedges:

₹ in Crores

Particulars	As at March 31, 2020		As at March 31, 2019 (Restated)	
	Effective Hedge (OCI)	**Ineffective Hedge (Profit and Loss)**	Effective Hedge (OCI)	Ineffective Hedge (Profit and Loss)
Gain/(Loss)	**(10.78)**	**-**	(11.01)	-

(C) **Commodity price risk management:**

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 adverse fluctuation in fuel prices can lead to drop in operating margin. To manage this risk, the Company enters into fixed price swaps/other derivatives for imported coal, enter into long-term supply agreement for pet coke, identifying new sources of supply etc. While fixed price swaps/ other derivatives are available in the markets for coal but in case of pet coke no such derivative is available; it has to be procured at spot prices. Additionally, processes and policies related to such risks are reviewed and controlled by senior management and fuel requirement are monitored by the central procurement team.

(II) **Credit Risk Management:**

Credit risk arises when a customer or counterparty does 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 financing / investing activities, including deposits with banks/financial institutions, mutual fund investments, and investments in debt securities, foreign exchange transactions and financial guarantees. The Company has no significant concentration of credit risk with any counterparty.

Trade receivables

Trade receivables are consisting of a large number of customers. The Company has credit evaluation policy for each customer and based on the evaluation credit limit of each customer is defined. Wherever the Company assesses the credit risk as high the exposure is backed by either bank guarantee / letter of credit or security deposits.

Total Trade receivable as on March 31, 2020 is ₹ 1,848.28 Crores (March 31, 2019 ₹ 2,353.19 Crores)

The Company does not have higher concentration of credit risks to a single customer. A single largest customer has total exposure in sales 2.4% (March 31, 2019: 2.5%) and in receivables 9.5% (March 31, 2019: 8.8%)

As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

As per policy receivables are classified into different buckets based on the overdue period ranging from 6 months – one year to more than two years. There are different provisioning norms for each bucket which are ranging from 25% to 100%.

Movement of provision for doubtful debts:

₹ in Crores

Particulars	March 31, 2020	March 31, 2019 (Restated)
Opening provision	**57.60**	41.50
Add: On account of Business Combination	**-**	2.73
Add: Provided during the year	**22.70**	13.49
Less: Utilised during the year	**(6.35)**	(0.12)
Closing Provision	**73.95**	57.60

Notes to Standalone Financial Statements (Continued)

Investments, Derivative Instruments, Cash and Cash Equivalent and Deposits with Banks/Financial Institutions

Credit Risk on cash and cash equivalent, deposits with the banks / financial institutions is generally low as the said deposits have been made with the banks / financial institutions who have been assigned high credit rating by international and domestic rating agencies.

Credit Risk on Derivative Instruments are generally low as Company enters into the Derivative Contracts with the reputed Banks and Financial Institutions.

Investments of surplus funds are made only with approved Financial Institutions / Counterparty. Investments primarily include investment in units of mutual funds, quoted Bonds, Non-Convertible Debentures issued by Government / Semi Government Agencies / PSU Bonds / High Investment grade corporates etc. These Mutual Funds and Counterparties have low credit risk.

Total Non-current and current investments excluding Subsidiaries, Joint Ventures and Associates as on March 31, 2020 is ₹ 5,905.49 Crores (March 31, 2019 ₹ 2,893.50 Crores)

Financial Guarantees

The Company has given corporate guarantees amounting to ₹ 5,982.59 Crores in favour of its subsidiaries and joint ventures (Refer note 33 (c)).

(III) Liquidity risk management:

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 table below provides details regarding the remaining contractual maturities of financial liabilities and investments held for managing the risk at the reporting date based on contractual undiscounted payments.

₹ in Crores

As at March 31, 2020	Less than 1 Year	1 to 5 Years	More than 5 Years	Total
Borrowings (including current maturities of long-term debts)	4,133.91	5,391.25	8,756.38	18,281.54
Trade Payables	3,250.85	-	-	3,250.85
Interest accrued but not due on borrowings	176.68	-	-	176.68
Lease Liabilities	125.92	455.02	772.87	1,353.81
Other Financial Liabilities (excluding Derivative Liability)	2,037.03	-	-	2,037.03
Investments	4,243.69	1,360.17	277.87	5,881.73

As at March 31, 2019	Less than 1 Year	1 to 5 Years	More than 5 Years	Total
Borrowings (including current maturities of long-term debts)	4,598.29	4,825.68	11,212.82	20,636.79
Trade Payables	2,971.33	-	-	2,971.33
Interest accrued but not due on borrowings	215.56	-	-	215.56
Other Financial Liabilities (excluding Derivative Liability)	2,003.89	-	-	2,003.89
Investments	1,514.85	1,010.81	350.44	2,876.10

Notes to Standalone Financial Statements (Continued)

NOTE 48: Distribution made and proposed (Ind AS 1)

₹ in Crores

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019
Proposed dividends on Equity shares:		
Final dividend for the year ended on March 31, 2020: ₹ 13.00 per share (March 31, 2019: ₹ 11.50 per share)	375.21	315.84
DDT on proposed dividend	-	64.92
Proposed dividends on Preference shares:		
Final dividend for the year ended on March 31, 2020	0.01	0.01
DDT on proposed dividend	-	-
Total Dividend proposed	375.22	380.77

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability (including Dividend Distribution Tax thereon) as at March 31.

NOTE 49: Capital Management (Ind AS 1)

The Capital management objective of the Company is 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 equity share capital, share premium and all other equity.

The Company monitors capital using debt-equity ratio, which is total debt less liquid investments and bank deposits divided by total equity.

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Total Debt (Bank and other borrowings)	18,281.54	20,636.79
Equity	38,296.32	33,297.36
Liquid Investments and bank deposits	6,103.86	3,119.19
Debt to Equity (Net)	0.32	0.53

In addition, the Company has financial covenants relating to the borrowing facilities that it has taken from the lenders like interest coverage service ratio, Debt to EBITDA, etc. which is maintained by the Company.

NOTE 50: Research and Development

Revenue expenditure on Research and Development included in different heads of expenses in the Statement of Profit and Loss is ₹ 16.34 Crores. (March 31, 2019 ₹ 17.31 Crores).

NOTE 51: Corporate Social Responsibility

Expenditure incurred in cash on Corporate Social Responsibility activities, included in different heads of expenses in the Statement of Profit and Loss is ₹ 123.55 Crores (March 31, 2019 ₹ 74.96 Crores) and on account of capital expenditure ₹ 0.96 Crores (March 31, 2019 ₹ 2.16 Crores). The said capital expenditure are incurred on acquiring and owning assets which are being used for the purpose of Corporate Social Responsibility. The amount required to be spent under Section 135 of the Companies Act, 2013 for the year ended March 31, 2020 is ₹ 63.50 Crores (March 31, 2019 ₹ 61.17 Crores) i.e. 2% of average net profits for last three financial years, calculated as per section 198 of the Companies Act, 2013.

Notes to Standalone Financial Statements (Continued)

NOTE 52: Government Grant (Ind AS 20)

(a) Other Operating Revenues include Incentives against capital investments, under State Investment Promotion Scheme of ₹ 381.84 Crores (March 31, 2019 ₹ 440.23 Crores).

(b) Sales Tax deferment loan granted under State Investment Promotion Scheme has been considered as a government grant and the difference between the fair value and nominal value as on date is recognized as an income. Accordingly, an amount of Nil (March 31, 2019: ₹ 45.49 Crores) has been recognized as an income. Every year change in fair value is accounted for as an interest expense.

(c) Repairs and maintenance are net of subsidy received, under State Investment Promotion Scheme of ₹ 0.32 Crores (March 31, 2019 ₹ 1.46 Crores).

(d) Cost of materials consumed are net of grants received towards royalty expense amounting to ₹ 23.44 Crores (March 31, 2019 ₹ 21.05 Crores)

NOTE 53: Assets held for Disposal (Ind AS 105)

The Company has identified certain assets like Aggregate Mines, Flats, Coal Washery etc. which are available for sale in its present condition. The Company is committed to plan the sale of asset and an active programme to locate a buyer and complete the plan has been initiated. The Company expects to dispose off these assets in the due course.

NOTE 54: Revenue (Ind AS 115)

(A) The Company is primarily in the Business of manufacture and sale of cement and cement related products. The product shelf life being short, all sales are made at a point in time and revenue recognised upon satisfaction of the performance obligations which is typically upon dispatch/ delivery. The Company has a credit evaluation policy based on which the credit limits for the trade receivables are established, the Company does not give significant credit period resulting in no significant financing component. The Company, however, has a policy for replacement of the damaged goods.

(B) Revenue recognised from Contract liability (Advances from Customers):

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Closing Contract liability	460.66	320.09

The Contract liability outstanding at the beginning of the year has been recognised as revenue during the year ended March 31, 2020.

(C) Reconciliation of revenue as per contract price and as recognised in Statement of Profit or Loss:

₹ in Crores

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019 (Restated)
Revenue as per Contract price	44,498.45	42,530.71
Less: Discounts and incentives	(4,465.20)	(3,296.84)
Revenue as per statement of profit and loss	40,033.25	39,233.87

NOTE 55:

Under the Sabka Vishwas (Legacy Dispute Resolution) Scheme 2019, announced by the Government of India, the Company has provided a one-time expense of ₹ 130.66 Crores as part of Rates and Taxes, against various disputed liabilities.

Notes to Standalone Financial Statements (Continued)

NOTE 56:

Information as per the requirement of Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
(a) (i) The principal amount remaining unpaid to any supplier at the end of accounting year included in trade payables	53.21	20.31
(ii) The interest due on above	0.01	-
The total of (i) & (ii)	53.22	20.31
(b) The amount of interest paid by the buyer in terms of section 16 of the Act	-	-
(c) The amount of the payment made to the supplier beyond the appointed day during the year	-	-
(d) The amounts of interest accrued and remaining unpaid at the end of financial year	-	-
(e) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under this Act.	-	-
(f) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

The above information has been determined to the extent such parties have been identified on the basis of information available with the Company and the same has been relied upon by the auditors.

NOTE 57: COVID-19 (Global Pandemic)

As per the directives of both the Central and State Governments in the wake of COVID-19 pandemic, the Company had suspended operations across various locations w.e.f. March 23, 2020, adversely impacting the Business during the quarter. The Company has been taking various precautionary measures to protect employees and their families from COVID-19.

The Company expects to recover the carrying amount of all its assets including inventory, receivables and loans in the ordinary course of business based on information available on current economic conditions. The Company is continuously monitoring any material changes in future economic conditions.

Operations have been resumed in a phased manner at various locations from April 20, 2020, taking cognizance of the Governments' views around resuming manufacturing activities with controlled entry and exit facilities, and after obtaining necessary permissions in this behalf.

NOTE 58:

Previous year figures have been regrouped / reclassified wherever necessary to correspond with current year classification/ disclosure.

Signatures to Note '1' to '58'

In terms of our report attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No: 101248W/W-100022

VIJAY MATHUR
Partner
Membership No: 46476

For **Khimji Kunverji & Co LLP**
(formerly Khimji Kunverji & Co.)
Chartered Accountants
Firm Registration No: 105146W/W-100621

KETAN VIKAMSEY
Partner
Membership No: 44000

For and on behalf of the Board of Directors

ATUL DAGA
Whole-time Director and CFO
DIN: 06416619

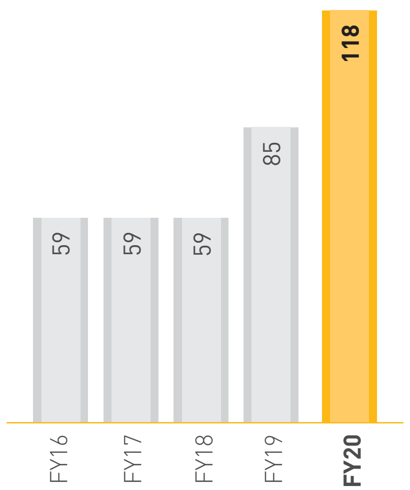
K. C. JHANWAR
Managing Director
DIN: 01743559

SANJEEB KUMAR CHATTERJEE
Company Secretary

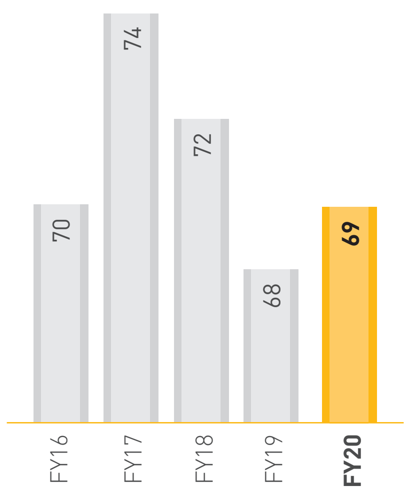
Mumbai: May 20, 2020

Performance Indicators

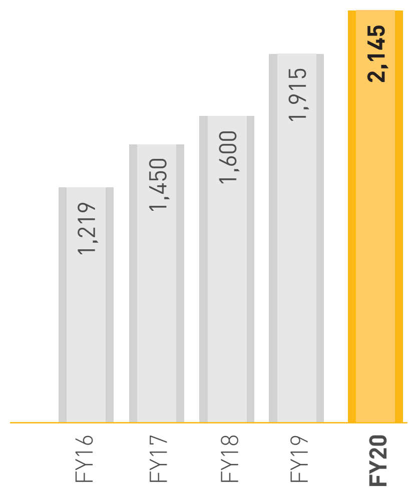
WHRS Capacity
(MW)



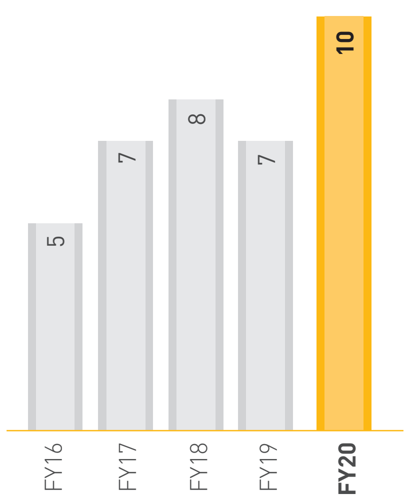
Petcoke usage (kiln)
(%)



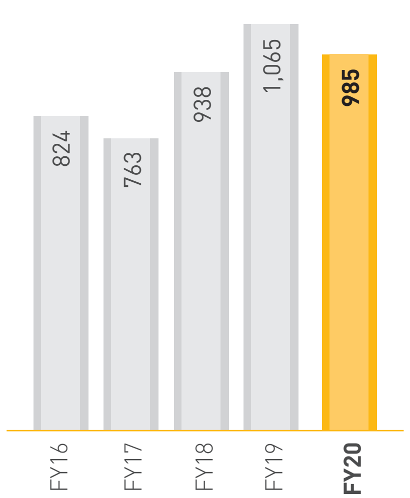
No. of UBS Outlets



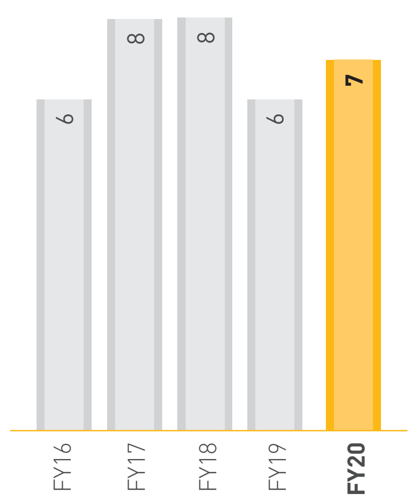
Green Power Share
(%)



Energy Cost
(₹/t)



UBS share as % in overall sales volume



(excludes overseas)

Consolidated Financial Statements

Independent Auditors' Report

To the Members of
UltraTech Cement Limited

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of UltraTech Cement Limited (hereinafter referred to as the ("Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates and its joint venture, which comprise the consolidated balance sheet as at 31 March 2020, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of the 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 of such subsidiaries, associates and joint venture as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("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 and its joint venture as at 31 March 2020, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group, its associates and its joint venture in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in the "Other Matters" paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Emphasis of matter

a) We draw attention to Note 41 of the consolidated financial statements which states that the Scheme of Demerger of Cement division of Century Textiles and Industries Limited ("Demerged Cement Division") ("the Scheme") has been given effect based on the Appointed Date of 20 May 2018 as approved by the National Company Law Tribunal which is deemed to be the acquisition date for the purpose of accounting under Ind AS 103 'Business Combinations'. Consequently, financial information for the year ended 31 March 2019 included in these consolidated financial statements has been restated. Our opinion is not modified in respect of this matter.

Independent Auditors' Report (Continued)

b) We draw attention to Note 38 (b) of the consolidated financial statements, which refer to the following matters:

1. In terms of Order dated 31 August 2016, the Competition Commission of India ("CCI") had imposed penalty of Rs.1,449.51 crores for alleged contravention of the provisions of the Competition Act, 2002 by the Company (including Demerged Cement Division). The Company (including Demerged Cement Division) had filed an appeal against the CCI Order before the Competition Appellate Tribunal ("COMPAT"). Consequent to reconstitution of Tribunals by the Government, this matter was transferred to the National Company Law Appellate Tribunal ("NCLAT"). NCLAT completed its hearing on the matter and disallowed the appeal filed by the Company (including Demerged Cement Division) against the CCI order. Aggrieved by the order of NCLAT, the Company (including Demerged Cement Division) has filed an appeal before the Honorable Supreme Court, which has granted a stay against the NCLAT order on the condition that the Company (including Demerged Cement Division) deposits 10% of the penalty amounting to Rs.144.95 crores which has been deposited. Based on a competent legal opinion obtained by the Company (including Demerged Cement Division), the Company believes that it has a good case in this matter. Considering the uncertainty relating to the outcome of this matter pending hearing of the case by the Supreme Court, no provision has been considered in the books of account. Our opinion is not modified in respect of this matter.

2. In terms of Order dated 19 January 2017, the CCI had imposed penalty of Rs.68.30 crores pursuant to a reference filed by the Government of Haryana for alleged contravention of the provisions of the Competition Act, 2002 in August, 2012 by the Company. The Company had filed an appeal before COMPAT and received the stay order dated 10 April 2017. Consequent to reconstitution of Tribunals by the Government, this matter was transferred to the NCLAT for which hearing is pending. Based on a competent legal opinion, the Company believes that it has a good case in this matter. Considering the uncertainty relating to the outcome of this matter pending hearing of the case, no provision has been considered in the books of account. Our opinion is not modified in respect of this matter.

3. The Statutory Auditors of UltraTech Nathdwara Cement Limited ("UNCL"), a wholly owned subsidiary of the Holding Company, without modifying their opinion on the audited consolidated financial statements of UNCL as at and for the year ended 31 March 2020, have reported that UNCL had filed an appeal before the Competition Appellate Tribunal (COMPAT) against the Order of the Competition Commission of India (CCI) dated 31 August 2016. Consequent to reconstitution of Tribunals by the Government, this matter was transferred to the National Company Law Appellate Tribunal (NCLAT). NCLAT completed its hearing on the matter and disallowed the appeal filed by UNCL against the CCI order. Aggrieved by the order of NCLAT, UNCL has filed an appeal before the Honorable Supreme Court of India, which has granted a stay vide its order dated 18 January 2019 against the NCLAT order. Consequently, UNCL has deposited an amount of Rs.16.73 crores equivalent to 10% of the penalty amount. Based on the legal opinion taken by the Holding Company in its own similar matter, UNCL believes that it has a good case in this matter. Considering the uncertainty relating to the outcome of this matter, no provision has been considered in the books of account of UNCL. Our opinion is not modified in respect of this matter.

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 of the current year. 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.

Independent Auditors' Report (Continued)

Description of Key Audit Matter

Key Audit Matters	How the matter was addressed in our audit
Revenue recognition - Discounts, incentives and rebates [Refer note 1(B)(o) and 60 to the consolidated financial statements] • Revenue is measured net of discounts, incentives, rebates etc. given to the customers on the Company's sales. • The Company's presence across different marketing regions within the country and the competitive business environment makes the assessment of various types of discounts, incentives and rebates as complex and judgmental. • Therefore, there is a risk of revenue being misstated as a result of variations in the assessment of discounts, incentives and rebates. • Given the complexity and judgement required to assess the provision for discounts, incentives and rebates, this is a key audit matter.	Our audit procedures included: • We have assessed the Company's accounting policies relating to revenue, discounts, incentives and rebates by comparing with applicable accounting standards. • We have assessed the design and implementation and tested the operating effectiveness of Company's internal controls over the provisions, approvals and disbursements of discounts, incentives and rebates. • We have assessed the Company's computations for accrual of discounts, incentives and rebates, on a sample basis, and compared the accruals made with the approved schemes and underlying documents. • We have verified, on a sample basis, the underlying documentation for discounts, incentives and rebates recorded and disbursed during the year. • We have compared the historical trend of payments and reversal of discounts, incentives and rebates to provisions made to assess the current year accruals. • We have examined the manual journals posted to discounts, rebates and incentives to identify unusual or irregular items.
Regulations - Litigations and claims [Refer note 38 to the consolidated financial statements] • The Company operates in various states within India and is exposed to different Central and State/Local laws, regulations and interpretations thereof. In this regulatory environment, there is an inherent risk of litigations and claims. • Consequently, provisions and contingent liability disclosures may arise from indirect tax proceedings, legal proceedings, including regulatory and other government/ department proceedings, as well as investigations by authorities and commercial claims. • The Company applies significant judgement in estimating the likelihood of the future outcome in each case and in determining the provisions or disclosures required for each matter. • Resolution of tax and legal proceedings may span over multiple years due to the highly complex nature and magnitude of the legal matters involved and may involve protracted negotiation or litigation. • These estimates could change significantly over time as new facts emerge and each legal case progresses. • Given the inherent complexity and magnitude of potential exposures and the judgement necessary to estimate the amount of provisions required or to determine required disclosures, this is a key audit matter.	Our audit procedures included: • We have gained an understanding of outstanding litigations against the Company from the Company's in-house legal counsel and other key managerial personnel who have knowledge of these matters. • We have read the correspondence between the Company and the various tax/legal authorities and the legal opinions of external legal advisors, where applicable, for significant matters. • We have tested the completeness of the litigations and claims by examining, on a sample basis, the Company's legal expenses and minutes of the board meetings. • We have challenged the Company's estimate of the possible outcome of the disputed cases based on applicable tax laws and legal precedence by involving our tax specialists. • We have assessed the adequacy of the Company's disclosures in respect of contingent liabilities for tax and legal matters.
Business combination - Acquisition of Cement Division of Century Textiles and Industries Limited ("Demerged Cement Division") [Refer note 41 to the consolidated financial statements] • The Company has completed the acquisition of Cement Division of Century Textiles and Industries Limited effective 1 October 2019 pursuant to a Scheme of Arrangement ("the Scheme"). • The Scheme was approved by the National Company Law Tribunal ("NCLT") with an appointed date of 20 May, 2018. • The Company has accounted for such acquisition as a business combination as per Ind AS 103 'Business Combinations' by recognizing identifiable assets and liabilities at fair value. • The measurement of the identifiable assets and liabilities acquired at fair value is inherently judgmental. • Fair value was determined by the Company with the assistance of an external valuation expert using various valuation models, which were applied according to the assets and liabilities being measured. • Given the complexity and judgement involved in fair value measurements and magnitude of the acquisition made by the Company, this is a key audit matter.	Our audit procedures included: • We have read the Scheme and the NCLT Order documents to understand the key terms and conditions of the acquisition. • We have compared the accounting treatment specified in the Scheme with the one specified in Ind AS 103. • We have assessed the competence and objectivity of the experts engaged by the Company. • We have critically evaluated the key assumptions, purchase price allocation adjustments and the identification and valuation of acquired intangible assets by involving our valuation specialists and based on our knowledge of the Company and the industry. • We have involved our valuation specialists to gain an understanding of the work of the experts by examining the valuation reports. • We have assessed the adequacy of the Company's disclosures in respect of the acquisition in accordance with the requirements of Ind AS 103.
Recognition and measurement of Income Taxes [Refer note 20 and 46 to the consolidated financial statements] • The Company operates in a complex tax jurisdiction and is subject to periodic challenges by tax authorities on various matters relating to claims for tax exemptions / deductions. • The determination of provision for income tax and deferred taxes including write backs of provisions involves significant judgements and estimates and interpreting the prevailing tax laws and rules. • These also involve significant judgment to determine the possible outcome of the uncertain tax positions, consequently having an impact on related accounting and disclosures in the consolidated financial statements. • Considering the complexity and significant level of estimation and judgement, this is a key audit matter.	Our audit procedures included: • We have obtained an understanding of key tax matters. • We have read and analysed the select key correspondences, external legal opinions/ consultations obtained by the Company for key tax matters. • We have critically challenged the key assumptions made by the Company in estimating current and deferred taxes by involving our tax specialists. • We have challenged the Company's estimate of the possible outcome of the disputed tax cases by considering legal precedence and other judicial rulings by involving our tax specialists. • We have assessed the adequacy of the Company's disclosures for income taxes in the consolidated financial statements.

Independent Auditors' Report (Continued)

Adoption of Ind AS 116 - Leases [Refer note 1(B)(p) and 3 to the consolidated financial statements] • The Company adopted Ind AS 116 'Leases' (Ind AS 116) with effect from 1 April 2019. • The application and transition to this accounting standard is complex and is an area of focus in our audit since the Company has a large number of leases with different contractual terms. • Ind AS 116 introduces a new lease accounting model, wherein lessees are required to recognise a right-of-use ("ROU") asset and a lease liability arising from a lease on the balance sheet. • The lease liabilities are initially measured by discounting future lease payments during the lease term as per the contract/ arrangement. • Adoption of the standard involves significant judgements and estimates in determination of the discount rates and the lease term including termination and renewal options. • Additionally, Ind AS 116 requires detailed disclosures in respect of transition. • Considering the judgements and complexities involved in transitioning to this new standard, this is a key audit matter.	Our audit procedures included: • We have obtained an understanding of the Company's processes and controls for adoption of Ind AS 116. • We have assessed the Company's evaluation on the identification of leases based on the contractual agreements and our knowledge of the business. • Upon transition as at 1 April 2019: o We have evaluated the method of transition and practical expedients applied. o We have tested the completeness of the lease data by reconciling the Company's operating lease commitments to data used in computing ROU asset and lease liabilities. • We have evaluated the computation of lease liabilities, on a sample of lease contracts, and challenged the key estimates such as discount rates and the lease term. • We have assessed the presentation and disclosures relating to Ind AS 116 including disclosures relating to transition.
Valuation and classification of subsidiaries classified as Held for Sale [Refer note 59 of the consolidated financial statements] • UNCL has classified its subsidiaries in China and Dubai as 'Held for Sale' in its separate financial statements in accordance with the provisions of Ind AS 105 'Non-current Assets Held for Sale and Discontinued Operations'. • UNCL is in the process of identification of prospective buyer for sale of investments in its subsidiaries at China and Dubai since 31 March 2019. • The same is considered as a key audit matter as it involves evaluation of conditions that are required to be satisfied for classification of assets held for sale, fair valuation of assets less cost of disposal and liabilities on such classification and consequential impairment, if any, and disclosure and presentation in the consolidated financial statements.	Auditors of UNCL, a subsidiary of the Holding company, have carried out the following audit procedures: • Obtained a detailed progress note from the Management for status of investments continued to be classified as Held for Sale. • Read minutes of meetings of Board of Directors of UNCL. • Verified the Non-Disclosure Agreement entered in to by UNCL with the bankers to identify prospective buyer. • Read communications between bankers and prospective buyers. • Sighted underlying documents to verify that the fair value less costs of disposal of investment exceeds its carrying amount in the financial statements. • Assessed appropriateness of disclosures included in the consolidated financial statements for compliance with the disclosure requirements.

Independent Auditors' Report (Continued)

Other Information

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

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditors, 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.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its associates and joint venture are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Company's Management and the Board of Directors of the companies included in the Group and of its associates and joint venture are responsible for overseeing the financial reporting process of each company.

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.

Independent Auditors' Report (Continued)

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 the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors' use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. 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 and joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and its associates and joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in para (b) of the section titled 'Other Matters' in this audit report.

  We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in sub-paragraph (b) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

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.

Independent Auditors' Report (Continued)

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' 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 of Demerged Cement Division, as considered in these consolidated financial statements, whose financial statements reflects total assets of Rs.4,019.16 crores as at 31 March 2019 and total revenues of Rs.4,259.52 crores and net cash flows amounting to Rs.(8.39) crores for period 20 May 2018 to 31 March 2019.

    These financial statements have been audited by an independent practitioner whose report has been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the aforesaid amounts and disclosures included in respect of Demerged Cement Division, is based solely on the report of the independent practitioner, as adjusted for the accounting effects of the Scheme recorded by the Company (in particular, the accounting effects of Ind AS 103 'Business Combinations') and other consequential adjustments, which have been audited by us.

(b) We did not audit the financial statements of eighteen subsidiaries, whose financial statements reflect total assets of Rs.5,713.62 crores as at 31 March 2020, total revenues of Rs.3,132.87 crores and net cash inflows amounting to Rs. 105.03 crores for the year ended on that date, as considered in these consolidated financial statements. The consolidated financial statements also include the Group's share of net loss (and other comprehensive income) of Rs.1.24 crores for the year ended 31 March, 2020, in respect of one associate and one joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management of the Company and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, associate and joint venture and our report in terms of sub-section (3) of section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, associate and joint venture is based solely on the audit reports of the other auditors.

(c) The financial statements of fourteen subsidiaries, whose financial statements reflect total assets of Rs.2,074.76 crores as at 31 March 2020, total revenues of Rs.100.85 crores and net cash inflows amounting to Rs.16.41 crores for the year ended on that date, as considered in these consolidated financial statements, have not been audited either by us or by other auditors. The consolidated financial statements also include the Group's share of net profit (and other comprehensive income) of Rs.0.01 crores for the year ended 31 March 2020, as considered in the consolidated financial statements, in respect of one associate, whose financial statements have not been audited by us or by other auditors. These unaudited financial statements have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, 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 and associate, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Group.

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

Independent Auditors' Report (Continued)

Report on Other Legal and Regulatory Requirements

A. As required by section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of such subsidiaries, associates and joint venture as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

   b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

   c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

   d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.

   e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and joint venture incorporated in India, none of the directors of the Group companies, its associate companies and joint venture incorporated in India is disqualified as on 31 March 2020 from being appointed as a director in terms of section 164(2) of the Act.

   f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the "Holding Company", its subsidiary companies, associate companies and joint venture incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

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

   i. The consolidated financial statements disclose the impact of pending litigations as at 31 March, 2020 on the consolidated financial position of the Group, its associates and joint venture. Refer Note 38 to the consolidated financial statements.

   ii. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses on long-term contracts including derivative contracts. Refer Note 53 to the consolidated financial statements in respect of such items as it relates to the Group, its associates and joint venture.

   iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies, associate companies and joint venture incorporated in India during the year ended 31 March, 2020.

   iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from 8 November, 2016 to 30 December, 2016 have not been made in the consolidated financial statements since they do not pertain to the financial year ended 31 March, 2020.

Independent Auditors' Report (Continued)

C. With respect to the matter to be included in the Auditor's report under section 197(16) of the Act:

   In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies, associate companies and joint venture incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company, its subsidiary companies, associate companies and joint venture to its directors is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director by the Holding Company, its subsidiary companies, associate companies and joint venture is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Vijay Mathur
Partner
Membership No: 046476
ICAI UDIN: 20046476AAAABW3787

Mumbai
20 May, 2020

For **Khimji Kunverji & Co LLP**
(Formerly Khimji Kunverji & Co.)
Chartered Accountants
Firm's Registration No: 105146W/ W-100621

Ketan Vikamsey
Partner
Membership No: 044000
ICAI UDIN: 20044000AAAAAG7848

Mumbai
20 May, 2020

Annexure A to the Independent Auditors' report on the consolidated financial statements

(Referred to in paragraph (A) (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of sub-section 3 of section 143 of the Companies Act, 2013

Opinion

In conjunction with our audit of the consolidated financial statements of UltraTech Cement Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31 March 2020, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, its associate companies and its joint venture company, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, its associate companies and joint venture company, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2020, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The respective company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

Auditors' Responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies, associate companies and joint venture company in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

Annexure A to the Independent Auditors' report on the consolidated financial statements (Continued)

Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

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

Inherent Limitations of Internal Financial controls with Reference to consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls 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.

Other Matter

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to nine subsidiary companies, one associate company and one joint venture company, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No: 101248W/W-100022

Vijay Mathur
Partner
Membership No: 046476
ICAI UDIN: 20046476AAAABW3787

Mumbai
20 May 2020

For **Khimji Kunverji & Co LLP**
(Formerly Khimji Kunverji & Co.)
Chartered Accountants
Firm's Registration No: 105146W/ W-100621

Ketan Vikamsey
Partner
Membership No: 044000
ICAI UDIN: 20044000AAAAAG7848

Mumbai
20 May 2020

Consolidated Balance Sheet

as at March 31, 2020

₹ in Crores

Particulars	Note No.	As at March 31, 2020			As at March 31, 2019 (Restated)
ASSETS					
Non-Current Assets					
Property, Plant and Equipment	2	43,841.45			44,643.29
Capital Work-in-Progress	2	909.52			1,148.63
Right of Use Assets	3	1,271.38			-
Goodwill	2	6,252.49			6,223.34
Other Intangible Assets	2	5,617.07			5,777.99
Intangible Assets under development	2	10.07			4.69
			57,901.98		57,797.94
Investments Accounted using Equity Method	4		23.20		18.68
Financial Assets					
Investments	5	1,661.80			1,386.16
Loans	6	1,231.67			1,156.29
Other Financial Assets	7	399.76	3,293.23		274.15
Income Tax Assets (Net)			279.83		127.57
Deferred Tax Assets (Net)	8		5.98		12.06
Other Non-Current Assets	9		2,825.54		2,810.34
Total Non-Current Assets				64,329.76	63,583.19
Current Assets					
Inventories	10		4,148.31		4,098.96
Financial Assets					
Investments	11	4,243.69			1,516.49
Trade Receivables	12	2,238.29			2,787.03
Cash and Cash Equivalents	13	146.53			441.24
Bank Balances other than Cash and Cash Equivalents	14	392.68			298.44
Loans	6	197.73			197.78
Other Financial Assets	7	1,060.88	8,279.80		1,046.27
Current Tax Assets (Net)			0.09		37.50
Other Current Assets	15		1,503.38		1,437.03
Total Current Assets				13,931.58	11,860.74
Non-Current Assets/ Disposal Group held for sale	59			1,075.79	1,093.50
TOTAL ASSETS				79,337.13	76,537.43
EQUITY AND LIABILITIES					
EQUITY					
Equity Share Capital	16 (a)		288.63		274.64
Other Equity	16 (b)		38,826.85		28,087.65
Non-Controlling Interest			7.52		12.15
				39,123.00	28,374.44
Shares Pending Issuance	16 (c)			-	5,387.71
Share Application Money Pending Allotment				-	0.65
LIABILITIES					
Non-Current Liabilities					
Financial Liabilities					
Borrowings	17	17,367.52			20,650.38
Other Financial Liabilities	18	1,055.85	18,423.37		-
Provisions	19		241.74		173.23
Deferred Tax Liabilities (Net)	20		4,911.99		6,411.42
Other Non-Current Liabilities	21		6.28		6.35
Total Non-Current Liabilities				23,583.38	27,241.38
Current Liabilities					
Financial Liabilities					
Borrowings	22	3,985.09			3,668.40
Trade Payables					
Total Outstanding Dues of Micro Enterprises and Small Enterprises	62	56.39			20.85
Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	23	3,445.04			3,138.85
Other Financial Liabilities	18	3,993.72	11,480.24		3,314.62
Other Current Liabilities	24		3,512.31		3,866.98
Provisions	19		548.06		593.83
Current Tax Liabilities (Net)			601.14		440.72
Total Current Liabilities				16,141.75	15,044.25
Non-Current Liabilities included in Disposal Group held for sale	59			489.00	489.00
TOTAL EQUITY AND LIABILITIES				79,337.13	76,537.43
Significant Accounting Policies	1				

The accompanying notes form an integral part of the Consolidated Financial Statements.

In terms of our report attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No: 101248W/W-100022

For **Khimji Kunverji & Co LLP**
(formerly Khimji Kunverji & Co.)
Chartered Accountants
Firm Registration No: 105146W/W-100621

For and on behalf of the Board of Directors

VIJAY MATHUR
Partner
Membership No: 46476

KETAN VIKAMSEY
Partner
Membership No: 44000

ATUL DAGA
Whole-time Director and CFO
DIN: 06416619

K. C. JHANWAR
Managing Director
DIN: 01743559

SANJEEB KUMAR CHATTERJEE
Company Secretary

Mumbai: May 20, 2020

Consolidated Statement of Profit and Loss

for the year ended March 31, 2020

₹ in Crores

Particulars	Note No.	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
Continuing Operations			
Revenue from Operations	25	42,124.83	41,608.81
Other Income	26	647.77	463.44
TOTAL INCOME (I)		42,772.60	42,072.25
EXPENSES			
Cost of Materials Consumed	27	5,512.68	5,698.20
Purchases of Stock-in-Trade	28	1,159.01	1,238.54
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	29	(358.59)	46.35
Employee Benefits Expense	30	2,509.43	2,291.07
Finance Costs	31	1,985.65	1,777.86
Depreciation and Amortisation Expense	32	2,702.16	2,450.73
Power and Fuel		8,467.90	9,436.14
Freight and Forwarding Expense	33	9,725.38	10,314.50
Other Expenses	34	5,839.75	5,261.22
		37,543.37	38,514.61
Less: Captive Consumption of Cement		(14.30)	(24.15)
TOTAL EXPENSES (II)		37,529.07	38,490.46
Profit from Continuing Operations before Exceptional Items and Tax Expense (I)-(II)		5,243.53	3,581.79
Exceptional Items			
Stamp Duty on Acquisition of Assets	41	-	(113.88)
Profit from Continuing Operations before Tax Expense and Share in Profit / (Loss) of Associate and Joint Venture		5,243.53	3,467.91
Share in Profit / (Loss) of Associate and Joint Venture (net of Tax expense)		(1.23)	0.54
Profit from Continuing Operations before Tax Expense		5,242.30	3,468.45
Tax Expense of continuing operations:			
Current Tax		917.08	720.28
Short / (Excess) Tax Provision related to prior years		3.25	(3.69)
Deferred Tax (Credit)/ Charge	20	(1,488.49)	351.48
Total Tax Expense		(568.16)	1,068.07
Profit for the Year from continuing operations (III)		5,810.46	2,400.38
Profit / (Loss) attributable to Non-Controlling Interest		(4.38)	(3.13)
Profit attributable to Owners of the Parent		5,814.84	2,403.51
Discontinued Operations			
Profit before tax from discontinued operations		90.03	54.94
Tax expense of discontinued operations		36.63	15.31
Less: Impairment of disposal group classified as held for sale		(53.40)	(39.63)
Profit after tax from discontinued operations (IV)		-	-
Profit for the year (V = III + IV)		5,810.46	2,400.38
Profit / (Loss) attributable to Non-Controlling Interest		(4.38)	(3.13)
Profit attributable to Owners of the Parent		5,814.84	2,403.51
Other Comprehensive Income/(Loss)			
A (i) Items that will not be reclassified to Profit or Loss - Remeasurement Gain / (Loss) on Defined Benefit Plan		(54.85)	(5.90)
(ii) Income Tax Relating to Items that will not be reclassified to Profit or Loss		20.71	2.23
B (i) Items that will be reclassified to Profit or Loss - Cash flow Hedge and Foreign Currency Translation Reserve (FCTR)		15.83	(7.01)
(ii) Income Tax Relating to Items that will be reclassified to Profit or Loss		0.63	3.85
Other Comprehensive Income/(Loss) for the Year (VI)		(17.68)	(6.83)
Other Comprehensive Income attributable to Non-Controlling Interest		0.08	(0.74)
Other Comprehensive Income/(Loss) attributable to Owners of the Parent		(17.76)	(6.09)
Total Comprehensive Income for the Year (V+VI)		5,792.78	2,393.55
Total Comprehensive income attributable to Non-Controlling Interest		(4.30)	(3.87)
Total Comprehensive income attributable to Owners of the Parent		5,797.08	2,397.42
Earnings Per Equity Share (Face Value ₹ 10 each) - Continuing Operations	47		
Basic (in ₹)		201.61	84.02
Diluted (in ₹)		201.55	84.00
Earnings Per Equity Share (Face Value ₹ 10 each) - Discontinued Operations			
Basic (in ₹)		-	-
Diluted (in ₹)		-	-
Earnings Per Equity Share (Face Value ₹ 10 each) - Continuing & Discontinued Operations	47		
Basic (in ₹)		201.61	84.02
Diluted (in ₹)		201.55	84.00
Significant Accounting Policies	1		

The accompanying notes form an integral part of the Consolidated Financial Statements.

In terms of our report attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No: 101248W/W-100022

For **Khimji Kunverji & Co LLP**
(formerly Khimji Kunverji & Co.)
Chartered Accountants
Firm Registration No: 105146W/W-100621

For and on behalf of the Board of Directors

VIJAY MATHUR
Partner
Membership No: 46476

KETAN VIKAMSEY
Partner
Membership No: 44000

ATUL DAGA
Whole-time Director and CFO
DIN: 06416619

K. C. JHANWAR
Managing Director
DIN: 01743559

SANJEEB KUMAR CHATTERJEE
Company Secretary

Mumbai: May 20, 2020

Consolidated Statement of Changes in Equity

for the year ended March 31, 2020

A. Equity Share Capital

For the year ended March 31, 2020 ₹ in Crores

Balance as at April 01, 2019	Changes in Equity Share Capital during the year	Balance as at March 31, 2020
274.64	13.99	288.63

For the year ended March 31, 2019

Balance as at April 01, 2018	Changes in Equity Share Capital during the year	Balance as at March 31, 2019
274.61	0.03	274.64

B. Other Equity

For the year ended March 31, 2020 ₹ in Crores

Particulars	Attributable to Owners of the Parent										Attributable to Non Controlling Interest	Total Other Equity
	Reserves & Surplus							Cash Flow Hedge Reserve	Exchange differences on translating the financial statements of foreign operations	Total Other Equity Attributable to Owners of the Parent		
	Capital Reserve	Securities Premium	Debenture Redemption Reserve	General Reserve	Share Option Outstanding Reserve#	Treasury Shares @@	Retained Earnings					
Balance as at April 01, 2019	170.72	77.97	416.27	21,824.73	23.00	(81.21)	5,497.48	32.21	126.48	**28,087.65**	12.15	**28,099.80**
Transition Impact of IND AS 116	**-**	**-**	**-**	**-**	**-**	**-**	**(59.73)^**	**-**	**-**	**(59.73)**	**(0.33)**	**(60.06)**
Profit for the year	-	-	-	-	-	-	5,814.84	-	-	**5,814.84**	(4.38)	**5,810.46**
Remeasurement gain / (loss) on defined benefit plan	-	-	-	-	-	-	(34.14)*	-	-	**(34.14)**	-	**(34.14)**
Effective portion of gains / (loss) on hedging instruments and FCTR	-	-	-	-	-	-	-	(62.75)@	79.13	**16.38**	0.08	**16.46**
On account of deconsolidation of fellow subsidiary	-	-	-	-	-	-	(0.05)	-	(7.97)	**(8.02)**	-	**(8.02)**
Total Comprehensive Income / (Loss) for the year	**-**	**-**	**-**	**-**	**-**	**-**	**5,780.65**	**(62.75)**	**71.16**	**5,789.06**	**(4.30)**	**5,784.76**
Purchase of Treasury Shares	**-**	**-**	**-**	**-**	**-**	**(3.59)**	**-**	**-**	**-**	**(3.59)**	**-**	**(3.59)**
Issue of Treasury Shares	**-**	**-**	**-**	**-**	**-**	**0.51**	**-**	**-**	**-**	**0.51**	**-**	**0.51**
Contribution by and Distribution to Owners	**-**	**-**										
Dividends (includes Dividend Distribution Tax)	-	-	-	-	-	-	(380.56)##	-	-	**(380.56)**	-	**(380.56)**
Issue of Shares pursuant to scheme of Demerger	-	5,373.75	-	-	-	-	-	-	-	**5,373.75**	-	**5,373.75**
Transfer to Retained Earnings	-	-	(168.77)	-	-	-	168.77	-	-	**-**	-	
Transfer from Retained Earnings	-	-	-	5,000.00	-	-	(5,000.00)	-	-	**-**	-	
Employees Stock Options Exercised	-	6.93	-	-	(3.57)	-	-	-	-	**3.36**	-	**3.36**
Employees Stock Options Granted	-	-	-	-	16.40	-	-	-	-	**16.40**	-	**16.40**
Total Contribution by and Distribution to Owners	**-**	**5,380.68**	**(168.77)**	**5,000.00**	**12.83**	**-**	**(5,211.79)**	**-**	-	**5,012.95**	**-**	**5,012.95**
Balance as at March 31, 2020	**170.72**	**5,458.65**	**247.50**	**26,824.73**	**35.83**	**(84.29)**	**6,006.61**	**(30.54)**	**197.64**	**38,826.85**	**7.52**	**38,834.37**

 # Net of Deferred Employees Compensation Expenses ₹ 23.14 Crores.

@@ The Company has formed an Employee Welfare Trust for purchasing Company's share to be allotted to eligible employees under Employees Stock Option Scheme, 2018 (ESOS 2018). As per Ind AS 32 - Financial Instruments: Presentation, Reacquired equity shares of the Company are called Treasury shares and deducted from equity.

** Net of Tax amounting to ₹ 20.71 Crores.*

@ Net of Deferred Tax amounting to ₹ 0.63 Crores.

^ Net of Deferred Tax amounting to ₹ 15.23 Crores

Dividend of ₹ 11.50/- per share and including Dividend Distribution Tax of ₹ 64.93 Crores.

Consolidated Statement of Changes in Equity

for the year ended March 31, 2020 (Continued)

For the year ended March 31, 2019 - RESTATED ₹ in Crores

Particulars	Attributable to Owners of the Parent										Attributable to Non Controlling Interest	Total Other Equity
	Reserves & Surplus							Cash Flow Hedge Reserve	Exchange differences on translating the financial statements of foreign operations	Total Other Equity Attributable to Owners of the Parent		
	Capital Reserve	Securities Premium	Debenture Redemption Reserve	General Reserve	Share Option Outstanding Reserve#	Treasury Shares @@	Retained Earnings					
Balance as at April 01, 2018	170.72	69.67	324.17	20,024.73	17.29	-	5,338.86	78.74	82.37	**26,106.55**	16.02	**26,122.57**
Profit for the year	-	-	-	-	-	-	2,403.51	-	-	**2,403.51**	(3.13)	**2,400.38**
Other Comprehensive Income/ (Loss) for the year												
Remeasurement gain / (loss) on defined benefit plan	-	-	-	-	-	-	(3.67)*	-	-	**(3.67)**	-	**(3.67)**
Effective portion of gains / (loss) on hedging instruments and FCTR	-	-	-	-	-	-	-	(46.53)@	44.11	**(2.42)**	(0.74)	**(3.16)**
Transaction cost on cancellation of shares in UNCL	-	-	-	-	-	-	(1.50)	-	-	**(1.50)**	-	**(1.50)**
Total Comprehensive Income / (Loss) for the year	**-**	**-**	**-**	**-**	**-**	**-**	**2,398.35**	**(46.53)**	**44.11**	**2,395.93**	**(3.87)**	**2,392.06**
Purchase of Treasury Shares	-	-	-	-	-	(81.21)	-	-	-	**(81.21)**	-	**(81.21)**
Contribution by and Distribution to Owners												
Dividends (includes Dividend Distribution Tax)	-	-	-	-	-	-	(347.63)##	-	-	**(347.63)**	-	**(347.63)**
Transfer to Retained Earnings	-	-	(100.00)	-	-	-	100.00	-	-	**-**	-	**-**
Transfer from Retained Earnings	-	-	192.10	1,800.00	-	-	(1,992.10)	-	-	**-**	-	**-**
Employees Stock Options Exercised	-	8.30	-	-	(3.77)	-	-	-	-	**4.53**	-	**4.53**
Employees Stock Options Granted	-	-	-	-	9.48	-	-	-	-	**9.48**	-	**9.48**
Total Contribution by and distribution to owners	**-**	8.30	92.10	1,800.00	5.71	-	(2,239.73)	-	-	**(333.62)**	**-**	**(333.62)**
Balance as at March 31, 2019	**170.72**	**77.97**	**416.27**	**21,824.73**	**23.00**	**(81.21)**	**5,497.48**	**32.21**	**126.48**	**28,087.65**	**12.15**	**28,099.80**

 # Net of Deferred Employees Compensation Expenses ₹ 38.02 Crores.

@@ The Company has formed an Employee Welfare Trust for purchasing Company's share to be allotted to eligible employees under Employees Stock Option Scheme, 2018 (ESOS 2018). As per Ind AS 32 - Financial Instruments: Presentation, Reacquired equity shares of the Company are called Treasury shares and deducted from equity.

** Net of Tax amounting to ₹ 2.23 Crores.*

@ Net of Deferred Tax amounting to ₹ 3.85 Crores.

Dividend of ₹ 10.50/- per share and including Dividend Distribution Tax of ₹ 59.27 Crores.

Significant Accounting Policies Note 1

The accompanying notes form an integral part of the Consolidated Financial Statements.

In terms of our report attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No: 101248W/W-100022

VIJAY MATHUR
Partner
Membership No: 46476

For **Khimji Kunverji & Co LLP**
(formerly Khimji Kunverji & Co.)
Chartered Accountants
Firm Registration No: 105146W/W-100621

KETAN VIKAMSEY
Partner
Membership No: 44000

For and on behalf of the Board of Directors

ATUL DAGA
Whole-time Director and CFO
DIN: 06416619

K. C. JHANWAR
Managing Director
DIN: 01743559

SANJEEB KUMAR CHATTERJEE
Company Secretary

Mumbai: May 20, 2020

Consolidated Statement of Cash Flow

for the year ended March 31, 2020

₹ in Crores

	Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019 (Restated)
(A)	**Cash Flow from Operating Activities:**		
	Profit Before tax	5,242.30	3,468.45
	Adjustments for:		
	Depreciation and Amortisation	2,702.16	2,450.73
	Gain on Fair Valuation of Investments	(289.12)	(120.36)
	Gain on Fair Valuation of VAT Deferment Loan	-	(45.49)
	Gain on Fair Value movement in Derivative Instruments	-	(0.89)
	Unrealised Exchange (Gain)/ Loss	27.68	32.19
	Share in (Profit) / Loss on equity accounted investment	1.23	(0.54)
	Compensation Expenses under Employees Stock Options Scheme	16.79	9.60
	Allowances for credit losses on Advances / debts (net)	9.55	15.43
	Bad Debts Written-off	0.83	0.66
	Excess Provision written back (net)	(150.04)	(90.06)
	Provision for Stamp Duty on Assets transferred	-	113.88
	Provision for Mines Restoration - (Release) / Charge	17.15	(6.29)
	Interest and Dividend Income	(142.20)	(118.79)
	Finance Costs	1,985.65	1,777.86
	(Profit) / Loss on Sale / Retirement of Property, Plant and Equipment (net)	2.84	(2.41)
	Profit on Sale of Current and Non-Current Investments (net)	(81.63)	(122.08)
	Operating Profit before Working Capital Changes	9,343.19	7,361.89
	Movements in working capital:		
	Increase/ (Decrease) in Trade payables and other Liabilities	218.23	765.84
	Increase / (Decrease) in Provisions	19.64	(2.09)
	(Increase)/ Decrease in Trade Receivables	504.19	(279.26)
	(Increase) in Inventories	(68.91)	(15.11)
	(Increase) in Financial and Other Assets	(222.88)	(1,165.11)
	Cash generated from Operations	9,793.46	6,666.16
	Taxes paid (net of refund)	(891.44)	(710.05)
	Net Cash generated from Operating Activities (A)	8,902.02	5,956.11
(B)	**Cash Flow from Investing Activities:**		
	Purchase of Property, Plant and Equipment	(1,706.20)	(1,756.18)
	Sale of Property, Plant and Equipment	79.02	160.27
	Expenditure for Cost of transfer of Assets	(76.53)	(52.32)
	Sale of Liquid Investment (net)	74.06	122.08
	Purchase of Investments	(6,085.57)	(1,700.00)
	Sale of Investments	3,366.07	4,356.35
	Investment in Non-Current Bank deposits	(42.29)	(3.78)
	Investment in Joint Venture and Associates	(3.00)	(7.95)
	Investment in Preference Shares	-	(20.00)
	Redemption of Preference Shares	-	20.00
	Redemption / (Investment) in Other Bank deposits	(92.60)	(105.31)
	Sales Consideration from Disposal of Fellow Subsidiary	156.69	-
	Dividend Received	32.47	22.45
	Interest Received	88.53	78.21
	Net Cash (used)/ generated from Investing Activities (B)	(4,209.35)	1,113.82
(C)	**Cash Flow from Financing Activities:**		
	Proceeds from Issue of Share Capital on exercise of ESOS	2.74	5.21
	Transaction Cost on cancellation of equity shares of Subsidiary	-	(1.50)
	Purchase of Treasury Shares	(3.59)	(81.21)
	Sale of Treasury Shares	0.51	-
	Repayment of Non-Current Borrowings	(4,154.19)	(14,221.04)
	Proceeds from Non-Current Borrowings	1,195.52	9,771.91
	Proceeds/ (Repayment) of Current Borrowings (net)	393.13	(199.05)
	Repayment of Lease Liability	(100.73)	-
	Payment of Interest on Lease Liability	(50.14)	-
	Interest Paid	(1,894.40)	(1,685.40)
	Dividend Paid Including Dividend Distribution Tax	(379.98)	(346.16)
	Net Cash used in Financing Activities (C)	(4,991.13)	(6,757.24)

Consolidated Statement of Cash Flow

for the year ended March 31, 2020 (Continued)

₹ in Crores

	Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019 (Restated)
(D)	**Net (Decrease)/ Increase in Cash and Cash Equivalents (A + B + C)**	(298.46)	312.69
(E)	**Cash and Cash Equivalents at the Beginning of the Year**	441.24	77.19
(F)	**Cash and Cash Equivalents transferred from UNCL (Refer Note 42)**	-	38.52
(G)	**Cash and Cash Equivalents transferred from CTIL (Refer Note 41)**	-	12.39
(H)	**Effect of Exchange rate fluctuation on Cash and Cash Equivalents**	3.75	0.45
(I)	**Cash and Cash Equivalents at the end of the Year from Continuing Operations (Refer Note 13)**	146.53	441.24
(J)	**Cashflow from Discontinuing Operations:**		
	Opening Cash & Cash Equivalents	27.46	23.94
	Cash flows from Operating activities of discontinuing operations	34.79	57.55
	Cash flows from Investing activities of discontinuing operations	(8.80)	(54.94)
	Cash flows from Financing activities of discontinuing operations	(30.33)	0.91
	Net cash inflows	(4.34)	3.52
	Closing Cash & Cash Equivalents	23.12	27.46
	Reclassified to asset held for sale	(23.12)	(27.46)
	Cashflow from Discontinuing Operations (J)	-	-
(K)	**Cash and Cash Equivalents at the end of the Year from Continuing Operations (Refer Note 13)**	146.53	441.24

Notes:

1. Cash flow statement has been prepared under the indirect method as set out in Ind AS - 7 specified under Section 133 of the Act.
2. Purchase of Property, Plant and Equipment includes movements of capital work-in-progress (including capital advances) during the year.
3. For FY19, the Scheme of demerger amongst Century Textiles and Industries Limited and the Company and their respective shareholders does not involve any cash outflow and the consideration has been discharged thorugh issue of equity shares. (Refer Note 41)
4. For FY19, Repayment of Borrowings includes amount paid to financial creditors as per the resolution plan. (Refer Note 42)
5. Changes in liabilities arising from financing activities

₹ in Crores

Particulars	As at March 31, 2019 (Restated)	Cashflows	Impact of deconsolidation of Fellow Subsidiary	Non-Cash Changes On account of foreign exchanges rates	As at March 31, 2020
Non-Current Borrowing (including current maturities of Non-Current Borrowing)	21,668.60	(2,958.67)	-	202.91	**18,912.84**
Current Borrowing	3,668.40	393.13	(68.76)	(7.68)	**3985.09**
	25,337.00	(2,565.54)	(68.76)	195.23	**22,897.93**

6. Cashflow from Operating Activities includes ₹ 479.44 Crores towards short-term lease payments, payments for leases of low-value assets and variable lease payments not included in the measurement of the lease liability.

Significant Accounting Policies Note 1

The accompanying notes form an integral part of the Consolidated Financial Statements

In terms of our report attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No: 101248W/W-100022

VIJAY MATHUR
Partner
Membership No: 46476

For **Khimji Kunverji & Co LLP**
(formerly Khimji Kunverji & Co.)
Chartered Accountants
Firm Registration No: 105146W/W-100621

KETAN VIKAMSEY
Partner
Membership No: 44000

For and on behalf of the Board of Directors

ATUL DAGA
Whole-time Director and CFO
DIN: 06416619

K. C. JHANWAR
Managing Director
DIN: 01743559

SANJEEB KUMAR CHATTERJEE
Company Secretary

Mumbai: May 20, 2020

Notes to Consolidated Financial Statements

NOTE 1: Company Overview and Significant Accounting Policies:

1(A) Company Overview

UltraTech Cement Limited ("the Holding Company") is a Public Limited Company incorporated in India having its registered office at Mumbai, Maharashtra, India. The Holding Company and its subsidiaries are engaged in the manufacture and sale of Cement and Cement related products. The Holding Company, its subsidiaries, associates and joint venture together referred to as "the Company" or "the Group".

1 (B) Significant Accounting Policies

(a) Statement of Compliance & Basis of Preparation and Presentation:

These consolidated financial statements (hereinafter referred to as "financial statements") are prepared in accordance with the Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013 ("the Act") and amendments thereto, other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India ("SEBI"), as applicable.

The financial statements were authorised for issue by the Board of Directors of the Company at their meeting held on May 20, 2020.

<u>Basis of Preparation</u>

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities:

(i) Derivative Financial Instruments measured at fair value

(ii) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)

(iii) Assets held for disposal – measured at the lower of its carrying amount and fair value less costs to sell

(iv) Employee's Defined Benefit Plan as per actuarial valuation.

(v) Assets and liabilities acquired under Business Combination measured at fair value; and

(vi) Employee share based payments measured at fair value.

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 under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

<u>Functional and Presentation Currency</u>

(i) The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

(ii) Figures less than ₹ 50,000 have been shown at actual, wherever statutorily required to be disclosed, all other figures have been rounded off to the nearest ₹ in lakhs, unless otherwise stated.

<u>Classification of Assets and Liabilities into Current/Non-Current</u>

The Company has ascertained its operating cycle as twelve months for the purpose of Current / Non-Current classification of its Assets and Liabilities.

For the purpose of Balance Sheet, an asset is classified as current if:

(i) It is expected to be realised, or is intended to be sold or consumed, in the normal operating cycle; or

(ii) It is held primarily for the purpose of trading; or

Notes to Consolidated Financial Statements (Continued)

(iii) It is expected to realise the asset within twelve months after the reporting period; or

(iv) The asset is a 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 period.

All other assets are classified as non-current.

Similarly, a liability is classified as current if:

(i) It is expected to be settled in the normal operating cycle; or

(ii) It is held primarily for the purpose of trading; or

(iii) It is due to be settled within twelve months after the reporting period; or

(iv) The Company does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could result in its settlement by the issue of equity instruments at the option of the counterparty does not affect this classification.

All other liabilities are classified as non-current.

(b) Property, Plant and Equipment (PPE):

The initial cost of PPE comprises its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of decommissioning.

Subsequent costs are included in the asset's carrying amount or recognized 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. All other repairs and maintenance cost are charged to the Statement of Profit and Loss during the period in which they were incurred.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Material items such as spare parts, stand-by equipment and service equipment are classified as PPE when they meet the definition of PPE as specified in Ind AS 16 – Property, Plant and Equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the Statement of Profit and Loss.

PPE are stated at their cost of acquisition/installation or construction net of accumulated depreciation, and impairment losses, if any.

(c) Expenditure during construction period:

Expenditure/ Income during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) is included under Capital Work-in-Progress and the same is allocated to the respective PPE on the completion of their construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other non-current Assets".

(d) Depreciation:

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided on a straight-line basis over the useful lives as prescribed in Schedule II to the Act or as per technical assessment. Freehold Land with indefinite life is not depreciated.

Depreciable amount for PPE is the cost of PPE less its estimated residual value. The useful life of PPE is the period over which PPE is expected to be available for use by the Company, or the number of production or similar units expected to be obtained from the asset by the Company.

Notes to Consolidated Financial Statements (Continued)

In case of certain classes of PPE, the Company uses different useful lives than those prescribed in Schedule II to the Act. The useful lives have been assessed based on technical advice, taking into account the nature of the PPE and the estimated usage of the asset on the basis of management's best estimation of obtaining economic benefits from those classes of assets. The estimated useful life is reviewed periodically, with the effect of any changes in estimate being accounted for on a prospective basis.

Such classes of assets and their estimated useful lives are as under:

No	Nature	Estimated Useful life
1	Buildings	3-60 Years
2	Leasehold land	Over the lease agreement
3	Plant & Equipment	8-50 Years
4	Office Equipment	4-7 Years
5	Furniture and Fixtures	7-12 Years
6	Mobile Phones	3 Years
7	Company Vehicles (other than those provided to the employees)	5-12 Years
8	Motor Cars given to the employees as per the Company's Scheme	4-5 Years
9	Servers and Networks	3 Years
10	Stores and Spares in the nature of PPE	8-30 Years
11	Assets individually costing less than or equal to ₹ 10,000	Fully Depreciated in the year of purchase

Depreciation on additions is provided on a pro-rata basis from the month of installation or acquisition and in case of Projects from the date of commencement of commercial production. Depreciation on deductions/disposals is provided on a pro-rata basis up to the month preceding the month of deduction/disposal.

(e) Intangible Assets and Amortisation:

- **Internally generated Intangible Assets:**

  Expenditure pertaining to research is expensed out as and when incurred. Expenditure incurred on development is capitalised if such expenditure leads to creation of an asset, otherwise such expenditure is charged to the Statement of Profit and Loss.

- **Intangible Assets acquired separately:**

  Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment loss, if any. Cost comprises the purchase price (net of tax / duty credits availed wherever applicable) and any directly attributable cost of bringing the assets to its working condition for its intended use. The Company determines the amortisation period as the period over which the future economic benefits will flow to the Company after taking into account all relevant facts and circumstances. The estimated useful life and amortisation method are reviewed periodically, with the effect of any changes in estimate being accounted for on a prospective basis.

- **Class of intangible assets and their estimated useful lives / basis of amortisation are as under**:

No	Nature	Estimated Useful life / Basis of amortisation
1	Jetty Rights	Over the period of the relevant agreement such that the cumulative amortisation is not less than the cumulative rebate availed by the Company.
2	Mining Rights	Over the period of the respective mining agreement
3	Mining Reserve	On the basis of mineral material extraction (proportion of mineral material extracted per annum to total estimated mining reserve)
4	Software	3 Years
5	Brand Rights	18 Months

Notes to Consolidated Financial Statements (Continued)

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an item of intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of such item of intangible asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

(f) Non-current assets (or disposal groups) classified as 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. This condition 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 asset and its sale is highly probable. Such assets or group of assets / liabilities are presented separately in the Balance Sheet, in the line "Assets / Disposal groups held for sale" and "Liabilities included in disposal group held for sale" respectively. Once classified as held for sale, intangible assets and PPE are no longer amortised or depreciated.

Such assets or disposal groups held for sale are stated at the lower of carrying amount and fair value less costs to sell.

(g) Impairment of Non-Financial Assets

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

(h) Inventories:

Inventories are valued as follows:

- **Raw materials, fuel, stores & spares and packing materials:**

  Valued at lower of cost and net realisable value (NRV). However, these items are considered to be realisable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost. Cost is determined on weighted average basis which includes expenditure incurred for acquiring inventories like purchase price, import duties, taxes (net of tax credit) and other costs incurred in bringing the inventories to their present location and condition.

Notes to Consolidated Financial Statements (Continued)

- **Work-in- progress (WIP), finished goods, stock-in-trade and trial run inventories:**

  Valued at lower of cost and NRV. Cost of Finished goods and WIP includes cost of raw materials, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost of Stock-in Trade includes cost of purchase and other costs incurred in bringing the inventories to the present location and condition. Cost of inventories is computed on weighted average basis.

- **Waste / Scrap:**

  Waste / Scrap inventory is valued at NRV.

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

(i) Employee Share based payments:

Equity-settled share-based payments to employees are measured at the fair value of the employee stock options at the grant date using an appropriate valuation model.

The fair value determined at the grant date of the equity-settled share-based payments is amortised over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

For Stock Appreciation Rights ("SARs") which are cash-settled share-based payments, the fair value of liability is recognised for the services acquired over the period that the employees unconditionally become entitled to the payment. At the end of each reporting period until the liability is settled, and at the date of settlement, the liability is re-measured based on fair value of the SAR's and any changes in fair value of the liability are recognised in the Statement of Profit and Loss.

(j) Treasury Shares:

The Company has formed an Employee Welfare Trust for purchasing the Company's shares to be allotted to eligible employees under Employee Stock Options Scheme, 2018. The Company has considered the said Employee Welfare Trust as its extension and shares held by the Trust is treated as Treasury Shares. As per Ind AS 32, the consideration paid for treasury shares including any directly attributable incremental cost is presented as a deduction from total equity, until they are cancelled, sold or reissued.

(k) Borrowing Costs:

General and specific borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of such asset till such time the asset is ready for its intended use and borrowing costs are being incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred.

Borrowing cost includes interest expense, amortization of discounts, hedge related cost incurred in connection with foreign currency borrowings, ancillary costs incurred in connection with borrowing of funds and exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to the Interest cost.

(l) Government Grants:

Government grants, related to assets, are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises the related costs for which the grants are intended to compensate.

Notes to Consolidated Financial Statements (Continued)

Government grants related to income under State Investment Promotion Scheme linked with VAT / GST payment, are recognised in the Statement of Profit and Loss in the period in which they become receivable.

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates and is being recognised in the Statement of Profit and Loss.

(m) Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised. A contingent asset is disclosed, in financial statements, where an inflow of economic benefits is probable.

(n) Mines Restoration Provision:

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

(o) Revenue Recognition:

(i) Revenue from Contracts with Customers

- Revenue is recognized 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 for those goods or services.

Notes to Consolidated Financial Statements (Continued)

- Revenue is measured at the fair value of consideration received or receivable taking into account the amount of discounts, incentives, volume rebates and outgoing taxes on sales. Any amounts receivable from the customer are recognised as revenue after the control over the goods sold are transferred to the customer which is generally on dispatch / delivery of goods.
- Variable consideration - This includes incentives, volume rebates, discounts etc. It is estimated at contract inception considering the terms of various schemes with customers and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. It is reassessed at end of each reporting period.
- Significant financing component - Generally, the Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

(ii) Dividend income is accounted for when the right to receive the income is established.

(iii) Interest income is recognised using the Effective Interest Method.

(p) Lease :

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

(i) the contract involves the use of identified asset;

(ii) the Company has substantially all of the economic benefits from the use of the asset through the period of lease and;

(iii) the Company has the right to direct the use of the asset.

As a lessee

The Company recognizes a right-of-use asset ("ROU") and a lease liability at the lease commencement date. The ROU is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

The ROU is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprises fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option.

Notes to Consolidated Financial Statements (Continued)

The lease liability is subsequently measured at amortised cost using the effective interest method, except those which are payable other than functional currency which is measured at fair value through profit or loss. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the ROU, or is recorded in Statement of Profit or Loss if the carrying amount of the right-of-use asset has been reduced to zero.

Lease Liabilities have been presented in 'Financial Liabilities' and the 'ROU' have been presented separately in the Balance Sheet. Lease payments have been classified as financing activities in the Statement of Cash Flows.

Short-term leases and leases of low-value assets

The Company has elected not to recognise ROU and lease liabilities for short term leases that have a lease term of 12 months or lower and leases of low value assets. The Company recognises the lease payments associated with these leases as an expense over the lease term. The related cash flows are classified as Operating activities in the Statement of Cash Flows.

Under Ind AS 17

In the comparative period, accounting for leases were done as per Ind AS 17. Leases were classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as Operating Leases.

As a Lessee:

Operating Lease: Lease rentals are charged or recognised in the Statement of Profit and Loss on a straight-line basis over the lease term, except where the payment are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increase.

Finance Lease: Assets held under finance leases are recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to the Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's policy on borrowing costs.

As a lessor

Lease income from operating leases where the Company is a lessor is recognised in income over the lease term. The respective leased assets are included in the balance sheet based on their nature.

(q) Employee benefits:

Gratuity

The gratuity, a defined benefit plan, payable to the employees is based on the Employees' service and last drawn salary at the time of the leaving of the services of the Company and is in accordance with the Rules of the Company for payment of Gratuity. Liability with regards to gratuity plan is determined using the projected unit credit method, with actuarial valuations being carried out by a qualified independent actuary at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in Other Comprehensive Income (OCI) in the period in which they occur. Re-measurement recognised

Notes to Consolidated Financial Statements (Continued)

in OCI is reflected immediately in retained earnings and will not be reclassified to Statement of Profit and Loss. Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment. Interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset and is recognised in the Statement of Profit and Loss. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

The defined benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

Superannuation

Certain employees of the Company are eligible for participation in defined contribution plans such as superannuation and national pension fund. Contributions towards these funds are recognized as an expense periodically based on the contribution by the Company, since Company has no further obligation beyond its periodic contribution.

Provident Fund

The eligible employees of the Company are entitled to receive benefits in respect of provident fund, which is a defined benefit plan, for which both the employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The contributions as specified under the law are made to the approved provident fund which is set up by the Company. The Company is liable for annual contributions and any shortfall in the fund assets based on the government specified minimum rates of return and recognises such contributions and shortfall, if any, as an expense in the year incurred.

Other employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured using the projected unit credit method by a qualified independent actuary at the end of each annual reporting period, at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date. With reference to some employees, liability of other fixed long-term employee benefits is recognised at the present value of the future cash outflows expected to be made by the Company.

Remeasurement gains / losses are recognised in the Statement of Profit and Loss in the period in which they arise.

(r) Income Taxes:

Income Tax expenses comprise current tax and deferred tax charge or credit.

Current Tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws.

Deferred tax is recognised, on all temporary differences at the reporting date between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes. Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Tax relating to items recognised directly in equity or OCI is recognised in equity or OCI and not in the Statement of Profit and Loss. Minimum Alternate Tax (MAT) Credits are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence it is grouped with Deferred Tax Asset. MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

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. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized 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; and

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.

Deferred tax assets are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised.

The Government of India, on September 20, 2019, vide the Taxation Laws (Amendment) Ordinance 2019, inserted a new Section 115BAA in the Income Tax Act, 1961, which provides an option to the Company for paying Income Tax at reduced rates as per the provisions/ conditions defined in the said section. The Company is continuing with higher income tax rate option, based on the available outstanding MAT credit entitlement and different exemptions & deduction enjoyed by the Company. However, the Company has estimated and applied the lower income tax rate on the deferred tax assets / liabilities to the extent these are expected to be realized or settled in the future period when the Company may be subjected to lower tax rate.

(s) Earnings Per Share:

Basic Earnings Per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares.

For the purpose of calculating diluted earnings per share, net profit / (loss) after tax for the year attributable to the equity shareholders is divided by the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares and is adjusted for the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

(t) Foreign Currency transactions:

Transactions in currencies other than the Company's functional currency (i.e. foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of initial transactions.

Notes to Consolidated Financial Statements (Continued)

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences relating to qualifying effective cash flow hedges and qualifying net investment hedges in foreign operations which are recognised in OCI.

(u) Foreign operations:

The assets and liabilities of foreign operations including goodwill and fair value adjustments arising on acquisition are translated into INR, the functional currency of the Company, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. Exchange differences are recognized in OCI and accumulated in equity (as exchange differences on translating the financial statements of a foreign operation), except to the extent that the exchange differences are allocated to NCI.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount of exchange differences related to that foreign operation recognized in OCI is reclassified to Statement of Profit and Loss as part of the gain or loss on disposal. If the Group disposes off part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is re-allocated to NCI. When the Group disposes of only a part of its interest in an associate or a joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to Statement of Profit and Loss.

(v) Financial Instruments:

A Financial Instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Initial Recognition:

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 profit or loss and ancillary costs related to borrowings) 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 profit or loss are charged to the Statement of Profit and Loss over the tenure of the financial assets or financial liabilities.

Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, Fair Value through Other Comprehensive Income ("FVOCI") or Fair Value through Profit or Loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

Amortised Cost:

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

In case of financial assets classified and measured at amortised cost, any interest income, foreign exchange gains or losses and impairment are recognised in the Statement of Profit and Loss.

Fair Value through OCI:

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Fair Value through Profit or Loss:

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through OCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

For financial assets at FVTPL, net gains or losses, including any interest or dividend income, are recognised in the Statement of Profit and Loss.

Classification and Subsequent Measurement: Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

Financial Liabilities at FVTPL:

Financial liabilities are classified FVTPL when the financial liability is held for trading or is a derivative (except for effective hedge) or are designated upon initial recognition as FVTPL.

Gains or Losses, including any interest expense on liabilities held for trading are recognised in the Statement of Profit and Loss.

Other Financial Liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest rate is the rate that exactly discounts estimated future cash 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 financial liability, or (where appropriate) a shorter period, to the amortised cost on initial recognition.

Interest expense (based on the effective interest method), foreign exchange gains and losses, and any gain or loss on derecognition is recognised in the Statement of Profit and Loss.

Impairment of financial assets:

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financial assets in FVTPL category. For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition.

Notes to Consolidated Financial Statements (Continued)

The Company's trade receivables do not contain significant financing component and as per simplified approach, 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 impairment losses and reversals are recognised in Statement of Profit and Loss.

Derecognition of financial assets and financial liabilities:

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises an associated liability for amounts it has to pay.

On derecognition of a financial asset, 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 OCI and accumulated in equity is recognised in the Statement of Profit and Loss.

The Company de-recognises financial liabilities when and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

Financial Guarantee Contract Liabilities

Financial Guarantee Contract Liabilities are disclosed in financial statements in accordance with Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets.

(w) Cash and cash equivalents:

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand and short-term deposits with banks that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

(x) 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.

- **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 a Company are recognised at the proceeds received.

(y) Derivative financial instruments:

The Company enters into derivative financial instruments viz. foreign exchange forward contracts, interest rate swaps and cross currency swaps to manage its exposure to interest rate, foreign exchange rate risks and commodity prices. The Company does not hold derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately excluding derivatives designated as cashflow hedge.

Notes to Consolidated Financial Statements (Continued)

(z) Hedge accounting:

The Company designates certain hedging instruments in respect of foreign currency risk, interest rate risk and commodity price risk as cash flow hedges. At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

The effective portion of changes in the fair value of the designated portion of derivatives that qualify as cash flow hedges is recognised in OCI and accumulated under equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Amounts previously recognised in OCI and accumulated in equity relating to effective portion as described above are reclassified to Statement of Profit or Loss in the periods when the hedged item affects the Statement of Profit or Loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued prospectively when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in OCI and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the Statement of Profit and Loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the Statement of Profit and Loss.

(aa) Segment Reporting: 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. Based on the management approach as defined in Ind AS 108, the CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

(bb) Goodwill:

Goodwill arising out of Consolidation of financial statements of subsidiaries are tested for impairment at each reporting date.

(cc) Business Combination:

The Company applies the acquisition method in accounting for business combinations. The consideration transferred by the Company to obtain control of a business is calculated as the sum of the fair values of assets transferred, liabilities incurred and the equity interests issued by the Company as at the acquisition date i.e. date on which it obtains control of the acquiree which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition-related costs are recognised in the statement of profit and loss as incurred, except to the extent related to the issue of debt or equity securities.

Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values on acquisition-date.

Intangible Assets acquired in a Business Combination and recognised separately from Goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible Assets acquired in a Business Combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Notes to Consolidated Financial Statements (Continued)

Goodwill is measured as the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. Such goodwill is tested annually for impairment. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the excess is termed as bargain purchase.

In case of a bargain purchase, before recognizing a gain in respect thereof, the Company determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase thereafter, the Company reassesses whether it has correctly identified all the assets acquired and liabilities assumed and recognises any additional assets or liabilities that are so identified, any gain thereafter is recognised in OCI and accumulated in equity as Capital Reserve. If there does not exist clear evidence of the underlying reasons for classifying the Business combination as a bargain purchase, the Company recognises the gain, after reassessing and reviewing, directly in equity as Capital Reserve.

Contingent consideration is classified either as equity or financial liability. Amount classified as financial liability are subsequently re-measured to fair value with changes in fair value recognised in statement of profit and loss.

(dd) Discontinued Operations:

A discontinued operation is a component of the Group's business, the operations and cashflows of which can be clearly distinguished from those of the rest of the Group and which represents a separate major line of business or geographical area of operations and

- Is a part of single coordinated plan to dispose of a separate major line of business or geographical area of operations; or

- Is a subsidiary acquired exclusively with a view to re-sale.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier.

When an operation is classified as a discontinued operation, the comparative Statement of Profit and Loss is represented as if the operation had been discontinued from the start of the comparative period.

Note 1(C) Critical accounting judgements and key sources of estimation uncertainty:

The preparation of the Company's financial statements requires management to make judgements, 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.

(a) Critical judgments in applying accounting policies:

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognised in the consolidated financial statements.

(i) Classification of Lease Ind AS 116:

Ind AS (116) Leases requires a lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying lease to the Company's operations taking into account the location of the underlying asset and the availability of the suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

(ii) Classification of Madanpur (North) Coal Company Limited as Investment in an Associate:

A Joint Venture Company (JV) "Madanpur (North) Coal Company Limited" was formed by allocatees of Madanpur North Coal Block. As per Ind AS 111, when all the parties, or a group of parties, considered collectively, are able to direct the activities that significantly affect the returns of the arrangement (i.e. the relevant activities), the parties control the arrangement collectively. Also, joint control exists only when decisions about the relevant activities require the unanimous consent of all the parties. In terms of the JV agreement between the parties, each JV partner has right to nominate one director on the board of JV and major decisions shall be taken by a majority of 75% of the directors present. Since there is no unanimous consent required from the parties, in the judgement of the management the Company does not have joint control over the JV. However, considering the Company's representation in the board and the extent of its ability to exercise the influence over the decision over the relevant activities, the JV has been considered as an associate and accounted under the equity method.

(iii) Non Classification of Awam Minerals LLC, Oman (AWAM) as an Associate:

During the year, UltraTech Cement Middle East Investments Limited ("UCMEIL"), the Company's wholly-owned subsidiary in UAE, which held 51% equity in AWAM, transferred 14% of its holding in AWAM. Consequent to dilution of its stake and as per terms of the restructuring agreement, UCMEIL ceased to have management control as well as does not have any power to participate in financial and operating policy decision of AWAM. AWAM thus ceased to be a subsidiary as well as an associate of UCMEIL.

(b) Key assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(i) Useful Lives of Property, Plant & Equipment and Intangible Assets:

The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets. In case of certain mining rights the amortisation is based on the extracted quantity to the total mineral reserve.

(ii) Impairment of Assets:

The Company reviews its carrying value of assets annually where there is an indication of impairment by estimating the future economic benefits from using such assets If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

(iii) Recognition and measurement of deferred tax assets and liabilities:

Deferred tax assets and liabilities are recognised for deductible temporary differences and unused tax losses for which there is probability of utilisation against the future taxable profit. The Company uses judgement to determine the amount of deferred tax liability / asset that can be recognised, based upon the likely timing and the level of future taxable profits and business developments.

(iv) Income Taxes:

The Company calculates income tax expense based on reported income and estimated exemptions / deduction likely available to the Company The Company is continuing with higher income tax rate option, based on the available

Notes to Consolidated Financial Statements (Continued)

Notes to Consolidated Financial Statements (Continued)

outstanding MAT credit entitlement and different exemptions & deduction enjoyed by the Company. However, the Company has applied the lower income tax rates on the deferred tax assets / liabilities to the extent these are expected to realized or settled in the future when the Company may be subject to lower tax rate based on the future financials projections.

(v) Fair value measurement of financial instruments:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

(vi) Defined benefit plans:

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

(vii) Mines Restoration Obligation:

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

(viii) Share-based payments:

The Company measures the cost of equity-settled transactions with employees using Black-Scholes model and cash settled transactions with employees using binomial tree model to determine the fair value of the liability incurred on the grant date. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant.

This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 51.

(ix) Business Combination:

(a) Fair Valuation of Intangibles:

Mining Rights:

The Company has used royalty saved method for value analysis of limestone mining rights. The method estimates the value of future savings in royalty payments over the life of the mine accruing to the Company, by virtue of the transaction instead of obtaining the mining rights via the Government e-auction process.

The resulting post-tax cash flows for each of the years are recognised at their present value using a Weighted Average Cost of Capital ('WACC') relating to the risk of achieving the mine's projected savings.

Brand:

The Company has used relief from royalty method for value analysis of Brand. The method estimates the value as the present value of the after-tax projected revenues cash flows attributable to the Brand value.

The resulting post-tax cash flows for each of the years are recognised at their present value using a Weighted Average Cost of Capital ('WACC') relating to the risk associated with the Brand Name, which is higher than the overall business.

(b) Fair Valuation of Tangibles:

Freehold land:

Freehold land was valued using the sales comparison method using prevailing rates of similar plots of land, circle rates provided by department of revenue and general market intelligence based on size of land parcel.

Leasehold land:

Leasehold land was valued basis the leasehold interest for the remaining duration of the lease.

Other Assets:

The cost approach has been adopted for fair valuing all the fixed assets except vehicles which have been measured at the old book values less depreciation.

The cost approach includes calculation of depreciated replacement cost using price trends applied to historical cost and capitalisation of all the indirect cost, these trends are on the basis of price indices obtained from recognized sources such as the RBI/ OEA or market intelligence. In the case of buildings in cement plants, appropriate weightages have been applied to cement, iron & steel and labour indices to arrive at the escalation factor and depreciating the same for past usage based on estimated total and remaining useful life of the asset.

(x) Disposal Groups:

The Company has used comparable market multiple approach to assess the fair value of the disposal group.

Under the market multiple approach, enterprise value of a company is determined by using multiples derived from valuations of comparable companies, as manifested through stock market valuations of listed companies considering Enterprise Value/ Revenue and Enterprise value/ EBITDA multiples based on their market price and latest published financial information.

Appropriate adjustments are made (e.g. for debt and surplus assets) to arrive at the equity value of the disposal group.

Note 1(D) Change of Accounting Policies on adoption of Ind AS 116:

Effective from 1 April 2019 ('the date of transition'), the Company applied Ind AS 116 Leases, using the modified retrospective approach, under which the cumulative effect of initial application is recognised in retained earnings at 1 April 2019. Accordingly, the comparative information is not restated and is presented, as previously reported, under Ind AS 17. Additionally, the disclosure requirements in Ind AS 116 have not generally been applied to comparative information.

The Company as a lessee:

As a lessee, the Company leases many assets including ships, land, buildings, plant and equipment, etc. The Company previously classified leases as operating or finance leases based on its assessment of whether the lease transferred significantly all of the risks and rewards incidental to ownership of the underlying asset to the Company. Under Ind AS 116, the Company recognises right-of-use assets and lease liabilities for most of these leases i.e. on balance sheet accounting.

On transition, for leases classified as operating leases under Ind AS 17, the lease liabilities are measured at the present value of the remaining lease payments, discounted at the Company's incremental borrowing rate as at April 1, 2019. Right-of-use assets are measured at an amount equal to the lease liability, adjusted by the amount of any prepaid or

Notes to Consolidated Financial Statements (Continued)

accrued lease payments. The Company has tested its right-of-use assets for impairment on the date of transition and has concluded that there is no indication that the right-of-use assets are impaired.

The Company used a number of practical expedients when applying Ind AS 116 to leases previously classified as operating leases under Ind AS 17. In particular, the Company:

a. applied a single discount rate to a portfolio of leases with reasonably similar characteristics.

b. relied on previous assessments on whether leases are onerous as an alternative to performing an impairment review – there were no onerous contracts as at 1 April 2019

c. did not recognise right-of-use assets and liabilities for leases for which the lease term ends within 12 months of the date of initial application

d. did not recognise right-of-use assets and liabilities for leases where the Right of Use value of assets is not material as per company policy.

e. excluded initial direct costs from the measurement of the right-of-use asset at the date of initial application.

The difference between the future minimum lease rental commitments towards non-cancellable operating leases and finance leases reported as at March 31, 2019 compared to the lease liability as accounted as at April 1, 2019 is primarily due to inclusion of present value of the lease payments for the cancellable term of the leases, reduction due to discounting of the lease liabilities as per the requirement of Ind AS 116 and exclusion of the commitments for the leases to which the Company has chosen to apply the practical expedients as per the standard.

The Company as a lessor:

The Company is not required to make any adjustments on transition to Ind AS 116 for leases in which it acts as a lessor, except for a sub - lease. The Company accounted for its sub leases in accordance with Ind AS 116 from the date of initial application.

Notes to Consolidated Financial Statements (Continued)

NOTE 2: Property, Plant & Equipment and Other Intangible Assets

₹ in Crores

Particulars	Gross Block					Depreciation and Amortisation					Net Block
	As at April 1, 2019	Other Adjustments*	Additions	Deductions/ Adjustments/ Held for disposal	As at March 31, 2020	As at April 1, 2019	Other Adjustments*	For the year	Deductions/ Adjustments/ Held for disposal	As at March 31, 2020	As at March 31, 2020
(A) Tangible Assets @											
Land:											
Freehold Land	6,389.67	0.83	196.95	130.92	**6,456.53**	-	-	-	-	**-**	**6,456.53**
Leasehold Land	1,102.60	-	31.05	140.72	**992.93**	89.28	(0.03)	45.12	9.20	**125.17**	**867.76**
Buildings	5,130.11	(3.16)	231.70	11.36	**5,347.29**	629.19	2.32	224.86	2.81	**853.56**	**4,493.73**
Railway Sidings	889.53	1.60	14.53	0.15	**905.51**	147.52	(0.01)	53.96	0.08	**201.39**	**704.12**
Plant and Equipment:											
Own	36,920.15	148.87	1,217.40	177.49	**38,108.93**	5,264.65	28.86	1,916.68	77.03	**7,133.16**	**30,975.77**
Given on Lease	174.64	-	-	-	**174.64**	48.49	-	10.74	-	**59.23**	**115.41**
Office Equipment	208.00	(0.17)	59.54	2.84	**264.53**	104.49	(0.02)	39.35	2.08	**141.74**	**122.79**
Furniture and Fixtures	106.11	1.17	8.43	3.80	**111.91**	57.52	0.71	15.15	3.21	**70.17**	**41.74**
Vehicles	110.49	0.66	24.41	13.77	**121.79**	46.87	0.39	19.39	8.46	**58.19**	**63.60**
Total Tangible Assets	**51,031.30**	**149.80**	**1,784.01**	**481.05**	**52,484.06**	**6,388.01**	**32.22**	**2,325.25**	**102.87**	**8,642.61**	**43,841.45**
(B) Capital Work-in-Progress											**909.52**
(C) Intangible Assets											
Software	64.77	0.29	20.55	0.03	**85.58**	50.72	0.04	12.62	0.03	**63.35**	**22.23**
Mining Rights	176.67	-	7.66	1.32	**183.01**	50.58	-	5.21	1.32	**54.47**	**128.54**
Brand	155.21	-	-	-	**155.21**	89.54	-	65.67	-	**155.21**	**-**
Mining Reserve	5,482.66	-	0.69	-	**5,483.35**	111.37	-	121.08	-	**232.45**	**5,250.90**
Jetty Rights	182.86	-	29.82	-	**212.68**	29.32	-	8.25	-	**37.57**	**175.11**
Power Line Rights	64.88	5.10	-	10.73	**59.25**	17.53	1.56	3.55	3.68	**18.96**	**40.29**
Total Intangible Assets	**6,127.05**	**5.39**	**58.72**	**12.08**	**6,179.08**	**349.06**	**1.60**	**216.38**	**5.03**	**562.01**	**5,617.07**
(D) Intangible Assets under Development											**10.07**
Total Assets (A + B + C + D)	**57,158.35**	**155.19**	**1,842.73**	**493.13**	**58,663.14**	**6,737.07**	**33.82**	**2,541.63**	**107.90**	**9,204.62**	**50,378.11**

@ *Net Block of Tangible Assets of the Company, amounting to ₹ 23,913.79 Crores (March 31, 2019 ₹ 17,961.06 Crores) were pledged as security against the Secured Borrowings of the Company.*

₹ in Crores

Particulars	Gross Block						Depreciation and Amortisation					Net Block
	As at April 1, 2018	Transferred on acquisition (Refer Note 41 and 42)	Other Adjustments*	Additions	Deductions/ Adjustments/ Held for disposal	As at March 31, 2019 (Restated)	As at April 1, 2018	Other Adjustments*	For the year	Deductions/ Adjustments/ Held for disposal	As at March 31, 2019 (Restated)	As at March 31, 2019 (Restated)
(A) Tangible Assets $												
Land:												
Freehold Land	5,428.88	825.75	0.51	123.86	(10.67)	**6,389.67**	-	-	-	-	**-**	**6,389.67**
Leasehold Land	932.56	222.06	(0.09)	75.70	127.63	**1,102.60**	48.16	(0.06)	48.30	7.12	**89.28**	**1,013.32**
Buildings	4,345.82	615.94	8.11	218.66	58.42	**5,130.11**	426.70	0.62	205.10	3.23	**629.19**	**4,500.92**
Railway Sidings	653.08	195.44	-	41.04	0.03	**889.53**	98.27	-	49.25	-	**147.52**	**742.01**
Plant and Equipment												
Own	28,047.86	7,043.36	79.71	1,755.81	6.59	**36,920.15**	3,461.31	8.64	1,811.32	16.62	**5,264.65**	**31,655.50**
Given on Lease	142.38	32.90	-	-	0.64	**174.64**	37.39	-	11.10	-	**48.49**	**126.15**
Office Equipment	149.84	30.89	(0.07)	42.41	15.07	**208.00**	84.94	(0.06)	32.22	12.61	**104.49**	**103.51**
Furniture and Fixtures	80.03	11.21	0.57	15.50	1.20	**106.11**	43.21	0.29	14.84	0.82	**57.52**	**48.59**
Vehicles	90.67	2.50	0.18	27.42	10.28	**110.49**	33.55	0.09	18.92	5.69	**46.87**	**63.62**
Total Tangible Assets	**39,871.12**	**8,980.05**	**88.92**	**2,300.40**	**209.19**	**51,031.30**	**4,233.53**	**9.52**	**2,191.05**	**46.09**	**6,388.01**	**44,643.29**
(B) Capital Work-in-Progress												**1,148.63**
(C) Intangible Assets												
Software	52.76	1.80	-	10.21	-	**64.77**	42.14	-	8.58	-	**50.72**	**14.05**
Mining Rights	161.81	-	-	14.97	0.11	**176.67**	12.60	-	10.28	0.04	**22.84**	**153.83**
Brand	-	155.21	-	-	-	**155.21**	-	-	89.54	-	**89.54**	**65.67**
Mining Reserve	2,715.87	2,766.79	-	-	-	**5,482.66**	39.07	-	100.04	-	**139.11**	**5,343.55**
Jetty Rights	182.86	-	-	-	-	**182.86**	26.77	-	7.86	5.31	**29.32**	**153.54**
Power Line Rights	61.06	-	3.82	-	-	**64.88**	12.37	0.73	4.43	-	**17.53**	**47.35**
Total Intangible Assets	**3,174.36**	**2,923.80**	**3.82**	**25.18**	**0.11**	**6,127.05**	**132.95**	**0.73**	**220.73**	**5.35**	**349.06**	**5,777.99**
(D) Intangible Assets under Development												**4.69**
Total Intangible Assets												**5,782.68**
Total Assets (A + B + C + D)	**43,045.48**	**11,903.85**	**92.74**	**2,325.58**	**209.30**	**57,158.35**	**4,366.48**	**10.25**	**2,411.78**	**51.44**	**6,737.07**	**51,574.60**

* On account of Foreign Currency Translation

$ Net Block of Tangible Assets of the Demerged Undertaking, amounting to ₹ 6039.14 Crores (Book value of transferred assets from CTIL: ₹ 2501.85 Crs) were pledged as security against the borrowings of the Demerged Undertaking and Century Textiles and Industries Limited.

Note: Title Deeds

a) In respect of Manikgarh Cement Division, land measuring 41.20 hectares occupied by Forest Department and disputed by the Company was adjudicated by the Collector and the Divisional Commissioner (Appeals) in favour of the Company. The Government of Maharashtra on reference made by the Forest Department directed the Controller for a fresh demarcation of the sight boundaries and has also directed the Forest department to refund the compensation paid by the Company along with interest for the land falling within their boundaries. The Revisional Authority has since observed that approx. 17 Hectares fall within the boundaries of the reserved Forest and the Company has filed a writ petition before the Bombay High Court, Nagpur Bench against the said order. The Bombay High Court, Nagpur Bench on April 3, 2014 upheld the order passed by the Government of Maharashtra and directed collector Chandrapur to complete the documentation of the land within six months with a right to Manikgarh Cement division to challenge the forest notification issued in the year 1953, if such occassion arises. Adjustments, if any, will be made in the year in which the matter will be settled.

b) Includes 1.45 hectares of land at Manikgarh cement division at a cost of ₹ 0.01 Crores for which Sale and Conveyance deeds and other transfer formalities are yet to be executed. Stamp duty and incidental expenses will be capitalised on the execution of the same.

Notes to Consolidated Financial Statements (Continued)

NOTE 2: Property, Plant and Equipment and Other Intangible Assets (Continued)

₹ Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
(A) Depreciation and Amortisation for the year	2,541.63	2,411.78
Add: Obsolescence (Including impairment of ₹ Nil Crores (March 31, 2019 ₹ 18.63 Crores) towards Assets classified as held for disposal) (Refer Note 59)	37.49	39.21
Less: Depreciation transferred to Pre-operative Expenses	(0.04)	(0.26)
Add: Depreciation on ROU (Refer Note 3)	123.08	-
Depreciation as per Statement of Profit and Loss	2,702.16	2,450.73

(B) 1. Tangible Assets include assets for which ownership is not in the name of the Company - Gross Block of ₹ 563.66 Crores (March 31, 2019 ₹ 442.26 Crores).

2. Buildings include ₹ 12.13 Crores (March 31, 2019 ₹ 12.13 Crores) being cost of Debentures and Shares in a company entitling the right of exclusive occupancy and use of certain premises.

3. Title of immovable properties having Gross Block of ₹ 3,568.28 Crores (March 31, 2019 ₹ 4,013.37 Crores) and Net Block of ₹ 3,418.88 Crores (March 31, 2019 ₹ 3,905.84 Crores) is yet to be transferred in the name of the Company.

4. The amount of expenditures recognised in the carrying amount of an item of PPE in the course of its construction:

₹ Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
Pre-operative expenses pending allocation:		
Raw Materials Consumed	11.75	0.39
Power and Fuel Consumed	1.70	8.56
Salary, Wages, Bonus, Ex-gratia and Provisions	9.77	6.63
Insurance	0.60	0.06
Depreciation	0.04	0.26
Finance Costs	0.93	6.45
Miscellaneous expenses	19.50	19.09
Total Pre-operative expenses	44.29	41.44
Less: Sale of Products / Other Income	(14.41)	(1.38)
Less: Trial Run production transferred to Inventory	(4.79)	(8.46)
Add: Brought forward from Previous Year	50.31	104.52
Less: Capitalised / Charged during the Year	(5.96)	(85.81)
Balance included in Capital Work-in-Progress	69.44	50.31

5. **Movement in Goodwill:**

₹ Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
Opening Balance	6,223.34	1,036.30
Less: Derecognised Goodwill on loss of Control (Refer Note 37)	(57.99)	-
Add: Exchange difference recognised in foreign currency translation reserve	87.14	53.11
Add: Goodwill recognised on account of Business Combination (Refer Note 41 and 42)	-	5,133.93
Closing Balance	6,252.49	6,223.34

Notes to Consolidated Financial Statements (Continued)

NOTE 3: Leases

(I) As a lessee (Ind AS 116)

(a) The Company has implemented Indian Accounting Standard for Leases ("Ind AS 116") with effect from April 1, 2019 using the modified retrospective approach, under which the cumulative effect of Initial application is recognized in retained earnings as on April 1, 2019. The effect of initial recognition as per Ind AS 116 is as follows:

₹ in Crores

Particulars	As on April 01, 2019
Lease liability	1,053.78
Right of Use (ROU) asset	978.49
Deferred tax assets	15.23
Net Impact on Retained Earnings	**60.06**

(b) The difference between the future minimum lease rental commitments towards non-cancellable operating leases and finance leases reported as at March 31, 2019 compared to the lease liability as accounted as at April 1, 2019 is primarily due to contracts reassessed as lease contracts under Ind AS 116, reduction due to discounting of the lease liabilities as per the requirement of Ind AS 116 and exclusion of the commitments for the leases to which the Company has chosen to apply the practical expedient as per the standard.

₹ in Crores

Particulars	Amount
Lease commitments as at 31 March 2019	180.94
Add/ (Less): Impact of discounting on assessment of opening lease commitments under Ind AS 116	(31.90)
Add/(less): contracts reassessed as lease contracts	904.74
Lease liabilities as on 1 April 2019	**1,053.78**

(c) Following are the carrying value of Right of Use Assets for the year ended March 31, 2020:

₹ in Crores

Particulars	Gross Block						Depreciation and Amortisation						Net Block
	As at April 01, 2019	Reclassified on account of Ind AS 116	Other Adjustments	Additions	Deductions	As at March 31, 2020	As at April 01, 2019	Reclassified on account of Ind AS 116	Other Adjustments	For the year	Deductions	As at March 31, 2020	As at March 31, 2020
Leasehold Land	108.56	254.67	5.42	122.46	-	491.11	-	9.03	1.02	18.35	-	28.40	462.71
Leasehold Building	90.83	-	-	1.09	(1.93)	89.99	-	-	-	18.11	(0.93)	17.18	72.81
Plant and Machinery	70.59	46.48	15.33	8.58	-	140.98	-	20.00	8.61	15.87	-	44.48	96.50
Ships	708.51	-	8.23	-	-	716.74	-	-	1.28	75.75	0.35	77.38	639.36
Total	978.49	301.15	28.98	132.13	(1.93)	1,438.82	-	29.03	10.91	128.08	(0.58)	167.44	1,271.38
Less: Depreciation transferred to CWIP										5.00			
Net Depreciation Charged to Statement of Profit & Loss										123.08			

(d) Impact of adoption of Ind AS 116 for the year ended March 31, 2020 is as follows:

₹ in Crores

Particulars	Year Ended March 31,2020
Impact on Statement of Profit and Loss for FY20	
Decrease in Power and Fuel, Freight & Forwarding expenses and Other expenses by	152.78
Increase in Depreciation by	117.92
Increase in Finance cost by	105.33
Net Impact on Statement of Profit and Loss	**(70.47)**

Notes to Consolidated Financial Statements (Continued)

NOTE 3: Leases (Continued)

(e) Lease Expenses recognized in Statement of Profit and Loss, not included in the measurement of lease liabilities:

₹ in Crores

Particulars	Year Ended March 31, 2020
Variable lease payments	42.20
Expenses relating to short-term leases	434.08
Expenses relating to leases of low-value assets, excluding short-term leases of low value assets	16.09

(f) Maturity analysis of lease liabilities– contractual undiscounted cash flows:

₹ in Crores

Particulars	Year Ended March 31, 2020
Less than one year	161.44
One to five years	603.89
More than five years	957.53
Total undiscounted lease liabilities at March 31, 2020	**1722.86**
Discounted Lease liabilities included in the statement of financial position at March 31, 2020	**1159.02**
Current lease liability	103.17
Non-Current lease liability	1055.85

(g) The Weighted average incremental borrowing rate of 9.16% p.a. for local currency borrowings and 3.84% p.a. for foreign currency borrowings has been applied for measuring the lease liability at the date of initial application.

(h) The total cash outflow for leases for year ended March 31, 2020 is ₹ 150.87 Crores.

(i) Income from sub leasing of Right to use assets is ₹ Nil Crores.

(II) As a lessee (Ind AS 17)

(a) Future minimum rentals payable under non-cancellable operating lease

₹ in Crores

Particulars	Year Ended March 31, 2019
Not later than one year	22.09
Later than one year and not later than five years	65.47
More than five years	93.38

(b) Operating lease payment recognised in the Statement of Profit and Loss amounts to ₹ 188.71 Crores for the year ended March 31, 2019.

(c) General Description of leasing agreements:

- Leased Assets: Land, Godowns, Offices, Flats, Machinery and Others.
- Future Lease rentals are determined on the basis of agreed terms.
- At the expiry of lease terms, the Company has an option to return the assets or extend the term by giving notice in writing.
- Lease agreements are generally cancellable and are renewable by mutual consent on mutually agreed terms.

Notes to Consolidated Financial Statements (Continued)

NOTE 4: Investments Accounted for using Equity Method

₹ in Crores

Particulars	As at March 31, 2020		As at March 31, 2019 (Restated)	
	Nos.	Amount	Nos.	Amount
Unquoted:				
Equity Instruments:				
Associates:				
Face value of ₹ 10 each fully paid:				
Madanpur (North) Coal Company (P) Limited	11,52,560	1.06	11,52,560	1.05
Add: Share in Profit / (Loss) of Associate		0.01		0.01
Less: Provision for impairment in value of Investment		(0.22)		(0.22)
		0.85		0.84
Aditya Birla Renewables SPV 1 Limited	1,62,78,663	17.08	1,08,52,442	10.81
Add: Share in Profit / (Loss) of Associate		(1.25)		0.52
		15.83		11.33
		16.68		12.17
Joint Venture:				
Face value of ₹ 10 each fully paid:				
Bhaskarpara Coal Company Limited	81,41,050	8.16	81,41,050	8.15
Add: Share in Profit of Joint Venture		0.01		0.01
Less: Provision for impairment in value of Investment		(1.65)		(1.65)
		6.52		6.51
		23.20		18.68
Aggregate Value of:				
Unquoted Investments		23.20		18.68
Aggregate amount of impairment in value of investment		1.87		1.87

NOTE 5: Investments

₹ in Crores

Particulars	As at March 31, 2020		As at March 31, 2019 (Restated)	
	Nos.	Amount	Nos.	Amount
Unquoted				
Investments measured at Fair value through Profit or Loss				
Equity Instruments:				
Face value of Omani Riyal 1 each fully paid:				
AWAM Minerals LLC (Refer Note 37)	-	-	1,68,035	7.51
Face value of ₹ 10 each fully paid:				
Raj Mahal Coal Mining Limited	10,00,000	1.00	10,00,000	1.00
Green Infra Wind Power	1,44,000	0.14	1,20,000	0.12
NU Power Wind Farm	39,548	0.04	39,548	0.04
Watsun Infrabuild Private Limited	1,82,053	0.18	2,03,115	0.24
Amplus Sunshine Pvt Ltd	38,67,848	4.80	-	-
SBG Cleantech Energy Eight Pvt Ltd (For FY2019-20: Equity shares of ₹ 10 each aggregating to ₹ 200)	20	-	-	-
		6.16		8.91

Notes to Consolidated Financial Statements (Continued)

NOTE 5: Investments (Continued)

₹ in Crores

Particulars	As at March 31, 2020 Nos.	As at March 31, 2020 Amount	As at March 31, 2019 (Restated) Nos.	As at March 31, 2019 (Restated) Amount
Preference Shares:				
7% Non-Cumulative Non-Convertible Redeemable Preference Shares of ₹ 100 each fully paid				
Aditya Birla Health Services Limited	20,00,000	17.60	20,00,000	16.00
Units of Debt schemes of Various Mutual Funds		928.77		890.35
		952.53		915.26
Quoted:				
Investments measured at Fair value through Profit or Loss				
Tax Free Bonds		283.83		356.40
Taxable Corporate Bonds		425.44		114.50
		1,661.80		1,386.16
Aggregate Value of:				
Quoted Investments		709.27		470.90
Unquoted Investments		952.53		915.26
		1,661.80		1,386.16
Aggregate Market Value of Quoted Investments		709.27		470.90

NOTE 6: Loans

₹ in Crores

Particulars	Non-current: As at March 31, 2020	Non-current: As at March 31, 2019 (Restated)	Current: As at March 31, 2020	Current: As at March 31, 2019 (Restated)
Considered good, Secured:				
Loans against House Property (Secured by way of title deeds)	0.01	0.01	0.07	-
Loans to Others (Secured by way of shares on lien with the Company)	1,066.37	986.73	83.23	63.97
Considered good, Unsecured:				
Security Deposits	156.25	156.95	107.25	126.42
Loans to Employees	9.04	12.60	7.18	7.39
	1,231.67	1,156.29	197.73	197.78

No loans are due from directors or other officers of the Company or any of them either severally or jointly with any other person. Further, no loans are due from firms or private companies in which any director is a partner, a director or a member.

Notes to Consolidated Financial Statements (Continued)

NOTE 7: Other Financial Assets

₹ in Crores

Particulars	Non-current: As at March 31, 2020	Non-current: As at March 31, 2019 (Restated)	Current: As at March 31, 2020	Current: As at March 31, 2019 (Restated)
Derivative Assets	104.53	19.99	-	78.91
Interest Accrued on Deposits and Investments	-	-	28.77	7.57
Fixed Deposits with Bank with maturity greater than twelve months*	64.80	22.51	-	-
Government grants receivable	230.43	231.65	989.59	830.93
Others (Includes Insurance Claims, Railway Claims and Other Receivables)	-	-	42.52	128.86
	399.76	274.15	1,060.88	1,046.27

* Lodged as Security with Government Departments - ₹ 19.64 Crores (March'19: ₹ 20.09 Crores)

NOTE 8: Deferred Tax Assets (Net)

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Deferred Tax Assets:		
Provision allowed under tax on payment basis	-	0.84
Unabsorbed Losses	6.83	27.37
Others	3.50	3.31
	10.33	31.52
Deferred Tax Liabilities:		
Accumulated Depreciation	-	(14.79)
Others	(4.35)	(4.67)
	(4.35)	(19.46)
Net Deferred Tax Asset	5.98	12.06

NOTE 9: Other Non-Current Assets

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Capital Advances	1,903.41	1,865.19
Less: Provision for Impairment	(29.54)	(30.58)
	1,873.87	1,834.61
Others		
Balance with Government Authorities	950.50	959.56
Prepaid Expenses	1.17	16.17
	2,825.54	2,810.34

Notes to Consolidated Financial Statements (Continued)

NOTE 10: Inventories (Valued at lower of cost and net realisable value, unless otherwise stated)

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Raw Materials {includes in transit ₹ 12.28 Crores, (March 31, 2019: ₹ 42.81 Crores)}	353.85	423.95
Work-in-progress	797.37	707.36
Finished Goods {includes in transit ₹ 100.37 Crores, (March 31, 2019: ₹ 61.98 Crores)}	748.78	443.39
Stock-in-trade {includes in transit ₹ 2.67 Crores, (March 31, 2019: Nil)}	16.71	31.54
Stores & Spares {includes in transit ₹ 6.58 Crores, (March 31, 2019: ₹ 5.62 Crores)}	1,245.05	1,194.67
Fuel {includes in transit ₹ 100.41 Crores, (March 31, 2019: ₹ 431.79 Crores)}	890.33	1,222.31
Packing Materials {includes in transit ₹ Nil Crores, (March 31, 2019: ₹ 0.24 Crores)}	85.51	68.24
Scrap (valued at net realisable value)	10.71	7.50
	4,148.31	4,098.96

The Company follows suitable provisioning norms for writing down the value of Inventories towards slow moving, non-moving and surplus inventory. Provision as on date: ₹ 34.25 Crores (March 31, 2019 ₹ 30.82 Crores).

NOTE 11: Current Investments

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Quoted:		
Others - Investments measured at Fair value through Profit or Loss		
Taxable Corporate Bonds	75.96	57.54
Government Securities	-	1.64
Unquoted:		
Investments measured at amortised Cost:		
Fixed Deposits with Financial Institution with Maturity less than twelve months	100.00	-
Investments measured at Fair value through Profit or Loss:		
Units of Debt Schemes of Various Mutual Funds	4,067.73	1,457.31
	4,243.69	1,516.49
Aggregate Book Value of:		
Quoted Investments	75.96	59.18
Unquoted Investments	4,167.73	1,457.31
	4,243.69	1,516.49
Aggregate Market Value of Quoted Investments	75.96	59.18

NOTE 12: Trade Receivables

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Considered good, Secured	493.34	736.41
Considered good, Unsecured	1,744.95	2,050.62
Significant increase in Credit Risk	76.34	65.75
	2,314.63	2,852.78
Less: Allowances for credit losses	(76.34)	(65.75)
	2,238.29	2,787.03

Notes to Consolidated Financial Statements (Continued)

NOTE 13: Cash and Cash Equivalents

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Balance with banks (Current Account)	144.79	382.91
Cheques on hand	0.24	56.75
Cash on hand	1.50	1.58
	146.53	441.24

NOTE 14: Bank Balances other than Cash and Cash Equivalents

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Balance with banks #	1.70	1.69
Fixed Deposits with Banks* (Maturity more than three months and upto twelve months)	380.56	286.48
Earmarked Balance with Bank for Unpaid Dividends	10.42	10.27
	392.68	298.44

Bank accounts freezed by Govt. Authorities, the balance of which is not available to the Company.

* Lodged as security with Government Departments ₹ 0.52 Crores (March 31, 2019 ₹ 1.81 Crores). Earmarked for specific purpose ₹ 161.68 Crores (March 31, 2019 ₹ 236.68 Crores).

NOTE 15: Other Current Assets

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Advances to related parties (Refer Note 45)	58.67	74.26
Advances to Employees	-	-
Balance with Government Authorities	707.54	715.75
Less: Provision for Doubtful Receivables	(48.26)	(48.26)
	659.28	667.49
Advances to suppliers	642.46	567.46
Prepaid Expenses	50.95	47.91
Others (Receivable from Gratuity Trust & Other Receivables)	92.02	79.91
	1,503.38	1,437.03

Notes to Consolidated Financial Statements (Continued)

NOTE 16(a): Equity Share Capital

₹ in Crores

Particulars	As at March 31, 2020		As at March 31, 2019 (Restated)	
	No. of Shares	Amount	No. of Shares	Amount
Authorised				
Equity Shares of ₹ 10 each	78,00,00,000	780.00	28,00,00,000	280.00
Issued, Subscribed and Fully Paid-up				
Equity Shares of ₹ 10 each fully paid-up	28,86,25,105	288.63	27,46,42,720	274.64
(a) Reconciliation of the Shares Outstanding at the beginning and at the end of the year				
Outstanding at the beginning of the year	27,46,42,720	274.64	27,46,13,985	274.61
Add: Shares issued under Employees Stock Options Scheme (ESOS)	20,425	0.03	28,735	0.03
Add: Shares issued to the shareholders of Century Textiles and Industries Limited pursuant to the Scheme of Demerger (Refer Note 41)	1,39,61,960	13.96	-	-
Outstanding at the end of the year	28,86,25,105	288.63	27,46,42,720	274.64
(b) Shares held by Holding Company				
Grasim Industries Limited	16,53,35,150	165.34	16,53,35,150	165.34
(c) List of shareholders holding more than 5% of Paid-up Equity Share Capital	No. of Shares	% Holding	No. of Shares	% Holding
Grasim Industries Limited	16,53,35,150	57.28%	16,53,35,150	60.20%
	No. of Shares	Amount	No. of Shares	Amount
(d) Equity Shares of ₹ 10 each reserved for issue under ESOS	88,002	0.09	1,14,952	0.11
(e) Aggregate number of Shares issued for consideration other than cash during the period of five years immediately preceding the reporting date				
Equity Shares of ₹ 10 each issued as fully paid up to the shareholders of Century Textiles and Industries Limited, pursuant to the Scheme of Demerger of Cement Division	1,39,61,960	13.96	-	-
Equity Shares of ₹ 10 each issued in the financial year 2014-2015 as fully paid up to the shareholders of JCCL, pursuant to the Scheme of Arrangement	1,41,643	0.14	1,41,643	0.14

(f) The Company has only one class of Equity Shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held except for Global Depository Receipts. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(g) Pursuant to the Scheme of Amalgamation of Samruddhi Cement Limited (SCL) with the Company in the year 2014, the Company issued 149,533,484 Equity Shares of ₹ 10 each issued as fully paid up, for a consideration other than cash, to the shareholders of erstwhile SCL. {Excluding issue of 8,503 Equity Shares kept in abeyance against shares of Grasim Industries Limited}.

Notes to Consolidated Financial Statements (Continued)

NOTE 16(b): Other Equity

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Capital Reserve	170.72	170.72
Securities Premium	5,458.65	77.97
Debenture Redemption Reserve	247.50	416.27
General Reserve	26,824.73	21,824.73
Share Option Outstanding Reserve	35.83	23.00
Treasury Shares	(84.29)	(81.21)
Retained Earnings	6,006.61	5,497.48
Cash Flow Hedge Reserve	(30.54)	32.21
Exchange differences on translating the financial statements of foreign operations	197.64	126.48
Total Other Equity	38,826.85	28,087.65

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

a) **Capital Reserve:** Company's capital reserve is mainly on account of acquisition of cement business of Larsen & Toubro Ltd., Gujarat Units of Jaypee Cement Corporation Ltd (JCCL) and cement capacities of 21.2 MTPA of Jaiprakash Associates Ltd (JAL) and JCCL, being excess of the net assets acquired over the consideration paid.

b) **Securities Premium:** Securities premium is credited when shares are issued at premium. It is utilised in accordance with the provisions of the Act, to issue bonus shares, to provide for premium on redemption of shares or debentures, equity related expenses like underwriting costs, etc.

c) **Debenture Redemption Reserve (DRR):** The Company has issued redeemable non-convertible debentures. Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), requires the company to create DRR out of profits of the company available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued. However, this requirement is no more applicable w.e.f. April 1, 2018 as per the amendment in the Companies (Share capital and Debentures) Rules, 2014 vide dated August 16, 2019; accordingly the Company has not made any new addition in the said reserve and accounted the reversal of outstanding reserve linked to payment of specific non-convertible debentures.

d) **General reserve:** The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provision of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Act.

e) **Shares Options Outstanding Reserve:** The Company has three share option schemes under which options to subscribe for the Company's shares have been granted to certain executives and senior employees. The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration. Refer to Note 51 for further details of these plans.

f) **Treasury Shares:** TThe Company has formed an Employee Welfare Trust for purchasing Company's shares to be allotted to eligible employees under Employees Stock Options Scheme, 2018 (ESOS 2018). As per Ind AS 32 - Financial Instruments: Presentation, Reacquired equity shares of the Company are called Treasury Shares and deducted from equity.

g) **Cashflow Hedge Reserve:** The Company has designated its hedging instruments as cash flow hedges and any effective portion of cashflow hedge is maintained in the said reserve. In case the hedging becomes ineffective, the amount is recognised to the Statement of Profit and Loss.

h) **Exchange differences on translating the financial statements of foreign operations:** Exchange variation in Opening Equity Share Capital, Reserves and Surplus, Assets and Liabilities of UltraTech Cement Lanka (Pvt.) Ltd, UltraTech Cement Middle East Investments Ltd, PT UltraTech Mining Indonesia and PT UltraTech Investment Indonesia is accounted under this reserve.

Notes to Consolidated Financial Statements (Continued)

NOTE 16(c): Shares Pending Issuance

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
1,39,61,960 Shares issued to Century Textiles and Industries Limited Shareholders, one share of the Company against eight shares held in Century Textiles and Industries Limited, pursuant to the Scheme of Demerger on October 16, 2019. Accounted for on the basis of the market price of the Company's share on the previous closing date of the appointed date for the Scheme. (Refer Note 41)	-	5,387.71

NOTE 17: Non-Current Borrowings

₹ in Crores

Particulars	Non - Current		Current Maturities of Long-Term debts *	
	As at March 31, 2020	As at March 31, 2019 (Restated)	As at March 31, 2020	As at March 31, 2019 (Restated)
Secured:				
Non-Convertible Debentures - Note (a1)	1,050.00	1,050.00	-	675.07
Term Loans from Banks:				
In Foreign Currency - Note (b1)	378.33	345.78	-	
In Local Currency - Note (c)	12,544.53	15,275.48	157.35	287.65
	12,922.86	15,621.26	157.35	287.65
Sales Tax Deferment Loan - Note (d1)	114.60	142.40	39.30	31.87
	14,087.46	16,813.66	196.65	994.59
Unsecured:				
Non-Convertible Debentures - Note (a2)	1,760.00	1,010.00	-	-
Term Loans from Banks:				
In Foreign Currency - Note (b2)	1,297.11	2,585.85	1,324.12	-
Sales Tax Deferment Loan - Note (d2)	222.95	240.87	24.55	23.63
	3,280.06	3,836.72	1,348.67	23.63
Total	17,367.52	20,650.38	1,545.32	1,018.22

* Amount disclosed under the head ' Other Financial Liabilities' (Refer Note 18).

Notes to Consolidated Financial Statements (Continued)

NOTE 17: Non-Current Borrowings (Continued)

(a1) Non-Convertible Debentures (NCDs)

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Secured:		
7.53% NCDs (Redeemable at par on August 21, 2026)	500.00	500.00
7.15% NCDs (Redeemable at par on October 18, 2021)	300.00	300.00
7.57% NCDs (Redeemable at par on August 06, 2021)	250.00	250.00
7.57% NCDs (Redeemable at par on August 13, 2019)	-	300.00
7.57% NCDs (Redeemable at par on August 08, 2019)	-	175.00
8.88% NCDs (Redeemable at par on April 12, 2019) ^	-	200.07
	1,050.00	1,725.07
Less: Current Portion of NCDs shown under Other Current Liabilities	-	(675.07)
Total	1,050.00	1,050.00

The NCDs are secured by way of first charge, having pari passu rights, on the Company's fixed assets (save and except stocks and book debts), both present and future, situated at certain locations, in favour of Debenture Trustees.

^ In the previous year, The NCDs are secured by way of first charge, having pari passu rights, on the Plant & Machinery (both present and future) of Demerged Undertaking, Birla Century, Pulp & Paper Divisions of Century Textiles and Industries Limited and freehold land admeasuring 25,323.78 Sq. meters and Birla Centurion Building thereon situated at Worli, Lower Parel Divisions, District Mumbai bearing C.S. No 794 (Part) of Lower Parel Divisions, G/S ward (excluding Furniture & Fixtures and Vehicles of all above Divisions).

(a2) Non-Convertible Debentures (NCDs)

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Unsecured:		
6.68% NCDs (Redeemable at par on February 20, 2025)	250.00	-
7.64% NCDs (Redeemable at par on June 04, 2024)	250.00	-
6.72% NCDs (Redeemable at par on December 09, 2022)	250.00	-
6.93% NCDs (Redeemable at par on November 25, 2021)	250.00	250.00
6.99% NCDs (Redeemable at par on November 24, 2021)	400.00	400.00
8.36% NCDs (Redeemable at par on June 07, 2021)	360.00	360.00
Total	1,760.00	1,010.00

(b1) Term Loans from Banks in Foreign Currency

₹ in Crores

Particulars		As at March 31, 2020	As at March 31, 2019 (Restated)
Secured:			
State Bank of India, New York @ (US Dollar: 1.00 Crores; March 31, 2019: 1.00 Crores)	March 2023	75.67	69.16
State Bank of India, New York @ (US Dollar: 2.00 Crores; March 31, 2019: 2.00 Crores)	February 2023	151.33	138.31
State Bank of India, New York @ (US Dollar: 2.00 Crores; March 31, 2019: 2.00 Crores)	February 2023	151.33	138.31
Total		378.33	345.78

The above mentioned loans are secured by way of first charge, having pari passu rights, on the Company's fixed assets, both present and future, situated at certain locations, in favour of Company's lenders / trustees.

@ Initially availed from J.P. Morgan Chase Bank N.A, Singapore; transferred to State Bank of India, New York in August 2018 by the Lender.

Notes to Consolidated Financial Statements (Continued)

NOTE 17: Non-Current Borrowings (Continued)

(b2) Term Loans from Banks in Foreign Currency

₹ in Crores

Particulars	Repayment Schedule	As at March 31, 2020	As at March 31, 2019 (Restated)
Unsecured:			
Export Development, Canada (US Dollar: 4.64 Crores; March 31, 2019: 4.64 Crores)	June 2021	**351.30**	321.08
Export Development, Canada (US Dollar: 5.00 Crores; March 31, 2019: 5.00 Crores)	May 2021	**378.33**	345.77
Standard Chartered Bank (US Dollar: 18.75 Crores; March 31,2019: 19.50 Crores)	July 2020	**1,324.12**	1,296.62
Export Development Canada (USD Dollars:9.00 Crores; March 31, 2019: 11.00 Crores)	2 Annual installments beginning June 2021	**567.48**	622.38
		2,621.23	2,585.85
Less: Current Portion of Foreign Currency Loans shown under Other Current Liabilities		**(1,324.12)**	-
Total		**1,297.11**	2,585.85

(c) Term Loans from Banks in Local Currency - Secured:

₹ in Crores

Particulars	Repayment Schedule	As at March 31, 2020	As at March 31, 2019 (Restated)
Axis Bank Ltd	26 quarterly installments beginning December 2022	**507.08**	757.08
HDFC Bank Ltd	60 quarterly installments beginning September 2022	**3,331.91**	3,317.92
State Bank of India	4 Half yearly installments beginning May 2022	**300.00**	300.00
State Bank of India @	60 quarterly installments beginning September 2022	**4,000.00**	5,000.00
HDFC Bank Ltd @	76 quarterly installments beginning February 2020	**1,494.38**	1,500.00
Axis Bank Ltd $$	10 Years Tenure Repayable in September 2027	**150.00**	497.01
HDFC Bank Ltd **	12 quarterly installments last installment in December 2020	**75.60**	154.80
HDFC Bank Ltd ^^	32 quarterly installments, put/call option in March 2023	**150.00**	149.66
HDFC Bank Ltd @	76 quarterly installments beginning February 2020	**2,692.90**	2,699.63
State Bank of India **	Repaid in February 2020	**-**	333.28
HDFC Bank Ltd #	Repaid in September 2019	**-**	90.05
ICICI Bank Ltd	Repaid in June 2019	**-**	614.00
Axis Bank Ltd ^^^	Repaid in January 2020	**-**	149.70
		12,701.87	15,563.13
Less: Current Portion of Term Loans shown under Other Current Liabilities		**(157.35)**	(287.65)
Total		**12,544.52**	15,275.48

The above mentioned loans are secured by way of first charge, having pari passu rights, on the Company's fixed assets, both present and future, situated at certain locations, in favour of Company's lenders / trustees.

@ The Company is in the process of creating security against this loan.

** For Previous Year, the above mentioned loans are secured by way of first charge, having pari passu rights, on property, plant and equipments (both present and future) of the Demerged Undertaking (including the property, plant and equipment of expansion plant at Manikgarh and Sonar Bangla Cement Plant at West Bengal), Birla Century, Pulp and Paper divisions, Phase I of Real Estate Development at Worli excluding leasehold land at Pulp and Paper, Sonar Bangla Cement and Century, furniture and fixtures, vehicles and other miscellaneous assets of all divisions and land and building thereon of Maihar Cement Unit- I & II divisions.

$$ For Previous Year, the loan is secured by way of first charge, having pari passu rights on the fixed assets, present and future, of the Demerged Undertaking, CTIL's Birla Century and Pulp and Paper Divisions and Centurion Building at Pandurang Budhkar Marg, Mumbai, with a minimum cover of 1.25 (Excluding Leasehold land of all divisions and land and buildings thereon of Sonar Bangla Cement, Pulp & Paper & Birla Century Divisions and land and buildings thereon of Maihar Cement Unit I & II divisions, Furniture & Fixtures, Vehicles and other miscellaneous assets of all the divisions).

For Previous Year, the loan is secured by way of first charge, having pari passu rights on the Plant and Machineries of the Demerged Undertaking, Birla Century, Pulp & Paper and Land & Buildings thereon (which are already mortgaged to existing Lenders) of Birla Estates (Freehold land admeasuring 25,323.78 Sq. meters and Birla Centurion Building (earlier known as Greenspan Building) thereon situated at Worli, Mumbai and Manikgarh Cement Divisions of the Company (excluding Furniture & Fixtures and vehicles of all divisions).

^^ For Previous Year, the above mentioned loan is secured by way of first charge, having pari passu rights on Plant and Machineries of Birla Century, Century Pulp & Paper, Baikunth Cement, Manikgarh Cement Unit I & II, Maihar Cement Unit I & II, Sonar Bangla Cement and Land and Buildings thereon of Centurion Building at Pandurang Budhkar Marg, Worli, Mumbai and Manikgarh Cement Division of the Company with Security cover of 1.25 on book value basis.

^^^ For Previous Year, the loan is secured by way of first charge, having pari passu rights on fixed assets, present and future, of the Demerged Undertaking, the Birla Century, Pulp & Paper Divisions and Centurion Building at Pandurang Budhkar Marg, Mumbai, with a minimum cover of 1.25 (excluding Leasehold land of all divisions and land and building thereon of Maihar Cement Unit I & II, Baikunth Cement and Century Pulp and Paper divisions, Furniture & Fixtures, Vehicles and other miscellaneous assets of the above divisions).

The Company has subsequently released the charge over the assets of CTIL (Birla Century,Pulp & Paper Divisions, Centurion Building, Freehold Land and Birla Estate)

(d1) Sales Tax Deferment Loan:

₹ in Crores

Particulars	Repayment Schedule	As at March 31, 2020	As at March 31, 2019 (Restated)
Secured:			
Uttar Pradesh Financial Corporation	Varied Annual Payments from August 2019 to December 2024	**153.90**	174.27
Less: Current Portion of Sales Tax Deferment Loan shown under Other Financial Liabilities		**(39.30)**	(31.87)
Total		**114.60**	142.40

Sales Tax Deferment Loan is secured by bank guarantee backed by hypothecation of Inventories and book debts of the Company.

Notes to Consolidated Financial Statements (Continued)

NOTE 17: Non-Current Borrowings (Continued)

(d2) Sales Tax Deferment Loan:

₹ in Crores

Particulars	Repayment Schedule	As at March 31, 2020	As at March 31, 2019 (Restated)
Unsecured:			
Department of Industries and Commerce, Haryana	Varied Annual Payments from January 2017 to March 2022	61.33	63.69
Commercial Tax Department, Hyderabad	Varied Annual payments from October 2012 to October 2026	182.03	196.68
Commercial Tax Department, Chhattisgarh	Payable on Assessment	4.14	4.13
		247.50	264.50
Less: Current Portion of Sales tax deferment loan shown under Other Current Liabilities		(24.55)	(23.63)
Total		222.95	240.87

NOTE 18: Other Financial Liabilities

₹ in Crores

Particulars	Non-current		Current	
	As at March 31, 2020	As at March 31, 2019 (Restated)	As at March 31, 2020	As at March 31, 2019 (Restated)
Current maturities of long-term debts (Refer Note 17)	-	-	1,545.32	1,018.22
Interest Accrued but not due on Borrowings	-	-	198.50	239.86
Derivative Liability	-	-	54.51	0.06
Liability for Corporate/Bank Guarantee	-	-	49.37	45.12
Liability for Capital Goods	-	-	164.36	190.90
Security Deposit	-	-	1,625.96	1,573.57
Salary, Wages, Bonus and Other Employee Payables	-	-	241.67	236.61
Investor Education and Protection Fund, will be credited with following amounts (as and when due)				
Unpaid Dividends	-	-	10.44	10.28
Unpaid Fractional liability on issue of shares pursuant to scheme of Demerger	-	-	0.42	-
Lease liability	1,055.85	-	103.17	-
	1,055.85	-	3,993.72	3,314.62

Notes to Consolidated Financial Statements (Continued)

NOTE 19: Provisions

₹ in Crores

Particulars	Non-current		Current	
	As at March 31, 2020	As at March 31, 2019 (Restated)	As at March 31, 2020	As at March 31, 2019 (Restated)
For Employee Benefits (Refer Note 43)	72.17	31.63	293.13	262.37
Others:				
For Mines Restoration Expenditure	169.57	141.60	-	-
For Cost of transfer of Assets	-	-	254.93	331.46
	241.74	173.23	548.06	593.83

Note 19.1 - Movement of provisions during the year as required by Ind AS - 37 "Provisions, Contingent Liabilities and Contingent Assets" specified under Section 133 of the Companies Act, 2013:

(a) Mines Restoration Expenditure:

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Opening Balance	141.60	129.59
Add: Balance Transferred from UNCL/CTIL, pursuant to Scheme of Arrangement (Refer note 41 and 42)	-	10.86
Add: Provision / (Reversal) during the year	17.15	(6.29)
Add: Unwinding of discount on Mine Restoration Provision	10.90	7.44
Less: Utilisation during the year	(0.08)	-
Closing Balance	169.57	141.60
(b) Provision for Cost of Transfer of Assets:		
Opening Balance	331.46	270.81
Add: Provision during the year	-	113.88
Less: Utilisation during the year	(76.53)	(53.23)
Closing Balance	254.93	331.46

NOTE 20: Deferred Tax Liabilities

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)	Recognised in Statement of Profit and Loss	Recognised in OCI	Recognised directly in Other Equity
Deferred Tax Assets:					
MAT Credit Entitlement	(1,047.25)	(1,438.95)	391.70		
Provision allowed under tax on payment basis	(182.34)	(239.33)	56.99		
Others	(148.55)	(169.97)	36.65	(0.63)	(14.60)
	(1,378.14)	(1,848.25)	485.34	(0.63)	(14.60)
Deferred Tax Liabilities:					
Tangible and Intangible Assets	6,203.25	8,187.83	(1,984.58)		
Fair valuation of Investments	73.64	30.77	42.87		
Others	13.24	41.07	(27.83)		
	6,290.13	8,259.67	(1,969.54)	0.00	0.00
Net Deferred Tax Liability	4,911.99	6,411.42	(1,484.20)	(0.63)	(14.60)

Notes to Consolidated Financial Statements (Continued)

NOTE 20: Deferred Tax Liabilities (Continued)

₹ in Crores

Particulars	As at March 31, 2019 (Restated)	As at March 31, 2018	Arising pursuant to Business Combinations	Recognised in Statement of Profit and Loss	Recognised in OCI	Recognised directly in Other Equity
Deferred Tax Assets:						
MAT Credit Entitlement	(1,438.95)	(1,168.40)	-	(270.55)	-	-
Provision allowed under tax on payment basis	(239.33)	(167.00)	(84.15)	11.82	-	-
Others	(169.97)	(103.01)	(27.07)	(36.04)	(3.85)	-
	(1,848.25)	(1,438.41)	(111.22)	(294.77)	(3.85)	-
Deferred Tax Liabilities:						
Tangible and Intangible Assets	8,187.83	4,487.87	2,968.89	731.07	-	-
Fair valuation of Investments	30.77	117.05	-	(86.28)	-	-
Others	41.07	16.19	21.17	3.71	-	-
	8,259.67	4,621.11	2,990.06	648.50	-	-
Net Deferred Tax Liability	6,411.42	3,182.70	2,878.84	353.73	(3.85)	-

The Government of India, on September 20, 2019, vide the Taxation Laws (Amendment) Ordinance 2019, inserted a new Section 115 BAA in the Income Tax Act, 1961, which provides an option to the Company for paying Income Tax at reduced rates as per the provisions/conditions defined in the said section. The Company is continuing to provide for income tax at old rates, based on the available outstanding MAT credit entitlement and various exemptions and deductions available to the Company under the Income Tax Act, 1961. However, the Company has applied the lower income tax rates on the deferred tax assets / liabilities to the extent these are expected to be realised or settled in the future period when the Company may be subjected to lower tax rate and accordingly reversed net deferred tax liability of ₹ 2,109.46 Crores.

In Respect of Deferred taxes, all items are attributable to origination and reversal of temporary differences. Deferred tax benefits are generally recognised for all deductible temporary differences to the extent it is probable that taxable profits will be available against which, those deductible temporary differences can be realised.

NOTE 21: Other Non-Current Liabilities

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Deferred Income on Government Grants	4.17	4.33
Others (Including Employee Share based payments)	2.11	2.02
Total	6.28	6.35

Notes to Consolidated Financial Statements (Continued)

NOTE 22: Current Borrowings

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Secured:		
Loans repayable on demand:		
From Banks - Cash Credits / Working Capital Borrowings*	3.41	0.61
Unsecured:		
Redeemable preference shares issued	1,000.10	1,000.10
Loans repayable on demand: From Banks - Cash Credits / Working Capital Borrowings	15.03	68.94
Others		
From Banks (includes commercial paper)	241.16	859.05
From Others (commercial paper)	2,725.39	1,739.70
	3,981.68	3,667.79
	3,985.09	3,668.40

* For Previous Year, Working capital loans from banks were secured against a first and pari passu charge over the current assets (including documents, of title to goods/related receivables) and 2nd charge on a pari-passu basis over the present and future property plant and equipment (plant and machinery) of Birla Century (Gujarat), Maihar Cement Unit I & II, Manikgarh Cement Unit I & II, Sonar Bangla Cement, Century Pulp and paper and Phase 1 of Real Estate Development, Worli (excluding furniture, fixtures, vehicles and other miscellaneous assets) and mortgage of freehold immovable properties of Baikunth Cement, Century Pulp and Paper on pari-passu 2nd charge basis with other working capital lenders.

NOTE 23: Trade Payables

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Trade Payables (other than Micro and Small Enterprises)	3,409.53	3,138.01
Due to Related Party (Refer Note 45)	2.31	0.84
Due to Others	33.20	-
	3,445.04	3,138.85

NOTE 24: Other Current Liabilities

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Advance from Customers and Others	463.80	357.11
Deferred Revenue	0.17	0.17
Others (including Provision for Expenses, Statutory liabilities)	3,048.34	3,509.70
	3,512.31	3,866.98

Notes to Consolidated Financial Statements (Continued)

NOTE 25: Revenue from Operations (Refer Note 60)

₹ in Crores

Particulars	Year ended March 31, 2020		Year ended March 31, 2019 (Restated)	
Sale of Products and Services				
Sale of Manufactured Products	38,045.61		38,713.49	
Sale of Traded Products	3,430.09		2,188.95	
Sale of Services	0.24		1.37	
		41,475.94		40,903.81
Other Operating Revenues				
Scrap Sales	71.14			80.48
Lease Rent	0.33			0.02
Insurance Claim	21.85			19.20
Provision no longer required written back	116.76			62.22
Unclaimed Liabilities written back	33.28			27.62
Government Grants (Refer Note 58)	381.84			485.72
Miscellaneous Income / Receipts	23.69			29.74
		648.89		705.00
		42,124.83		41,608.81

NOTE 26: Other Income

₹ in Crores

Particulars	Year ended March 31, 2020		Year ended March 31, 2019 (Restated)
Interest Income on			
Government and Other Securities	19.62		25.04
Bank and Other Accounts	90.11		71.30
		109.73	96.34
Dividend Income on			
Current Investments - Mutual Fund		32.47	22.45
Exchange Gain (net)		84.06	76.97
Profit on Sale of Property, Plant & Equipment (net)		-	2.41
Fair Value movement in Derivative Instruments		-	0.89
Gain on Fair valuation of Investments through Profit or loss		289.12	120.36
Profit on Sale of Current and Non-Current Investments		81.63	122.08
Provision no longer required written back		-	0.22
Others		50.76	21.72
		647.77	463.44

NOTE 27: Cost of Materials Consumed

₹ in Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
Opening Stock	423.95	275.75
Add: Exchange rate fluctuation on account of average rate transferred to currency translation reserve	1.07	3.04
Add: Stock transferred from CTIL/UNCL, pursuant to Scheme of Arrangement	-	45.38
Purchases	5,449.28	5,798.47
	5,874.30	6,122.64
Less: Exchange rate fluctuation on account of average rate transferred to currency translation reserve	(2.88)	0.49
Less: Closing Stock of Subsidiary sold off during the year	10.65	
Less: Closing Stock	353.85	423.95
	5,512.68	5,698.20

NOTE 28: Purchases of Stock-in-Trade

₹ in Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
Grey Cement	630.68	804.46
Others (Ultratech Building Solution)	528.33	434.08
	1,159.01	1,238.54

NOTE 29: Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade

₹ in Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
Closing Inventories		
Work-in-progress	797.37	707.36
Finished Goods	732.97	443.19
Stock in Trade	16.71	31.54
Add / (Less): Exchange rate fluctuation on account of average rate transferred to currency translation reserve	(2.62)	0.56
	1,544.43	1,182.65
Opening Inventories		
Work-in-progress	707.36	613.26
Finished Goods	443.19	294.21
Stock in Trade	31.54	11.11
Add / (Less): Exchange rate fluctuation on account of average rate transferred to currency translation reserve	0.83	2.20
	1,182.92	920.78
(Increase) / Decrease in Inventories	(361.51)	(261.87)
Add: Stock transferred from UNCL/CTIL, pursuant to Scheme of Arrangement	-	299.76
Less: Closing stock on deconsolidation of Fellow Subsidiaries	(1.86)	-
Add: Stock Transfer from Pre-Operative Account	4.78	8.46
	(358.59)	46.35

Notes to Consolidated Financial Statements (Continued)

NOTE 30: Employee Benefits Expense

₹ in Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
Salaries, Wages and Bonus	2,235.06	2,034.05
Contribution to Provident and Other Funds		
– Contribution to Gratuity Fund and Other Defined Benefit Plans	110.09	104.98
– Contribution to Superannuation and Other Defined Contribution Funds	29.12	28.38
Expenses on Employees Stock Options Scheme	16.79	9.60
Staff Welfare Expenses	118.37	114.06
	2,509.43	2,291.07

NOTE 31: Finance Costs

₹ in Crores

Particulars	Year ended March 31, 2020		Year ended March 31, 2019 (Restated)
Interest Expense:			
On Borrowings (at amortised cost)	1,734.96		1,635.44
Others (including interest on deposits from dealers and contractors)	127.62		134.05
Interest paid to Income Tax Department	-		0.23
Interest on Lease Liability	50.14		-
Unwinding of discount on Mine Restoration Provision	10.90		7.44
		1,923.62	1,777.16
Exchange (Gain)/ Loss on revaluation of Lease Liability		55.19	-
Other Borrowing Cost (Finance Charges)		7.77	7.15
Less: Finance Costs Capitalised		(0.93)	(6.45)
		1,985.65	1,777.86

Borrowing costs are capitalised using rates based on specific borrowings ranging between 7.50 % to 7.86 % per annum. (For the year ended March 31, 2019: 7.34% to 7.88%).

NOTE 32: Depreciation and Amortisation Expense

₹ in Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
Depreciation	2,325.23	2,196.48
Depreciation on ROU Assets (Refer Note 3)	123.08	-
Amortisation	216.36	215.04
Obsolescence	37.49	39.21
	2,702.16	2,450.73

Notes to Consolidated Financial Statements (Continued)

NOTE 33: Freight and Forwarding Expense

₹ in Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
On Finished Products	8,305.25	8,588.70
On Clinker Transfer	1,420.13	1,725.80
	9,725.38	10,314.50

NOTE 34: Other Expenses

₹ in Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
Consumption of Stores, Spare Parts and Components	944.15	890.28
Consumption of Packing Materials	1,206.94	1,325.14
Repairs to Plant and Machinery, Building and Others	899.88	809.79
Insurance	88.82	72.84
Rent	144.26	188.71
Rates and Taxes (Refer note 61)	291.43	146.55
Directors' Fees	0.31	0.36
Directors' Commission	2.47	18.00
Contribution to General Electoral Trust	-	23.00
Advertisement	442.77	338.50
Sales Promotion and Other Selling Expenses	535.74	502.70
Miscellaneous Expenses	1,282.98	945.35
	5,839.75	5,261.22

NOTE 35: Principles of Consolidation

These Consolidated Financial Statements (CFS) are prepared on the following basis in accordance with Ind AS on "Consolidated Financial Statements" (Ind AS – 110), "Investments in Associates and Joint Ventures" (Ind AS – 28) and "Disclosure of interests in other entities" (Ind AS – 112), specified under Section 133 of the Companies Act, 2013.

(i) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which controls commences until the date on which control ceases.

(ii) Non-controlling interest (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

(iii) Loss of control

When the Company loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognized in profit or loss.

Notes to Consolidated Financial Statements (Continued)

(iv) Equity accounted investees

The Group's interests in equity accounted investees comprise interest in associates and joint venture.
An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and joint venture are accounted for using equity method. They are initially recognized at cost which includes transaction costs. Subsequent to initial recognition, consolidated financial statements include the Group's share of profit or loss and OCI of equity accounted investees until the date on which significant influence or joint control ceases.

(v) Transactions eliminated on consolidation

The financial statements of the Company, its Subsidiaries, Joint Ventures and Associates used in the consolidation procedure are drawn upto the same reporting date i.e. March 31, 2020.

The financial statements of the Group and its subsidiaries companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses. Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment. The Group follows uniform accounting policies for like transactions and other events in similar circumstances.

The Consolidated Financial Statements are comprised of the financial statements of the members of the Group as under:

	Name of the Company	Principal Place of Business	% Shareholding and Voting Power As at March 31, 2020	% Shareholding and Voting Power As at March 31, 2019
(i)	**Subsidiary Companies:**			
(a)	Dakshin Cements Limited @	India	100%	100%
(b)	UltraTech Cement Lanka Private Limited (UCLPL)	Sri Lanka	80%	80%
(c)	Harish Cement Limited	India	100%	100%
(d)	PT UltraTech Mining Indonesia	Indonesia	80%!	80%!
(e)	PT UltraTech Investments Indonesia	Indonesia	100%&	100%&
(f)	UltraTech Cement Middle East Investments Limited (UCMEIL)	United Arab Emirates	100%	100%
(g)	Star Cement Co. LLC, Dubai *	United Arab Emirates	100%$	100%$
(h)	Star Cement Co. LLC, Ras-Al-Khaimah*	United Arab Emirates	100%$	100%$
(i)	Al Nakhla Crusher LLC, Fujairah*	United Arab Emirates	100%$	100%$
(j)	Arabian Cement Industry LLC, Abu Dhabi*	United Arab Emirates	100%$	100%$
(k)	UltraTech Cement Bahrain Company WLL, Bahrain (formerly known as Arabian Gulf Cement Co WLL)*	Bahrain	100%^	100%^
(l)	Emirates Power Company Limited, Bangladesh* (Upto December, 2019)	Bangladesh	-	100%
(m)	Emirates Cement Bangladesh Limited, Bangladesh* (Upto December, 2019)	Bangladesh	-	100%
(n)	Awam Minerals LLC, Oman * (Upto December 10, 2019)	Oman	-	37%
(o)	Bhagwati Limestone Company Private Limited (BLCPL)	India	100%	100%
(p)	Gotan Limestone Khanij Udyog Private Limited	India	100%	100%
(q)	PT UltraTech Cement Indonesia#	Indonesia	99%	99%
(r)	PT UltraTech Mining Sumatera #	Indonesia	100%	100%
(s)	UltraTech Nathdwara Cement Limited (UNCL) (formerly known as Binani Cement Limited) $$	India	100%	100%
(t)	Smooth Energy Private Limited (formerly known as Binani Energy Private Limited) $$ @	India	100%!!	100%!!
(u)	Bahar Ready Mix Concrete Limited (formerly known as Binani Ready Mix Concrete Limited) $$ @	India	100%!!	100%!!
(v)	Merit Plaza Limited $$	India	100%!!	100%!!
(w)	Swiss Mercandise Infrastructure Limited $$	India	100%!!	100%!!
(x)	Krishna Holdings PTE Limited (KHPL) $$	Singapore	100%&&	100%&&
(y)	Bhumi Resources PTE Limited (BHUMI) $$	Singapore	100%!!	100%!!
(z)	Murari Holdings Limited (MUHL)$$	British Virgin Islands	100%!!	100%!!
(aa)	Mukundan Holdings Limited (MHL) $$	British Virgin Islands	100%!!	100%!!
(ab)	Star Super Cement Industries LLC (formerly known as Binani Cement Factory LLC) (SSCI) $$	United Arab Emirates	100%**	100%**
(ac)	Binani Cement (Tanzania) Limited $$	Tanzania	100%***	100%***
(ad)	BC Tradelink Limited., Tanzania $$	Tanzania	100%***	100%***
(ae)	Shandong Binani Rongan Cement Company Limited (SBRCC), China $$	Republic of China	92.5%^^	92.5%^^
(af)	PT Anggana Energy resources (Anggana), Indonesia $$	Indonesia	100%^^^	100%^^^
(ag)	Binani Cement (Uganda) Limited $$	Uganda	100%***	100%***
(ii)	**Joint Operations:**			
	Bhaskarpara Coal Company Limited (BCCL)	India	47.37%	47.37%
(iii)	**Associate:**			
(a)	Madanpur (North) Coal Company Private Limited (MNCCPL)	India	11.17%	11.17%
(b)	Aditya Birla Renewable SPV 1 Limited	India	26.00%	26.00%

! 4% Shareholding of UCMEIL
& 5% Shareholding of UCMEIL
** Subsidiaries of UCMEIL*
$ 51% held by nominee as required by local law for beneficial interest of the Company
^ 1 share held by employee as nominee for the beneficial interest of the Company
 # Subsidiary of PT UltraTech Investments Indonesia
$$ with effect from November 20, 2018
!! Wholly owned subsidiary of UNCL
&& 55.54% held by UNCL and 44.46% held by MHL
*** 51% held by MHL through nominee as required by local law for beneficial interest of the Company and 49% held by MUHL*
**** Wholly owned subsidiary of SSCI*
^^ Subsidiary of KHPL
^^^ Wholly owned subsidiary of BHUMI
@ Applied for strike off

Notes to Consolidated Financial Statements (Continued)

NOTE 36: Goodwill on Consolidation

Goodwill represents the difference between the Company's share in the net worth of subsidiaries and the cost of acquisition at each point of time of making the investment in the subsidiaries. For this purpose, the Company's share of net worth is determined on the basis of the latest financial statements prior to the acquisition after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition.

NOTE 37:

(a) During the year ended 31 March 2020, the Company's wholly-owned subsidiary UltraTech Cement Middle East Investments Limited ("UCMEIL"), divested its entire shareholding in Emirates Cement Bangladesh Limited ("ECBL") and Emirates Power Company Limited ("EPCL") to Heidelberg Cement Bangladesh Limited at a final Enterprise Value of BDT equivalent USD 30.2 Million and included the gain on divestment of ₹ 8.96 Crores in other income.

(b) The Company also sold its 37% stake in Awam Minerals LLC on December 10, 2019 for ₹ 21.87 Crores at a profit of ₹ 14.17 Crores.

NOTE 38: Contingent Liabilities (to the extent not provided for) (Ind AS 37)

(a) Claims against the Group not acknowledged as debt:

₹ in Crores

Particulars	Brief Description of Matter	As at March 31, 2020	As at March 31, 2019 (Restated)
(a) Excise Duty and Service Tax Matters	Related to valuation matter (Rule 8 vs. Rule 4), Denial of Cenvat credit on Input Service Distributor and others	**1,351.84**	1,566.83
(b) Sales-tax / VAT / Entry Tax Matters	Related to stock transfer treated as interstate sales, Demand on freight component and levy of purchase tax on exempted supply, Demand of Entry Tax and others	**546.69**	549.49
(c) Royalty on Limestone/ Marl / Shale	Based on fixed conversion factor on limestone, royalty rate difference on Marl and additional royalty on mines transfer	**392.47**	928.66
(d) Land Related Matters	Demand of Higher Compensation	**240.29**	239.80
(e) Electricity Duty / Energy Development Cess	Related to electricity duty, Minimum power consumption, Energy development cess and denial of electricity duty exemption	**465.35**	253.32
(f) Customs	Related to classification dispute	**210.76**	190.18
(g) State Industrial Incentive Matters	Related to matters on quantum	**163.70**	181.86
(h) Stamp duty	Related to stamp duty on debt and name change	**167.45**	58.01
(i) Others	Related to stamp duty, Fly ash matters, claim raised by vendor/ supplier, Road Tax matter, Income Tax matters and others	**370.00**	309.72

Cash outflows for the above are determinable only on receipt of judgments pending at various forums / authorities.

(b) The Company (including the erstwhile cement division of Century Textiles and Industries Limited) had filed appeals against the orders of the Competition Commission of India ("CCI") dated August 31, 2016 and January 19, 2017. Upon the National Company Law Appellate Tribunal ("NCLAT") disallowing the Company's appeal against the CCI order dated August 31, 2016, the Hon'ble Supreme Court has, by its order dated October 05, 2018, granted a stay against the NCLAT order. Consequently, the Company (including the erstwhile cement division of Century Textiles and Industries Limited) has deposited an amount of ₹ 144.95 Crores equivalent to 10% of the penalty amount. UNCL has also filed an appeal in the Supreme Court against a similar CCI Order dated August 31, 2016 and has deposited an amount of ₹ 16.73 Crores equivalent to 10% of the penalty amount. The Company, backed by legal opinions, believes that it has a good case in both the matters and accordingly no provision has been made in the accounts.

Notes to Consolidated Financial Statements (Continued)

(c) Guarantees:

The Company has issued corporate guarantees as under:

(i) In favour of the Banks / Lenders on behalf of its Joint Venture (JV), as mentioned below, for the purposes of replacing old loans, acquisition financing, working capital and other general corporate purposes:

- Bhaskarpara Coal Company Limited (JV) ₹ 4.00 Crores (March 31, 2019 ₹ 4.00 Crores).

(d) In one of the case, UCLPL filed an appeal against the Director General of Customs and the inquiring officer appointed in terms of the Customs Ordinance for the customs case No PCAD/HQO/091/2016 initiated at the Sri Lankan customs, on the alleged basis that UCLPL has not declared the unloading charges (stevedoring charges) paid to the Sri Lanka Ports Authority in relation to imported cement. Matter is still under arbitration.

NOTE 39: Capital and other commitments

Estimated amount of contracts remaining to be executed on capital account, not provided for (net of advances) ₹ 1,012.55 Crores. (March 31, 2019 ₹ 1,112.03 Crores).

NOTE 40:

The Supreme Court of India has allowed an appeal filed by the State of Rajasthan in a matter relating to transfer of mining lease in the name of the Company's wholly-owned subsidiary, Gotan Lime Stone Khanij Udyog Private Limited ("GKUPL") and has directed the State of Rajasthan to frame and notify its policy relating to transfer of mining lease and thereafter pass appropriate order in respect of the mining lease of GKUPL. State Government has notified the new policy related to transfer of new mining lease, based on which the Company has requested the State Government to consider reinstatement of the mines in its favour.

NOTE 41: Scheme of Demerger of Cement Business of Century Textiles and Industries Limited (Ind AS 103)

(A) The Scheme of Demerger amongst Century Textiles and Industries Limited ("CTIL" or "the Demerged Undertaking") and the Company and their respective shareholders and creditors ("the Scheme") was made effective from October 1, 2019. The National Company Law Tribunal, Mumbai Bench ("NCLT") had approved the Scheme by its Order dated July 3, 2019 and fixed May 20, 2018 as the Appointed Date. Consequently, the Company has included the financial results/ information of the Demerged Undertaking in its standalone financial statements with effect from May 20, 2018 (which is deemed to be the acquisition date for purpose of Ind AS 103 – Business Combinations) to include the financial results/ information of the acquired Cement Business Division of CTIL ("the Demerged Undertaking"). **Consequently, the figures for the year ended March 31, 2019 have been restated to give impact of the Scheme of Demerger.** Therefore, financial statements for the year ended March 31, 2020 are not strictly comparable with the previous year's financial statement.

The assets of the Demerged Undertaking comprising of 3 Integrated Units with a total capacity of 12.6 MTPA and 1 Grinding Unit with a grinding capacity of 2.0 MTPA have an enterprise valuation of ₹ 8,387.71 Crores. The acquisition of the Demerged undertaking continues to support the Company to strengthen its presence in the Eastern & the Central markets and extend its footprint in Western and Southern markets. This also provide synergies in manufacture and distribution process and logistics alignment leading to economies of scale and creation of efficiency by reducing time to market and benefiting customers. The acquisition is also creating value for its shareholders by acquiring ready to use assets which shall create operational efficiencies and reducing time to markets vis-à-vis greenfield projects which are time consuming due to challenges in acquisition of land and limestone mining leases.

(B) Fair Value of the Consideration transferred:

As per Ind AS 103 – Business Combinations, purchase consideration has been allocated on the basis of fair valuation determined by an independent valuer. Costs related to acquisition (including stamp duty on assets transferred) have been charged to Statement of Profit and Loss on the appointed date.

Notes to Consolidated Financial Statements (Continued)

Against the total enterprise value of ₹ 8,387.71 Crores, the Company has taken over borrowings of ₹ 3,000.00 Crores from CTIL. After taking these liabilities into account, effective purchase consideration of ₹ 5,387.71 Crores has been discharged on October 16, 2019, being the Record Date in terms of the Scheme, by issue of 1 (one) equity share of the Company of face value ₹ 10/- each for every 8 (eight) equity shares of CTIL of face value ₹ 10/- each to the shareholders of CTIL. The Fair value of the shares issued is ₹ 5,387.71 crores which has been determined based on the last closing price prior to the Appointed Date.

(C) The Fair Value of identifiable assets acquired and liabilities assumed as on the acquisition date:

₹ in Crores

Particulars	Amount
Property, Plant and Equipment	6,146.28
Capital Work-In-Progress	11.23
Intangible assets	
Limestone mining reserves	1,054.29
Brand Right	155.21
Others	1.80
Intangible assets under development	0.75
Other non-current financial assets	235.81
Other Non-Current Assets	88.86
Inventories	740.35
Trade and Other receivables	293.06
Cash and Cash Equivalents	12.39
Other bank balances	31.94
Other Financial Assets	162.93
Other Current Assets	356.84
Total Assets	**9,291.74**
Non-Current & Current Borrowings	3,000.00
Non-Current Provisions	6.73
Deferred Tax Liabilities	1,710.25
Trade Payables	506.70
Other Financial Liabilities	375.71
Other Current Provisions	244.20
Other Current Liabilities	269.26
Total Liabilities	**6,112.85**
Total Fair Value of the Net Assets	**3,178.89**

(D) Amount recognized as Goodwill:

₹ in Crores

Particulars	Amount
Fair value of consideration transferred	5,387.71
Less: Fair value of the net assets acquired	3,178.89
Goodwill	**2,208.82**

This goodwill is attributed to the expected synergies in cement prices and in costs, as described in paragraph (A) above.

Notes to Consolidated Financial Statements (Continued)

(E) Acquired Receivables:

As on the date of acquisition, gross contractual amount of the acquired Trade and other Receivables was ₹ 293.06 Crores against which no provision had been considered since fair value of the acquired receivables were equal to carrying value as on the date of acquisition.

(F) Contingent Liabilities

The Company has assumed all the contingent liabilities of the Demerged Undertaking as per the Scheme. Total contingent liability transferred to the Company was ₹ 806.64 Crores.

(G) Acquisition related costs

During the previous year acquisition related costs of ₹ 5.16 Crores had been recognised under Miscellaneous Expenses and Rates and Taxes in the Statement of Profit and Loss. The stamp duty paid / payable on transfer of the assets amounting to ₹ 113.88 Crores had been charged to the Statement of Profit and Loss and shown as an exceptional item.

(H) Revenue and Profit/(Loss) of the Demerged Undertaking actually included in the Profit and Loss account for FY 2018-19 (from Appointed date May 20, 2018)

₹ in Crores

Particulars	Combined entity
Revenue from Operations	4,229.75
Profit/(Loss) after tax (PAT)*	(48.30)

** Tax has been applied at the rate applicable to the Company as a whole.*

(I) Revenue and Profit/ (loss) for the combined entity for FY 2018-19 if the Business Combination had taken place on April 01, 2018

₹ in Crores

Particulars	UltraTech	Demerged Undertaking	Combined entity
Revenue from Operations	37,446.79	4,799.47	42,246.26
Profit after tax (PAT)*	2,442.81	(28.85)	2,413.96

** Tax has been applied at the rate applicable to the Company as a whole*

NOTE 42: Acquisition of Binani Cement Limited (Ind AS 103)

(A) NCLAT by its order dated November 14, 2018, approved the Company's Resolution Plan ("RP") for acquiring Binani Cement Limited ("BCL") under the provisions of the Insolvency and Bankruptcy Code 2016, as amended ("Code"). With effect from November 20, 2018, being the Transfer Date, in terms of the Resolution Plan the existing issued, subscribed and paid up share capital of BCL (including 0.01% non-cumulative redeemable preference shares of ₹ 100/- each) stands cancelled fully, without requiring any further act or deed. Subsequent to the reconstitution of the Board of Directors, taking over management control and subscribing to the equity and preference share capital, BCL has become a wholly owned subsidiary of the Company (100% Voting interest) and has since been renamed UltraTech Nathdwara Cement Limited ("UNCL"), with effect from December 13, 2018.

The Consolidated financial statements for the previous year ended March 31, 2019 (restated) include the financial results for UNCL w.e.f. November 20, 2018. Therefore, financial statements of the year ended March 31, 2020 is not strictly comparable with the corresponding previous year's financial statement.

UNCL has a capacity of 6.25 MTPA in the State of Rajasthan comprising an integrated cement unit with capacity of 4.85 MTPA and a split grinding unit with capacity of 1.4 MTPA. In addition, UNCL has investments in subsidiaries in China and UAE.

Notes to Consolidated Financial Statements (Continued)

This acquisition continues to create value for shareholders as the acquisition adds 1/3rd additional ready to use capacity in the highly growing North market where the Company was already at high capacity utilisation levels so as to cater to the growing market. This acquisition also provides abundant additional limestone reserves sufficient to cater to even additional capacities at lower prices compared to auctioned prices and creates synergies in logistics and procurement which offers many advantages to the Company.

(B) Consequent to the acquisition, in the previous year the Holding Company subscribed to equity share capital of ₹ 1,500 Crores and 8.75% preference share capital of ₹ 1,900 Crores of UNCL and provided an Inter corporate loan of ₹ 1,799.75 Crores to UNCL. Further, UNCL obtained a loan (non-current borrowing) of ₹ 2,700.00 Crores (pursuant to a corporate guarantee provided by the Holding Company). Subsequently, the Company paid the financial and operational creditors as per the RP.

(C) **Acquired Receivables:**

As on the date of acquisition, gross contractual amount of the acquired Trade Receivables and Other Financial Assets was ₹ 1,159.71 Crores against which no provision had been considered since fair value of the acquired Receivables were equal to carrying value as on the date of acquisition.

(D) **The Fair Value of Assets and Liabilities assumed as on the acquisition date:**

₹ in Crores

Particulars	Amount
Property, Plant and Equipment	2,833.78
Capital Work-In-Progress	9.05
Intangible assets	1,712.50
Non-Current Loans	1,058.85
Non-Current Financial Asset	0.48
Other Non-Current Assets	5.88
Inventories	75.91
Trade and Other receivables	8.77
Cash & Cash Equivalents	38.52
Bank Balances other than above	20.54
Current Loans	57.92
Other Current Financial Assets	1.05
Other Current Assets	30.31
Assets of disposal group held for Sale	1,037.20
Total Assets (A)	**6,890.76**
Other Non-Current Financial Liabilities	36.84
Non-Current Provision	10.06
Deferred Tax Liabilities*	1,168.59
Current Borrowings	35.13
Trade Payables	510.68
Other Current Financial Liabilities (including current maturities of non-current borrowings)	7,321.14
Other Current Liabilities	242.44
Current Provisions	2.00
Liabilities included in disposal group held-for-sale	489.00
Total Liabilities (B)	**9,815.88**
Goodwill recognised (B-A)	**2,925.12**

**Goodwill and Deferred tax liabilities include restated impact of ₹ 1167.42 Crores, being deferred tax liability recognized on difference between fair value and book value of acquired assets.*

As per Ind AS 103, purchase consideration has been allocated on the basis of fair valuation determined by an independent Valuer.

Goodwill represents growth potential through brown field expansion at a lower cost compared to a green-field plant cost by developing and utilising acquired land and limestone reserves.

(E) **Acquisition related costs**

Acquisition related costs of ₹ 24.32 Crores on legal fees, due diligence costs, valuation fees, etc. have been recognized under Miscellaneous Expenses and Rates and Taxes in the Statement of Profit and Loss for the previous year.

(F) a) The Revenue and Profit / (Loss) after Tax of UNCL for the previous period ended March 31, 2019 from the acquisition date are ₹ 485.44 Crores and ₹ (59.63) Crores respectively which has been included in the consolidated financial statements of the Company.

b) If the acquisition had occurred on April 01, 2018, consolidated revenue and consolidated profit for the year ended March 31, 2019 would have been ₹ 39,294.15 Crores and ₹ 1,191.42 Crores (after considering loss on exceptional items of ₹ 923.52 Crores), respectively. Management has determined these amounts on the basis that the fair value adjustments that arose on the date of acquisition would have been the same if the acquisition had occurred on April 01, 2018.

NOTE 43: Employee Benefits (Ind AS 19)

(A) **Defined Benefit Plans:**

(a) **Gratuity:**

The gratuity payable to employees is based on the employee's service and last drawn salary at the time of leaving the services of the Company and is in accordance with the Rules of the Company for payment of gratuity.

Inherent Risk

The plan is defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, this exposes the Company to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to the employee in future. Since the benefits are lump sum in nature the plan is not subject to any longevity risks.

(b) **Pension:**

The Company considers pension for some of its employees at senior management based on the period of service and contribution for the Company. There is no material risk associated with this plan.

(c) **Post-Retirement Medical Benefits:**

The Company provides post-retirement medical benefits to certain ex-employees who were transferred under the Scheme of arrangement for acquiring Larsen & Toubro cement business and eligible for such benefits from earlier Company. There is no material risk associated with this plan.

Notes to Consolidated Financial Statements (Continued)

₹ in Crores

	Particulars	As at March 31, 2020				As at March 31, 2019 (Restated)			
		Gratuity		Pension	Post-Retirement Medical Benefits	Gratuity		Pension	Post - Retirement Medical Benefits
		Funded	Others			Funded	Others		
(i)	**Change in defined benefit obligation**								
	Balance at the beginning of the year	604.21	26.82	7.09	0.57	451.75	22.95	7.57	0.59
	Adjustment of:								
	Current Service Cost	50.76	2.72	-	-	43.69	3.30	-	-
	Past Service Cost	0.99	-	-	-	-	0.67	-	-
	Interest Cost	44.20	1.37	0.50	0.04	42.32	1.05	0.55	0.04
	Actuarial (gains) losses recognised in Other Comprehensive Income:								
	- Change in Financial Assumptions	61.50	(5.05)	0.30	0.04	11.61	(1.90)	0.07	0.01
	- Change in Demographic Assumptions	-	(0.03)	-	-	(0.05)	-	(0.24)	(0.01)
	- Experience Changes	(2.99)	0.04	0.16	0.01	(1.64)	0.71	0.05	0.01
	Benefits Paid	(47.25)	(0.67)	(0.91)	(0.07)	(43.00)	(0.12)	(0.91)	(0.06)
	Foreign Currency Fluctuation	-	2.04	-	-	-	0.16	-	-
	Obligation reduction of Subsidiary disposal	-	(2.71)	-	-	-	-	-	-
	Obligation transferred from UNCL/CTIL	-	-	-	-	99.52	-	-	-
	Balance at the end of the year	711.42	24.53	7.14	0.59	604.20	26.82	7.09	0.58
(ii)	**Change in Fair Value of Assets**								
	Balance at the beginning of the year	634.08	-	-	-	497.64	-	-	-
	Expected Return on Plan Assets	45.26	-	-	-	45.82	-	-	-
	Re measurements due to: Actual Return on Plan Assets less interest on Plan Assets	0.27	-	-	-	2.72	-	-	-
	Contribution by the employer	76.64	-	-	-	36.93	-	-	-
	Benefits Paid	(47.25)	-	-	-	(43.00)	-	-	-
	Assets transferred from JAL / JCCL/ UNCL/CTIL	-	-	-	-	93.97	-	-	-
	Balance at the end of the year	709.00	-	-	-	634.08	-	-	-
(iii)	**Net Asset / (Liability) recognised in the Balance Sheet**								
	Present value of Defined Benefit Obligation	(711.42)	(24.53)	(7.14)	(0.59)	(604.20)	(26.82)	(7.09)	(0.58)
	Fair Value of Plan Assets	709.00	-	-	-	634.08	-	-	-
	Net Asset / (Liability) in the Balance Sheet	(2.42)	(24.53)	(7.14)	(0.59)	29.88	(26.82)	(7.09)	(0.58)

Notes to Consolidated Financial Statements (Continued)

₹ in Crores

	Particulars	As at March 31, 2020				As at March 31, 2019 (Restated)			
		Gratuity		Pension	Post-Retirement Medical Benefits	Gratuity		Pension	Post - Retirement Medical Benefits
		Funded	Others			Funded	Others		
(iv)	**Expenses recognised in the Consolidated Statement of Profit and Loss**								
	Current Service Cost	50.76	2.72	-	-	43.69	3.30	-	-
	Past Service Cost	0.99	-	-	-	-	0.67	-	-
	Interest Cost	43.02	1.37	0.50	0.04	42.32	1.05	0.55	0.04
	Expected Return on Plan Assets	(45.22)	-	-	-	(45.82)	-	-	-
	Amount charged to the Consolidated Statement of Profit and Loss	48.56	4.09	0.50	0.04	40.19	5.02	0.55	0.04
(v)	**Re-measurements recognised in Other Comprehensive Income (OCI):**								
	Changes in Financial Assumptions	61.50	(5.05)	0.30	0.04	11.61	(1.90)	0.07	0.01
	Changes in Demographic Assumptions	-	(0.03)	-	-	(0.05)	-	(0.24)	(0.01)
	Experience Adjustments	(2.99)	0.04	0.16	-	(1.64)	0.71	0.05	0.01
	Actual return on Plan assets less interest on plan assets	0.87	-	-	0.01	(2.72)	-	-	-
	Amount recognised in Other Comprehensive Income (OCI):	59.38	(5.04)	0.46	0.05	7.20	(1.19)	(0.12)	0.01
(vi)	**Maturity profile of defined benefit obligation:**								
	Within the next 12 months	81.09	4.45	0.99	0.06	75.62	3.38	0.97	0.06
	Between 1 and 5 years	225.21	6.11	3.27	0.24	227.89	6.48	3.33	0.24
	Between 5 and 10 years	238.67	7.83	2.55	0.22	252.85	9.46	2.63	0.23
	10 Years and above	1012.13	29.94	3.93	0.46	859.68	36.30	4.44	0.52
(vii)	**Sensitivity analysis for significant assumptions:***								
	Increase/(Decrease) in present value of defined benefits obligation at the end of the year								
	1% increase in discount rate	(61.78)	(1.77)	(0.35)	(0.03)	(47.91)	(2.21)	(0.34)	(0.03)
	1% decrease in discount rate	72.34	2.06	0.37	0.04	55.73	2.57	0.37	0.04
	1% increase in salary escalation rate	70.37	2.08	-	-	54.90	2.54	-	-
	1% decrease in salary escalation rate	(61.37)	(1.83)	-	-	(48.15)	(2.22)	-	-
	1% increase in employee turnover rate	(20.44)	(0.44)	-	-	(14.34)	0.03	-	-
	1% decrease in employee turnover rate	22.69	0.49	-	-	15.73	(0.05)	-	-
(viii)	**The major categories of plan assets as a percentage of total plan @**								
	Insurer Managed Funds	88%	N.A	N.A	N.A	87%	N.A.	N.A.	N.A.
	Debt, Equity and Other Instruments	12%	N.A	N.A	N.A	13%	N.A.	N.A.	N.A.

Notes to Consolidated Financial Statements (Continued)

₹ in Crores

	Particulars	As at March 31, 2020				As at March 31, 2019 (Restated)			
		Gratuity		Pension	Post-Retirement Medical Benefits	Gratuity		Pension	Post - Retirement Medical Benefits
		Funded	Others			Funded	Others		
(ix)	Actuarial Assumptions:								
	Discount Rate (p.a.)	6.65% - 6.84%	5% - 11.28%	6.65% - 6.75%	6.65%	7.60 - 7.79%	5% - 11.28%	7.65%	7.65%
	Turnover Rate	1.5% - 8.0%	1.00 - 12.00%	-	-	1.5% to 8.0%	1 - 12%	-	-
	Mortality tables	Indian Assured Lives Mortality (2012-14) Indian Assured Lives Mortality (2006-08)	**		S1PA Mortality table adjusted suitably	Indian Assured Lives Mortality (2012-14) Indian Assured Lives Mortality (2006-08)	**		S1PA mortality table adjusted suitably
	Salary Escalation Rate (p.a.)	6.00 - 8.00%	3.00 - 10.00%	-	-	6.00 - 8.00%	5.5 - 10%	-	-
	Retirement age: Management - Non-Management-	60 Yrs. 58 Yrs.	55 – 60 Yrs.	-	-	60-63 Yrs. 58 Yrs.	55 - 60 Yrs.	-	-
(x)	Weighted Average duration of Defined benefit obligation	9.0 – 11.0 Yrs.	5.6 - 10.1 Yrs.	6.7 Yrs.	6.2 Yrs.	9.6 Yrs.	5.5 - 11.9 Yrs.	6.5 Yrs.	6.1 Yrs.

* *These Sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analyses.*

@ *The plan does not invest directly in any property occupied by the Group nor in any financial securities issued by the Group.*

** *GA 1983 Mortality Table / UK Mortality Table AM92[UK] & Indian Assured Lives Mortality (2006-08) Ult table*

(xi) Discount Rate:

The discount rate is based on the prevailing market rates of Indian government securities for the estimated term of obligations.

(xii) Salary Escalation Rate:

The estimates of future salary increases are considered taking into account inflation, seniority, promotion and other relevant factors.

(xiii) Asset Liability matching strategy:

The money contributed by the Group to the Gratuity fund to finance the liabilities of the plan has to be invested.

The trustees of the plan have outsourced the investment management of the fund to an insurance Company. The insurance Company in turn manages these funds as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations. Due to the restrictions in the type of investments that can be held by the fund, it is not possible to explicitly follow an asset liability matching strategy.

There is no compulsion on the part of the Group to fully prefund the liability of the Plan. The Group's philosophy is to fund these benefits based on its own liquidity and the level of underfunding of the plan.

(xiv) The Group's expected contribution during next year is ₹ 30.46 Crores (March 31, 2019 ₹ Nil Crores).

(d) Provident Fund:

The Company is liable for any shortfall in the fund assets based on the Government specified rate of return. Such shortfall, if any, is recognised in the Statement of Profit and Loss as an expense in the year of incurring the same.

Amount recognized as an expense under the head "Contribution to Provident and other Funds" of Statement of Profit and Loss ₹ 94.09 Crores (March 31, 2019 ₹ 85.10 Crores).

The actuary has provided for a valuation and based on the below provided assumptions there is a shortfall of ₹ 0.68 Crores as at March 31, 2020 (March 31, 2019: Nil)

₹ in Crores

	Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
(a)	**Plan Assets at Fair Value**	1,589.35	1,371.69
(b)	**Present value of defined benefit obligation at year end**	1,590.13	1,369.55
(c)	**Surplus available**	0.10	-
(d)	**Liability recognised in Balance Sheet**	0.68	NIL
(e)	**Assumptions used in determining the present value obligation of interest rate guarantee under the Deterministic Approach**		
	Government of India bond yield for the outstanding term of liabilities	6.65%	7.32-7.65%
	Remaining term of the maturity of Investment Portfolio	11.76-13.50 Yrs	5.83-13.72 Yrs.
	Discount Rate for the remaining term of the maturity of Investment Portfolio	7.85-8.43%	7.00-8.56%
	Expected Guaranteed Interest Rate	8.50%	8.65%

(e) Contribution to Other Funds:

Amount recognized as an expense under the head "Contribution to Other Funds" of Statement of Profit and Loss ₹ 30.88 Crores (March 31, 2019 ₹ 31.10 Crores).

(B) Amount recognized as an expense in respect of Compensated Absences is ₹ 62.79 Crores (March 31, 2019 ₹ 26.25 Crores).

(C) Amount recognized as expense for other long-term employee benefits is ₹ 44.18 Crores (March 31, 2019 ₹ 0.96 Crores).

NOTE 44: Segment Reporting (Ind AS 108)

The Group is exclusively engaged in the business of cement and cement related products. As per Ind AS 108 "Operating Segments", specified under Section 133 of the Companies Act, 2013, there are no reportable segments applicable to the Group.

The Group's revenue from continuing operations from external customers by location of operations and information about its non-current assets by location of assets are detailed below.

₹ in Crores

Particulars	Revenue from External Customers		Non-Current Assets	
	Year Ended March 31, 2020	Year Ended March 31, 2019 (Restated)	As at March 31, 2020	As at March 31, 2019 (Restated)
India (Country of Domicile)	39,630.98	38,943.97	58,161.78	58,294.47
Others	1,844.96	1,959.84	2,565.74	2,313.81
Total	**41,475.94**	40,903.81	**60,727.52**	60,608.28

Notes to Consolidated Financial Statements (Continued)

NOTE 45: Related party disclosures (Ind AS 24)

Names of Related Parties with whom transactions were carried out during the year:

Name of Related Party	Relationship
Grasim Industries Limited	Holding Company
Samruddhi Swastik Trading and Investments Limited	Fellow Subsidiary
Aditya Birla Sun Life Insurance Company Limited (formerly known as Birla Sun Life Insurance Company Limited)	Fellow Subsidiary
Aditya Birla Health Insurance Limited	Fellow Subsidiary
ABNL Investment Limited	Fellow Subsidiary
Aditya Birla Renewable SPV 1 Limited	Associate
Bhaskarpara Coal Company Limited	Joint Venture
UltraTech Provident Fund	Post-Employment Benefit Plan
Maihar Employees Provident Fund	Post-Employment Benefit Plan
Aditya Birla Management Corporation Private Limited	Other related party in which Director is interested
Bharucha & Partners	Other related party in which Director is interested
Dave Girish & Company (Till August 5, 2019)	Other related party in which Director is interested
Mr. Kumar Mangalam Birla – Non-Executive Chairman	Key Management Personnel (KMP)
Mrs. Rajashree Birla – Non-Executive Director	Key Management Personnel (KMP)
Mr. DD Rathi – Non-Executive Director (Till July 27, 2018)	Key Management Personnel (KMP)
Mr. O.P Puranmalka - Non-Executive Director (Till July 18, 2019)	Key Management Personnel (KMP)
Mr. Arun Adhikari – Independent Director	Key Management Personnel (KMP)
Mr. G.M. Dave - Independent Director (Till August 5, 2019)	Key Management Personnel (KMP)
Mrs. Alka Bharucha - Independent Director	Key Management Personnel (KMP)
Mrs. Sukanya Kripalu - Independent Director	Key Management Personnel (KMP)
Mr. S.B. Mathur - Independent Director	Key Management Personnel (KMP)
Mrs. Usha Sangwan- Independent Director w.e.f January 10,2020	Key Management Personnel (KMP)
Mrs. Renuka Ramnath - Independent Director (Till October 21, 2019)	Key Management Personnel (KMP)
Mr. K.K. Maheshwari – Vice- Chairman and Non-Executive Director (Managing Director till December 31, 2019)	Key Management Personnel (KMP)
Mr. K.C. Jhanwar – Managing Director w.e.f January 1, 2020	Key Management Personnel (KMP)
Mr. Atul Daga - Whole-time Director and CFO	Key Management Personnel (KMP)
Mrs. Kritika Daga	Relative of KMP (Wife of Mr. Atul Daga)

(a) **The following transactions were carried out with the related parties in the ordinary course of business:**

₹ in Crores

Nature of Transaction/Relationship	Year Ended March 31, 2020	Year Ended March 31, 2019 (Restated)
Sale of Goods:		
Holding Company	18.24	16.30
Purchase of Goods:		
Holding Company	2.30	2.69
Associate	22.32	12.66
Total	24.62	15.35
Sale of Fixed Assets:		
Holding Company	0.07	1.77
Purchase of Fixed Assets		
Other related party in which Director is interested	0.03	-
Fellow Subsidiary	-	0.24
Total	0.03	0.24
Services received from:		
Holding Company	0.75	1.77
Fellow Subsidiary	17.58	12.33
KMP	44.57	35.89
Other related party in which Director is interested	190.50	172.73
Relative of KMP	0.30	0.27
Total	253.70	222.99
Services rendered to:		
Holding Company	3.05	1.22
Dividend Paid:		
Holding Company	190.14	173.60
Contribution to:		
Post-Employment Benefit Plan	76.97	62.11
Investments:		
Associates	5.75	-

(b) **Outstanding balances:**

₹ in Crores

Nature of Transaction/Relationship	As at March 31, 2020	As at March 31, 2019 (Restated)
Loans and Advances:		
Holding Company	0.44	0.30
Fellow Subsidiary	10.32	7.68
Joint Venture and Associates	2.49	2.49
Other related party in which Director is interested	45.42	51.86
Total	58.67	62.33
Trade Receivables:		
Holding Company	1.15	0.99
Trade Payables:		
Holding Company	0.47	0.27
Associate	1.84	0.57
Total	2.31	0.84
Deposit:		
KMP	3.00	3.59
Relative of KMP	5.00	5.00
Total	8.00	8.59
Corporate Guarantees:		
Joint Ventures	4.00	4.00

Notes to Consolidated Financial Statements (Continued)

(c) **Compensation of KMP of the Company:**

₹ in Crores

Nature of transaction	Year Ended March 31, 2020	Year Ended March 31, 2019 (Restated)
Short-term employee benefits	23.22	17.54
Post – employment benefits	19.26	1.58
Share based payment	3.30	1.79
Total compensation paid to KMP	**45.78**	20.91

Above includes compensation of Mr. K. K. Maheshwari, who was Managing Director till December 31, 2019 and was designated as Vice Chairman and Non-Executive Director w.e.f January, 01, 2020. Post- retirement benefits included amount paid to him for Gratuity and Leave Encashment of ₹ 8.27 Crores. Further the Board has approved one-time payout of ₹ 9.45 Crores and pension of ₹ 28,34,000 per month with effect from January 1, 2020 for his past services as Managing Director, which is also part of the above Post-employment benefits.

Based on the recommendation of the Nomination, Remuneration and Compensation Committee, all decisions relating to the remuneration of the Directors are taken by the Board of Directors of the Company, in accordance with shareholder's approval, wherever necessary.

Terms and Conditions of transactions with Related Parties:

The sales to and purchases from related parties are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

For the year ended March 31, 2020, the Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

NOTE 46: Income Taxes (Ind AS 12)

(i) **Reconciliation of effective tax rate:**

In %

Particulars	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
Applicable tax rate	34.94	34.94
Effect of Tax Exempt Income	(0.34)	(0.48)
Effect of Non-Deductible expenses	0.61	1.32
Effect of Allowances for tax purpose	(2.69)	(3.27)
Effect of Tax paid at a lower rate	(0.87)	(1.41)
Effect of changes in Tax rate (deferred)	(1.41)	-
Effect of Previous year adjustments	(0.02)	(0.12)
Effect of Lower Jurisdiction Tax Rate	(0.43)	(0.71)
Others	(0.35)	0.87
Effective Tax Rate	**29.44**	31.14
Effect of Reversal of Opening Deferred Tax Liability for change in income tax rates (Refer Note 20)	**(40.28)**	-
Net Effective Tax Rate	**(10.84)**	31.14

(ii) At March 31, 2020 a deferred tax liability of ₹ 69.83 Crores (March 31, 2019 ₹ 60.36 Crores) in respect of temporary differences related to undistributed profit in subsidiaries has not been recognized because the Group controls the dividend policy of its subsidiaries and management is satisfied that they are not expecting to distribute profit in the foreseeable future.

(iii) The Company has not recognized Deferred Tax Assets on the unabsorbed Depreciation, business losses and other temporary differences amounting to ₹ 1,316.48 Crores in respect of a Subsidiary, since it is not probable that future taxable income will be available wherein such deferred tax assets can be realized in normal course of business.

NOTE 47: Earnings per Share (EPS) (Ind AS 33)

₹ in Crores

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019 (Restated)
(A) Basic EPS:		
(i) Net Profit attributable to Equity Shareholders	5,814.84	2,403.51
(ii) Weighted average number of Equity Shares outstanding (Nos.)	288,626,496	286,267,127
(iii) Less: Treasury Shares acquired by the Company under Trust	(2,09,477)	(2,02,022)
(iv) Weighted average number of Equity Shares outstanding for calculation of Basic EPS (Face value ₹ 10/ share)	288,417,019	286,065,105
Basic EPS (₹) (i)/(iv)	**201.61**	84.02
(B) Diluted EPS:		
(i) Weighted average number of Equity Shares Outstanding (Nos.)	288,417,019	286,065,105
(ii) Add: Potential Equity Shares on exercise of options (Nos.)	85,507	79,361
(iii) Weighted average number of Equity Shares Outstanding for calculation of Dilutive EPS (i+ii) (Face Value ₹ 10/Share)	288,502,526	286,144,466
Diluted EPS (₹) {(A) (i) /(B) (iii)}	**201.55**	84.00

NOTE 48: Summarised financial information of individually immaterial associates and joint venture

The Company's interests in below mentioned associates and joint venture are accounted for using the equity method in the consolidated financial statements. The summarized financial information below represents amounts shown in the associate's financial statements prepared in accordance with Ind AS adjusted by the Company for equity accounting purposes:

Madanpur (North) Coal Company Private Limited:

₹ in Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
Profit or Loss from continuing Operations	0.01	0.01
Post-tax Profit or Loss from discontinued Operations	-	-
Other Comprehensive Income	-	-
Total Comprehensive Income	0.01	0.01

Notes to Consolidated Financial Statements (Continued)

Aditya Birla Renewable SPV 1 Limited:

₹ in Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
Profit or Loss from continuing Operations	(0.84)	0.54
Post-tax Profit or Loss from discontinued Operations	-	-
Other Comprehensive Income	(0.41)	(0.02)
Total Comprehensive Income	(1.25)	0.52

Bhaskarpara Coal Company Limited:

₹ in Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019 (Restated)
Profit or Loss from continuing Operations	0.01	0.01
Post-tax Profit or Loss from discontinued Operations	-	-
Other Comprehensive Income	-	-
Total Comprehensive Income	0.01	0.01

NOTE 49: Auditors' remuneration including remuneration for Subsidiaries' Auditors (excluding GST) and expenses

₹ in Crores

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019(Restated)
(a) Statutory Auditors:		
Audit fees (including Quarterly Limited Reviews)	5.34	4.49
Tax audit fees	0.28	0.26
Fees for other services	0.63	0.28
Expenses reimbursed	0.16	0.12
(b) Cost Auditors:		
Audit fees	0.30	0.26
Fees for other services (March 31, 2019: ₹ 3,000)	-	0.00
Expenses reimbursed	0.01	0.04

NOTE 50:

The following expenses are included in the different heads of expenses in the Consolidated Statement of Profit and Loss:

₹ in Crores

Particulars	Year Ended March 31, 2020			Year Ended March 31, 2019 (Restated)		
	Raw Materials Consumed	Power and Fuel Consumed	Total	Raw Materials Consumed	Power and Fuel Consumed	Total
Stores and Spares Consumed	134.50	60. 76	195.26	131.20	63.98	195.18
Royalty and Cess	1,098.22	-	1,098.22	1,088.89	-	1,088.89

Notes to Consolidated Financial Statements (Continued)

NOTE 51: Share Based Payments (Ind AS 102)

The Group has granted 20,339 options (including Restricted Stock units) to its eligible employees in various ESOS Schemes, details are as under:

(A) Employee Stock Option Scheme (ESOS 2006):

Particulars	Tranche I	Tranche II	Tranche III	Tranche IV*	Tranche V*	Tranche VI
Nos. of Options	99,010	69,060	60,403	88,907	8,199	7,890
Vesting Plan	Graded Vesting - 25% every year	Graded Vesting - 25% every year	Graded Vesting - 25% every year	As per the Terms of Scheme	As per the Terms of Scheme	Graded Vesting - 25% every year
Exercise Period	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting			5 Years from the date of Vesting
Grant Date	23.08.2007	25.01.2008	08.09.2010	20.09.2010	20.09.2010	01.06.2012
Exercise Price (₹ per share)	606	794	655	709	1,061	974
Fair Value on the date of Grant of Option (₹ per share)	502	404	547	447	281	762
Method of Settlement	Equity	Equity	Equity	Equity	Equity	Equity

**Issued to Employees of erstwhile Samruddhi Cement Limited (SCL) option holders pursuant to Scheme of Amalgamation of SCL with the Group.*

(B) Employee Stock Option Scheme (ESOS 2013) including Stock options and Restricted Stock Units (RSU):

Particulars	Tranche I		Tranche II		Tranche III	
	RSU	Stock Options	RSU	Stock Options	RSU	Stock Options
Nos. of Options	84,056	237,953	12,313	34,859	2,218	6,280
Vesting Plan	100% on 19.10.2016	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 18.10.2017	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 28.01.2018	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets
Exercise Period	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting
Grant Date	19.10.2013	19.10.2013	18.10.2014	18.10.2014	28.01.2015	28.01.2015
Exercise Price (₹ per share)	10	1,965	10	2,318	10	3,122
Fair Value on the date of Grant of Option (₹ per share)	1,862	750	2,241	870	3,048	1,207
Method of Settlement	Equity	Equity	Equity	Equity	Equity	Equity

Notes to Consolidated Financial Statements (Continued)

Particulars	Tranche IV		Tranche V		Tranche VI	
	RSU	Stock Options	RSU	Stock Options	RSU	Stock Options
Nos. of Options	9,059	25,645	5,313	15,042	10,374	29,369
Vesting Plan	100% on 19.10.2018	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 13.04.2019	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 27.01.2020	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets
Exercise Period	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting
Grant Date	19.10.2015	19.10.2015	13.04.2016	13.04.2016	27.01.2017	27.01.2017
Exercise Price (₹ per share)	10	2,955	10	3,167	10	3,681
Fair Value on the date of Grant of Option (₹ per share)	2,897	1,728	3,108	1,810	3,608	2,080
Method of Settlement	Equity	Equity	Equity	Equity	Equity	Equity

(C) Employee Stock Option Scheme (ESOS 2018) including Stock options, Restricted Stock Units (RSU) and Stock Appreciation Rights Scheme – 2018 (SAR 2018) including Stock options and RSU

Particulars	Tranche I (ESOS, 2018)		Tranche II (ESOS, 2018)		Tranche III (ESOS, 2018)	
	RSU	Stock Options	RSU	Stock Options	RSU	Stock Options
Nos. of Options	43,718	1,58,304	917	3,320	3,482	12,620
Vesting Plan	100% on 18.12.2021	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 23.12.2022	Graded Vesting-25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 04.03.2023	Graded Vesting-25% every year after 1 year from date of grant, subject to achieving performance targets
Exercise Period	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting
Grant Date	18.12.2018	18.12.2018	23.12.2019	23.12.2019	04.03.2020	04.03.2020
Exercise Price (₹ per share)	10	4,009.30	10	4,120.45	10	4,299.90
Fair Value on the date of Grant of Option (₹ per share)	3,942	1,476	4,080	1,865	4,258	1,939
Method of Settlement	Equity	Equity	Equity	Equity	Equity	Equity

Notes to Consolidated Financial Statements (Continued)

Particulars	Tranche I (SAR, 2018)	
	RSU	Stock Options
Nos. of Options	1,084	3,924
Vesting Plan	100% on 18.12.2021	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets
Exercise Period	3 Years from the date of Vesting	3 Years from the date of Vesting
Grant Date	18.12.2018	18.12.2018
Exercise Price (₹ per share)	10	4,009.30
Fair Value on the date of Grant of Option (₹ per share)	3,946	1,539
Method of Settlement	Cash	Cash

(D) Movement of Options Granted including RSU along with weighted average exercise price (WAEP):

Particulars	As at March 31, 2020		As at March 31, 2019 (Restated)	
	Nos.	WAEP (₹)	Nos.	WAEP (₹)
Outstanding at the beginning of the year	**3,16,974**	**2,843.64**	1,44,499	2,171.13
Granted during the year	**20,339**	**3,342.77**	2,02,022	3,143.84
Exercised during the year	**(21,711)**	**1,799.42**	(28,735)	1,585.05
Forfeited during the year	**(18,123)**	**2,688.20**	(812)	2,396.47
Outstanding at the end of the year	**2,97,479**	**2,963.45**	3,16,974	2,843.64
Options exercisable at the end of the year	**1,18,919**	**2,875.80**	73,273	2,394.44

The weighted average share price at the date of exercise for options was ₹ 4,181.12 per share (March 31, 2019 ₹ 3,844.48 per share) and weighted average remaining contractual life for the share options outstanding as at March 31, 2020 was 5.12 years (March 31,2019: 4.6 years).

The Company has granted Nil SAR (March 31, 2019 5,008) to its employees during the year with a weighted average exercise price of ₹ Nil per share (March 31, 2019 ₹ 3,143.64 per share) and weighted average fair value of ₹ Nil per share (March 31, 2019: ₹ 2,060 per share). The weighted average remaining contractual life for SAR is 4.22 years (March 31, 2019: 5.3 years).

The exercise price for outstanding options and SAR is ₹ 10 per share for RSU's and ranges from ₹ 1,965 per share to ₹ 4,300 per share for options.

(E) Fair Valuation:

20,339 share options were granted during the year. Weighted Average Fair value of the options granted during the year is ₹ 2,682.45 per share (March 31, 2019 ₹ 2,009.83 per share).

The fair value of option has been done by an independent firm of Chartered Accountants on the date of grant using the Black-Scholes Model / Binomial Model.

The Key assumptions in the Black-Scholes Model for calculating fair value as on the date of grant:

(a) For ESOS 2006:

1. Risk Free Rate - 8% (Tranche I-V), 8.14% (Tranche VI)
2. Option Life - Vesting period (1 Year) + Average of exercise period
3. Expected Volatility* - Tranche-I: 0.49, Tranche-II: 0.52,Tranche-III: 0.30, Tranche-IV: 0.30, Tranche-V: 0.30, Tranche-VI: 0.25
4. Expected Growth in Dividend - 20%

Notes to Consolidated Financial Statements (Continued)

(b) For ESOS 2013:

1. Risk Free Rate - 8.5% (Tranche I), 7.8% (Tranche II-III), 8.56% (Tranche IV) 7.6% (Tranche V), 6.74% (Tranche VI)
2. Option Life - (a) For Options - Vesting period (1 Year) + Average of exercise period (b) For RSU – Vesting period (3 Years) + Average of exercise period
3. Expected Volatility* - Tranche-I: 0.29, Tranche-II: 0.27, Tranche-III: 0.28, Tranche-IV: 0.60 Tranche–V: 0.60, Tranche–VI: 0.61
4. Expected Growth in Dividend - Tranche -I: 20%, Tranche II-III: 15%, Tranche-IV: 5%, Tranche-V: 5%, Tranche-VI: 5%

(c) For ESOS 2018:

1. Risk Free Rate - 7.47% (Tranche I)
2. Option Life - (a) For Options - Vesting period (1 Year) + Average of exercise period (b) For RSU – Vesting period (3 Years) + Average of exercise
3. Expected Volatility* - Tranche-I: 0.24
4. Dividend Yield - Tranche -I: 0.46%

*Expected volatility on the Company's stock price on National Stock Exchange based on the data commensurate with the expected life of the options/RSU's up to the date of grant.

The Key assumptions in the Binomial Tree Model for calculating fair value as on the date of grant:

(a) For ESOS – SAR - 2018:

1. Risk Free Rate - 7.47% (Tranche I)
2. Option Life - (a) For Options - Vesting period (1 Year) + Average of exercise period (b) For RSU – Vesting period (3 Years) + Average of exercise period
3. Expected Volatility* - Tranche-I: 0.25,
4. Dividend Yield - Tranche -I: 0.46%

(b) For ESOS 2018:

1. Risk Free Rate - 6.78% (Tranche II), 6.72% (Tranche III)
2. Option Life - (a) For Options - Vesting period (1 Year) + Average of exercise period (b) For RSU – Vesting period (3 Years) + Average of exercise period
3. Expected Volatility* - Tranche-II: 0.26, Tranche- III: 0.26
4. Dividend Yield - Tranche -II & III: 0.27%

*Expected volatility on the Company's stock price on National Stock Exchange based on the data commensurate with the expected life of the options/RSU's up to the date of grant.

(F) Details of Liabilities arising from Company's cash settled share based payment transactions:

₹ in Crores

Particulars	March 31, 2020	March 31, 2019 (Restated)
Other non-current liabilities	0.40	0.09
Other current liabilities	0.15	0.04
Total carrying amount of liabilities	**0.55**	0.13

Notes to Consolidated Financial Statements (Continued)

NOTE 52: (A) Classification of Financial Assets and Liabilities (Ind AS – 107)

₹ in Crores

Particulars	As at March 31, 2020		As at March 31, 2019 (Restated)	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets at amortised cost				
Trade Receivables	2,238.29	2,238.29	2,787.03	2,787.03
Loans	1,429.40	1,429.40	1,354.07	1,354.07
Cash and Bank Balances	539.21	539.21	739.68	739.68
Other Financial Assets	1,356.11	1,356.11	1,221.52	1,221.52
Financial Assets at fair value through profit or loss				
Investments	5,905.49	5,905.49	2,902.65	2,902.65
Fair Value Hedging Instruments				
Derivative Assets	104.53	104.53	98.90	98.90
Total	**11,573.03**	**11,573.03**	**9,103.85**	**9,103.85**
Financial liabilities at amortised cost				
Non-Convertible Debentures	2,810.00	2,809.77	2,735.07	2,662.86
Term Loan from Banks	12,701.88	12,701.88	15,563.13	15,563.13
Cash Credits / Working Capital Borrowing	35.57	35.57	82.37	82.37
Commercial Papers and others	2,949.42	2,949.42	2,585.93	2,585.93
Sales Tax Deferment Loan	401.40	401.40	438.77	438.77
Trade Payables	3,501.43	3,501.43	3,159.70	3,159.70
Preference Shares	1,000.10	1,000.10	1,000.10	1,000.10
Other Financial Liabilities	2,290.72	2,290.72	2,296.34	2,296.34
Foreign Currency Borrowings	2,999.56	2,999.56	2,931.63	2,931.63
Lease Liability	359.03	359.03	-	-
Financial Liability at fair value through Profit or Loss				
Lease Liability payable in Foreign Currency	799.99	799.99	-	-
Fair Value Hedging Instrument				
Derivative Liability	54.51	54.51	0.06	0.06
Total	**29,903.61**	**29,903.38**	**30,793.10**	**30,720.89**

NOTE 52: (B) Fair Value Measurements (Ind AS 113)

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in an orderly transaction in the principal (or most advantageous) market at measurement date under the current market condition regardless of whether that price is directly observable or estimated using other valuation techniques.

The Group has established the following fair value hierarchy that categorizes the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

Level 1: This hierarchy uses quoted (unadjusted) prices in active markets for identical assets or liabilities. The fair value of all bonds which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.

Notes to Consolidated Financial Statements (Continued)

Level 2: The fair value of financial instruments that are not traded in an active market (For example traded bonds, over the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on company specific estimates. The mutual fund units are valued using the closing Net Asset Value. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

₹ in Crores

Particulars	Fair Value As at March 31, 2020	Fair Value As at March 31, 2019 (Restated)
Financial Assets at fair value through profit or loss		
Investments – Level 2	5,881.73	2,877.74
Investments – Level 3	23.76	24.91
Fair Value Hedging Instruments		
Derivative assets – Level 2	104.53	99.05
Total	6,010.02	3,001.70
Fair Value Hedging Instruments		
Derivative liability – Level 2	54.51	0.21
Total	54.51	0.21

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

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

(a) The fair values of the quoted investments/units of mutual fund schemes are based on market price/net asset value at the reporting date.

(b) The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves and an appropriate discount factor.

(c) The fair value of forward foreign exchange contracts is calculated as the present value determined using forward exchange rates and interest rate curve of the respective currencies.

(d) The fair value of currency swap is calculated as the present value determined using forward exchange rates, currency basis spreads between the respective currencies, interest rate curves and an appropriate discount factor.

(e) The fair value of foreign currency option contracts is determined using the Black Scholes valuation model.

(f) The fair value of the remaining financial instruments is determined using discounted cash flow analysis. The discount rates used is based on management estimates.

The significant unobservable inputs used in the fair value measurement of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2020 and March 31, 2019 are as shown below:

Description of significant unobservable inputs to valuation:

Particulars	Valuation Technique	Significant unobservable inputs	Discounting Rate	Sensitivity of the input to fair value
Investments in Unquoted instruments accounted for at fair value through Profit and Loss	DCF method	Average Cost of Borrowings to arrive at discount rate.	**March 31, 2020:** 8.50% **March 31, 2019:** 8.50%	0.5% (March 31 2019: 0.5%) increase (decrease) would result in increase (decrease) in fair value by ₹ (0.73) Crores (March 31, 2019: ₹ (1.14) Crores)

Notes to Consolidated Financial Statements (Continued)

Reconciliation of Level 3 Fair Value Measurements:

₹ in Crores

Balance as at March 31, 2018	**23.59**
Add: Change in Value of Investment in Preference Shares measured at FVTPL	1.10
Add: Purchase of Investment during the year	20.24
Less: Sale of Investment during the year	(20.02)
Balance as at March 31, 2019	**24.91**
Add: Change in Value of Investment in Preference Shares measured at FVTPL	1.60
Add: Purchase of Investment during the year	4.82
Less: Sale of Investment during the year	(7.57)
Balance as at March 31, 2020	**23.76**

NOTE 53: Financial Risk Management Objectives (Ind AS 107)

The Group's principal financial liabilities, other than derivatives, comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets, other than derivatives include trade and other receivables, investments and cash and cash equivalents that derive directly from its operations.

The Group's activities expose it to market risk, liquidity risk and credit risk. The Group's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the group. The group uses derivative financial instruments, such as foreign exchange forward contracts, foreign currency option contracts, principal only swaps, cross currency swaps that are entered to hedge foreign currency risk exposure, interest rate swaps, coupon only swaps to hedge variable interest rate exposure and commodity fixed price swaps to hedge commodity price risks. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

The several sources of risks which the Group is exposed to and their management are given below:

Risk	Exposure Arising From	Measurement	Management
I) Market Risk			
A) Foreign Currency Risk	Committed commercial transaction Financial asset and Liabilities not denominated in INR	Cash Flow Forecasting Sensitivity Analysis	(a) Forward foreign exchange contracts (b) Foreign currency options (c) Principal only/Currency swaps
B) Interest Rate Risk	Long Term Borrowings at variable rates Investments in Debt Schemes of Mutual Funds and Other Debt Securities	Sensitivity Analysis, Interest rate movements	(a) Interest Rate swaps, Coupon only swaps (b) Portfolio Diversification
C) Commodity Price Risk	Movement in prices of commodities mainly Imported Thermal Coal and Pet Coke	Sensitivity Analysis, Commodity price tracking	(a) Commodity Fixed Prices (b) Swaps/Options
II) Credit Risk	Trade receivables, Investments, Derivative financial instruments, Loans and Bank balances	Ageing analysis, Credit Rating	(a) Diversification of mutual fund investments, (b) Credit limit & credit worthiness monitoring, (c) Criteria based approval process
III) Liquidity Risk	Borrowings and Other Liabilities and Liquid Investments	Rolling cash flow forecasts Broker Quotes	(a) Adequate unused credit lines and borrowing facilities (b) Portfolio Diversification

Notes to Consolidated Financial Statements (Continued)

The Group has standard operating procedures and investment policy for deployment of surplus liquidity, which allows investment in debt securities and mutual fund schemes of debt categories only and restricts the exposure in equity markets.

Compliances of these policies & principles are reviewed by the internal auditors on periodical basis.

The Corporate Treasury team updates the Audit Committee on a quarterly basis about the implementation of the above policies. It also updates the Risk Management Committee of the Group on periodical basis about the various risks to the business and status of various activities planned to mitigate the risks.

I) Market Risk:

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings.

A) 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 changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the foreign currency borrowings, import of fuels, raw materials & spare parts, capital expenditure, exports of cement and the Company's net investments in foreign subsidiaries.

When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure.

The Company evaluates exchange rate exposure arising from foreign currency transactions. The Company follows established risk management policies and standard operating procedures. It uses derivative instruments like foreign currency swaps and forwards to hedge exposure to foreign currency risk.

₹ in Crores

Outstanding foreign currency exposure (Gross) as at	March 31, 2020	March 31, 2019 (Restated)
Trade and advances receivables		
USD	1.08	19.60
Euro	0.02	0.08
Trade Payables		
USD	4.30	3.27
Euro	1.27	0.42
Others	0.49	0.11
Borrowings		
USD	14.64	15.25
Investments		
USD	6.92	6.92

Foreign currency sensitivity on unhedged exposure:

100 bps increase or decrease in foreign exchange rates will have the following impact on profit before tax.

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
USD	(5.25)	(4.78)
Others	0.01	0.01

Note: If the rate is decreased by 100 bps profit will increase by an equal amount.

Notes to Consolidated Financial Statements (Continued)

B) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's short term borrowing (excluding commercial paper) with floating interest rates. For all long-term borrowings with floating rates, the risk of variation in the interest rates is mitigated through interest rate swaps. The Group constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

Interest rate exposure

₹ in Crores

Particulars	Total borrowings	Floating rate borrowings	Fixed rate borrowings	Non-Interest bearing borrowings
INR	19,869.90	12,708.98	6,759.52	401.40
USD	2,999.56	-	2,999.56	-
AED	17.13	17.13	-	-
LKR	11.34	11.34	-	-
BDT	-	-	-	-
BHD	-	-	-	-
Total as at March 31, 2020	**22,897.93**	**12,737.45**	**9,759.08**	**401.40**
INR	22,323.79	15,563.92	6,321.10	438.77
USD	2,974.10	42.47	2,931.63	-
AED	12.29	12.29	-	-
BDT	26.29	26.29	-	-
BHD	0.53	0.53	-	-
Total as at March 31, 2019	25,337.00	15,645.50	9,252.73	438.77

Note: Interest rate risk hedged for FCY borrowings has been shown under Fixed Rate borrowings.

Interest rate sensitivities for unhedged exposure (impact on profit before tax due to increase in 100 bps):

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
INR	(127.09)	(155.63)
USD	-	(0.42)
AED	(0.17)	(0.12)
LKR	(0.11)	-
BDT	-	(0.26)
BHD	-	(0.01)

Note: If the rate is decreased by 100 bps profit will increase by an equal amount.

Interest rate sensitivity has been calculated assuming the borrowings outstanding at reporting date have been outstanding for the entire reporting period.

Notes to Consolidated Financial Statements (Continued)

Foreign Currency and Interest Rate Risk Management:

Forward Exchange and Interest Rates Swaps Contracts:

(A) Derivatives for hedging currency and interest rates, outstanding are as under:

₹ in Crores

Particulars	Hedged item	Currency	As at March 31, 2020	As at March 31, 2019 (Restated)	Cross Currency
a. Forward Contracts	Loan Receivable	USD	15.20	18.50	Rupees
	Imports	USD	9.29	11.07	Rupees
	Imports	Euro	0.01	0.27	Rupees
	Imports	Euro	0.72	1.24	USD
	Exports	USD	-	0.71	Rupees
b. Other Derivatives:					
i. Currency & Interest Rate Swap (CIRS)	ECB*	USD	7.32	7.32	Rupees
ii. Principal only Swap	ECB*	USD	7.32	7.32	Rupees
iii. Interest Rate Swap	ECB*	USD	7.32	7.32	USD
	ECB*	USD	25.00	27.75	AED

*External Commercial Borrowings

(B) **Cash Flow Hedges:** The Company has raised foreign currency external commercial borrowings and to mitigate the risk of foreign currency and floating interest rates the Company has taken forward contracts, currency swaps, interest rates swaps and principal only swaps. The Company is following hedge accounting for all the foreign currency borrowings raised on or after April 01, 2015 based on qualitative approach.

The Company assesses hedge effectiveness based on following criteria:

(i) an economic relationship between the hedged item and the hedging instrument;

(ii) the effect of credit risk; and

(iii) assessment of the hedge ratio

The Company designates the derivatives to hedge its currency risk and generally applies a hedge ratio of 1:1. The Company's policy is to match the critical terms of the forward exchange contracts to match with the hedged item.

Foreign currency cash flows:

Particulars	As at	Average Exchange Rate (USD/INR)	Nominal Foreign Currency USD Crores	Fair Value Assets (Liabilities) ₹ in Crores
Buy Currency for External Commercial Borrowings (USD)	March 31, 2020	65.19	7.32	81.25
Buy Currency for External Commercial Borrowings (USD)	March 31, 2019	65.19	7.32	17.25

Interest rates outstanding on Receive Floating and Pay Fix contracts:

Particulars	As at	Average contracted fixed interest rates*	Nominal Amount USD Crores	Fair Value Assets (Liabilities) ₹ in Crores
Less than 1 year	March 31, 2020	0.90%	17.50	3.44
1 to 2 years	March 31, 2020	1.04%	3.75	(2.58)
2 to 5 years	March 31, 2020	5.29%	11.07	(27.32)
1 to 2 years	March 31, 2019	0.90%	18.75	30.32
2 to 5 years	March 31, 2019	3.92%	16.32	19.39

Cross Currency and Interest rate Swaps:

Particulars	As at	Average contracted fixed interest rates*	Average Exchange Rate (USD/INR)	Nominal Amount USD Crores	Fair Value Assets (Liabilities) ₹ in Crores
2 to 5 years	March 31, 2020	7.79%	67.49	7.32	48.02
2 to 5 years	March 31, 2019	7.79%	67.49	7.32	2.76

*Includes weighted average rate for Cross Currency Interest Rate Swaps, Principal Only Swap and Coupon Swaps.

The above Hedging Instruments are included in the Balance Sheet under the head "Other Financial Assets"/ "Other Financial Liabilities".

Refer Statement of changes in equity for movement on OCI.

Recognition of gains / (losses) under forward exchange and interest rates swaps contracts designated under cash flows hedges:

₹ in Crores

Particulars	As at March 31, 2020		As at March 31, 2019 (Restated)	
	Effective Hedge (OCI)	Ineffective Hedge (Profit and Loss)	Effective Hedge (OCI)	Ineffective Hedge (Profit and Loss)
Gain/(Loss)	(63.38)	-	(50.38)	-

C) **Commodity price risk management:**

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 drop in operating margin. To manage this risk, the Company enters into forward covers for imported coal, enter into long-term supply agreement for pet coke, identifying new sources of supply etc. While forward covers are prevailing in the markets for coal but in case of pet coke no such derivative is available; it has to be procured at spot prices. Additionally, processes and policies related to such risks are reviewed and controlled by senior management and fuel requirement are monitored by the central procurement team.

II) **Credit Risk Management:**

Credit risk arises when a customer or counterparty does 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 / investing activities, including deposits with banks/financial institutions,

Notes to Consolidated Financial Statements (Continued)

mutual fund investments, and investments in debt securities, foreign exchange transactions and financial guarantees. The Group has no significant concentration of credit risk with any counterparty.

Trade receivables

Trade receivables are consisting of a large number of customers. The Group has credit evaluation policy for each customer and based on the evaluation credit limit of each customer is defined. Wherever the Group assesses the credit risk as high the exposure is backed by either bank guarantee / letter of credit or security deposits.

Total Trade receivables as on March 31, 2020 is ₹ 2,238.29 Crores (March 31, 2019 ₹ 2,787.03 Crores)

The Group does not have higher concentration of credit risks to a single customer. Single largest customer has total exposure in sales of 2.3% (March 31, 2019 2.4%) and in receivables of 7.8% (March 31, 2019 7.4%).

As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

As per policy receivables are classified into different buckets based on the overdue period ranging from 6 months – one year to more than two years. There are different provisioning norms for each bucket which are ranging from 25% to 100%.

Movement of provision for doubtful debts:

₹ in Crores

Particulars	March 31, 2020	March 31, 2019 (Restated)
Opening provision	**65.75**	48.99
Add: On account of Business Combination	-	2.73
Add: Provided during the year	**24.71**	13.71
Less: Utilised during the year	**(14.13)**	(0.13)
Add: Effect of Foreign Currency Conversion	**0.01**	0.45
Closing Provision	**76.34**	65.75

Investments, Derivative Instruments, Cash and Cash Equivalent and Bank Deposit

Credit Risk on cash and cash equivalent, deposits with the banks / financial institutions is generally low as the said deposits have been made with the banks / financial institutions who have been assigned high credit rating by international and domestic rating agencies.

Credit Risk on Derivative Instruments is generally low as Group enters into the Derivative Contracts with the reputed Banks and Financial Institutions.

Investments of surplus funds are made only with approved Financial Institutions / Counterparty. Investments primarily include investment in units of mutual funds, quoted Bonds, Non-Convertible Debentures issued by Government / Semi Government Agencies / PSU Bonds / High Investment grade corporates etc. These Mutual Funds and Counterparties have low credit risk.

Total Non-current and current investments as on March 31, 2020 is ₹ 5,905.49 Crores (March 31, 2019 ₹ 2,902.65 Crores)

Financial Guarantees:

The company has given corporate guarantees of ₹ 4.00 crores. (Refer Note 37(c)).

III) Liquidity risk management:

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.

Notes to Consolidated Financial Statements (Continued)

The table below provides details regarding the remaining contractual maturities of financial liabilities and investments held for managing the risk at the reporting date based on contractual undiscounted payments.

₹ in Crores

As at March 31, 2020	Less than 1 year	1 to 5 years	More than 5 Years	Total
Borrowings (including current maturities of long-term debts)	**5,530.41**	**6,316.48**	**11,051.04**	**22,897.93**
Trade Payables	**3,501.43**	-	-	**3,501.43**
Interest accrued but not due on borrowings	**198.50**	-	-	**198.50**
Lease Liability	**161.44**	**603.89**	**957.53**	**1,722.86**
Other Financial Liabilities (excluding Derivative Liability)	**2,092.22**	-	-	**2,092.22**
Derivative Liability	**54.51**	-	-	**54.51**
Investments	**4,243.69**	**1,360.17**	**277.87**	**5,881.73**

₹ in Crores

As at March 31, 2019 (Restated)	Less than 1 year	1 to 5 years	More than 5 Years	Total
Borrowings (including current maturities of long-term debts)	4,686.62	7,034.93	13,615.45	25,337.00
Trade Payables	3,159.70	-	-	3,159.70
Interest accrued but not due on borrowings	239.86	-	-	239.86
Other Financial Liabilities (excluding Derivative Liability)	2,056.48	-	-	2,056.48
Derivative Liability	0.06	-	-	0.06
Investments	1,516.49	1,004.59	356.66	2,877.74

NOTE 54: Distribution made and proposed (Ind AS 1)

₹ in Crores

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019 (Restated)
Proposed dividends on Equity shares:		
Final dividend for the year ended on March 31, 2020: ₹ 13.00 per share (March 31, 2019: ₹ 10.50 per share)	**375.21**	315.84
DDT on proposed dividend	-	64.92
Proposed dividends on Preference shares:		
Final dividend for the year ended on March 31, 2020	**0.01**	0.01
DDT on proposed dividend	-	-
Total Dividend proposed	**375.22**	380.77

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability (including Dividend Distribution Tax thereon) as at March 31.

Notes to Consolidated Financial Statements (Continued)

NOTE 55: Capital Management (Ind AS 1)

The capital management of the Company is 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 equity share capital, share premium and all other equity.

The Group monitors capital using debt-equity ratio, which is total debt less liquid investments and bank deposits divided by total equity.

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Total Debt (Bank and other Borrowings)	22,897.93	25,337.00
Equity	39,115.48	33,750.65
Liquid Investments and bank deposits	6,262.29	3,164.22
Debt to Equity (Net)	**0.43**	0.66

In addition, the Group has financial covenants relating to the borrowing facilities that it has taken from the lenders like interest coverage service ratio, Debt to EBITDA, etc. which is maintained by the Group.

NOTE 56: Research and Development

Revenue expenditure on Research and Development included in different heads of expenses in the Statement of Profit and Loss is ₹ 16.34 Crores. (March 31, 2019 ₹ 17.31 Crores).

NOTE 57: Corporate Social Responsibility

Expenditure incurred in cash on Corporate Social Responsibility activities, included in different heads of expenses in the Consolidated Statement of Profit and Loss is ₹ 123.98 Crores (March 31, 2019 ₹ 74.96 Crores) and on account of capital expenditure ₹ 0.96 Crores (March 31, 2019 ₹ 2.16 Crores). The said capital expenditure is incurred on acquiring and owning assets which are being used for the purpose of Corporate Social Responsibility.

The amount required to be spent under Section 135 of the Companies Act, 2013 for the year ended March 31, 2020 is ₹ 63.50 Crores (March 31, 2019 ₹ 61.17 Crores) i.e. 2% of average net profits for last three financial years, calculated as per section 198 of the Companies Act, 2013.

NOTE 58: Government Grant (Ind AS 20)

(a) Other Operating Revenues include Incentives against capital investments, under State Investment Promotion Scheme of ₹ 381.84 Crores (March 31, 2019 ₹ 440.23 Crores).

(b) Sales Tax deferment loan granted under State Investment Promotion Scheme has been considered as a government grant and the difference between the fair value and nominal value as on date is recognised as an income. Accordingly, an amount of ₹ Nil Crores (March 31, 2019: ₹ 45.49 Crores) has been recognised as an income. Every year change in fair value is accounted for as an interest expense.

(c) Repairs and maintenance are net of subsidy received, under State Investment Promotion Scheme of ₹ 0.32 Crores (March 31, 2019 ₹ 1.46 Crores).

(d) Cost of Materials consumed includes grants towards royalty expense amounting to ₹ 23.44 Crores (March 31, 2019 ₹ 21.05 Crores).

Notes to Consolidated Financial Statements (Continued)

NOTE 59: Assets / Disposal group held for sale (Ind AS 105)

(a) The Company has identified certain assets like Aggregate Mines, Flats, Coal Washery, Drill Machine, etc. which are available for sale in its present condition. The Company is committed to plan the sale of asset and an active programme to locate a buyer and complete the plan has been initiated. The Company expects to dispose off these assets in the due course.

(b) Consequent to the acquisition of UNCL (refer note 42), the Group has identified disposal groups (foreign subsidiaries of UNCL) that meet the criteria to be classified as held for sale on acquisition, as these are not considered core to the group's ongoing business activities and an active plan to locate a buyer is still in progress and the Group remains committed to sell these assets and hence continues to classify these assets as held for sale as per Ind AS 105. The disposal group comprises assets held for sale amounting to ₹ 1,037.20 Crores (March 31, 2019: 1,037.20) and liabilities amounting to ₹ 489.00 Crores (March 31, 2019: ₹ 489.00 Crores), which have been stated at fair value less cost to sell (being lower of their carrying amount). The disposal group have also been considered as discontinued operations.

The non-recurring fair value measurement for the disposal group has been categorised as a level 2 fair value based on the inputs to the valuation technique used. Refer note 1(B) (b) (vii) in respect of the valuation basis used in measuring the fair value of the disposal group.

(c) UTCMEIL has identified one of the assets "Waste Heat Recovery System" (WHRS) which is not useful anymore as it is not productive and not giving the desired result. The realizable value after considering the impairment, scrap and dismantling cost is reclassified as assets for disposal. The company is in the process of discussion with vendors and contractor and expects the same to be disposed off within the due course.

NOTE 60: Revenue (Ind AS 115)

(A) The Company is primarily in the Business of manufacture and sale of cement and cement related products. The product shelf life being short, all sales are made at a point in time and revenue recognised upon satisfaction of the performance obligations which is typically upon dispatch/ delivery. The Company has a credit evaluation policy based on which the credit limits for the trade receivables are established , the Company does not give significant credit period resulting in no significant financing component. The Company, however, has a policy for replacement of the damaged goods.

(B) Reconciliation of revenue recognised from Contract liability:

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
Closing Contract liability-Advances from Customers	463.80	357.11

The Contract liability outstanding at the beginning of the year has been recognised as revenue during the year ended March 31, 2020.

(C) Reconciliation of revenue as per contract price and as recognised in statement of profit and loss:

₹ in Crores

Particulars	Year Ended March 31, 2020	Year Ended March 31, 2019 (Restated)
Revenue as per Contract price	45,978.77	44,258.98
Less: Discounts and incentives	(4,502.83)	(3,355.18)
Revenue as per statement of profit and loss	41,475.94	40,903.80

Notes to Consolidated Financial Statements (Continued)

NOTE 61:

Under the Sabka Vishwas (Legacy dispute Resolution) Scheme 2019, announced by the Government of India, the Group has provided a one-time expense of ₹ 130.66 Crores as part of Rates and Taxes, against various disputed liabilities.

NOTE 62:

Information as per the requirement of Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006

₹ in Crores

Particulars	As at March 31, 2020	As at March 31, 2019 (Restated)
(a) (i) The principal amount remaining unpaid to any supplier at the end of accounting year included in trade payables	56.39	20.85
(ii) The interest due on above	0.01	-
(iii) The total of (i) & (ii)	**56.40**	20.85
(b) The amount of interest paid by the buyer in terms of section 16 of the Act	-	-
(c) The amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
(d) The amounts of interest accrued and remaining unpaid at the end of financial year	-	-
(e) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under this Act.	-	-
(f) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

The above information has been determined to the extent such parties have been identified on the basis of information available with the Company and the same has been relied upon by the auditors.

Notes to Consolidated Financial Statements (Continued)

NOTE 63: Additional Information as required by Paragraph 2 of Part III - General Instruction for Preparation of CFS of Schedule III of the Companies Act, 2013.

Sr. No	Name of the entity in the group	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
		As % of consolidated net assets	Amount (₹ Crores)	As % of consolidated profit / loss	Amount (₹ Crores)	As % of consolidated OCI	Amount (₹ Crores)	As % of consolidated TCI	Amount (₹ Crores)
1	Parent	95.05%	37,185.18	98.44%	5,720.05	20.25%	(3.58)	98.68%	5,716.47
2	Subsidiaries								
	Indian								
(i)	Dakshin Cements Limited	0.00%	(0.00)	0.00%	-	-	-	0.00%	-
(ii)	Harish Cement Limited	0.39%	154.45	0.00%	-	-	-	0.00%	-
(iii)	Bhagwati Limestone Company Private Limited	0.01%	2.18	0.00%	(0.06)	-	-	0.00%	(0.06)
(iv)	Gotan Lime Stone Khanij Udyog Private Limited	0.05%	20.16	(0.01)%	(0.41)	-	-	(0.01)%	(0.41)
(v)	Ultratech Nathdwara Cement Limited	1.76%	690.11	0.85%	49.50	3.85%	(0.68)	0.84%	48.82
	Foreign								
(i)	UltraTech Cement Lanka (Private) Limited	0.29%	114.56	(0.37)%	(21.77)	0.34%	(0.06)	(0.38)%	(21.83)
(ii)	UltraTech Cement Middle East Investments Limited	2.37%	925.35	1.18%	68.76	76.02%	(13.44)	0.95%	55.32
(iii)	PT UltraTech Mining Indonesia	0.00%	0.46	0.00%	-	-	-	0.00%	-
(iv)	PT UltraTech Investment Indonesia	0.00%	(0.17)	0.00%	-	-	-	0.00%	-
3	Non-Controlling Interests in Subsidiaries								
	Foreign								
(i)	UltraTech Cement Lanka (Private) Limited	0.02%	7.47	(0.08)%	(4.38)	(0.45)%	0.08	(0.07)%	(4.30)
(ii)	PT UltraTech Mining Indonesia	0.00%	0.12	0.00%	-	-	-	0.00%	-
(iii)	PT UltraTech Investment Indonesia	0.00%	(0.07)	0.00%	-	-	-	0.00%	-
4	Joint Venture-Indian								
	Bhaskarpara Coal Company Limited	0.02%	6.52	0.00%	0.01	-	-	0.00%	0.01
5	Associate-Indian								
(i)	Madanpur (North) Coal Company Limited	0.00%	0.85	0.00%	0.01	-	-	0.00%	0.01
(ii)	Aditya Birla Renewable SPV 1 Limited	0.04%	15.83	(0.02)%	(1.25)	-	-	(0.02)%	(1.25)
	Total	100.00%	39,123.00	100.00%	5,810.46	100.00%	(17.68)	100.00%	5,792.78

Notes to Consolidated Financial Statements (Continued)

NOTE 64: COVID-19 (Global Pandemic)

As per the directives of both the Central and State Governments in the wake of COVID-19 pandemic, the Group had suspended operations across various locations w.e.f. March 23, 2020, adversely impacting the Business during the quarter. The Group has been taking various precautionary measures to protect employees and their families from COVID-19.

The Group expects to recover the carrying amount of all its assets including inventory, receivables and loans in the ordinary course of business based on information available on current economic conditions. The Group is continuously monitoring any material changes in future economic conditions.

Operations have been resumed in a phased manner at various locations from April 20, 2020, taking cognizance of the Governments' views around resuming manufacturing activities with controlled entry and exit facilities, and after obtaining necessary permissions in this behalf.

NOTE 65:

Previous year figures have been regrouped / reclassified wherever necessary to correspond with current year classification/ disclosure.

Signatures to Note '1' to '65'

In terms of our report attached.

For **B S R & Co. LLP**
Chartered Accountants
Firm Registration No: 101248W/W-100022

VIJAY MATHUR
Partner
Membership No: 46476

For **Khimji Kunverji & Co LLP**
(formerly Khimji Kunverji & Co.)
Chartered Accountants
Firm Registration No: 105146W/W-100621

KETAN VIKAMSEY
Partner
Membership No: 44000

Mumbai: May 20, 2020

For and on behalf of the Board of Directors

ATUL DAGA
Whole-time Director and CFO
DIN: 06416619

K. C. JHANWAR
Managing Director
DIN: 01743559

SANJEEB KUMAR CHATTERJEE
Company Secretary

UltraTech Cement Limited
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