BUILDING A BETTER TOMORROW.

Strengthening the Foundation of Tomorrow

adani Cement

Ambuja Cement

Integrated Report 2022-23

Contents

2022-23 Highlights

₹38,937 crore
Revenue from operations

67.60 (Mn tonnes)
Cement production volume

₹5,860 crore
EBITDA

59.6 %
Clinker factor

₹3,024 crore
Profit after tax

8 %
Green power utilised for Cement production

₹13
Earnings per share

₹118 crore
CSR spend

₹38,757 crore
Networth

6 million
Total no. of beneficiaries reached through CSR

₹72,585 crore
Market capitalisation

1,24,414
Total hours of training

Note: All figures are on consolidated basis.

Note: The Company has changed its financial year end from April to March. Previous reporting year was from January to December. The current report is for the period between January 01, 2022 - March 31, 2023.

Therefore, the data for the current year is for 15 months and not comparable with the figures for the previous 12 months year ended December 31, 2021.

BUILDING A BETTER TOMORROW.

Strengthening the Foundation of Tomorrow

In today's ever-evolving world, the quest for progress goes beyond mere accomplishments; it extends to building a better tomorrow for generations to come. As a responsible and forward-thinking organisation, we embrace this noble endeavour wholeheartedly with a steadfast commitment to sustainability, innovation, and social responsibility.

We are resolute in our mission to minimise our ecological footprint and make a positive impact on the environment. As a proud part of the Adani Group, we have harnessed synergies to drive substantial progress in our ESG performance. We are reducing our carbon footprint and making significant strides towards a low-carbon future.

We are deeply invested in the well-being and social inclusion of the communities we serve. Through initiatives focused on sustainable livelihood and social inclusion, we are empowering communities to thrive and contribute to their development at large.

For us, customer-centricity has remained the core focus. Leveraging innovative technologies, we provide products and solutions that help our customers achieve their construction goals efficiently. Our customer-focused approach has helped us become a trusted partner. By aligning our efforts with the Adani Group, we are confident in our ability to create a positive impact on society and accelerate the transition to a sustainable world. Together, we are shaping a better tomorrow.

About the Report

Integrated Annual Report 2022-23

Our fifth integrated report and first communication to stakeholders post-change in the management reflects our progress on the integrated management journey and provides a holistic analysis of our strategic vision, performance, governance, sustainability and value creation for each stakeholder.

Frameworks, Guidelines and Standards

The report is prepared as per the framework prescribed by the International Integrated Reporting Council (IIRC). It also contains performance indicators in line with the Global Reporting Initiative (GRI) Standards 2021. It measures our performance against the United Nations Sustainable Development Goals (UN SDGs) as well.

Sections of the Integrated Annual Report also comply with the requirements stated in the Companies Act, 2013 (including the rules made thereunder), the Indian Accounting Standards, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Secretarial Standards issued by the Institute of Company Secretaries of India. We encourage our stakeholders to read them in conjunction with the contents.

We also endorse various economic, environmental and social charters, principles, or initiatives.

Reporting Scope, Boundary and the Company's Value Chain

The Integrated Report for 2022-23 covers information on our business, along with associated activities that enable short, medium- and long-term value creation. The report contains a detailed reference to sustainability initiatives undertaken by Ambuja Cement to address the material issues identified in an extensive stakeholder engagement and due diligence exercise carried out during early 2018. The engagement exercise included all relevant stakeholder groups and the topic boundary was defined with high-importance material topics. The report covers all operations and businesses of Ambuja Cement that fall under its direct operational control. However, we welcome our readers' valuable feedback to further enrich the quality of our report.

Input > Logistics > Manufacturing > Marketing > Services-B2C > Use > Disposal

There has been a change in the accounting period from January-December to April-March. Accordingly, the numbers presented for the current reporting period cover the period from January 2022 to March 2023 and are not comparable to the previous financial year.

Exclusion: The subsidiaries and JVs, and channel partner/ dealer networks beyond our direct operational control.

Assurance Statement

The report is externally assured as per AA 1000 Assurance Standard. The organisation, employees and assurance providers are independent agencies.

Third-party Assurance Statement

The non-financial disclosures of Ambuja Cement Limited's Integrated Report have been assured by TUV India Private Limited (TUVI). The assurance report issued can be found on page **387**.

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Third-party assurance statement

Our Capitals

Our capitals include the key inputs and relationships we require to carry out our business.

Financial Capital
Read more Page **34** →

Manufactured Capital
Read more Page **38** →

Intellectual Capital
Read more Page **44** →

Human Capital
Read more Page **48** →

Social Capital
Read more Page **58** →

Relationship Capital
Read more Page **66** →

Natural Capital
Read more Page **80** →

Materiality

Our material issues as those that are most significant to our key stakeholders and have a direct impact on our ability to create value. We acknowledge that these issues are influenced by the economic, social, and environmental context in which we operate.

Read more Page **30** →

Sustainability Target

Sustainability remains our key focus area and we are continuously working towards addressing challenges like climate and energy, environment, circular economy and community. We have also developed a Science-Based Targets initiative (SBTi) aligned with the carbon emissions reduction by 2030 to limit global warming below 2°C. It has also signed the Business Ambition for 1.5°C pledge and joined the campaign of the UN Framework Convention on Climate Change.

Read more Page **24** →

Our Stakeholders

We engage periodically with our key stakeholders to understand their needs and interests and align our strategies accordingly.

Key Stakeholders

Shareholders and Investors

Dealers

Suppliers

Customers

Employees

Community and NGOs

Media

Construction Professionals

Industry Associations

Read more Page **28** →

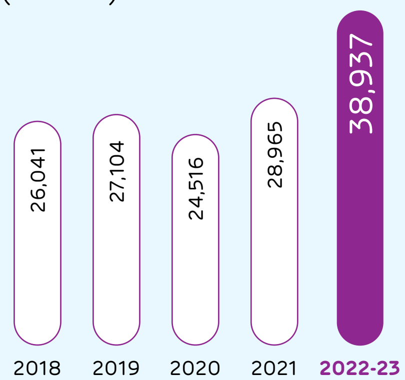
Performance Summary

Creating Consistent Value

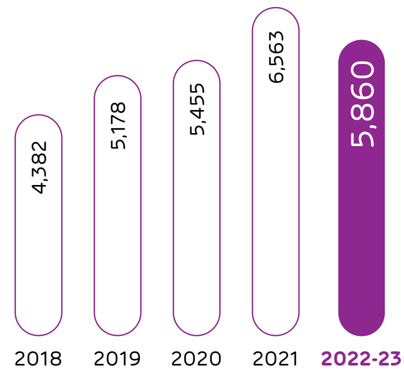
Financial Performance (Consolidated)

Our cost rationalisation during the year and our ability to balance our capital and debt positions every year ensures sustainable returns to investors.

Revenue from Operations
(₹ crore)

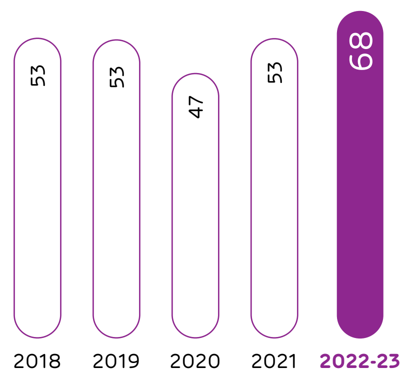


EBITDA
(₹ crore)

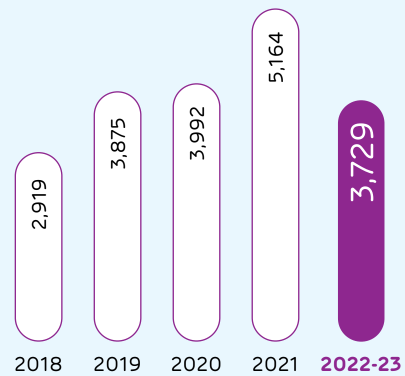


EBITDA Margin (%)

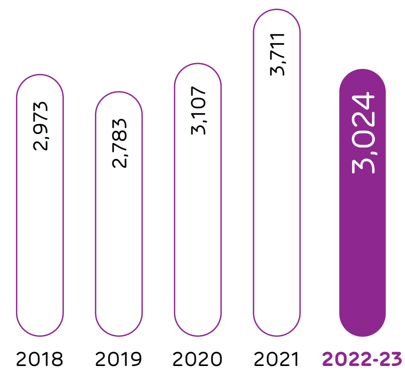
Cement Sales Volume
(MT)



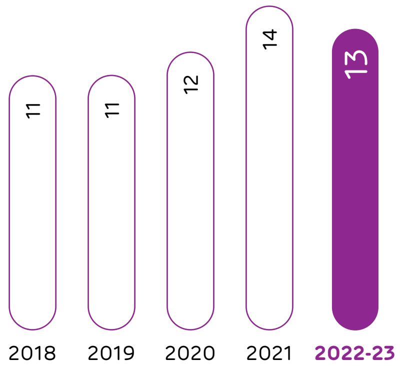
Profit Before Tax
(₹ crore)



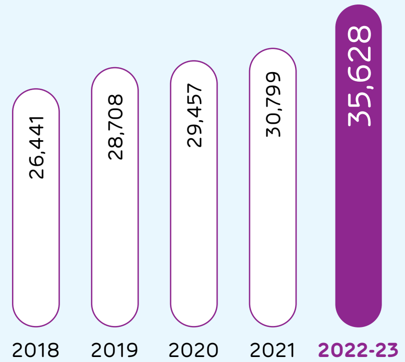
Profit After Tax
(₹ crore)



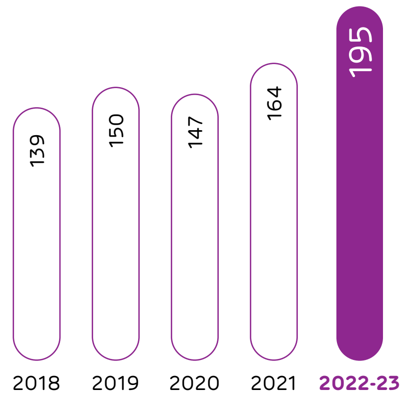
Earnings per Share
(₹)



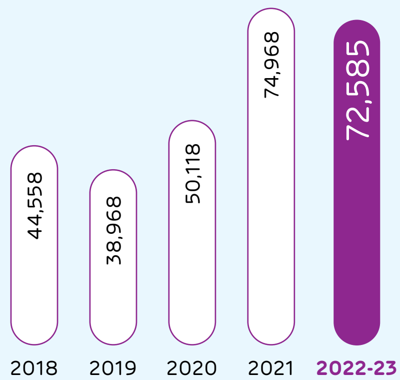
Average Capital Employed (₹ crore)



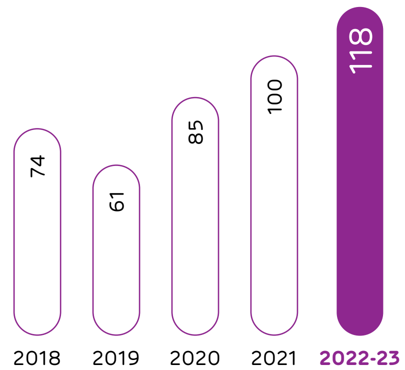
Book value per Share
(₹)



Market Capitalisation*
(₹ crore)



CSR Expenditure
(₹ crore)



*Market Capitalisation is only of Ambuja Cements Limited

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Company Overview
Creating Value
Capital-wise Performance
Statutory Reports
Financial Statements

Cost and profit as a percentage of revenue from operations

2022-23

Particulars	2022-23	
	Amount (₹ crore)	% of Revenue from Operations
Profit before tax	3,729	10%
Cost of materials consumed	4,750	12%
Power and fuel	11,762	30%
Employee Cost	1,857	5%
Freight and forwarding expense	9,524	24%
Manufacturing and other costs	5,923	15%
Depreciation and amortisation expense	1,645	4%
Finance costs	195	1%
Other income	(738)	(2%)

2021

Particulars	2021	
	Amount (₹ crore)	% of Revenue from Operations
Profit before tax	5,164	18%
Cost of materials consumed	3,183	11%
Power and fuel	6,788	23%
Employee Cost	1,529	5%
Freight and forwarding expense	7,133	25%
Manufacturing and other costs	4,122	14%
Depreciation and amortisation expense	1,152	4%
Finance costs	146	1%
Other income	(352)	(1%)

Sustainability Performance*

Environment

88 %
Share of sustainable products

62.28 %
Clinker factor

34 %
Reduction in net CO_2 per tonne of cementitious product (scope-1) relative to year 1990

0.88 MT
of alternative fuels and raw materials

8x
Water Positive

Read more details on_**Page 80**.

Social

₹73.28 crore
CSR spend

2.5 million
Total no. of beneficiaries reached through CSR

100 %
of Permanent employees undergone risk-based health assessment

57,179
Total hours of training

4,361
Total number of employees

Read more details on_**Page 48**.

Governance

50 %
Independent directors on the Board

12.5 %
Diversity on the Board

#1
Most Trusted Cement Brand by TRA Research

100 %
Committees headed by independent directors

94 %
Proportion of spending on local suppliers

Read more details on_**Page 90**.

*Standalone Ambuja Cements Limited

Chairman's Message

In Step with India's Progress

Our entry into the cement business was yet another step towards capitalising on our market presence and building branded businesses that allow us to move closer towards the end consumer and lend greater credibility to the Adani brand name."

Dear Shareholders,

It gives me immense pleasure to write to you for the first time since Ambuja Cements became part of the Adani Group.

Making the Choice

Over the past decade, I have stated numerous times about the strong position India has created for itself. Investments are a matter of belief, and it is my belief that the next three decades will belong to India as it makes its way to becoming a 30 trillion-dollar economy by 2050. This is increasingly evident from the growth India is already witnessing. In this journey, a key catalyst for India's growth story will continue to remain the massive capital investments that will go into building infrastructure. Investment in infrastructure typically has over twice the multiplier impact as compared to tax cuts or other forms of fiscal stimulus and thereby, has a larger all round development impact on society. At a very basic principle level, almost every physical infrastructure project requires cement. Therefore, entering the cement business was a natural choice that complemented our plans and our fundamental beliefs about the growth prospects of India.

Also, much of our strategic expansion objectives have almost always been based on entering adjacent spaces that complement our existing businesses. Given that cement margins have significant dependence on the cost of energy (increasingly green energy) and logistics costs, our very strong presence in both these adjacent sectors helped drive our investment decision.

Adani and the Power of the Ambuja Brand

Over the past decade, we have increasingly gravitated from being a pure B2B player to a B2B2C player that builds on much greater brand awareness. Some examples of these have been our Airports business, Electricity Distribution business, Real Estate business, Edible Oil and Foods business, and Gas Distribution business. Our entry into the cement business was yet another step towards capitalising on our market presence and building branded businesses that allow us to move closer towards the end consumer and lend greater credibility to the Adani brand name.

In this context, I must say that I have always been a big admirer of the Ambuja brand. Growing up, my generation witnessed Ambuja Cement's remarkable ability to transform what is typically perceived as

Growing up, my generation witnessed Ambuja Cement's remarkable ability to transform what is typically perceived as a mundane commodity into an iconic brand, that is familiar and loved by every Indian."

a mundane commodity into an iconic brand, that is familiar and loved by every Indian. The narratives and the witty advertising that Ambuja Cement has used over the past decade, to first draw attention through humour, and then win the trust of the customer with a reliable product, are legendary and there is much for us to learn and apply to the broader Adani brand.

I will never forget the masterful and hilarious advertisement of two estranged brothers separated by a wall and unable to get back together despite trying every possible method to break the separating wall. "Bhaiyaaaa, ye deewar toot ti kyu nahi", cries one brother and only to be rebuffed by a voiceover that says "Tootegi kaise, Ambuja Cement se jo bani hai". I see this as one of the most unforgettable ads ever on Indian TV. This continuing strength of the brand was recently further validated when TRA Research recognised Ambuja Cements among India's 'Most Trusted Cement Brands' in its 2023 Brand Trust Report.

Path Forward

The philosophy of the Adani Group has been one about growth. Our growth statistics and expansion into multiple adjacent sectors speak for themselves. In this context, we are adopting a three-pronged approach to growth for our cement business. The first is to double our plant capacity with the emphasis being on green cement. Our significant presence in the green energy business as well as utilisation of our fly ash, where possible from our power generation business, aligns well with this approach. We have therefore committed to start by adding 14 million metric tonnes of green cement to our capacity in the next 24 months. The second is to drive much greater operational efficiency to expand margins. Here again, our understanding and presence in the ports and logistics businesses, as well as the power generation business, gives us a significant advantage. The third and final approach will see us investing in the branding and marketing strategy to take advantage of the strong equity of the Ambuja Cement brand, as well as focus on strengthening the distributor and dealer network.

Not surprisingly, we have also embarked on an ambitious digital strategy and making investments where value, and not just volume, drive the next phase of growth. Plants that leverage digitisation and advanced analytics to enable real-time decision-making by using techniques like digital twinning, optimisation and operations research, and dynamic price discovery processes, are just some of the math-based advanced techniques that we have started deploying as we build out one of the world's most advanced industry clouds to manage our distributed cement manufacturing. We expect digitisation to be a significant multiplier to our cement growth strategy.

Also, when it comes to sustainability, cement companies have a dual challenge in the future – pushing towards a low-emission future while preventing price escalation. Investments in new capital infrastructure, Carbon Capture, Utilisation and Storage (CCUS) technologies and alternative fuel sources can enable decarbonisation but also drive up the costs. Therefore, continued innovation will be key to finding the path to sustainability in cement production. Hence, our focus will not be limited to just making greener cement but also addressing the issue of R&D, operations excellence, economies of scale, and sustainability across the entire cement supply chain.

In this context, I must compliment Ambuja Cement as it is also the only cement maker that has been recognised for its leadership in water security by the United Nations Global Compact Network of India.

Ethos Help Cements Values

The ethos of a company speaks of its character, beliefs, and values. In the case of the Adani Group, its ethos is rooted in three core values that define our character - Courage, Trust, and Commitment. These values collectively lay the foundation of our belief in 'Nation Building'. Courage is our ability to dream bigger – every single day, Trust is our ability to empower our employees – every single day and Commitment is our ability to deliver on our promises – every single day.

Our mission is to do our part to build the new India, just as was the dream of Ambuja Cement. We further cemented this collective dream the day we made the 10,000 proud Ambuja & ACC employees a part of the Adani Parivar.

Regards,

Gautam Adani
Chairman

CEO's Message

Building a Better Tomorrow

We are making remarkable strides in our ambitious endeavour to double our capacities. As a debt-free Company, we have been able to advance confidently in our growth plan."

Dear Shareholders,

This reporting period is a very unique and exciting phase in the history of Ambuja Cements. We accomplished two milestones – one by becoming a part of the diversified Adani Group and the second by transforming the business through professionals of the highest calibre and experts in various fields for several decades. However, the journey of transformation is ever evolving which is laid on a solid foundation of strengths. As India's infrastructure growth driver, our strengths emanate from our pan-India presence, diversified geographical presence, strong and wide dealer and retailer network, long-term source of raw materials and mines, robust balance sheet with AAA rating and above all the strong iconic brand – Ambuja.

We have implemented a blueprint of improvements through synergies, and capex for efficiency and decarbonisation whilst creating opportunities which will redefine the cement industry landscape. We are making remarkable strides in our ambitious endeavour to double our capacities. As a debt-free Company, we have been able to advance confidently in our growth plan. Recently, Ambuja and ACC have won 7 Coal & Limestone blocks with notified resources of over 1000 million tonnes spread across Karnataka, Maharashtra, Rajasthan and Odisha.

Robust Performance Amid External Headwinds

During the reporting period, we faced significant challenges, especially on the margin front. Although cement demand was largely buoyant, sharp increases in fuel and raw material prices, especially that of coal and gypsum, weighed on margins. While we actively sought alternative materials to reduce gypsum usage, the soaring price of coal remained a persistent challenge. Further, the series of interest rate hikes by the Reserve Bank of India to rein in inflation dampened sentiments to a certain extent.

The challenges notwithstanding, Ambuja Cement reported a robust set of numbers, thanks to its continued focus on efficiencies, cost, growth strategies and synergies with the Adani Group. Revenue for the reporting period (January 2022-March 2023) stood at ₹38,937 crore, while EBITDA stood at ₹5,860 crore and PAT stood at ₹3,024 crore. The revenue growth was achieved despite a prolonged shutdown at our Himachal Pradesh unit and a breakdown witnessed at the Farakka plant.

We changed our fuel basket to reduce our import dependency, by ramping up the Gare Palma coal block production to 1.2 MT and leveraging the Group's expertise in sourcing low-cost coal. These initiatives helped offset the negative impact of escalating coal prices, which enabled us to maintain EBITDA. We also demonstrated resolute determination in curbing our freight expenses throughout the year. Around 20% optimisation of warehouse network and efficiency has led to an estimated ₹40 crore consolidated savings in rent. Further, we achieved substantial reductions in the lead distance, resulting in an improvement in cost competitiveness. In addition to rail, we explored sea transportation alternatives within the Group.

Multiplying Strengths, Leveraging Synergies

We witnessed the emergence of an infrastructure behemoth which brought together the three powerful brands - Adani, Ambuja and ACC, which I often refer to as AAA. The Adani Group, known for its diverse portfolio across energy, infrastructure, logistics and mining, brings extensive expertise and resources to continue driving innovation, operational efficiency and sustainable growth. Ambuja and ACC, renowned names in the cement industry, possess a combination of rich legacy and knowledge of more than 100 years of delivering high-quality cement and construction materials. Ambuja Cements epitomises 'Strength'. With the Adani Group's strategic vision, entrepreneurial prowess, and deep-rooted values (Courage, Trust & Commitment) coupled with Ambuja's robust manufacturing capabilities and market presence, we are well-positioned to seize new opportunities and address the ever-evolving construction needs.

We have implemented a blueprint of improvements through synergies, and capex for efficiency and decarbonisation. We are making remarkable strides in our ambitious endeavour to double our capacities. Enhancing profitability remains a pivotal objective for our business and a key avenue for achieving this goal is by reducing other costs. By eliminating redundancies and fostering seamless collaboration, we have established a shared regional leadership structure. These regional heads are now incentivised to drive overall volumes, curtail costs, and optimise logistics, propelling the collective success of both entities. Ambuja and ACC are the most premium and iconic brands in India and have emerged as one of the largest cement entities in product leadership, sustainability, innovation and green offerings.

Sustainability

Being in the hard-to-abate sector, we work relentlessly towards reducing our environmental footprint. By consistently including sustainability across operational and growth planning, we continued to reduce the carbon footprint by lowering the clinker factor, reducing thermal and electrical energy intensity, installing additional capacities for waste heat recovery systems, increasing the use of green power and waste materials in the system and remained 8 times water positive. We are also undertaking concerted efforts to optimise our environmental footprint, emphasising our commitment to becoming an even more responsible organisation in the years ahead.

Ambuja ranks among 'India's Most Sustainable Companies' by Business World and features among the 'Best Companies to Work For' in the Construction and Infrastructure sector by Business Today. Globally, Ambuja Cements is the only cement maker that has been recognised for its leadership in water security by The United Nations Global Compact Network India. The Company has also been recognised for its Customer Engagement, Safety, Sustainability Focus, Financial Reporting, CSR and Corporate Sustainability by leading awards and industry forums.

Sales & Marketing Strategy

Our sales and marketing strategy is aligned to drive growth and capture market opportunities. We are prioritising high-growth states with targeted efforts to expand our presence and meet customer demand in these markets. We aim to increase our share in the B2B segment by offering focused solutions. Focusing on premium products allows us to tap into higher-value markets and widen our margins. We plan to appoint new retailers to widen our market coverage. Our technical services team is being empowered to convert IHB leads. To amplify our brand presence, we invest in differentiated regional positioning and digital initiatives, and partner with leading advertising agencies. We maintain local outdoor visibility and leverage the Ambuja Knowledge Centre to engage influencers. Additionally, construction apps play a crucial role in improving brand visibility and customer experience.

Transition and Transformation

Across cycles, the Adani Group has consistently delivered sustainable growth, diligently establishing a robust business foundation. As we transition to align with the Group's core values and culture, we are on a transformation journey to fortify the future of our cement business, emerging as a global powerhouse to reckon with. This journey has enabled us to explore complementary strengths, reimagining efficiency across the organisation to maintain our competitive edge. Our purpose of being 'Committed to building Nations with goodness' envisages a world of possibilities for us moving ahead.

At the core of this transformation lies our steadfast commitment to customer-centricity. We recognise that to thrive in today's dynamic business environment, we must place the needs and aspirations of our customers at the forefront of every decision. To accomplish this, we are revamping our technological infrastructure, implementing state-of-the-art systems and processes that enable us to better understand and respond to customer requirements. We are actively reconfiguring our teams and workflows, dismantling silos, and fostering an agile and collaborative culture.

Looking Ahead with Resolute Focus

The Indian economy is well poised to sustain a high growth trajectory over the next couple of decades, led by the infrastructure and real estate sectors. Cement undoubtedly has a pivotal role to play in fuelling the nation's growth while contributing significantly to its sustainable development commitments. The optimism stems from several structural factors, including India's low per capita cement consumption compared to global averages, the Government's massive infrastructure initiatives, and the emphasis on affordable housing projects.

We have announced plans to expand capacity by 14 MTPA for producing blended cement with a WHRS capacity of 42 MW, provision to utilise 50% AFR and increase the share of renewables. These projects, to be executed over the next 24 months, will be funded through internal accruals, which will generate substantial value for the existing business and enable more employment and growth opportunities. Further, securing reliable raw material linkages for our upcoming units has provided an added advantage. We are also focused on margin expansion to become the most profitable cement manufacturer in the country, to realise cost savings of close to ₹500/tonne on EBITDA across our operations.

I would like to thank all stakeholders, particularly our dedicated employees, for their resilience. It is through our collective efforts that we will undoubtedly achieve resounding success in the years to come. Together, we will forge ahead, surmounting challenges, and realising our shared vision of excellence.

Regards,

Ajay Kapur
Chief Executive Officer

About the Company

Growing from Strength to Strength

Ambuja Cements Limited, a part of the diversified Adani Group, is among India's leading cement companies, renowned for its hassle-free, home-building solutions. Unique products tailor-made for Indian climatic conditions, sustainable operations and initiatives that advance the Company's philosophy of contributing to the larger good of the society, have made it the most trusted cement brand in India.

With a strong commitment to responsible growth and adding value to customers, our innovative products like Ambuja Plus, Ambuja Cool Walls, Ambuja Compocem and Ambuja Kawach under the umbrella of Ambuja Certified Technology are significantly reducing carbon footprint.

Ambuja Cements is the industry leader in the responsible use of resources, both natural and man-made. The Company has been certified 8 times water-positive, a feat achieved through conservation efforts and increasing water efficiency in its plants. Globally, Ambuja Cements is the only cement maker that has been recognised for its leadership in water security by the United Nations Global Compact Network India.

Vision

To be a world class leader in businesses that enrich lives and contribute to nations in building infrastructure through sustainable value creation.

Purpose

Committed to building nations with goodness.

Mission

To be the largest, most innovative efficient sustainable cement & building materials company in the world, creating value & enriching lives of people and employees.

- Accelerated growth by significant capacity ramp up as well as inorganic growth.
- Market leadership and premium product offering to achieve customer delight.
- Operational excellence through best-in-class production facilities and most cost-efficient operations.
- Efficient supply chain network and digitisation to reach the last mile.
- Be as world class talent platform and a preferred, diverse, and inclusive place to work for.
- Sustainable value enhancement for stakeholders on group values and strong principles of ESG.
- Develop sustainable future for community and society at large.
- Safety, innovation and agility at the core and a world class talent pool to drive excellence.

Values

Courage

We shall embrace new ideas and business

Trust

We shall believe in our employee and other stakeholders

Commitment

We shall stand by our promises and adhere to high standards of business

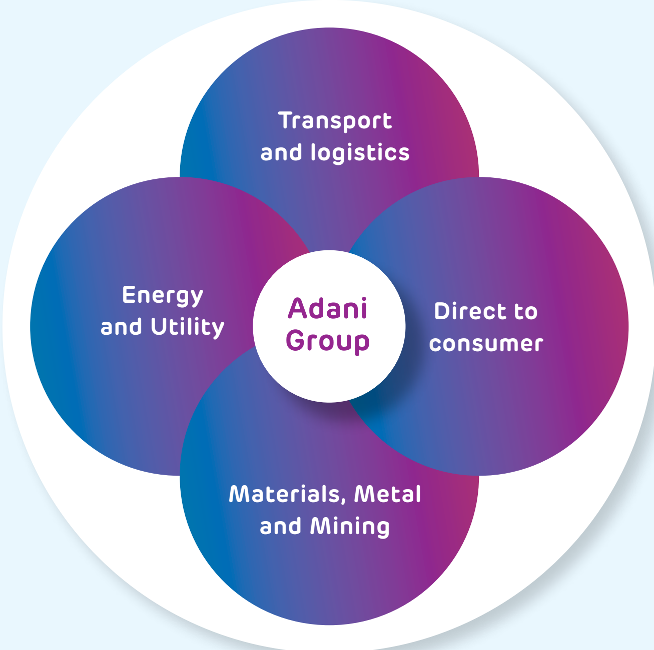
Culture

P assion
R esults
I ntegration
D edication
E ntrepreneurship

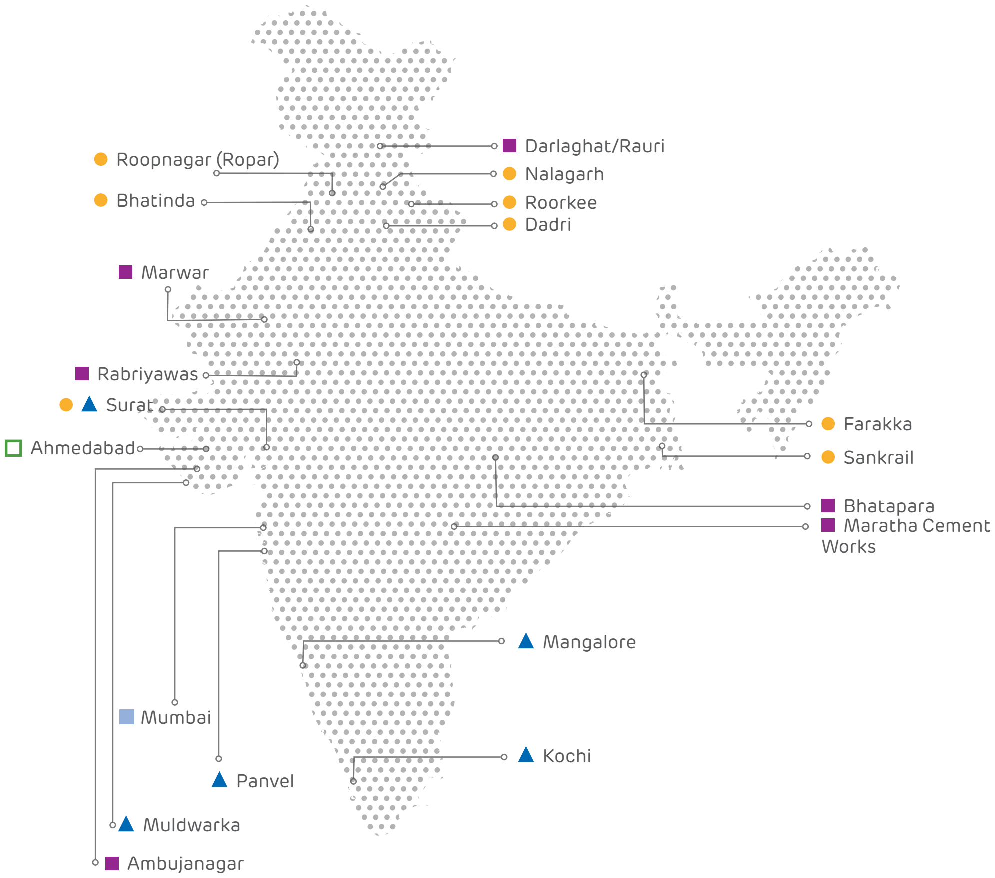
About Adani Group

Headquartered in Ahmedabad, India, Adani Group is the largest and fastest-growing conglomerate in India with interests in Logistics (seaports, airports, logistics, shipping and rail), Resources, Power Generation, Transmission & Distribution, Renewable Energy, Gas & Infrastructure, Agro (commodities, edible oil, food products, cold storage and grain silos), Real Estate, Public Transport Infrastructure, Cement, Media, Defence & Aerospace, Mining Services, Copper, Petrochemicals, and Data Centre among other sectors.

The success of the Group can be attributed to its fundamental principles of 'Nation Building' and 'Growth with Goodness.' These principles serve as a guiding philosophy for achieving sustainable growth. The Group is dedicated to safeguarding the environment and enhancing communities through its Corporate Social Responsibility (CSR) initiatives, which are grounded in the values of sustainability, diversity, and shared ideals.



National Presence



Note: Map not to scale

- Integrated cement plants
- Grinding units
- Bulk cement terminals
- Head/Corporate office
- Registered office

Key Facts

6
Integrated cement plants

8
Grinding units

5
Bulk cement terminals

31.45 MTPA
Cumulative manufacturing capacity

As on March 31, 2023

Offerings

Creating an Innovation-led Portfolio

We, at Ambuja Cement, are committed to fulfilling our fundamental commitment of delivering STRENGTH. Our wide range of high-quality cement and allied products demonstrated our steadfast commitment to offering innovative and differentiated solutions that cater to the unique needs of every consumer segment. With our deep understanding of the market and our customers, we have tailored our value propositions to meet their specific requirements. Our distinguished brand positioning and emphasis on innovation have played a pivotal role in transforming India's construction landscape.

Cement

Ambuja Cement

High-performance cement that forms strong bonds and makes dense concrete to provide the consumer with super strong homes

Ambuja Compocem

Scientifically developed with superior strength and superfine quality that enables and provides whiter and brighter cement

Ambuja Kawach

A hallmark of excellence, it boasts a distinctive water repellent formula, providing unparalleled strength that effectively halts the intrusion of water. With its premium quality, it ensures uncompromising durability and protection for every construction project.

Ambuja Plus

Specially formulated cement with unique binding properties, designed to provide stronger and denser concrete

Allied

Ambuja Cool Walls

Eco-friendly concrete bricks providing 5 MPA strength and keeping the home 5° cooler

Ambuja PuraSand

Ready to use, high-quality silt-free sand that is also eco-friendly

Positioned Attractively

With a robust foundation, driven by strong financial performance, competitive advantages, group synergies and sustainable practices, Ambuja Cement is attractively positioned in the country's cement sector. Our relentless focus on innovation, market expansion, and operational excellence paves the way for substantial growth.

Sectoral Optimism

Focused policy interventions and stable government policies are expected to help India register a GDP of more than 6% over the medium to long term. The Indian cement sector continues to remain attractive owing to significant large, planned investments by the government to upgrade the country's infrastructure, buoyant real estate sector driven by affordable housing and the emergence of India as a global manufacturing destination. Further, the country's significantly low per capita cement consumption bodes well for the sector's sustained growth. Ambuja Cement is attractively positioned to capitalise on the growth opportunities driven by its innovative product portfolio, expansive dealer network and unmatched customer service.

Pioneering Sustainability

We have prioritised the enhancement of our green power share within our overall portfolio by making substantial investments in cutting-edge technologies like the Waste Heat Recovery System (WHRS), wind power and solar power plants. This strategic move aligns seamlessly with Adani Group's commitment to sustainability, aiming to become a Net Zero company with a strong focus on addressing climate change, water consumption, circular economy, and community development. Furthermore, we have developed and validated our ambitious carbon emission reduction targets for 2030, with the Science Based Targets Initiative (SBTi) endorsing our efforts. SBTi has classified our scope 1 and 2 targets as being in line with a well below 2°C trajectory.

Strong Fundamentals

At Ambuja Cement, we ensure quality growth and maintain robust financial fundamentals. The optimisation of our operating performance has helped us strengthen our financial performance. Net sales for the reporting period stood at ₹19,744 crore while EBITDA stood at ₹4,173 crore. We reported a strong RoCE of 8.1% and continued to have a debt-free balance sheet. During the year, we proposed a dividend of ₹2.50 per share to enhance value for our shareholders.

Robust Product Portfolio

We offer a comprehensive portfolio of trusted productsthat cover a wide range of categories. Blended cements, which make up over 94% of our portfolio, are specifically designed to cater to different climatic conditions, ensuring that our products meet the diverse requirements of our customers. In addition to our cement offerings, we have expanded our portfolio to include other sustainable and innovative building materials, including Cool Walls and others.

88%

Share of blended products in total sales

13%

Share of premium products as percentage of total sales

Expanding Capacity

We are aligned with the country's growth agenda and lined up a capacity expansion of 14 MTPA to be achieved over the short term. We are in an advanced stage of ordering for the proposed expansion. Further, we have lined up Waste Heat Recovery System (WHRS) installation across plants to drive a share of green energy in our portfolio.

Achieving Efficiency

To drive operational excellence, we have been actively implementing digital tools and automation across our plants, thereby enhancing our operational efficiency. Our Master Supply Agreement with ACC has played a pivotal role in improving our overall profitability. We have also undertaken significant cost optimisation initiatives, focusing on areas such as captive fuel security, use of alternate materials, waste-derived resources and rail infrastructure, which have contributed to enhanced cost efficiencies. Moreover, leveraging technology in our logistics operations has further enabled us to optimise operating costs, reinforcing our commitment to achieving sustainable financial performance.

Our Value Creation Process

How We Create Value for Stakeholders

Growing to the benefit of all

Operating Context

The environment in which we operate impacts our ability to create stakeholder value

Read more Page **26**

Stakeholder Engagement

We have a wide range of stakeholders, participating in our shared value creation through a range of engagements and relationships

Read more Page **28**

Risks and Opportunities

The future presents risks and opportunities, impacting the delivery of value to our stakeholders

Read more Page **32**

Governance

Our governance framework supports our value creation process, ensuring our business decisions are aligned with our vision, mission, values and strategic priorities while maintaining ethics, integrity and transparency

Our material issues create opportunities or restrict the ability of our value creation

Risk and opportunity management

Resource allocation and trade-offs

Our value creation process is fuelled by our vision, mission, and values. It forms an essential component of our overall approach, as we harness and deploy our capitals to fulfil our strategic objectives and maximise value for our stakeholders. Through this concerted effort, we strive to achieve sustainable growth and create a positive impact.

Performance management

Strategic Priorities

Our strategic priorities outline the way we intend to achieve our medium- and long-term goals

Read more Page 22

Business Model

Our robust business model with an integrated value chain helps us respond to dynamic business environment with agility

Read more Page 20

Sustainability Pillars

The sustainability pillars underpin our strategy and help us in operating in a responsible manner

Read more Page 24

Review and Adopt

The value we create

For our Customers

- High quality products and solutions aiding in robust construction
- Timely delivery

For our Employees

- Providing employment and opportunities for growth and development
- Diverse and inclusive work environment, free of discrimination

For our Communities

- Contribution to society through engagement with communities where we operate
- Responsible management of impact of our operations on the environment

For our Investors

- Sustainable returns to our shareholders
- Timely debt servicing

For our Supplier Partners

- Boost to local economy through localised procurement
- Collaboration and partnering opportunities

For the Government

- Contribution to the government exchequer through timely tax payment

Business Model

Creating Value for our Stakeholders

Input capitals

Financial Capital

₹28,505
Net worth (in crore)

₹47.71
Debt (in crore)

Manufactured Capital

6
Integrated plants

8
Grinding units

5
Bulk cement terminals

5
Captive power plants

Intellectual Capital

Continuous investments in innovation

Natural Capital

1,304
Energy intensity (MWh/ '000 crore)

63%
Net fresh water consumption: 45.2 lakh m3 Captive limestone

Social Capital

₹73.28
CSR spend (in crore)

Relationship Capital

~53,800
Dealers and retailers

1,62,289
Contractor partnership

737
Customer service teams

Human Capital

4,361
Permanent employees

₹800
Employee benefit expenditure (in crore)

4.19
Total hour of employee trainings (hours/employee)

Process

Vision
To be a world class leader in businesses that enrich lives and contribute to nations in building infrastructure through sustainable value creation.

Purpose
Committed to building nations with goodness.

Collaboration and Trust

Customers

Culture

- P assion
- R esults
- I ntegration
- D edication
- E ntrepreneurship

Ensuring raw material security

Reinitiating demand

Business Activities

Inbound Logistics

Operations

Mining

Raw Material Extraction

Drying and Grinding of Raw material

Clinkerisation

Cement Grinding and Storage

Taxation

Administrative burden

Long-term strategic objectives

- Enhance market share
- Drive premiumisation
- Enhance efficiency

External Drivers

Economic growth | Government initiatives | Competition

Outputs

22.05
Clinker production
(mn tonnes)

33.96
Cement production
(mn tonnes)

29.32
Blended cement production
(mn tonnes)

2,589
Captive power generated
(mn units)

37.78
Cement and clinker sales
(mn tonnes)

Agility and simplicity

Empowerment, accountability and transparency

Demonetisation impact

Outbound Logistics

Marketing and Sales

Services

Achieve sustainability leadership

Outcomes

Financial Capital

₹19,985	₹4,173	₹2,553	₹2,010
Turnover (in crore)	EBITDA (in crore)	PAT (in crore)	Cash flow from operations (in crore)

Manufactured Capital

86.4%
Cement Capacity Utilisation (%)

Intellectual Capital

New products continued to drive growth

Natural Capital

0.88	513	96.7
Waste co-processed (mn tonnes)	Specific Net CO_2 emission* (kg CO_2/tonne of cementitious material) (*excluding CPP)	SOx emission (g/ton of cementitious material)
523.6	**14.5**	**18**
NOx emission (g/ton of cementitious material)	Dust emission (g/ton of cementitious material)	Water recycled (%)

Social Capital

2.5 million
Lives touched through CSR initiatives

Relationship Capital

93%	887
Risk-free suppliers under sustainability criteria	Customer complaints

Human Capital

0	0.56	2.42%
Fatalities	LTIFR	Share of women in workforce (%)

Regulatory compliance | Technology advancements | Climate change advancements

Strategic Priorities and Progress

Foundation for Sustained Growth

Our strategic priorities serve as guiding star towards the success path. Our clear focus on innovation, customer-centricity, and operational excellence as well as sustainability and digital transformation underpins our strategy, ensuring long-term growth and resilience.

	Focus areas	Resource Allocation in 2023
Accelerating growth	Strengthen market position through capacity expansion - greenfield and brownfield	Growth and Efficiency Capex **₹1,811 crore**
Leading in sustainability and innovation	Reinforcing our leadership by conducting business with responsibility and in a sustainable and inclusive manner along with introduction of responsible products	Environment related spending **₹84 crore**
Delivering superior performance	Ensuring superior performance of our existing portfolio through premium products, cost efficiency projects, enhancing our people capabilities and digitalisation of systems and processes	Employee benefit expenses **₹800.16 crore**
Expanding solutions and products	We will continue to scale up volumes and revenue and strengthen our position in products and solutions segments	Sustained investments in innovation

Progress in 2023	Linkage to material issues	Key risks impacting strategy
• Undertaken ambitious plan to double cement capacity by 2028 • Commissioning of 14 MTPA blended cement in Maharashtra, Chhatisgarh, Uttar Pradesh and West Bengal with WHRS capacity of 42 MW	• Economic performance • Sustainable development	• Elevated global energy prices and supply chain disruptions • Macro instability due to geo-political shocks • Expected global slowdown
• Waste heat recovery projects already installed across sites, further in progress across plants • Committed to community development; CSR spend beyond the mandated threshold • Emerged as 8x water positive • Thermal Substitution Rate (TSR) increased to 6.36%	• Greenhouse Gas (GHG) emissions and climate change • Air emissions, Waste management, Circular economy (AFR) • Sourcing of water • Biodiversity • Corporate Social Responsibility	• Climate change • Policies and regulations • Product responsibility • Local communities
• Share of premium products in revenue increased **150 BPS** • 8 man hours of training provided per employee for employee development	• Economic performance • Attraction and retention of talent	• Inflation • Cyber security • Employee retention
• Sale of solutions generated revenues of ₹106 crore	• Customer satisfaction • Sustainable constructions	• Product innovation • Market acceptance

Foundation for Responsible Growth

At Ambuja Cement, we have consistently integrated social and environmental factors into our operations and decision-making processes, enhancing our competitive advantage by prioritising sustainability. Our comprehensive sustainability agenda is designed to tackle emerging societal and environmental challenges. We recognise the critical importance of closely monitoring and reporting our non-financial impacts, placing significant emphasis on this aspect of our business.

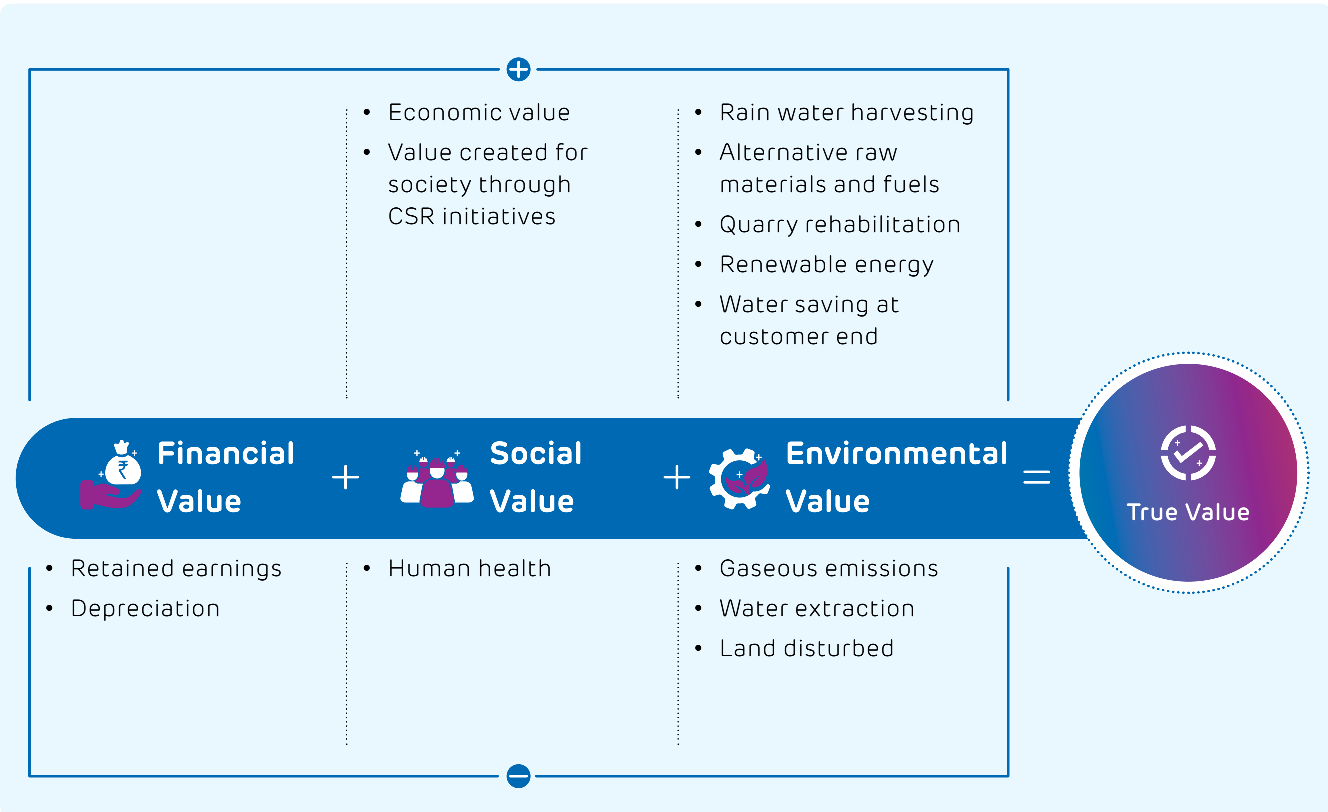
True Value Approach

At Ambuja Cement, we adopted True Value, the triple-bottom-line accounting method, which encompasses the three pillars of sustainability—people, planet, and profit— to emerge as the most competitive and sustainable company in the cement industry.

True Value has helped us make strategic business decisions through a qualitative measurement of the Company's impact on the environment and society.

We have been able to identify a portfolio of cost-effective projects, reduce costs, increase earnings and subsequently increase 'true value'.

We reported incremental growth in true value over the years driven by our sustainable environmental and social interventions and backed by our robust economic growth.



ESG goals

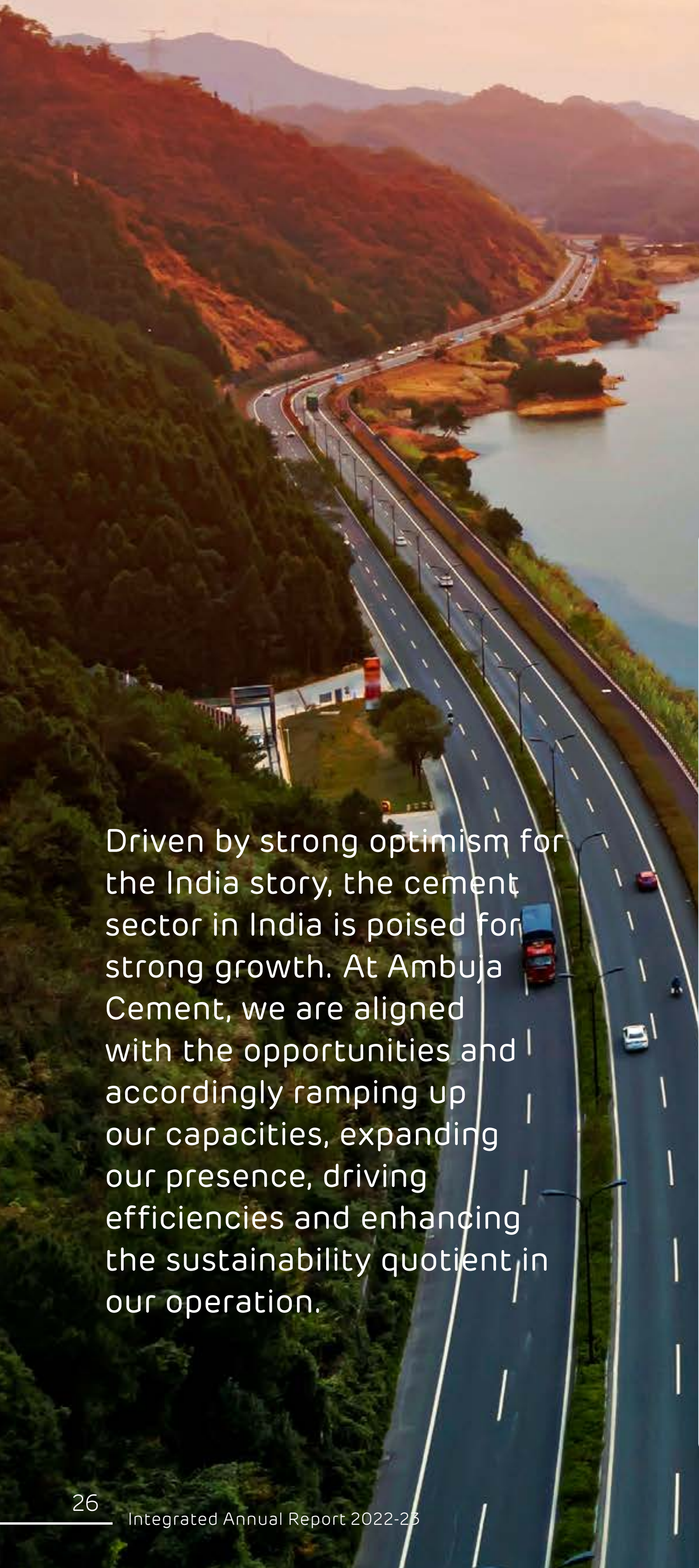
Our ESG goals provides the Company with a broad framework for its strategic interventions to meet the challenges across four thematic areas — Climate, Circular Economy, Water & Nature, and People & Communities.

Sustainable Development Plan 2030

	Climate and Energy	Circular Economy	Water & Nature	People & Communities
KPIs	Climate and energy (Net specific CO_2 emissions) Kg/cementitious	Circular economy (Use of waste derived resources per year) Mio T	Environment (Fresh water consumption Litres/t of Cementitious material)	Community (Number of new beneficiaries in Mio)
Target 2030	453	21	62	3.5
Actual	513	13.1	49	2.5

External Environment

Attractive Sectoral Opportunities



Driven by strong optimism for the India story, the cement sector in India is poised for strong growth. At Ambuja Cement, we are aligned with the opportunities and accordingly ramping up our capacities, expanding our presence, driving efficiencies and enhancing the sustainability quotient in our operation.

Untapped Potential

India's cement industry is the second largest in the world, accounting for over 7% of the global installed capacity of cement. Cement production in India has been growing in the range of 8-10% and is expected to reach ~390MT in FY2023. Yet, the per capita consumption of cement is low in the range of ~260 - 265kg compared to the world average of ~500 kg, which translates into huge future growth potential for the cement industry.

Housing and Infrastructure to Drive Growth

Demand growth for the cement sector is driven by housing, infrastructure, commercial and industrial segments, backed by continuous policy and investment support from the government. Policies like Performance Linked Incentive (PLI) are also aiding the growth of the industrial sector in the country. Large Investments in highway/road and infrastructure projects due to increased budget outlay by the government provided an extra push to demand growth. India is building roads at a record rate and the country's national highway network has increased consistently due to a systematic push through corridor-based national highway development approach.

₹10 lakh crore

Capital expenditure outlaid by the Government in Budget 2023-24

Factors Impacting the India Growth Story

Growing Population

Being the most populous country in the world, the country would require more residential space and drive demand for cement.

Favourable Demographics

India's working-age population stood at 60.7% in 2011, steadily increasing through 2021. It is projected to grow until 2026 and reach 65.1% by 2031.

Urbanisation

Urban population is expected to be at 675 million by 2035, growing from 483 million in 2020.

Ambuja Cement's Positioning

Capex-led Growth

In our ongoing journey towards realising our vision, we have successfully commissioned Marwar (~2 MTPA) in Rajasthan and many projects are currently in the pipeline which will help us to reach double capacity by FY 2028. Expansions are also included to achieve further capacity unlocking through brownfield and de-bottlenecking.

Digitalisation and Sustainability

To stay abreast of evolving business processes and technological advancements, we remain committed to exploring and integrating state-of-the-art technologies into our manufacturing process and supply chain. Our objective to directly engage with customers through e-commerce and a 'Super App' platform has necessitated comprehensive business transformation initiatives. These efforts are driven by our focus on both short-term gains and the long-term sustainability of our business, ensuring that we remain adaptable and resilient in a dynamic marketplace.

Product Innovation

We remain committed to staying agile and adaptable and have been constantly looking for new ways to innovate and stay ahead of the curve. The transformation journey is ongoing – but the destination is clear: a thriving, customer-centric business that is built to last. Our dedicated research and innovation team is helping us drive our growth agenda and introduce products which ensure durability on hand and are benign to the environment on the other.

Building Relationships for a Flourishing Future

We actively promote and invest in cultivating strategic relationships with our key stakeholders. Through open dialogue and focused engagement initiatives, we foster meaningful connections. By attentively listening to the priorities of our stakeholders, we proactively address their key concerns, manage risks, seize opportunities, and establish a clear trajectory for delivering shared value over the long term.

Identification and Prioritisation of Stakeholders

The following factors helped in identification and prioritisation of key stakeholders:

- Stakeholders directly/indirectly impacted or influenced by business activities
- Stakeholder inclusivity
- Business dependency and criticality of the stakeholder
- Identification by Senior Management from different functional areas
- Peer companies' stakeholders

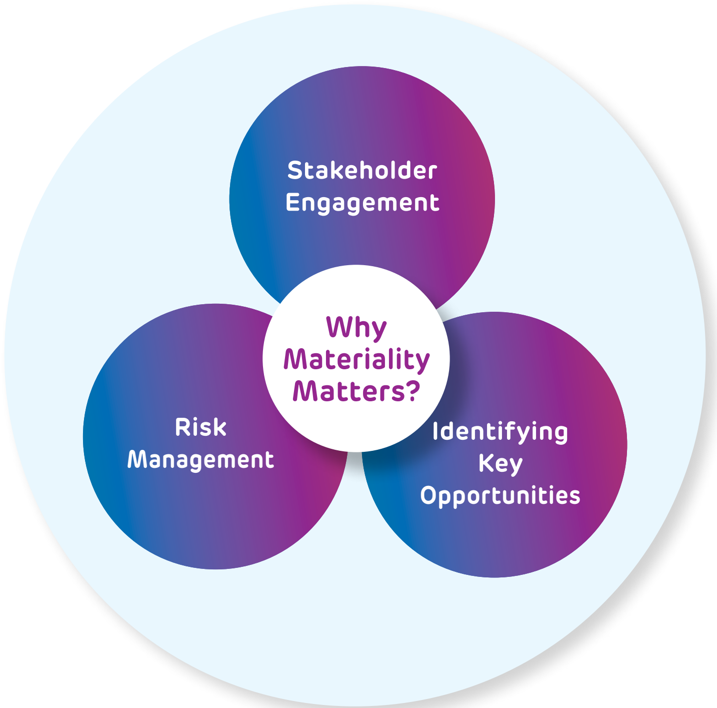
Stakeholders

- Shareholders/investors
- Dealers/Channel partners
- Suppliers
- Customers
- Employees
- Community
- Government and regulatory agencies
- Media
- Construction professionals
- Industry associations

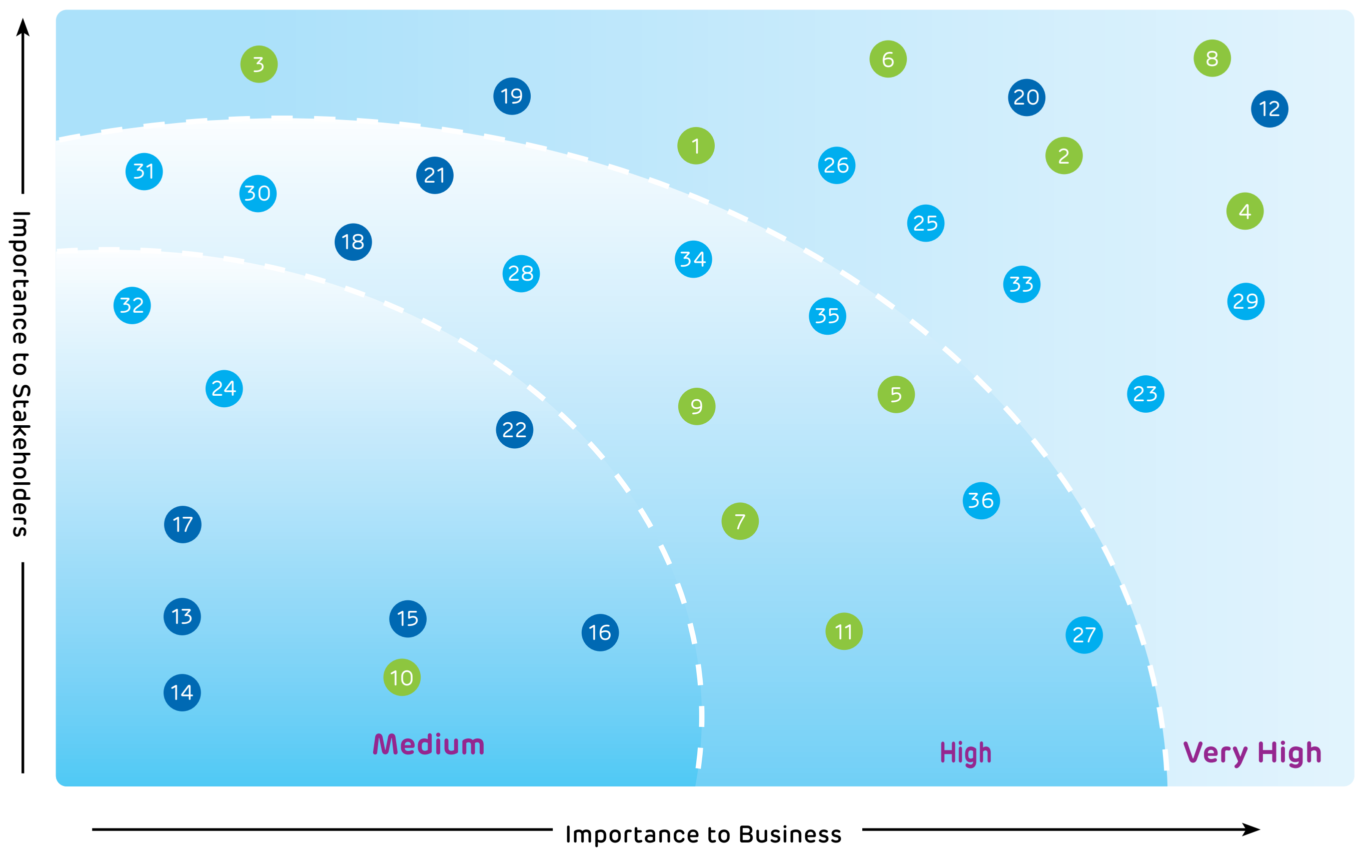
How we engage	Frequency
The Company through its investor relations arm and through various communication channels including annual report, quarterly releases and investor calls, engages with the shareholders and investors. Key concerns are shared with the Board.	One-on-one shareholder interaction when requested
The Company engages with its dealers through channel satisfaction surveys, annual conferences & meetings and marketing meetings.	• Once in two years (survey) • Annual/continuous process
Ambuja Cement engages with suppliers through supplier meets, periodic assessments and interactions to ensure transparent procurement system, address suppliers' grievances, expand network and reduce their risks	• Spread across the year
Ambuja Cement engages with its customers through technical services team camps, workshops, seminars and site visits.	• Spread across the year
The Company engages with its employees through employee engagement surveys, function specific meetings, internal newsletters and magazines, townhalls and events.	• Once in two years (survey) • Continuous process/ quarterly/ monthly
Through our CSR arm , Community Advisory Panel continues positive engagement with communities for sustainable mining, water conservation, land reclamation, and health and safety of stakeholders in operations and logistics	• Continuous process
The Company's engagement includes periodic meetings with respective regulatory agencies and communications on proposed legislations	• Continuous process
The Company engages with the media through press briefings, events, site specific impact assessment, Community Advisory Panels.	• Need based • Site-specific impact assessment, once in three years at each site
Ambuja Cement engages with construction professionals through Ambuja Knowledge Centres for advanced construction techniques, sustainabnle construction practices, product selection, knowledge dissemination on good construction, product quality and applicability	• Continuous process
The Company engages with several industry associations through meetings, policy papers, conferences to highlight issues faced by the company/industry, need for policy interventions, policy advocacy on sustainable development practices in value chain	• Need based

Identifying Issues that Matter

Our materiality assessment exercise helps us identify, understand, and evaluate financial and non-financial aspects that significantly influence our business and contribute to long-term value creation for our stakeholders. These topics play a vital role in our planning processes and reinforce the execution of our Company's strategy.



We engage in a comprehensive stakeholder engagement exercise, based on a well-defined, closed-loop approach that includes identification of stakeholders, prioritisation, engagement strategy development, preparation and implementation of the action plan to complete the feedback loop of the system. The prioritisation of material topics related to performance, people, and the planet is well aligned with Ambuja Cement's strategic pillars.



Material topics important to us under the three pillars of sustainability

Environment

1. Energy efficiency
2. Renewable Energy
3. Greenhouse Gas (GHG) emissions and Climate Change
4. Other air emissions
5. Biodiversity
6. Sourcing of water (and water management)
7. Waste management
8. Circular economy
9. Green Supply chain (Transportation and Logistics)
10. Sustainable packaging
11. Relocation and rehabilitation (post mine closure)

Social

12. Health and Safety
13. Employee training
14. Attraction and retention of talent
15. Mental health and employee well-being
16. Gender Equality
17. Non-Discrimination
18. Labour issues of talent
19. Human Rights
20. Corporate Social Responsibility (CSR)
21. Customer Privacy
22. Land acquisition for mines and new operations

Governance

23. Economic performance
24. Indirect economic impacts
25. Compliance with regulatory requirements
26. Customer satisfaction
27. Sustainable constructions
28. Transparency and Corporate Governance
29. Anti-Bribery and Corruption
30. Anti-Competitive behaviour
31. Risk Management
32. Public Policy and Advocacy
33. Product quality and innovation
34. Operational efficiency
35. Capacity utilisation and current demand
36. Procurement Practices

Internal
1 32

External
20 26

Internal and External
2 3 4 5 6 7 8 9 10 11
12 13 14 15 16 17 18 19 21 22
23 24 25 27 28 29 30 31 33 34 35 36

High priority
1 2 3 4 6 8
12 19 20
23 25 26 31 33 36

Risk Management

Future-Proofing our Growth Journey

The organisation has a comprehensive framework for risk management through Business Risk Management (BRM) process which covers Strategic, Operational, Compliance, Financial and Sustainability-related risks through the process.

Effective risk and crisis management are vital for planning. To bring in the best practices, our Risk Management Policy has been formally framed to identify and assess the key risks and monitor and report compliance and effectiveness of the policy and procedure in line with the regulatory requirements. A Risk Management Committee under the chairmanship of Mr. Ameet Desai, Non-Executive Independent Director, has been constituted to oversee the risk management process in the Company.

BRM exercise supports management in the strategic decision-making process and is an integral part of the management reporting cycle. A well-defined risk management mechanism covering analysis, risk exposure, potential impact and risk mitigation process has been laid down by the Company.

Potential risks are identified on 3X3 matrix of severity (High, Medium and Low) and probability. The overall risk exposure is assessed from both top-down and bottom-up, which is then consolidated/calibrated to get a panoramic view.

Based on a detailed review and considering the current and future circumstances, the risks have been broadly classified into phases due to the uniqueness of risks considering –

Transition Phase Risks	**High Growth Phase Risks**

Transition Phase Risks

Change Management

Ambuja Cements and ACC Limited - are now part of the Adani Group, which is a leading integrated business conglomerate. With a change in management, there come changes in policies and practices, which needs to be implemented and aligned and all this comes with moderate risk, which may disrupt business, operations and people temporarily.

The risk of change management was addressed with utmost care and expertise by the organisation and so had minimal impact on the business and operations.

IT and Cyber Security

Today nearly every aspect of our life revolves around information technology and cyber security, therefore protecting vital information in the cyber world is not only our responsibility, but a necessity to secure our business and operations more so with our ongoing transition to Adani Group. As we move towards digitisation and automation, cyber tools and utilities are sure to be further explored and exploited, which in a way is a necessity too from growth perspective.

Effective cyber security requires protecting both our hardware and software from misuse, interference, loss, unauthorised access, modification and disclosure and we as a concerned and proactive organisation have taken all effective measures to design our control mechanism and ensure that we are cyber secured.

High Growth Phase Risks

Regulatory Changes

As a responsive company, we are aware that changes in regulations are essential for the growth and protection of the environment and nature. Non-compliance to these regulations can lead to serious reputational and financial consequence while compliance too comes at a cost – cost for innovation, alternatives, transformation, upgradation etc.

The Company is taking up various projects across its operations to comply with new environmental regulations related to Dust Emission, SOx & NOx emissions.

Risk of Natural Resources

Cement Industry is highly energy intensive and is largely dependent on natural resources like limestone, coal, minerals, etc. To ensure that there is no disruption in business and operations, there is need to ensure continuous supply of these materials at optimum cost and quality. However due to reserve depletion and procurement challenges, this is becoming a challenge for industry.

For continuous operation, there is need to secure limestone with minimum ~50 years reserve. Volatility in the price of coal is also an area of concern for the industry.

To mitigate the risk, we need to invest in development of products that emit less CO_2. We are also exploring ways and means to reduce emissions by enhancing share of Green Power.

Energy Security

Energy security largely depends on the availability and cost. Risks associated with energy costs account for a significant part of the production costs of the Company. Cement production in particular requires a high level of energy consumption, especially for the clinkering and grinding processes. The principal elements of these energy costs are fuel expenses and electricity expenses (which include amongst others, costs for coal, petroleum coke, natural gas and alternative fuels such as biomass).

Operations of the Company are therefore expected to be significantly affected by volatile energy prices, which may fluctuate due to market forces and other factors, including changes in the regulatory regime.

We seek to protect ourselves against the risk of energy price inflation by diversifying fuel sources including the use of alternative fuels.

Capital-wise Performance

Financial Capital

Effective financial capital management is crucial for meeting our business objectives, preserving stakeholder value, and ensuring uninterrupted operations. Our financial capital encompasses the surplus generated from our core business activities and funds acquired through financing endeavours, such as debt and equity raising in accordance with market conditions.

Stakeholders impacted

- Stakeholders and investors
- Employees
- Dealers
- Suppliers
- Community and NGOs

Material issues Addressed

- Marketing communication and reputation
- Economic performance
- Procurement practices

FOCUS AREAS

Value Creation at a Glance

	Developments and Key Initiatives	KPIs
Growth	• Achieved a good revenue growth	**₹19,744 crore** Net Sales
Margin management and efficiency	• Focus on cost optimisation across the organisation • Growing contribution of premium products driving realisations	**20.9%** EBITDA margin
Financial stability	• Robust growth in asset base • Strengthened capital profile	**₹6,078 crore** in retained earnings
Shareholder returns	Delivered superior return for shareholders with strong dividend	**₹1,251 crore** dividend payout during the year

Key Risks Addressed

- Maintaining market position
- Funding requirements

SDGs Impacted

Overview

While cement demand remained robust, the year saw challenges in terms of rising input prices and high energy prices, impacting profitability. We reported strong growth in volumes during the reporting period.

Growth

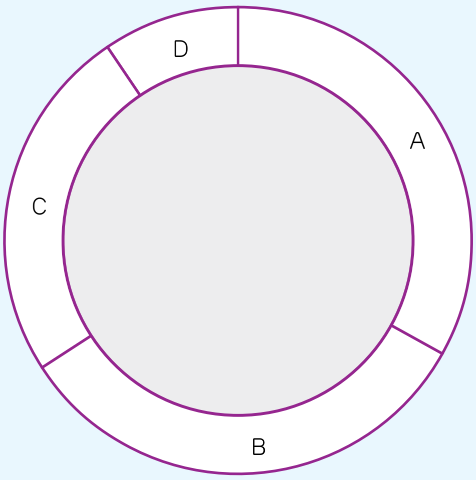
During the year, we reported net sales of ₹19,744 crore. Performance was driven by a strong demand, which led to 86.4% capacity utilisation as well as continued focus on the premium category, resulting in average realisations of ₹5,226 per tonne.

Margin and efficiency

Despite a substantial increase in input prices during the year, our relentless efforts towards cost rationalisation helped us report an EBITDA of ₹4,173 crore. EBITDA margin for the reporting period stood at 20.9%.

In the face of an inflationary environment, we were able to restrict growth in the total cost of operation owing to the increased use of energy from WHRS, the replacement of imported coal with domestic coal and various improvement and cost optimisation initiatives undertaken in logistics.

Cost break-up as percentage of total cost



A. Fuel cost (Power & Fuel) **33%**

B. Other cost (Other Expenses) **33%**

C. Logistic cost (Freight & Forwarding) **25%**

D. Raw Material Cost **9%**

Earnings

Our pre-tax profit stood at ₹3,055 crore. Pre-tax profit margin stood at 15.3%.

Robust earnings resulted ₹502 crore in tax outgo with an effective tax rate of 16.4% in 2022-23.

Our net profit for the year stood at ₹2,553 crore. Net profit margin for the year stood at 12.8%.

Assets

Our total assets reported stood at ₹35,904 crore. Current assets accounted for 31.3% of the total assets during the period under review.

Growing asset base (₹ crore)

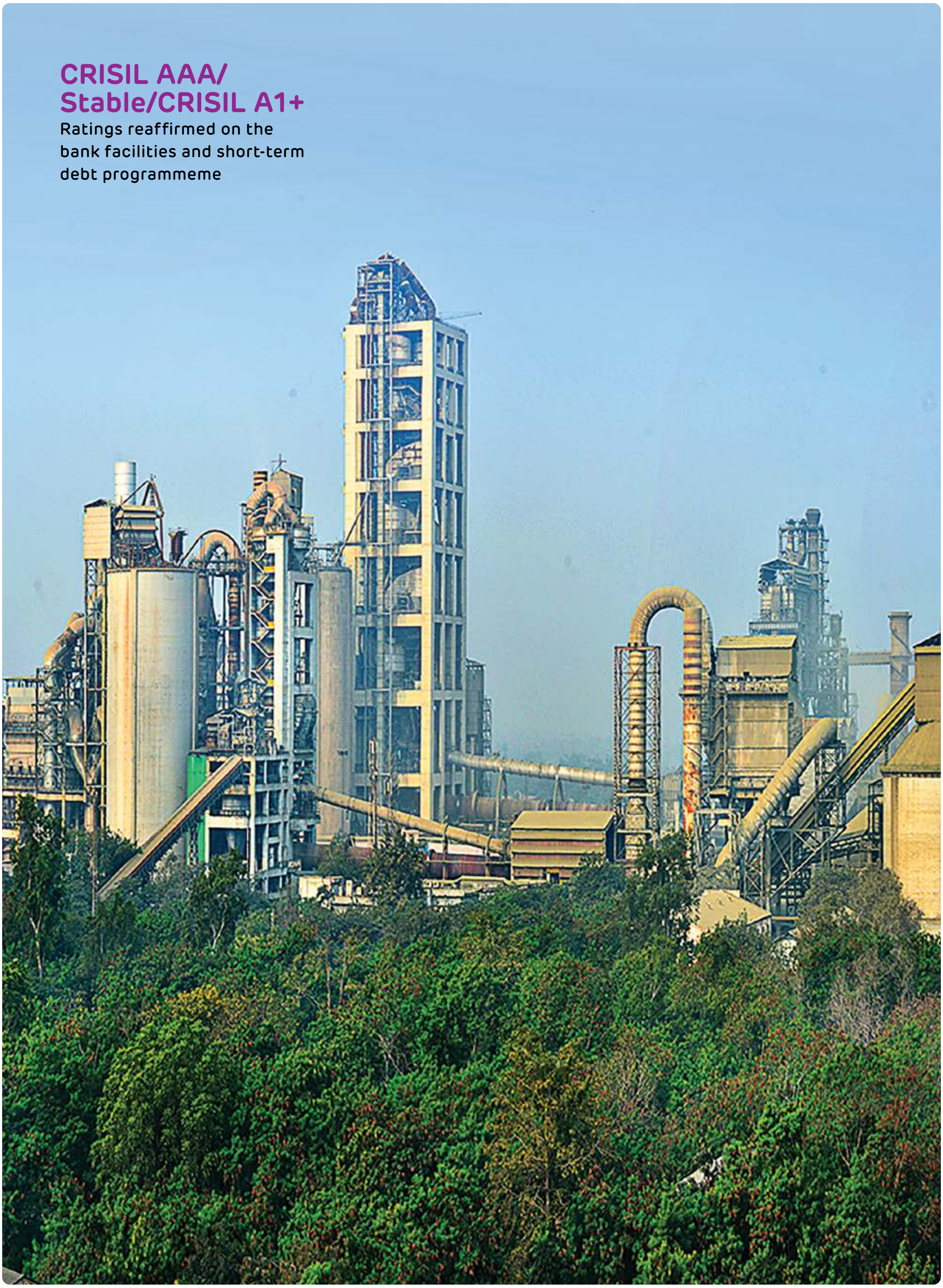
Our funding profile strengthened further during the year based on a strong profit generation that boosted the Company's equity base.
We continue to remain long-term debt free.

Cash flow

Our cash flow position strengthened during the year, reflecting the broad-based improvement in operational performance, which increased operating cash flow. Net cash from operations stood at ₹2,010 crore, supported by strong cash flow generation on the back of increased activity levels and effective working capital management.

CRISIL AAA/ Stable/CRISIL A1+

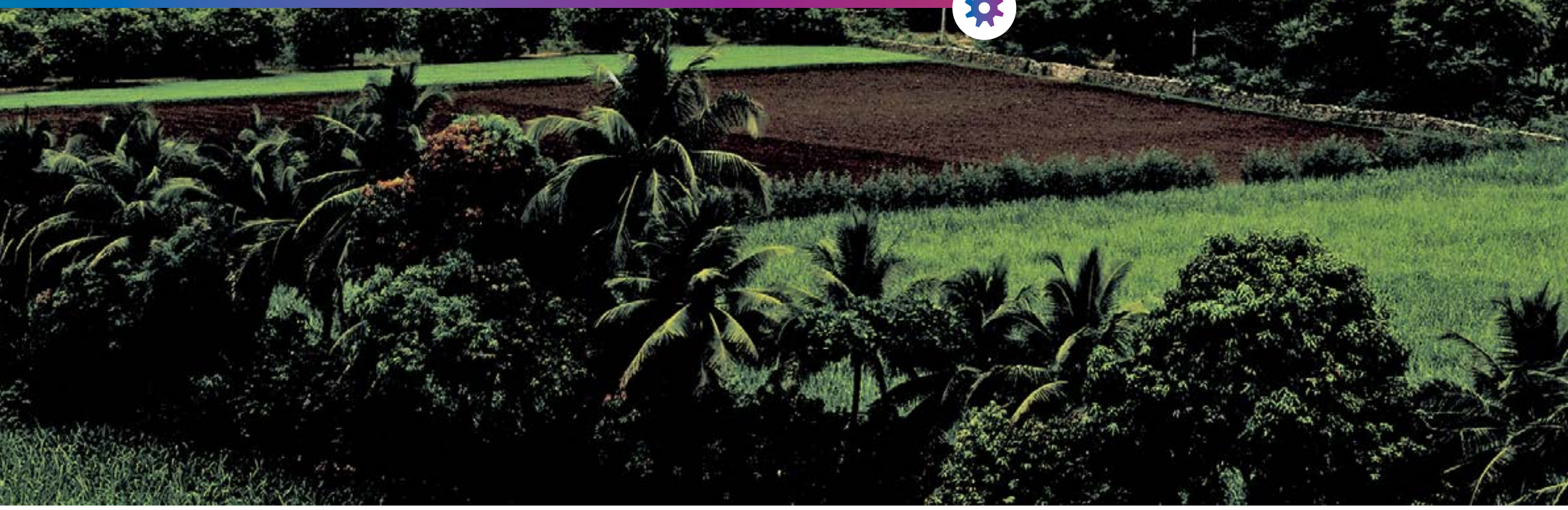
Ratings reaffirmed on the bank facilities and short-term debt programmememe



Capital-wise Performance

Manufactured Capital

Efficient management of our manufacturing assets plays a crucial role in enhancing our operational efficiency, driving profitability, and sustaining our growth trajectory. Throughout the year, we remained dedicated to optimising our current facilities, implementing planned expansions, and investing in state-of-the-art technologies. We are committed to sustainability and safety.



Stakeholders Impacted

- Dealer
- Suppliers
- Employees
- Government and regulatory authorities
- Construction professionals

Material Issues Addressed

- Capacity utilisation and current demand
- Land acquisition for mines and new operations
- Energy efficiency
- Compliance to regulatory requirement

FOCUS AREAS

Value Creation at a Glance

	Developments and Key Initiatives	KPIs
Capacity expansion	• Commissioning of the new greenfield unit at Marwar Mundwa	**5%** growth in grinding capacity
Enhancing efficiency	• Working multiple initiatives such as optimising raw material mix, enhanced use of green energy • Leveraging Group synergies to achieve cost leadership in the industry	**120 bps** Reduction in Electrical Energy Consumption in Jan'22 – Mar'23
Sustainable manufacturing	Reducing the environment impact of our operations through: • Enhanced use of waste • Increased share of green energy	**123 bps** increase in thermal substitution rate **72 bps** improvement in clinker factor
Quality improvement	Continuous investments in quality control and quality assurance measures	We follow BIS for all products

*Figures are for January 2022 to March 2023 period

Key risks addressed

- Market position
- Scarcity of natural resources

SDGs Impacted

Overview

Our manufactured capital comprises the tangible objects that facilitate our day-to-day operations and delivery of our products. This includes physical infrastructure such as our land, buildings, production plants, mines we have leased, heavy machinery and equipment fleet, furniture and fittings among others.

Development and Efficiency

At Ambuja Cement, we continuously invest to strengthen our market position and evolve as a more efficient, cost-competitive and environmentally sustainable organisation. Key initiatives of the year include:

Capacity Expansion

- We have set up a greenfield integrated plant with 3.0 MTPA clinker capacity and 1.8 MTPA cement grinding capacity at Marwar in Nagaur District of Rajasthan. Commercial operations commenced from September 2021 and installation of a Waste Heat Recovery System (WHRS) of ~ 14 MW capacity has been commissioned
- We are in advanced stage of placing commercial order for setting up 8 MTPA clinker unit at Bhatapara and Maratha (4 MTPA each) and associated Green field and brownfield grinding units of 14 MTPA.

Raw Material Security

- To secure limestone needs of various cement plants and to secure raw material for future requirements, following limestone blocks were through participating in auction:
  - 3D-2, Harima-Pithasar Limestone Block – Ambuja Cements Ltd., in Rajasthan
  - Sulahalli Limestone Block (CL) – Ambuja Cements Ltd., in Karnataka
  - Uskalvagu Limestone Block – Ambuja Cements Ltd. in Odisha
  - Mudhvay Sub Block-C Limestone Block – Adani Cementation Ltd.
  - Devalmari Block at Maharashtra
  - Dahegaon Gowari Coal Block in Maharashtra
- To meet future limestone requirement, we have invested ₹30.44 crore to purchase land and infrastructural developments across mines
- To secure our fuel resources, the earlier acquired coal block at Gare Palma sector IV/8 in Chhattisgarh through e-auction where operation has been commenced from October 2018 (open cast) and underground mining commenced from October 2021
- We have also acquired one coal block in Maharashtra. The necessary approvals and environmental clearance for above mining blocks are in progress. The land acquisition process is in progress, along with necessary infrastructure development
- To ensure adequate availability of dry fly ash, we have installed fly ash dryers/hot air generators in plants located in Rajasthan and Punjab with an investment of ₹120 crore

Energy

- To minimise power costs and enhance the use of green power, we had installated WHRS across locations
  - Cumulative 53 MW capacity at Marwar, Darlaghat and Bhatapara plants at a total investment of over ₹550 crore have been installed
  - Cumulative 27.5 MW capacity at Ambujanagar and Maratha plants at a total investment of over ₹475 crore are in advance stage of installation
  - Additionally, a plan is in place for utilisation

Logistics

To strengthen our logistical capability and to efficiently reach out to customers, a number of initiatives were taken such as optimisation of warehouse location, enhance share of direct dispatch and further exploration of sea routes, leveraging Group synergies.

₹1,811 crore

CAPEX spend amount on development and efficiency

Manufacturing Performance

We adopt best practices in manufacturing of international standards. By implementing advanced technologies, optimising production processes, and ensuring quality control, we are enhancing operational efficiency, reduce costs, and minimise environmental impact. We are emphasising continuous improvement, innovation, and employee training to sustain superior performance and customer satisfaction. Some of the highlights include:

- Utilised around 13.68 million tonnes of waste derived resources (0.88 million tonnes is by Geoclean) in production, in line with our commitment of continuously reducing the usage of natural resources in manufacturing

33.96 MTPA
cement production

Efficiency Improvement

In order to emerge as one of the most cost-competitive cement manufacturers in the country, we make continuous investments in the areas of clinker factor reduction, energy efficiency, raw material mix and fuel mix optimisation, power mix and enhanced use of alternative fuels and raw materials in manufacturing.

Plant Efficiency

- Reduction in electrical power consumption achieved through optimisation of grinding media charging and optimisation of grinding aid consumption
- Installation of new high momentum and low NOx burner
- Up-gradation of existing cooler
- Baghouse filter bag replacement with low drag to reduce the pressure drop, leading to reduction of SEEC (Specific Electrical Energy Consumption) at Rabriyawas
- Installation of IKN Cooler to reduce heat consumption and improve efficiency at Bhatapara
- Reduction in SHR (Station Heat Rate) and auxiliary power consumption by replacing SJAE with vacuum pump for STG3

Cost Efficiency

- Maximisation of Wet Fly Ash (WFA) and Conditioned Fly Ash (CFA) usage to reduce overall fly ash cost
- Replacement of 50% traditional High Speed Diesel usage with pyrolytic oil at the time of cold kiln startup
- Maximisation of alternative fuels and raw materials to reduce fuel cost
- Optimisation of raw mix in fuel to reduce overall cost of cement
- Use of molecule-based grinding aid to reduce procurement from vendors
- Maximum utilisation of fly ash to reduce clinker factor
- Variable Frequency Drive (VFD) Installation in In-line Calciner (ILC) Coal Firing Blower to save 480 kWh per day
- Kiln Master and Mill Master (Advanced Process Control) commissioned for better mill performance

Committed to Reduce Energy and Power Consumption

Our optimisation efforts during the reporting period resulted in the following:

- Optimisation of kiln operation to reduce Specific Thermal Energy Consumption (STEC) from 746 kCal/kg of clinker to 742 kCal/kg of clinker in ACL.
- Optimisation of kiln and cement grinding mill to reduce power consumption reduce from 73.47 to 72.59 kW/t cement.

Product Quality Management

Ambuja Cement stands as an unrivalled symbol of impeccable product quality. With a steadfast commitment to excellence, our quality parameters are rigorously upheld, meticulously monitored, and continuously refined to elevate the overall Product Quality Index (PQI). From stringent quality control measures to relentless pursuit of improvement, we set the gold standard in product quality, reinforcing our position as a trusted industry leader. Our product quality monitoring strategy includes daily testing on defined quality parameters; three-day and 28-day measurement of coefficient of variations, clinker quality assessment, customer satisfaction, bi-monthly product benchmarking, bi-monthly application-oriented product testing; monthly testing of random market samples and monthly assessment of bag quality index.

We are compliant with all the statutory requirements as mandated by the Bureau of Indian Standards (BIS) and all weights and measures norms. As a statutory compliance, our bags display the contact details for customers to communicate any complaint, observation and query.

To ensure consistent results, we follow the round robin test methodology to identify issues and improve upon the same. Further, following actions are being taken up:

- Productivity research for increased efficiency in use of resources
- Development of application oriented cements with decreased CO_2 emissions
- Development of cements tailored for specific market clusters and application segments
- Development and manufacture of composite cement with improve concrete performance
- Development of new products or developing new methods of evaluation and characterisation

Key initiatives to improve overall process/product quality during the year:

- Installed robotic lab for real time quality monitoring and control of cement manufacturing at Marwar
- Installed Cross Belt Analyser for real time quality check of input limestone from mines
- Implemented Technical Information System (TIS) for production and Laboratory Information Management Systems (LIMS)
- Use of molecule-based grinding aid to improve the strength of cement
- Optimised SO_3 across location to improve strength
- Qualitative and quantitative identification of clinker phases for strength optimisation using X-ray Defraction Meter (XRD)
- Quality benchmarking exercise conducted for different market clusters
- Blended cement through innovative processing utilising industrial by-products for improved quality Performance of our plants

Supply Chain and Logistics

During the year, fuel prices continued to remain high. Considering the challenges, we took the following initiatives:

- Total freight cost reduced by ₹64 /Ton (₹1,160/T in Jan'22 to Mar'23 vs. (₹1,224/T in 2021) despite headwinds of HSD price increase ~2% & railway busy season charge (+15%) from Oct'22
- Improved the synergy between Ambuja and ACC plants to gain on logistics cost saving
- PAN-India warehouse network optimisation increased direct dispatch to customer by 4%
- Integrated UDAAAN Project for logistics cost Rationalisation rolled out to unlock group synergies & leverage technology

4%

Increase in direct dispatch

Zero

Waste mining policies adopted

Mining

All our integrated cement plants are associated with captive limestone mines for securing major raw material.

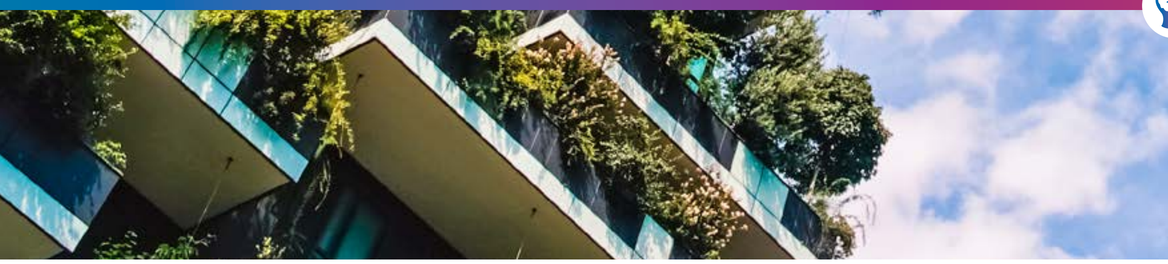
We are optimising mine utilisation through the following ways:

- Maximise the use of alternative and waste derived materials in the process
- Adopted ZERO Waste mining policies
- Proper blending of low grade and high-grade material for optimisation of resources as well as maximising life of mines
- Eco-friendly mining with no blast technique by deploying surface miner in coastal areas
- Conservation of mineral, water and other natural resource materials
- Adopting safe practices in each mine during development and operation
- Environment friendly mining operation by deploying mining equipment with minimum exposure of workers to health and occupation hazards

Capital-wise Performance

Intellectual Capital

Our intellectual capital encompasses a wealth of ideas, technical expertise, process knowledge, and a consistent ability to innovate. It also includes intangible assets like our brand value and corporate culture, which have been instrumental in maintaining our position as market leaders. By efficiently utilising our intellectual capital and continuously enhancing our digital and technological capabilities, we are ensuring our readiness for the future. Throughout the year, we have reinforced our knowledge base through targeted learning and development initiatives for our employees. Additionally, we have leveraged our strength in innovation to generate new knowledge and develop sustainable products and construction solutions that align with a low-carbon future.



Stakeholders Impacted

- Stakeholders and investors
- Dealers
- Suppliers
- Customers
- Employees
- Community and NGOs
- Government and regulatory authorities
- Construction professionals
- Industry associations

Material Issues Addressed

- Customer satisfaction
- Sustainable construction
- Economic performance

FOCUS AREAS

Value Creation at a Glance

	Developments and Key Initiatives	KPIs
Responsible products and sustainable construction	Strengthening reach of Ambuja Kawach, Ambuja Plus, Ambuja Compocem and Ambuja Cement (PPC)	**11.78 lakh tonnes** of Kawach sales volume achieved during the year
Technical services	• Address challenges at construction sites and marketplace for sustainable construction • Augmented onsite sustainable construction solutions • Technical guidance on rainwater harvesting	**3,283** Modular curing solutions provided at sites **24,578** customer sites provided with instant mix solutions
Accelerated Digitalisation	• Strengthen digital transformation for internal and external stakeholders	Tech-enabled operations across the value chain

Key Risks Addressed

- Maintaining market position
- Resource availability and price
- Cyber security

SDGs Impacted

Overview

As a flagbearer in technology adoption, we have solidified our position as industry pioneers by prioritising research and development efforts. Our commitment to innovation extends beyond introducing new and sustainable products and solutions; we also strive to optimise resource utilisation and drive decarbonisation within the cement industry. To enhance our competitive advantage in the market, we are expanding the implementation of digitalisation throughout our organisational value chain.

Sustainable and Responsible Construction Solutions

We take proactive initiatives to help reduce our carbon footprint, while enhancing our product quality and brand promise. Our products and services help our customers and construction professionals reduce their carbon footprint, manage maintenance requirements and cost of operations, making the projects greener and cleaner with lower environmental footprint.

During the reporting period, we continued to scale up our sustainable products and solutions.

- Launched in 2020, Ambuja Kawach has emerged as a preferred product for its unmatched attributes. To expand availability, we started supplying the product from four more plants – Bhatapara, Dadri, Ropar and Darlaghat.
- Ambuja Cool Walls, our green solution for walls, are made of pre-cast autoclaved aerated concrete with a special heat-barrier technology that helps keeping homes cooler during summer and warm during winters.
- Our blended cements portfolio, consisting of Ambuja Plus, Ambuja Kawach, Ambuja Compocem and Ambuja Cement (PPC), are now listed in the Green Product Catalogue of Green Rating for Integrated Habitat Assessment (GRIHA), a national green rating system of India co-developed by the Ministry of New and Renewable Energy, Government of India. Our products were evaluated based on the third party test results, benchmarks and environmental certifications etc.

Technical Services

We have developed various products and solutions with 'Ambuja Certified Technology' to enable sustainable construction, which has become a key differentiator for the Company. Our Technical Services Team undertakes various initiatives to promote sustainable construction.

Our Instant Concrete mix proportion solution maximises the efficient utilisation of natural resources by optimising the proportions of aggregates, sand, and water in the concrete mix based on their specific properties. During the reporting period, we successfully implemented the Instant Mix Proportioning Solution at 24,578 customer sites. This solution has not only contributed to the creation of strong and durable concrete but has also resulted in significant water savings of approximately 30 million litres.

Our in-house developed Modular Curing solution, also referred to as the Zero Water Curing solution, provides an effective and efficient method for curing concrete slabs without the need for water. During this year, the Modular Curing Solution was implemented at 3,283 sites, resulting in significant water savings of approximately 39 million litres at construction sites. This innovative solution allows for sustainable curing practices while maintaining the quality and durability of the concrete structures.

Slab Supervision: Our team of technical experts provided technical guidance & supervision for slab casting on 31,698 customer sites

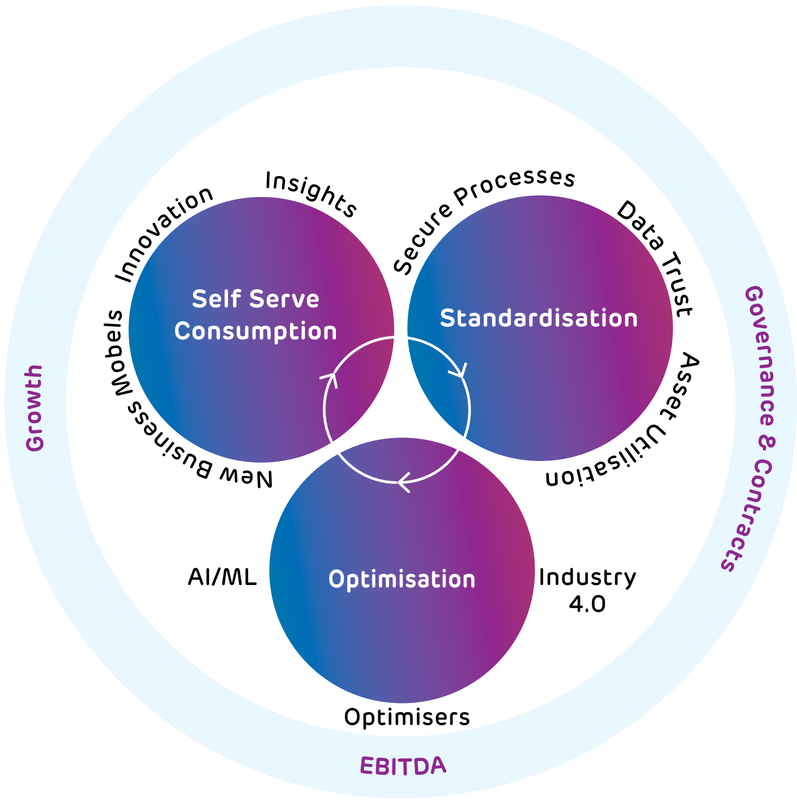
Our team actively promotes awareness and provides technical guidance to customers on implementing Rainwater Harvesting Solutions on their construction sites. This solution enables our customers to become self-sufficient in meeting their water demands. During this year, we extended Rainwater Harvesting guidance and solutions to 106 sites, resulting in a conservation of approximately 9 million litres of water annually.

Ambuja Knowledge Centre

The Ambuja Knowledge Centre was as a knowledge sharing platforms for architects and engineers. We have 18 such centres across the country to promote and educate construction professionals on sustainable construction and advanced material and techniques. We use our AKC platform to promote and educate about sustainable construction as well as advance construction material and techniques. Around 15,500+ Professionals were covered in various knowledge sharing activities through Ambuja knowledge Centre platform which includes physical and virtual modes.

15,500+

Professionals were covered in various knowledge sharing activities through Ambuja knowledge Centre



Accelerating Digitalisation and Innovation

With an aim to strengthen operations and improve our competitiveness, we are driving digitalisation initiatives across the following functions: Operational Excellence, Controls and Compliance, and Culture.

At Ambuja Cement, we believe that Digitalisation is a key driver of sustainable business growth. Over last few years, we have continuously adopted digital techniques and across its core business processes including sales, logistics, material management, manufacturing, control systems and technology operations.

Our digital transformation strategy aims at transforming the business processes and optimising the resources to achieve sustainable business growth while complying to various regulatory requirements. Our marquee digital initiatives include:

Cyber Risk Management – We have a comprehensive Cyber Risk posture management programme aimed at ensuring confidentiality, integrity, and availability of its critical business assets. All security operations are governed from an in-house, 24 x7 centrally operated Cyber Defence Centre. Our SOC has best in class cyber security solutions covering Brand Protection, End Point Security, Cloud workload protection, Perimeter security, Multi Factor Authentication, Data Protection & Encryption, Application Security, SIEM for OT & IT system monitoring and Cyber Incident Management.

Cloud First strategy – Strategically, we have adopted cloud first policy and all its digital assets have been migrated to hybrid public cloud platform to achieve high availability, agility, and operational efficiency. Cloud first strategy has provided the desired speed and agility to the business for sustainable business growth.

Centralised Command & Control on Adani's Industry Cloud (aligned to Industry 4.0) – At Ambuja Cement, a comprehensive Digital Command & Control Centre is being setup to enable end-to-end visibility of the business processes and systems. This will enable real-time view of the Production, Demand, Sales, and Logistics under one umbrella. The C&C is a long-term strategic digital initiative to enable remote 'exception-based interventions' in decision making, based on the real-time market scenarios.

Advanced Mobile Platform – Our comprehensive mobile application platform and multiple applications have been launched to boost the sales, and marketing. Through mobile applications, our dealers, warehouse operators and customers can track the real time status of their orders and shipments.

AI/ML for Predictive Analysis – We have adopted Artificial Intelligence (AI) and Machine Learning (ML) based tools to predict demand, optimise production and to control the distribution. Diligent use AI and ML based logistics platform has given ACL a competitive advantage over other players in the market.

Capital-Wise Performance

Human Capital

The Ambuja Cement team of 4,361 members is our most valuable asset, which propels the Company forward through their individual competencies, skills, and knowledge. We provide our people a supportive and safe working environment while promoting inclusivity and diversity at the workplace.

Stakeholders Impacted

Employees

Material Issues Addressed

- Health and safety
- Employee training
- Gender equity
- Labour issues
- Attrition and retention rate
- Code of Conduct

FOCUS AREAS

Value Creation at a Glance

Focus Area	Developments and Key Initiatives	KPIs
Employee health and safety	Implement and monitor stringent health and safety measures across operations to ensure safety of people	**Zero** On-site and off-site fatalities achieved during the reporting period
Developing the talent pool	Leveraging the digital ecosystem for employee learning and development, and leadership pipeline	**4.19 hours** of training imparted per employee on an average
Employee engagement	Unique initiatives to promote the mental and financial well-being of employees during the reporting period	**Several** initiatives held for employee engagement

Key Risks Addressed

- Talent acquisition and retention
- Health and safety

SDGs Impacted

3 GOOD HEALTH AND WELL-BEING
8 DECENT WORK AND ECONOMIC GROWTH
10 REDUCED INEQUALITIES
16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Overview

Our Human Resources function is aligned with our overall business strategy and plays a crucial role in its successful execution. We understand the significance of having well-trained and motivated employees to achieve our organisational goals.

Over the years, gender diversity has emerged as one of the key aspects of our talent strategy as we strive to foster inclusivity within our workforce. We have set specific targets to enhance women's participation in our workforce over the next three years. To achieve this, we have implemented various programmes and policies that promote worker diversity, creating a more inclusive and supportive environment. Our objectives focus on improving worker engagement and fostering trust among our employees.

We maintain a 'Zero Tolerance' policy towards any form of discrimination and harassment in the workplace. This policy is aligned with applicable laws and our internal directives, ensuring a safe and respectful work environment for all employees.

Team Strength

Management category	Female	Male	Total
Junior Management (Asst. Mgr. & below)	38	903	941
Middle Management (Dy. Mgr. to GM)	64	1,918	1,982
Senior Management (AVP & above)	2	37	39
Grand Total	**104**	**2,858**	**2,962**

All employees (MS+NMS age-wise)	Female	Male	Total
<30	42	295	337
>50	13	1,229	1,242
30-50	54	2,728	2,782
Grand Total	**109**	**4,252**	**4,361**

Cultural Integration

During the reporting period, a key area of focus was the integration of the company's culture with that of the Adani Group following the change of ownership. The successful integration of culture, processes, and policies stands as a significant achievement. Our endeavours to foster a unified mindset have resulted in noteworthy milestones, such as the implementation of a consolidated top-level structure encompassing operations, sales, manufacturing, logistics, and support functions. We have also established a unified grade and salary structure, along with comprehensive learning and development programmes. To address employee concerns throughout the integration process, we conducted employee town halls across our Mumbai Corporate Office and Thane offices, utilising video conferencing to include all locations. This assimilation into the A-A-A culture of Adani, Ambuja, and ACC has played a pivotal role in propelling our Company's growth and overall success.

Learning and Development

Learning and development form an essential component of our people strategy, enabling our employees to hone their skillset, enhance performance, accelerate professional growth, and deliver exceptional results. To expedite the learning process and reach a wider audience, we have harnessed the power of the digital ecosystem. Virtual instructor-led master classes have been conducted, allowing for broader participation and knowledge dissemination. Furthermore, we have conducted concise and tailored web sessions, focusing on specific functional and leadership areas for targeted groups.

Further, we have dedicated learning programmes for successor development, promoting a strong safety culture, and enhance performance management, among other key areas. At the unit level, we have implemented numerous on-the-job training programmes with the assistance of internal faculty, subject matter experts, and functional leaders. This comprehensive approach ensures that our employees receive the necessary skills and knowledge to excel in their roles and drive the success of our organisation.

Training Information

Description	Training data (Jan-March 2023)
Total Number of sessions	1,000
Total Employees covered	13,642
Total Topics covered	364
Total no. of Training hours	57,179
Total Unique Employees covered	3,319

Key Programmes During the Reporting Period

High Impact Leadership Programme for Regional Sales Managers

The programmeme covered all the regional sales managers. The entire programme was designed internally including role plays and case studies.

Key Highlights

We successfully covered 100% of our Regional Sales Managers (RSMs) through the training programme, which kick-started in the presence of our CHRO/CSMO. The programmeme consisted of four modules, each spanning two hours, focusing on Understanding Goals & Objectives, Working with Behaviours and Motivation, Impactful Challenges, and Influential Communication. This virtual programme spanned eight hours, with homework, assignments, and post-programme calls being the highlights. The programmeme received very good feedback from the participants and CSO, resulting in an impressive overall rating of 9.67 out of 10. RSMs shared positive experiences using tools like the SCARF model, fostering a 'can do' attitude, while the concept of "Who's Got the Monkey" empowered team members to proactively contribute to achieving business goals.

A one-week certification Course on Cement Application for Technical Service Engineers

To enhance the skills and knowledge of Adani Cement's customer service officers in product application, a comprehensive training programme was conducted at our Thane campus. The programme consisted of four batches, covering a total of 280 Technical Service Engineers and encompassing 14 topics. One of the key highlights of the programme was its hands-on approach, allowing participants to actively engage with cement and concrete through laboratory activities.

Upon completion of the course, participants underwent an online post-assessment on Super Assisted Intelligent Learning (SAIL) to evaluate their understanding. To recognise their achievement, completion certificates were presented to the participants during a ceremony attended by a senior leader.

Digital Learning

Our digital learning platform, SAIL, has been instrumental in driving various learning initiatives across leadership, sales, and manufacturing. We introduced micro-learning series to provide concise and targeted learning content to our employees. Additionally, structured on-the-job training programmes have been implemented, and a series of webinars on diverse topics have been conducted to support employees in their learning journey.

These initiatives have had a significant impact, with a total of 23 webinars conducted, reaching over 3,500 employees and accumulating a remarkable 5,347 training hours. By fostering a culture of continuous learning, we encourage and support individuals in acquiring knowledge, developing new skills, and enhancing their existing abilities.

57,179 training hours

Imparted covering over 3,500 employees

Takshshila is Adani group-level talent development initiative. Total 7 employees were nominated for Takshshila.

Fulcrum, a unique leadership development programme for senior management in the Adani group

The programme aims to transform leaders into a powerhouse that inspires future generations. It had a remarkable impact on both personal and professional lives, instilling discipline, organisation, and self-empowerment. The programme has significantly improved work efficiency and self-development, leading to quick decision-making, team management, interpersonal skills, and fostering collaboration. It has also contributed to winning important contracts, like the Microsoft data Centre business, and has positively influenced the organisational culture, paving the way for a bright future for the Adani group.

Employee Engagement

We constantly engage with our employees to drive motivation. A Gallup engagement survey was conducted between April-May 2022 which saw >90% participation from both entities. We achieved engagement rate of 4.03 out of 5. The survey highlighted the followings valued the most by our people:

- Having the opportunity to perform at their best everyday
- Nurturing high quality relationships at work
- Clarity on contribution towards company purpose or mission
- Mutual respect and safety at workspace
- Teamwork emerging as the strongest driver of engagement

Ambuja is recognised among 'India's **Top 50** Most Sustainable Companies' Cross Industry and among 'India's **Top 3** Most Sustainable Companies in Infrastructure & Engineering Sector' by BW Businessworld

#1

Best Companies to work for in Construction and Infrastructure by BW Businessworld

Diversity and Inclusion

At Ambuja Cement, we take immense pride in being pioneers in promoting gender diversity and inclusivity in our core operations. As a trailblazer in the industry, we have successfully integrated women into key roles within our organisation. Recognising the immense potential and talent that women bring, we have established comprehensive training and skill development programmes to empower and uplift our female employees. As a result of our concerted efforts, we have achieved a commendable representation of approximately 26% women in critical positions such as Control Room Operator (CCR) and Quality roles. We firmly believe that diversity fuels innovation and drives our success, and we remain committed to creating a workplace that embraces equal opportunities and empowers women to thrive.

26%

Women in critical positions such as Control Room Operator (CCR)

Industrial Relations

Proudly boasting a heritage of strong industrial relations, we have fostered a culture of bonding across generations, symbolising the very essence of the Indian cement industry. With the third and fourth generations currently working for the companies, this legacy has played a pivotal role in the integration process within the Adani Group. The organisation has implemented several initiatives, including committees, productivity meets at department and plant levels, and clubs, to create an exemplary workplace. An open-door policy has been put in place, encouraging dialogue and feedback from employees, and a robust grievance redressal mechanism ensures that concerns and complaints are addressed in a fair and timely manner. Engaging activities that promote a sense of unity among employees, their spouses, and children are organised regularly across all locations. Additionally, the organisation has established various employee forums and committees to provide a platform for employee voices to be heard. By prioritising employee engagement and addressing their concerns, we foster a culture of collaboration, credibility, trust, inclusivity, and openness.

Health and Safety

At Ambuja Cement, our primary goal is to foster a strong safety culture and instil a sense of safety consciousness within the organisation. Our unwavering commitment to achieving 'Zero Harm' is reflected in the fact that we have achieved zero on-site and off-site fatalities this year, underscoring our dedication to creating a safer workplace.

We have integrated safety into every aspects of our organisation, implementing a wide range of safety initiatives. These initiatives encompass competency development, comprehensive training programmes, regular audits, inspections, and surveys. Additionally, we have launched the "We Care" initiatives, which prioritise the well-being of our employees. Our emphasis on Critical Control Management has been instrumental in preventing unwanted incidents, and we have established dedicated cross-functional teams to drive process safety.

At Ambuja, we firmly believe that every individual has the potential to become a change leader in safety practices, provided they are fully committed to it.

Zero

On-site and off-site fatalities achieved during the reporting period

By promoting a collective responsibility for safety and empowering our employees, we strive to create a culture where safety becomes ingrained in every aspect of our operations.

The advent of digitalisation has brought about a revolutionary shift in the global landscape. Ambuja Cement, too, has embarked on a transformative journey by implementing digitalisation programmes across our manufacturing sites. We have digitised our training management system which has greatly enhanced our ability to develop and assess the competencies of our employees and contractors. Another remarkable digital initiative is the Boots on Ground mobile application. This application has been instrumental in incident control at our sites and has significantly improved leadership visibility on the ground. These digital initiatives have garnered recognition from other cement industries within the Global Cement Concrete Association, affirming their effectiveness and impact.

As we continue to embrace Digitalisation, we recognise the immense potential it holds for optimising our operations and improving overall efficiency. These initiatives serve as a testament to our commitment to leveraging digital tools and technologies to drive innovation and excellence within our industry.

Our strategy in 2021 was to sustain performance with focus on frontline safety and in 2022 we headed with the strategy of strengthening the basics and critical controls. The journey to achieve this goal was ensured by six pillars i.e. Onsite Safety, Safety Ownership, Systems & Processes, Control of Health Risks, Road Fatality Reduction and Environmental Excellence:

Onsite Safety

- Implementation of Critical Control Management Programme
- Strengthen Mobile Equipment (ME) operations and create Traffic Safety
- Step up risk awareness and mitigation at packing plants (Truck & Wagon loading)
- Robust implementation of structural failure assurance plan – Level 1 inspections & high risk actions closure
- Improve Job Risk Management - Field risk assessments & Management of Change
- Review H&S compliance at Mines
- Improve simultaneous working in Brownfield Projects

Safety Ownership

- HSE KPIs as part of individual performance appraisals
- Training of Senior Leadership team on Leading with Safety
- Complete >90% Training as per Training Need Identification (TNI) in all Fatality Elimination Controls
- Zero tolerance for non-compliance - Ensure Timely consequence management
- Review horizontal deployment of lessons learnt from last five years fatal incidents
- Close Monitoring-BOG performance, CCM, PSM and We Care Dashboards

Systems & Processes

- Smooth transition to Group BoG app
- Validate sustainable implementation of group audit Level 1 findings across all plants
- Roll out & implement-Road Safety Standards
- Gap assess CSMS (Contractor Safety Management) implementation
- Permit to Work (PTW) assurance audits for al IPs, Ropar and Sankrail
- Implement Machine guarding dashboard duly integrated with maintenance requests
- CCTV survey and coverage of truck yards and packing places

Control of Health Risks

- Emergency Response Preparedness-Primary care - COVID, injuries
- Industrial Hygiene - Verification Surveys at 5 plants
- Review implementation of Asbestos standard across all plants

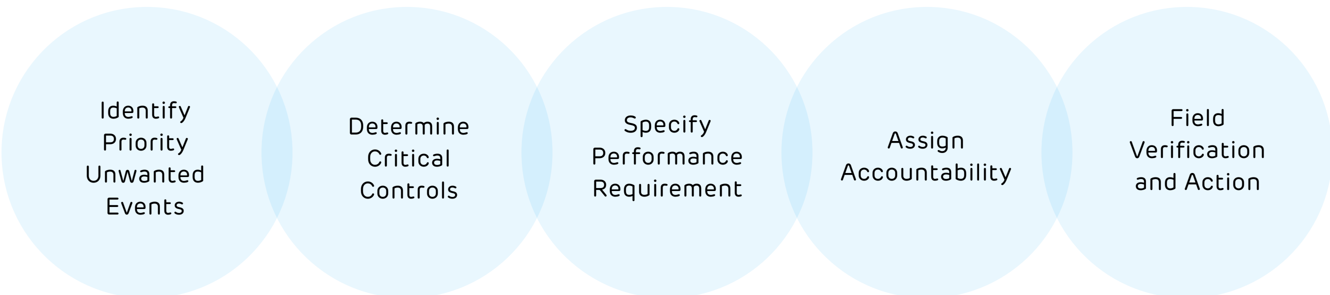
Road Fatality Reduction

- Review controlled fleet definition to increase iVMS coverage
- >35% controlled feet drivers trained in Incab
- >95% E-passport implementation with well embedded 10 point checklist
- Improved engagement with transport partners – frequency, iVMS feed, expectations on compliance to guidance, consequence management
- Minimum vehicle specifications
- 100% 3-point seat belt (controlled feet)
- 100% load carriers with seat belts (no seat belt no load)
- >95% Side Under Protection Device (SUPD) and Rear Under Protection Device (RUPO) (controlled feet)

Some of the highlights of our journey for the year is as below:

- 5 manufacturing units achieved Zero Harm from Jan'22 to Mar'23
- We were able to sustain our leading indicator reporting for the same period
- Training and competency enhancement through a digital Training Management System. We were able to increase our efficiency with the support of this system
- 3 level of Health & Safety Management System Audits across all our 19 manufacturing sites and ensuring that the actions are timely closed and implemented;
- Critical Control management programme was effectively implemented by means of quarterly verification for 8 identified critical high-risk areas to ensure no unwanted occupational injuries/ incidents at sites.

Critical Control Verification Process



- Increase coverage of In-Vehicle monitoring systems for the fleet of trucks that we use for carriage of goods and enhancement of our capacity of InCab (Defensive Driving) assessors. Today most of our plants have assessors as per need.
- Effective implementation of We Care initiative in spirit has helped healthy engagement amongst our workforce to prevent workplace hazards
- Timely sharing of lessons learnt from incidents supplemented by fair consequence management (both positive and negative reinforcement as required)


SAHU ASSOCIATES
OUT LIFE VEST/JACKET

Capital-Wise Performance

Social Capital

Ambuja Cement values the community as its foremost stakeholder. We uphold our commitment to community development through our dedicated corporate social responsibility arm. It operates at the grassroot level, conducting comprehensive assessments of community needs and priorities. This approach ensures that our interventions are evidence-based and yield meaningful and impactful outcomes. By actively engaging with the community, we strive to make a positive difference in their lives and contribute to their overall well-being.

Stakeholders impacted

Community, Government and NGOs

Material issues addressed

- CSR
- Health and safety
- Human rights
- Code of conduct
- Transparency and Corporate Governance
- Indirect economic impact
- Public policy and advocacy

FOCUS AREAS

Value creation at a glance

Focus area	Developments and key initiatives	KPIs
Community support	• Continued its focus on its key intervention areas such as water management, agriculture, livelihoods, skill training, healthcare, women empowerment and education	**₹73.28 crore** spent on CSR activities

Key risks addressed

- Environment and sustainability
- Maintaining market position
- Water availability
- Licence to operate
- Building reputation

SDGs impacted

Overview

Through our CSR arm, we have positively impacted the lives of 2.5 million individuals residing in 2,680 villages across 21 districts of 12 states. Over the course of three decades, we have consistently implemented people-centric development initiatives, focusing on the core communities surrounding our Ambuja plants. These efforts have contributed to the overall socio-economic progress of the region. Our CSR arm facilitates a strong convergence between our plants and the communities by employing a participatory approach. We engage in regular and focused outreach activities to ensure effective collaboration. Our key programmes address a range of critical issues, including water conservation, environmental stewardship, livelihood opportunities for locals, healthcare and sanitation access for all, women empowerment, and education for children. By addressing these challenges, we secure our social license to operate as a responsible plant. The long-lasting impacts of our initiatives have brought prosperity to the communities we serve, aligning with the United Nation's Sustainable Development Goals. To ensure programme effectiveness, we closely monitor and assess our initiatives through a dedicated cell, leveraging internal expertise and engaging with external experts and consulting organisations.

A structured approach to community development has ensured proactive engagement of the local community in several aspects. Forums such as Community Advisory Panel (CAPs) or Social Engagement Scorecard (SES) provide an opportunity to the community and other stakeholders to voice their thoughts and concerns that influence our future programme. At each plant, a CSR committee provides local plant specific insights that lead to strategic CSR, both relevant to business and the community stakeholder. In planning implementation of the community development programmes, our CSR arm works very closely with the local and central government by optimally utilising opportunities to scale through convergence with various government schemes. It is with this strategic partnership that we have been able to increase the scale of the programmes beyond Ambuja's immediate villages and extends households' outreach. The efforts of our CSR arm are being recognised and applauded with prestigious awards and recognition both by the government as well as other organisations. Sustainable practices adopted by Ambuja such as Site-Specific Impact Assessment provided an opportunity to engage with both internal as well as external stakeholders to review the opportunities and business risks for planning stakeholder engagement.

Our Board and the corporate CSR committee have been at the forefront in guiding the focus for CSR. The comprehensive CSR policy detailing specific aims and objectives for community development aligns with Schedule VII of the Companies Act 2013. In line with section 135 (1) of the Companies Act, Ambuja Cement focused on getting the impact assessments done for its two critical programmes. The findings of the assessments are utilised for developing future programme strategies.

Water Resource Management

Through our Water Resource Management Programme, we create access to safe drinking water, build systems for harvesting and conservation and create water literacy for efficient and sustainable use of water. Access to water has been one of our major focus in CSR which helps increase family incomes and generate livelihoods. This has enabled us to be an 8x Water Positive Organisation.

Performance during the reporting period

- Around 20,735 households reached through water conversation, micro-irrigation and drinking water project
- 1.08 MCM additional surface water storage created through water harvesting structures which includes ponds, check dams, khadins and farm ponds
- 2,368 farmers brought under micro-irrigation with 2,242 hectares for 'more crop per drop'. Additionally, 852 small and marginal farmers received irrigated water through group irrigation schemes covering 212 hectares. Irrigation channel lining of 7,877 meters was created to reduce conveyance losses. About 56 farmers covered under solar irrigation with 37 hectares land area
- 736 households built Rooftop Rainwater Harvesting Systems (RRWHS) to avail water just outside their doorstep. Additionally, 14 community based RRWHs created.
- Our water initiatives made us the Best Implementation Agency the Best Implementation Agency under Watershed Development by NABARD and being facilitated by KVK Mansa

Agriculture

Under the Agro-Based Livelihood, emphasis is laid on promoting sustainable agriculture initiatives. We nurture farmers into groups so that they can collectively procure, produce and market together. Efforts such as system of rice intensification, organic farming, introduction of new technology, improving crop yield and overall productivity. We have 16 Farmer Producer Organisations with over 7,600 farmers as members. We encourage farmers to marry traditional wisdom with new technologies and practices by promoting sustainable farming models. We also guide farmers to adapt environment friendly approaches by using solar pumps for irrigation, promotion of micro-irrigation, responsible use of pesticides, enhancing soil health and biodiversity.

During the reporting period, we focused on soil health by creating awareness and reaching over 2.5 lakh community members on topics like deteriorating soil health, best practices to be followed amongst others. With more farmers joining in, we covered 4,637 acres of land under soil and moisture conservation intervention.

Supporting the farming community to cope with financial risk of crop failure due to vagaries of natural crop insurance is promoting cultivation and animal insurance for goatery, poultry and aquaculture-based livelihood. Thus we have developed a local cadre to create sustainable agriculture models like Pashu Sakhis (animal health volunteers), lead farmers, agriculture volunteers. Through them we also encourage farmers to turn village entrepreneurs through small processing units, farm machinery banks etc.

Due to our long-standing partnership as an implementation partner with Better Cotton, we were

4,637

Acres of land covered under soil and moisture conservation intervention felicitated for our 10 year partnership bringing together 2.1 lakh farmers to change their practices and follow improved crop management practices.

2.6 lakh

Beneficiaries reached through the Agro-Based Livelihood Programme

Performance during the reporting period

- 2.6 lakh beneficiaries reached through the Agro-Based Livelihood Programme
- 4 Farmer Producer Organisation (FPO) supplied 78,548 MT Biomass to the company in 2022
- Over 10,000 Households involved in Allied Agriculture with 50-60% female participation
- 2.26 lakh Farmer outreach in Integrated Crop Management with 10% women participation
- Under Biodiversity, 7.40 lakh plantation carried out
- Best NGO Award by Krishi Vigyan Kendra (KVK) Bathinda for work in Agriculture
- 23,900 acres prevented from open burning of paddy residue

Skills

Our 16 Skill & Entrepreneurship Development Institutes (SEDI) across 10 states focus on encouraging rural youth to get skilled by providing them with training, placement and business opportunities. This not only offers them a trade but also helps to lift their families out of poverty. Over 95,000 rural youth have been trained with immediate placement support while some have opened their own businesses.

95,000+

Rural youth have been trained at SEDI

Performance during the reporting period

- 7,508 Youth trained with a Placement rate of 75%
- 44% Female enrollment
- A new centre was inaugurated in Bilaspur and a Sub-Centre was inaugurated in SEDI Surat. 2 New Skilling Centres (SEDI) – Noida in UP; Sanand in Gujarat
- 11 Alumni Chapters formed (Alumni Chapter is a support group of SEDI alumni working in major cities)
- 97 youth trained under Enterprise Development, 60 have started new businesses with average monthly income of ₹15,000 per month.

Education

It is our responsibility to ensure that rural children in our core areas are offered primary and secondary quality education. While we focus on offering infrastructure and WASH services, we also have introduced reading and sports to inculcate this habit in children. Under our Ambuja Manovikas Kendra (AMK), we continue to offer training and education to specially abled children so that they can excel in life.

Performance during the reporting period

- 56 schools were involved in organising sports competitions in the school premises or participating in the local level competitions. A few students were also selected in district level competition
- 8 new libraries set up in communities to create a habit of reading
- 37 WASH structures were provided to reduce the school dropout rate and create an enabling environment for children
- Around 35 students in AMK have started using water therapy through the newly built swimming pool.
- A group of 18 members was formed including parent of AMK children and the community who encourage the students to sell their products under the entrepreneurship programme

Community Health

Our Community Health initiative empowers families to lead better lives by promoting primary healthcare, preventive and promotive health. We focus on Maternal, Child & Adolescent Health, Communicable and Non-Communicable Diseases, WASH and Curative Health including addressing malnutrition.

One of our latest intervention launched is the Educational Training and Knowledge Enhancement to healthcare professionals and volunteers on Cancer in collaboration with ABS (UK), ABSI (India) and the Tata Cancer Care Programme. The first event was held in Chandrapur wherein health experts joined in from UK and India to provide training and guidance to health professionals along with screening.

Performance during the reporting period

- 78,000 households reached through Community Health programme
- Through our village health functionaries Sakhis, we have managed to secure a 99% rate of Institutional Deliveries in villages.
- Our Healthcare Centre has enabled us to reach about 1,13,000 truckers on HIV/AIDs prevention, services of STI, safety, eyesight and regular preventive check-ups for hypertension and diabetes are organised.
- The Menstrual Hygiene Management Programme covers 14 locations with 1,733 SHGs
- Our Malnutrition Programme is operational in 144 villages benefitting over 19,000 children
- 2 new community clinics set up making it a total of 12 community clinics.

Women Empowerment

We empower women to be social leaders as we believe that women play a critical role across all community issues. Thus, we focus on their socio-economic strengthening, form them into groups to build institutions and encourage social participation and inclusion across other programmes.

Performance during the reporting period

- We collectivise women to form Self-Help Groups (SHGs) to inculcate a habit of savings and also work together on income generation activities and social issues. 351 new SHGs were formed with a total of 3,136 SHGs across locations. 73% of women from landless & marginal households. With regular savings, additional corpus was ₹2.5 crores.
- 10,990 women are involved in micro enterprise promotion activity involved in stitching, making pickles, furniture's, spices, selling food, making cleaning and hygiene products or reviving traditional craft
- 3 new Federations were formed in 2022 making it a total of 11 women federations with over 19,000 women members
- 25% women are involved in Farmer Producer Organisations and play decision makers as part of a few organisations.
- Ambuja Cement received the ICC Social Impact Award & FICCI CSR Award for its exceptional work in the women empowerment category

SPECIAL HIGHLIGHTS

Ambuja for Water Campaign

Our CSR arm is putting rural water at the top of its agenda, in a heightened effort to highlight the imperative of this issue for rural sustainability and overall national prosperity. In view of this focus, we launched a one-month campaign culminating on World Water Day, March 22, 2023. Several activities were held across all our villages.

On Women's Day, awareness was created amongst women on the judicious use of water, the latest micro-irrigation technologies and invitation for participating in various activities. SEDI students were involved in poster-making and speech competitions. Trainees prepared interesting posters and delivered inspiring speeches with eye-opening messages through their role play.

The campaign concluded on World Water Day, March 22, with awareness on irrigation, water conservation and management and the role and importance of water in communities. Across locations, Govt. Officials, Guest Lecturers and other Dignitaries were invited for the event to create awareness on available government schemes, best utilisation of water in agriculture, water-borne diseases and its management. In a few locations water structures like farm tanks, hand pumps, solar drinking water pumps and RRWHS (Roof Rainwater Harvesting Structure) were inaugurated.

A Jal Yatra was organised with various stakeholders like farmers chanting slogans in the fields, school students walking with placards in the communities and women walking with water pots in their heads raising awareness on water conservation. Jal Sabha's were held across locations with community members and other stakeholders coming together to discuss the issue of Water. The village samitis and leaders conducted a mapping of water sources and were also advised to design a security plan. Women were made aware about the various water borne diseases with highlighting its issue with animal health volunteers. Farmers were made aware of the judicial use of water and were encouraged to adopt efficient practices like setting up drip or sprinkler irrigation systems.

Soil health campaign

Considering the increased importance of awareness on soil health, on the occasion of World Soil Health Day (December 05), our CSR arm initiated a pan-India campaign focusing on all internal and external stakeholders with multiple initiatives. The campaign ran across all locations for 10 days with a series of activities and initiatives through the entire week engaging varied stakeholders in and around the site locations. Target audiences included school children, school management committees, SEDI trainees, women & self- help groups, farmer clubs, local panchayats and partners. Over 1,45,000 beneficiaries participated in training sessions, pledges, rallies, exhibitions, painting competitions and workshops. The campaign concluded with a virtual event engaging external stakeholders including NGOs' corporates, government institutions and other expert organisations to come together on one common platform to talk about Soil Health. The event promoted sharing of experiences, best practices, challenges and ways forward. It further focused on exploring future opportunities for partnerships both in strategising and implementing soil health and climate action initiatives.

Key achievements

- Ambuja Cements won 1st Runner-up in "Best Practices challenge forum on Water Management" by the United Nations Global Compact Network, India
- We were honored with Institute of Chartered Accountants of India (ICAI) Award 2022 for excellence in financial reporting for FY 2021-22 in Non-Profit Sector
- Our CSR arm won the FICCI CSR Award in Women Empowerment Category
- Awarded 'Most Impactful CSR' category at the Metropolis Healthcare heroes of India
- Our CSR arm certified once again as a 'Great Place to Work' in the Non-Profit Category

Capital-Wise Performance

Relationship Capital

Our relationship capital lies in the intangible value of our strong ties and shared commitments with business partners, consumers, and other external stakeholders. Guided by our corporate philosophy, we prioritise fostering robust relationships with suppliers, contractors, and partners. Through our extensive distribution network, we provide quality products and value-added services that cater to diverse needs, enabling the construction of sustainable and resilient structures.

Stakeholders impacted

- Suppliers
- Dealers
- Construction professionals
- Government and regulatory authorities
- Media

Material issues addressed

- Procurement practices
- Sustainable supply chain
- Green supply chain (logistics and transport)
- Compliance with regulatory requirements
- Marketing communication and reputation

Value creation at a glance

FOCUS AREAS

	Developments and key initiatives	KPIs
Customers	We continued to drive customer value through innovation, responsible products, engagement initiatives and good customer service	
Distributors	Strengthen distributor connect with various initiatives	**3,015 dealers** added during the reporting period
Suppliers	Focus on local suppliers	**94% spent** on local procurements

Key risks addressed

- Maintaining market position
- Competition

SDGs impacted

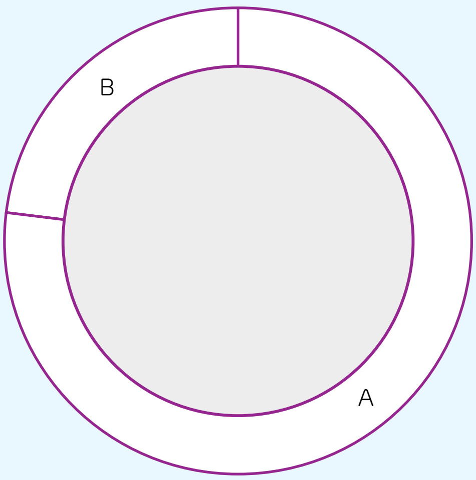
Overview

To sustain our competitive advantage and explore new market opportunities, maintaining enduring relationships with our business partners, suppliers, contractors, and channel partners is paramount. Collaboration, equitable contracts, and information sharing ensure the agility of our supply chain. As a customer-centric Company, meeting the evolving needs and sustainability expectations of our customers is crucial. Building trust and loyalty among these key stakeholders is vital for our brand reputation and long-term business sustainability.

To execute market specific strategies, we focus on the following:

- Creating synergies between all our resources, external partners and consumers
- Driving change in purview of our stakeholders' needs and wants
- Analysing the potential threats and opportunities for 360-degree value creation
- Ensuring continuous skill-building of all our business partners and contractors for their long-term business growth

Customer segment 2022-23



A. Retail **77%**

B. Institutional **23%**

Customer Capital

Our ambition is to establish ourselves as India's premier retail construction brand, recognising the need for diverse strategies to effectively serve our wide-ranging customer base in such a diverse country. We prioritise equal attention and service for all our customers, which is why we have dedicated teams specifically tailored to serve both our Trade and B2B segments. Our services encompass a broad spectrum, catering to various customer categories including Individual House Builders (IHBs), institutional projects, commercial projects, mass housing, and infrastructure projects such as roads, dams, and bridges. During the reporting period, the retail segment accounted for 77% % of our total revenues.

At Ambuja Cement, sustainability is our key priority and we continue to innovate in developing sustainable products and solutions for construction for our customers. Our sustainable construction offerings, such as Ambuja Plus, Ambuja Kawach, Ambuja Compocem, and Ambuja Cement (PPC), have established our brand's reputation for long-lasting and durable structures. With ~85 to 90% blended cement, we reduce our carbon footprint by ~30% compared to ordinary Portland cement, preserving natural resources like limestone and utilising waste materials like fly ash and slag. Our blended cements are listed in GRIHA's Green Product Catalogue, aligning with our sustainability goals. As a validation of our efforts, Ambuja Kawach received recognition as the 'Best Use of Innovation to Enhance Customer Experience' at the Customer Fest show 2022 in Mumbai.

Customer Engagement and Relationship

At Ambuja Cement, we constantly work with Individual Home Builders (IHBs) in realising their dreams of building a strong and durable home. Apart from money there are other three important elements which are Material, Method and Men. We help IHB customers by addressing their unmet needs related to Right quality Material, Right Construction Method and Right Men (Good and skilled Contractor). Along with sustainable products, we provide on-site sustainable construction solutions for hassle-free construction while ensuring quality and promoting sustainable construction practices on customer sites.

Instant Concrete mix proportion is a solution which optimises usage of natural resources by optimising use of aggregates, sand, water in the concrete mix based on their properties. In this reporting period, Instant Mix Proportioning Solution was provided at 24,578 customer sites which helped in making strong and durable concrete and saving ~30 million litres of water.

Modular Curing solution which is also known as Zero Water Curing solution developed in-house to offer effective and efficient curing of concrete slabs without using water for curing. This year Modular Curing Solution provided at 3,283 sites, saved ~39 million litres water at construction sites.

Slab Supervision: Our team of technical experts provided tech. guidance and supervision for slab casting on 31,698 customer sites.

Rainwater Harvesting Guidance & Solution: Our team is also creating awareness about Rainwater Harvesting Solution and helping customers on implementation of on their sites by providing technical guidance. This solution makes our customer self-sufficient for their water demand. This year RWH guidance & solution was provided at 106 sites, conserving ~9 million litres water per year.

Customer Support and Satisfaction

Our unparalleled product portfolio, a customer-centric philosophy, and an unwavering commitment to accessibility, help us consistently deliver the highest level of customer satisfaction. Through our well-established channels, we actively measure and enhance customer satisfaction, enabling us to assist them in constructing resilient, resource-efficient, and cost-effective structures. Our philosophy of continuous improvement ensures that we consistently exceed customer expectations and provide exceptional service.

We measure brand equity by conducting brand health studies on individual customers. The satisfaction level of dealers is evaluated using the Net Promoter Score (NPS) methodology. We also have an internal system of getting feedback from the market through virtual means.

Product quality complaints raised through toll-free number (1800 22 3010) printed on all cement bags are managed through a customer complaint handling system.

Some of the flagship projects using Ambuja Cement products

Border Roads organisation (BRO)- Rohtang Tunnel
Border Roads organisation (BRO)- Leh Manali highway
Rishikesh Karan Prayag tunnel project (Rail Vikas Nigam Ltd.)-Megha Engineering, Navyuga, Max Infra
Pandoh-Takoli road project – HP
Srinagar Airport- E5 infrastructure
Zojila Tunnel J&K
Holi Bajoli dam project - HP
Jammu Ring road project
Pakul dam project - Jammu
Silkayara Barkot tunnel - Uttarakhand (4 Dham project)
Ramban Banihal Qazigund road tunnel project, Jammu
AIIMS Bilaspur, AIIMS BHATINDA, AIIMS Awantipura, AIIMS Jammu
IIT Ropar, IIT Jammu
IIM Jammu
Thermal Power plant, Khujra
War Memorial, Ambala
Dhaulasidh Hydro project
HPCL-L&T jetty project (Chara Gujarat)
Bagodara Vasad highway project
Daman Sea wall and sea link
Ahmedabad Metro
Bhayla to Bagodra highway
Mumbai Metro
Nagpur Metro
Mumbai Trans harbour link
Mumbai Coastal road project
Samruddhi Mahamarg- Mumbai Nag-pur expressway
IIT Patna
Nalanda University
Medical College, Ambikapur, Chhattisgarh
Joka Esplanade Metro Project
Kolkata Police Training Academy, Shibpur
University of Health Science, Salt Lake
IIT Kharagpur
Minerva Lokhandwala - Mahalakshami Race course -Mumbai (under construction)

Customer and Influencer Engagement

Our commitment has always been to provide exceptional services and top-quality products that delight our customers. We have proactively built strong connections with architects, engineers, contractors, and masons to ensure an enhanced experience for our end consumers. Despite the challenges posed by the pandemic, we have implemented innovative approaches to stay connected with our customers. We organised mental and physical well-being sessions for our external stakeholders and their families, while also arranging virtual bonding activities with our channel partners and their families. To cater to the specific needs of each stakeholder group, we have developed dedicated mobile and web applications, continuously improving them based on their valuable feedback. Additionally, we conduct virtual meetings to maintain digital connections with our customers. To further strengthen relationships, we have introduced the Ambuja Abhimaan platform, a comprehensive initiative aimed at engaging influencers and reinforcing our connections.

Influencer Engagement and Relationship

Through our 18 Ambuja Knowledge Centres, we are working as a knowledge sharing and technology transfer platform for all the professionals working in the construction industry. We use our AKC platform to promote and educate about sustainable construction as well as advance construction material and techniques. Around 15,500+ Professionals participated in various knowledge sharing activities through Ambuja knowledge Centre platform which includes physical & virtual modes. Some of major events are mentioned below:

Concrete Talk at BAPS event, Ahmedabad

We have associated & participated in BAPS Event on the eve of 100th Birth Anniversary of Pujya Pramukh Swami Maharaj at Ahmedabad. GICEA & BAPS organised a 1-day seminar for Civil Engineers and Architects. It was a great experience for 500+ professionals who attended this event.

International conference by ICI, Nagpur

Indian Concrete Institute (ICI), Nagpur arranged two days International conference on 'Infrastructure Development Scenario', we participated in this event as a Platinum sponsors and presented our AKC initiatives. Eminent personalities visited our stall where we had displayed our AKC Lab, VAS, Alccofine etc. We also nominated 10 delegates who were engineers during the event.

Contractors play a crucial role in the construction journey of Individual House Builders (IHBs) as they are responsible for executing the construction work. In India, many contractors do not have formal technical or academic qualifications and often transition from being masons or helpers. Recognising the importance of empowering and meeting the needs of contractors, we introduced Ambuja Abhimaan in January 2020—a long-term loyalty programme specifically designed for contractors. This comprehensive initiative goes beyond building strong relationships and offers both transactional and transformational value. Through Ambuja Abhimaan, we encourage contractors to choose sustainable products and practices, ensuring the construction of strong and durable homes. Currently, we have enrolled 1.20 lakh contractors nationwide in this programme. Since its inception, we have continuously introduced innovative and unique offerings to cater to their specific requirements.

Family Mediclaim Insurance Benefit

Contractors enrolled in Abhimaan are covered under three types of insurance i.e. Accidental Insurance, Accidental Mediclaim and Mediclaim Insurance for Gold and Platinum Contractors with spouse cover as well. Mediclaim insurance is the biggest differentiator as health insurance awareness/penetration is very low in this segment, hence those who were benefitted never thought of such support from this programme in their difficult times. We have also distributed Digital Mediclaim health insurance cards to eligible contractors through an online e-card Bank.

Knowledge and Skill Building

To empower the contractors by upgrading their skills, we have developed various applicator training programmes in-house on right & sustainable construction practices for masons & contractors with annual coverage of 5000+ every year. This includes different modules like Project Management, Repair & Water Proofing, Steel Estimation & Detailing, Earthquake Resisting Structure, Estimation & Costing, Rainwater Harvesting, Advance Wall Solution etc.

Business Aid Mobile App

We offer a unique Business aid mobile app known as "Darpan" for Abhimaan contractors which helps the contractors manage their day-to-day work. This facilitates the functionalities like Estimator, Plan & Design, Vastu tips etc. Over 5000+ Contractors were benefitted by using various functionalities of this app.

Recognition of our Customer and Influencer Engagement Initiatives

We recently took part in the CX Transformation Confex 2023, hosted by Gainskills Media in Mumbai. This event provided a valuable platform for us to stay updated on the latest customer experience trends and advancements. Through engaging keynotes, use-cases from leading enterprises, exhibitor showcases, panel discussions and tech talks, we explored the challenges and opportunities in implementing technology solutions. The confex allowed us to revamp our customer service and experience strategies to drive improved business outcomes. We were honored to receive the 'Best Customer & Influencer Engagement Initiatives' award in the Customer Experience category, recognising our efforts in connecting with our customers and influencers.

Talent Hunt Programme

With an objective to enhance the engagement levels and to recognise & reward the hidden talent amongst Contractors & family we have rolled out a Musical Talent Hunt programme 'Ambuja Abhimaan Ke Sangeet Kalakaar'. This was a unique concept to bring together stakeholders across India & it provided a platform to showcase their talent which strengthened our bond with this important stakeholder. The initiative received an overwhelming response from the Contractors and their family members with a total participation of 528 members. We hired renowned Jury members who evaluated the participants the evaluation. Top 55 were considered for Semi-final and Top 12 for National Finalist who performed in an online Grand finale. The top winners were rewarded and recognised.

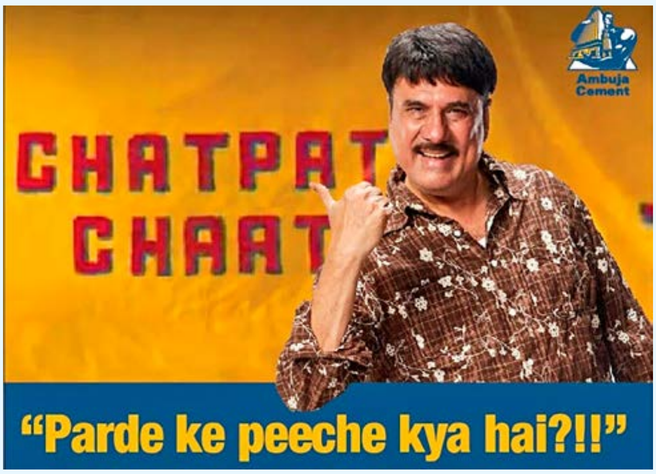
27,967
Sites provided with value added services

54,890
New contractors enrolled on Abhimaan

~1,20,000
Contractors are digitally connected through Abhimaan

Branding intitiatives

Continuing our commitment to the brand promise of STRENGTH, we extended the success of our 'Deewar 2' campaign from the previous year. Between May to December 2022, we aired shorter versions of the campaign on prominent national and regional channels, reinforcing our Mother Brand positioning and enhancing brand recognition. Further, we leveraged the power of digital platforms including social media, YouTube, and OTT to expand our reach. Our digital outreach initiatives helped us engage with an audience of over 30 million, fostering meaningful connections across multiple touchpoints.



Leveraging sponsorships in the biggest of sporting events to drive brand awareness

- We partnered with the Board of Control for Cricket in India (BCCI) and leveraged Indian cricket through on-ground and on-air advertisements during live matches
- Our sponsorship of the Gujarat Giants in the 1st Women's Cricket Premier League with the #strongHER campaign was a splendid success, reaching over 42 million viewers via social media.
- Our team sponsorship of Gulf Giants in the ILT20 league was also a great opportunity for us to connect with cricket enthusiasts beyond the national boundaries
- Our association with Kho-Kho and Pro-Kabaddi league as team sponsors helped us reach our core customer base of rural masses. Our digital outreach efforts helped us connect with an audience of over 19 million people
- Thanks to our continued efforts, we are delighted to have been ranked #1 Most Trusted Cement Brand of India by TRA Research in 2022
- We are also proud to have won the Economic Times' Most Iconic Brand Award in the same year.

Deepening our Market Reach

To expand our market presence, we collaborate with dealers and retail stockists who play a crucial role in enhancing our market penetration. We prioritise the growth and success of our channel partners by offering them high-quality products, a strong network of influencers, diverse branding activities, on-site value-added services, and a skilled sales team. Our commitment to providing a supportive environment, ethical business practices, and cultivating strong partnerships sets us apart from competitors. Throughout the year, we organise virtual and physical meetings and events for our channel partners and their families, fostering connections and strengthening relationships. Our frontline team works closely with partners to support their business growth and ensure exceptional service for end consumers.

Supplier Engagement

We actively collaborate with our suppliers on various important aspects such as health and safety, contractor management, sustainable procurement, anti-bribery, and anti-corruption practices. Through initiatives like the Sustainable Procurement Initiative (SPI), we assess suppliers based on risk parameters and prioritise engagement with high-risk suppliers in areas such as anti-bribery and corruption, sustainable development, and contractor health and safety.
We classify suppliers who account for 80% of our total spend as critical, with the top categories being production service providers, facilities service providers, and logistics service providers. We introduce suppliers to our Supplier Code of Conduct (SCC), which outlines our expectations and covers standards like Social Accountability Standard SA 8000 and EMS ISO 14001. Our aim is to support our suppliers in developing their own sustainable procurement policies through capacity building initiatives.

~53,800

Channel partners

100%

Of our Suppliers comply with Supplier Code of Conduct (SCC) which covers standards like Social Accountability Standard SA 8000 and EMS ISO

Optimal Procurement and Supply Chain

We analysed different procurement categories (spares, raw materials, consumables, capex/opex), implemented industry best practices, and enhanced value for external stakeholders while improving internal operational efficiencies. We have successfully implemented initiatives that optimise our procurement processes, strengthen the supply chain, and enhance operational performance to benefit our company and stakeholders.

Outline of Procurement Strategy

Central Procurement Office (CPO)

1 Stakeholder Engagement

Implemented Fair Trade Practices

2 Sustainability Strategy

Aligning Procurement strategies with UN SDG Goals

3 Manufacturing Capital

De-bottlenecking of existing capacities, enhancing output & thereby reducing fixed cost

4 Digitalisation & Innovations

Driving Techno-commercial (TC) through Digital initiatives i.e. SAP, Bill Discounting, cost benchmarking tools, etc.

5 Capacity Expansion

Synergy in Raw Material, Fuel, Plant & Machinery, consumables, etc.

6 Cost Rationalisation

Building synergy through Group Annual Rate Contracts, Total Cost of Ownership, Specs, etc.

7 Defining Business Model through TC Strategies

Bringing Operational/ Transaction Efficiencies through Outsourcing

Key highlights

Effective Resource utilisation

Utilising group resources, such as fly ash, coal, and gypsum, on fair trade practices.

Infrastructure investment

Maximising operational efficiencies by investing in our own railway rakes and necessary infrastructure, giving us a competitive edge in logistics operations and total supply chain fulfilment.

Transportation

Implementing robust planning for the transportation of clinker, coal, gypsum, and fly ash through a specially designed special purpose vehicle.

Collaboration

Joining hands with agencies and outsourcing transactional processes and activities to streamline our operations.

Emphasising indigenisation

Reducing our dependence on global supplies and enhancing indigenisation to have better control over supply chain efficiencies, risk reduction, and minimise outages.

Optimising operations

Leveraging the contribution from our group company to improve working efficiencies for our Captive Power Plants.

Reduced outbound consumption

Maximising internal cement and additive consumption for our RMX Business, thereby creating more circular value and enhancing overall sustainability.

Strategic contracts

Mitigating supply chain risks by establishing long-term contracts.

Ambuja's multimedia campaign on TV, Digital and Cinema

Growing Sustainably with Our Partners

Dinesh Kumar Poonia

Environment, Health, Safety & Sustainability,
Mankind Pharma

Mankind Pharma has a strong focus on sustainability, and we manage and process waste & ETP Sludge in an environmentally safe manner. For co-processing, we have partnered with Geoclean, the waste management arm of ACC & Ambuja Cements. We ensure zero residue for landfilling benefitting through Geoclean's cost-effective technology and experience, perfectly suiting our needs and instilling confidence in our partnership.

Abhishek Tripathi

Lead-Red Mud Business,
Hindalco Industries Ltd.

At Hindalco, we are proud to be a partner in this path to progress and have aligned our growth with responsible stewardship. Our strategic collaboration with Geoclean has helped to build circular economy through utilisation of Aluminium industry's by-product (Red Mud) as raw material in cement industry in an environmentally sound manner. We are very impressed with the team and the organisation's superb expertise & pro-active approach in handling & utilising red mud. Their state-of-the-art infrastructure allows handling of large by-product volumes, and we hope to extend this partnership in the years to come."

Pradipta Bastia

Lead Waste Management,
Vedanta Limited

At Vedanta we are proud to be a partner in this path to progress and have aligned our growth with responsible stewardship. Our strategic collaboration with Geoclean has provided us solution for waste disposal in an environmentally sound manner. We are very impressed with the team and the organisation's superb expertise in handling this difficult to handle waste. Their state-of-the-art infrastructure allows handling of large waste volumes, and we hope to extend this partnership in the years to come.

T. Raghunathan

Site Manufacturing Director,
Dow Chemical International Pvt. Ltd.

At Dow Chemical International Pvt. Ltd, sustainability is at the core of our values, and we found the perfect solution in Geoclean's co-processing technology for our by-product – Latex Polymer Cake. This innovative approach not only ensured sustainability but also significantly reduced consumption of conventional fuel by utilising the Latex Polymer Cake for co-processing. The professional services and state-of-the-art facilities offered by Geoclean exceeded our expectations, making us confident in a long-term partnership with them. Together, we are shaping a greener future.

Growing Sustainably with Our Partners (Contd.)

Gore Lal
Building Contractor, Jammu

I'm a contractor from Jammu who enrolled in the unique loyalty programme 'Ambuja Abhimaan Programme' of Ambuja Cements'. I have consistently updated my points with a dream of gifting a laptop to my son, who is studying mechanical engineering. In the last redemption of points, I received a laptop to accomplish my dream in assisting my son with his academics. I am proud to be associated with Ambuja Parivaar.

Parisa Jiwaje
GM Quality, Sheth Creators Pvt. Ltd

Ambuja through its Knowledge Centre helps in the development of new skills and educates engineers about the best practices. The Centre has undertaken an excellent initiative to share knowledge through training and workshops. This effort has helped to foster strong bond and relationship with the customers.

Bimal Kumar Jana
Jana Traders, Kharagpur, West Bengal.

I feel proud to be an exclusive dealer of Ambuja Cement and the association with Adani group has further enhanced that feeling. It is exciting to think of myself as one of the business members of Asia's biggest conglomerate.

Jitesh Jain
Dharam Steel, Durg, Chattisgarh

The Premium Product of Ambuja Cements has enhanced our reputation in the market that has assured us of our profitability and growth. The constant support from the company officials has also helped us in connecting with end users.

Bhansali Builders

Siliguri, Darjeeling & Sikkim

I started my cement business with Ambuja. The team has always been very supportive and guided me through the initial phase. Ambuja has provided a new perspective on business and life; inspiring the Next Generation of entrepreneurs to scale greater heights. I am very happy to be a part of Ambuja family and look forward to achieving new milestones for business prosperity with company growth.

Bhadrakali Cement Agency

Kalighat, Kolkata

I have been trying to break through barriers to excel in Cement Industry like my forefathers for over 3 years. The business approach by Ambuja Cements intrigued me and eventually helped me to rediscover my enthusiasm for working in the cement industry with the true GIANT COMPRESSIVE STRENGTH.

Amerika Patel

Health Worker, Bhatapara, Chhattisgarh

I always wanted to become a nurse but since I was married off at the age of 13 years, it restricted me to housework only. During a visit to an immunisation camp, I came to know that Ambuja's CSR activities involves volunteering for health programmes. I immediately enrolled myself and I am proud to be amongst the first health workers in Baloda Bazaar, Chattisgarh. Today, the community members come to me for health advice and guidance and are so appreciative of my work that they have elected me as a Ward Member (Village Assistant Leader) of the Village.

Tetra Roy

Farmer, Farakka, Murshidabad

The River Lift Irrigation system installed by Ambuja Cements at Abhla village, has increased the capacity by 10 metres above the river surface, that covers 38.5 Ha area under irrigation. This has helped us to cultivate crops throughout the year, and the barren lands have turned into lush green fields. I am grateful to the team, for their hard work and dedication, which has made a significant impact on our lives by not only increasing our income but also improving our standard of living.

Capital-Wise Performance

Natural Capital

We are fully aware of the potential environmental and social consequences of our operations. Acknowledging our responsibility, we actively strive to advance sustainable development and mitigate climate change. To achieve this, we have implemented rigorous measures to ensure our manufacturing processes are environmentally responsible with the help of careful resource allocation, energy-saving initiatives, and efficient waste management, prioritising sustainable practices. We leverage technology to reduce our carbon footprint along with increased usage of waste derived resources and creating a portfolio of green products.

Stakeholders impacted

- Dealers
- Suppliers
- Employees
- Community and NGO
- Government and regulatory authorities

Material issues addressed

- Biodiversity
- Sourcing of water
- Land acquisition for mines and new operations
- Relocation and rehabilitation (post mine closure)
- Circular economy
- CSR
- Sustainable supply chain
- Compliance with regulatory requirements
- Customer satisfaction
- Energy efficiency
- GHG emissions and climate change
- Other air emissions
- Waste management

Value creation at a glance

FOCUS AREAS

Developments and key initiatives

Climate and energy

- Expanding wind turbines, solar panel farms, waste heat recovery system
- Accelerating green solutions
- New technologies that help in reducing carbon footprint

Water and nature

- Higher use of recycled water and rainwater harvesting
- Develop innovative products that reduce water usage for our customers

Circular economy

- Enhanced use of AFR in cement
- Partnering with municipalities for clean India

KPIs

33.6%
reduction in Net CO2 per tonne of cementitious produc (Scope-1) relative to base year 1990

3.9 kCal per Kg Clinker
reduction in Specific Thermal Energy Consumption

8x
water positive

62.28%
clinker factor

6.36%
Thermal substitution rate

0.88 mn tonnes
of waste co-processed

6.6x
plastic negative

Key risks addressed

- Environment and sustainability

SDGs impacted

Overview

We continue to invest in improving our environmental performance, which results in significant cost savings.

No significant fines or penalties (>$10,000) were incurred during the reporting period. No formal grievance about environmental impact had been filed through the various grievance mechanisms during the reporting period. Through our advocacy and action, we intend to ensure that climate change measures are integrated into national policies, strategies, and planning.

Climate and Energy

Carbon emission

Aware of the cement industry's contribution in GHG emissions globally, we have undertaken a four-pronged strategy to reduce our carbon emission:

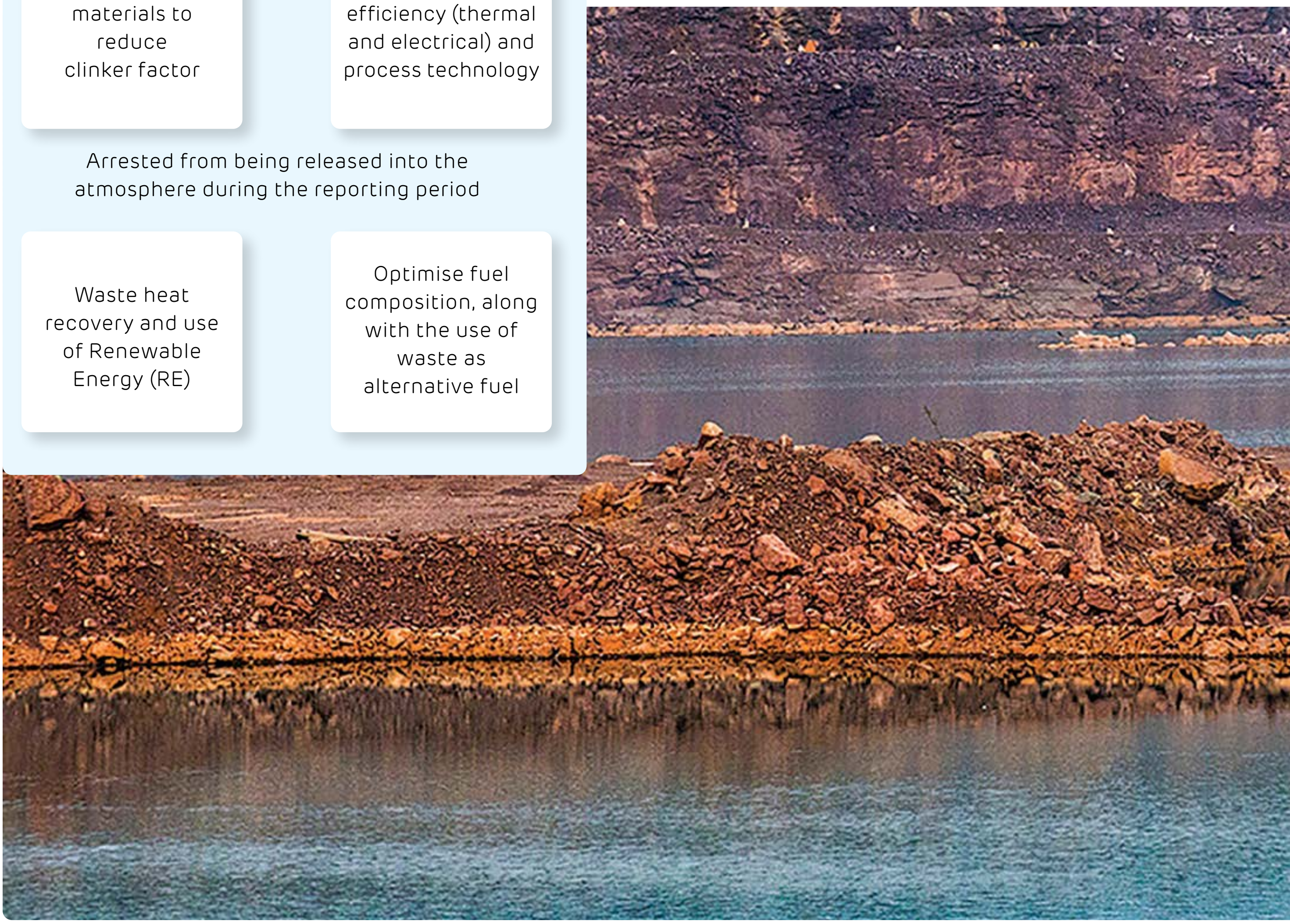
- Use of alternative materials to reduce clinker factor
- Improve energy efficiency (thermal and electrical) and process technology

Arrested from being released into the atmosphere during the reporting period

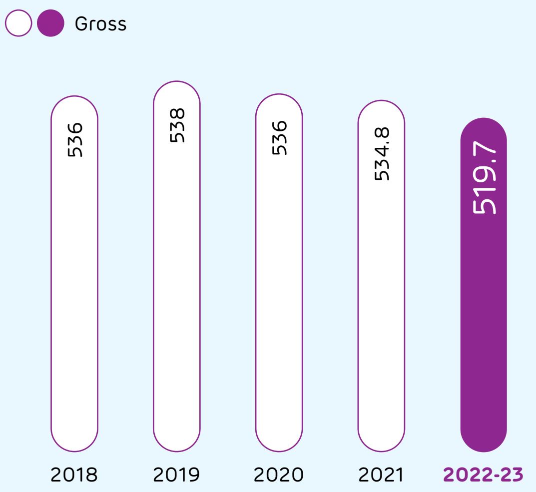
- Waste heat recovery and use of Renewable Energy (RE)
- Optimise fuel composition, along with the use of waste as alternative fuel

In alignment with World Business Council for Sustainable Development (WBCSD) Cement Sustainability Initiative (CSI) CO_2 protocol, we monitor and report our emissions from all manufacturing locations. We disclose our environmental performance as per CSI and GRI guidelines and annually in the Carbon Disclosure Project (CDP) and Dow Jones Sustainability Index (DJSI).

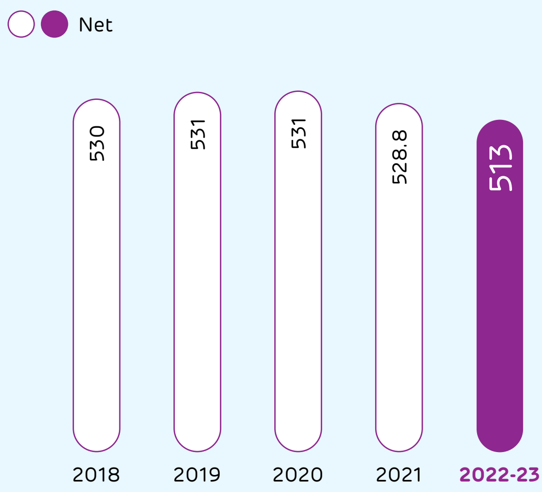
Our Scope 1 emissions include direct emissions from owned or controlled sources, including emissions due to fuel combustion in kilns or from onsite energy generation and clinker production. Scope 2 emissions are associated with purchased electricity from grid. Scope 3 emissions include other indirect GHG emissions, including emissions from purchased products and services, fuel and energy-related activities, upstream and downstream transportation and distribution, waste generated in operations, business travel and employee commuting among others.

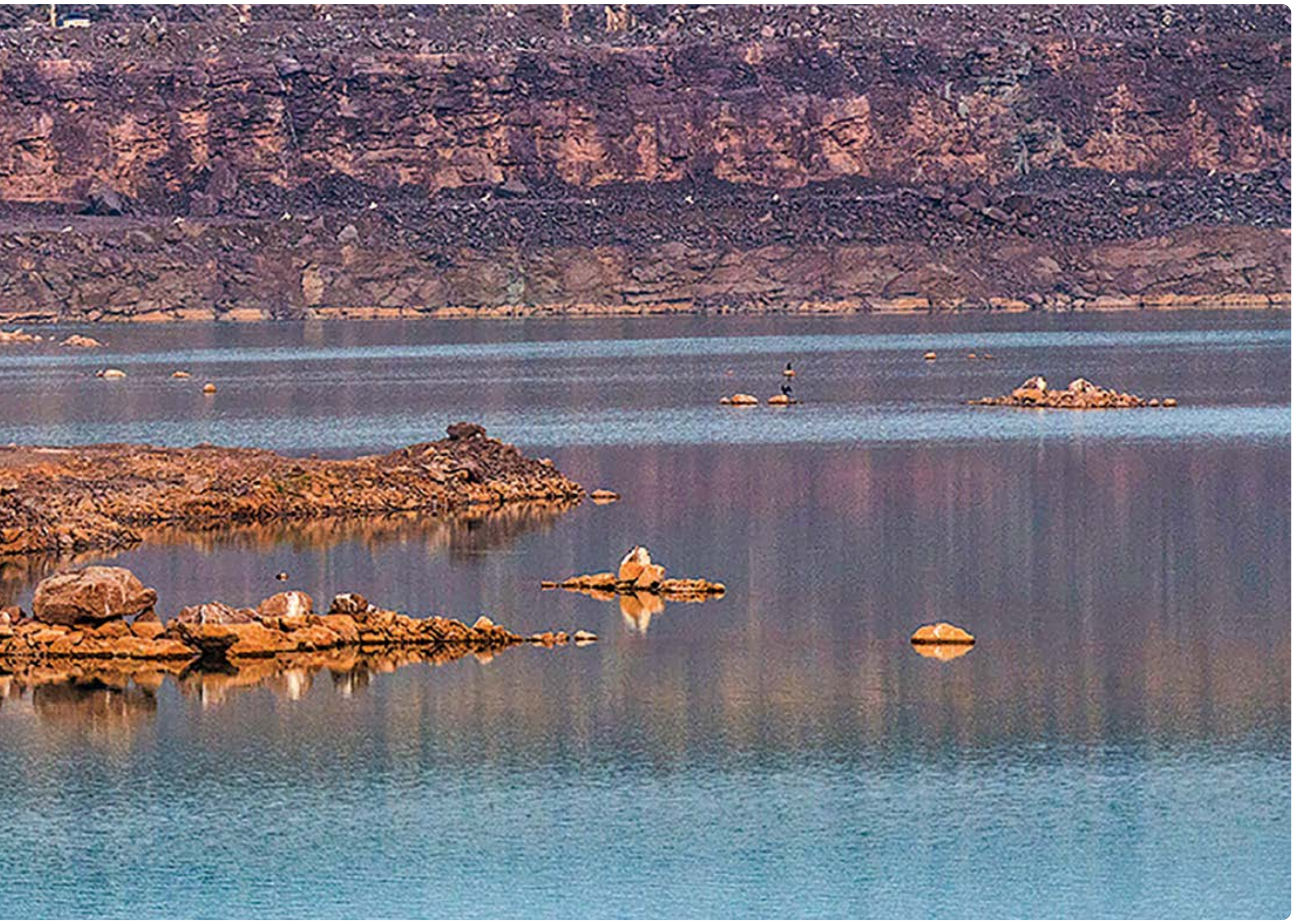


Specific Scope 1 Emission: (kg CO_2 per ton of Cement)



Specific Scope 1 Emission: (kg CO_2 per ton of Cement)

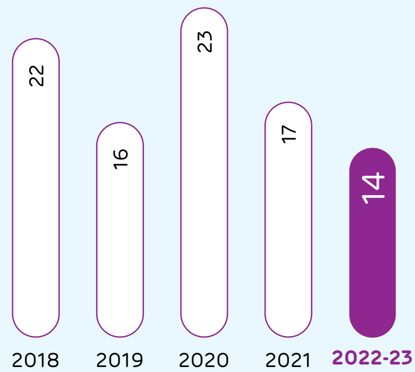




Other emissions

Our manufacturing process does not emit any ozone depleting substance (ODS). The ODS data covers only core processes and not the administrative facilities, which include office buildings, staff quarters among others at plants and offices. The installed continuous monitoring systems across our plants help us monitor NOx, dust/particulate matter and any other significant emissions from our nine kilns or raw mill stacks. Real time display of these data, except for data on captive power plants and other stacks, is made available on the website of the regulatory agencies. Further, we have invested in Selective Non-Catalytic Reduction (SNCR) systems, new Electro-Static Precipitators (ESPs) and baghouse modifications, reinforcing our commitment towards emission minimisation.

Average dust specific concentration
(g/tonne cementitious material)



Average NOx specific concentration
(g/tonne cementitious material)

Energy management

We are undertaking measures to reduce our energy intensity across the cement value chain and have implemented ISO 50001:2011 standards to augment our energy management system. We are working relentlessly to increase the share of renewables such as solar, biomass, and wind in the energy mix. We are using alternative fuel and raw material (AFR) and waste heat recovery to increase our energy efficiency. We use waste derived raw materials like fly ash, slag, and waste gypsum etc. in our manufacturing process, which has resulted in lower clinker factor. We have also optimised our processes for use of low-grade limestone and waste derived alternative fuels. We are proud to have set new benchmarks in the industry in energy use.

Performance during the reporting period

As a percentage of total operating cost, energy cost stood at 36%. About 58% of our power requirements are met through captive energy sources.

Thermal Energy Efficiency
kCal/Kg of Clinker

A detailed list of various energy efficiency measures taken are listed in the Performance table (Page **377**), and also available on ambujacement.com/investors/annual-reports.

Renewable energy

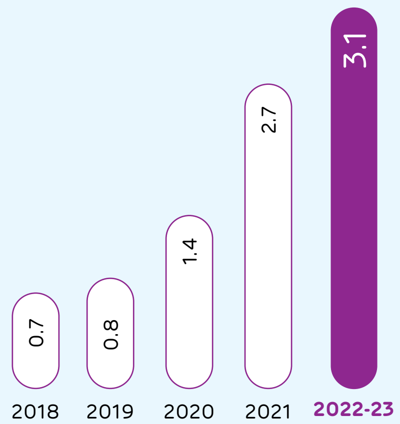
Renewable energy remains a key factor for reducing our carbon footprint.

3.1 %

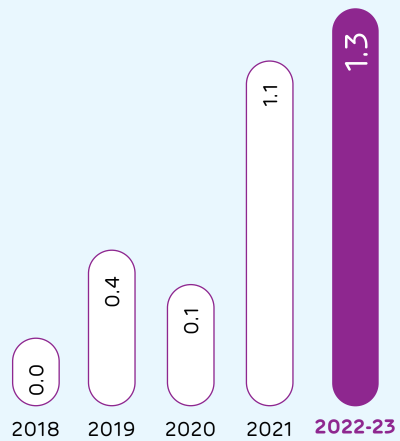
Share of renewables in total power generation during the reporting period

We use biomass at the captive power plants as well. Along with renewable energy certificates, the power cost optimisation strategy also helps us add value to power sourcing and be compliant in renewable purchase obligations.

% of Renewable Energy (RE) in total power generation



% of Renewable Energy (RE) in total energy consumed



Water and nature

Water is among the key pillars of our Sustainable Development Plan 2030. Our dry process of cement production requires significantly less water than other processes. And now, our products are helping minimise the use of water in construction. Our steadfast efforts in ensuring water efficiency enabled us to turn 8x water-positive.

Despite having five of our plants are in water scarce regions, we comply with all water-related regulatory requirements. At our plants, we are maximising the use of recycled water that has been treated at our effluent treatment plants as well as reverse osmosis plants. Recycled water is also used for dust suppression and gardening, along with other purposes.

At the community level, we have undertaken water conservation and rainwater harvesting projects under the aegis of our CSR arm (Details can be found on page **60** of this report).

18%

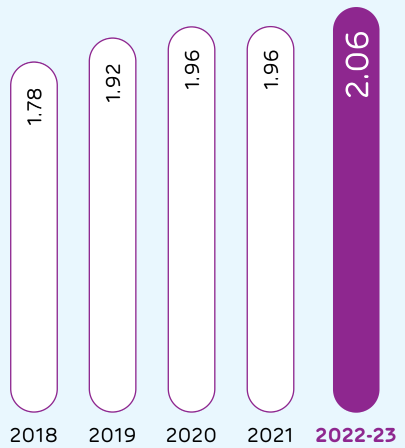
Of total water withdrawn was recycled during the reporting period

Performance during the reporting period

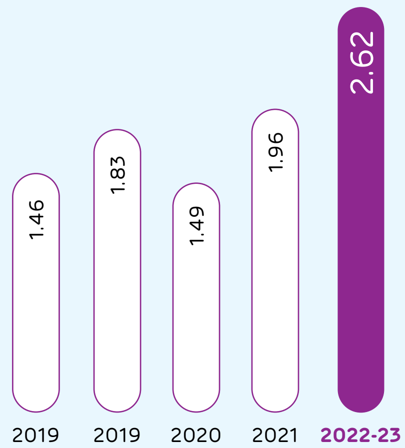
Our water sustainability risk assessment framework has been developed in association with the International Union for Conservation of Nature (IUCN). It considers business/company risks as well as the basin risk, covering various risk aspects and identifying units with water stress.

This assessment also uses the WBCSD Global Water Tool. Scenario analysis to identify the potential impact on operations has also been conducted.

Surface water consumption
million m^3

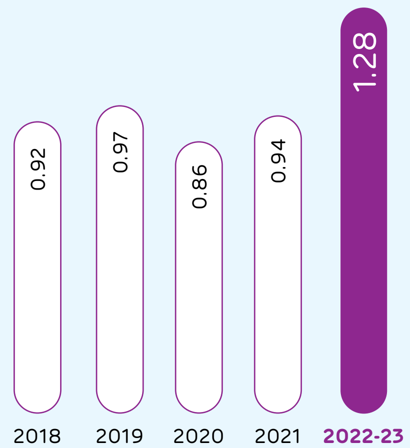


Harvested water consumption
million m^3



Ground water consumption
million m^3

Water recycled
million m^3



Biodiversity management

Our biodiversity policy is enshrined in the Group's Quarry Rehabilitation and Biodiversity Directive. We adhere to Indian national regulations and are a signatory to the India Business and Biodiversity Initiative (IBBI) of the Confederation of Indian Industry (CII), and Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ).

As part of our Sustainable Development agenda, we are committed to achieving 'Positive Change in Biodiversity' (net positive impact) by 2030. For all our sites, we carefully classify our ecological assets and maintain a biodiversity inventory. We also assess the net positive impact through set KPIs every three years. We have implemented a new baseline biodiversity assessment at our sites through a Biodiversity Indicator and Reporting System (BIRS) developed by experts from the International Union for Conservation of Nature (IUCN). BIRS assessments were conducted in 2017, 2019 and 2020.

We are in the process of implementing mitigation hierarchy for our biodiversity management and conservation efforts which includes three key elements: avoid, minimise and restore. We avoid undertaking operations near any of the World Heritage Sites and IUCN Category I-IV protected areas. Our operating sites are not located adjacent to indigenous peoples' territories.

We plant trees on the overburden and area around the mines and on the mine lease boundaries, which helps us reduce dust pollution and promote the absorption of carbon emissions and preservation of regional biodiversity. We regularly train our team members working closely with communities to ensure minimal impact on the biodiversity. Our overburden/interburden or waste material is disposed of separately in non-mineralised zones through an excavator-dumper-dozer combination as per the approved mine plan. Progressive mine closure plans are available as per statute for all locations.

BIRS score (Site Biodiversity Index on a scale of 1-4)

Units	2019-20	2016-17
Ambujanagar, Gujarat	1.9	1.7
Darlaghat, Himachal Pradesh	2.1	2.1
Rabriyawas, Rajasthan	2.3	2.1
Maratha Cement Works, Maharashtra	2.1	2.0
Bhatapara, Chhattisgarh	1.9	1.7

Protected areas

Protected areas like the Majathal Sanctuary and Darlaghat Conservation Reserve (both in Himachal Pradesh) are situated within 10 km of our mining/ plant operations at Darlaghat. The Gir sanctuary lies within 10 km of a mining site at Ambujanagar, Gujarat. We have prepared a wildlife conservation plan for key species, approved by the state government, for Darlaghat. Biodiversity Action Plan (BAP) for all our five plants with mining sites is being implemented.

We continuously monitor biodiversity and set protection and action priorities for species like IUCN red data list and regional threatened species list. We conduct periodic ecological study on species and habitats through our local partners such as the Gujarat Institute of Desert Ecology (GUIDE), university experts and research institutions to identify the causes of decline in species and take corrective measures.

Key aspects of our biodiversity management

Partnering with local experts and forest department to develop comprehensive biodiversity action plans with regional measurable targets across sites, and act on the outcomes of our assessment

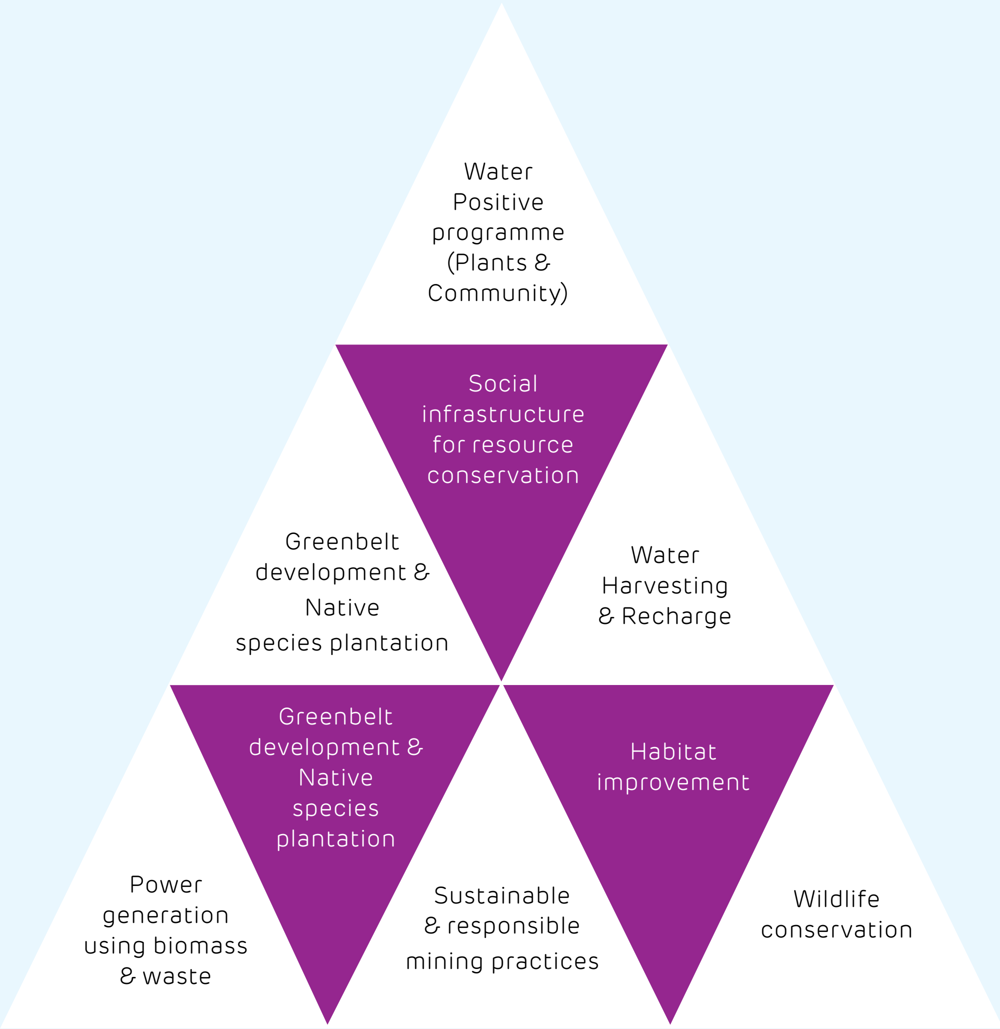
- Improving degraded habitats across sites through targeted habitat management plans
- Working closely with the community to adequately manage the planted and rehabilitated areas and partnering for the management of any other adjoining offset areas
- Turning regenerated areas into natural habitats by adopting new forestry practices
- Carrying out mining operations and raw material transportation only during the daytime near protected areas
- Providing mine tippers with a multi-cap covering system to avoid spillage of material during transportation

Promoting a circular economy

Through Geoclean, the waste management arm of Ambuja Cement, we have emerged as a pioneer in the industry in effectively co-processing waste in the cement kiln .

It has 4 dedicated pre-processing facilities with installations for blending liquids, shredding solids and sludge, and homogenising waste before it is co-processed sustainably at six locations. As Geoclean, we co-process waste from industries and municipalities in our kilns as alternative fuel. This reduces the use of traditional fuel, which, in turn, results in natural resource conservation and GHG mitigation, contributing towards a circular economy. Geoclean has developed 6 pre-processing and 13 co-processing facilities with storage areas, feeding arrangements, and laboratories across India, that support both ACC and Ambuja Cement. During the reporting period, we co-processed ~0.54 million tonnes of alternative fuels, substituting 6.36% of total thermal energy.

FOCUS AREAS


Water Positive programme (Plants & Community)
Social infrastructure for resource conservation
Greenbelt development & Native species plantation
Water Harvesting & Recharge
Greenbelt development & Native species plantation
Habitat improvement
Power generation using biomass & waste
Sustainable & responsible mining practices
Wildlife conservation

Upholding Pillars of Integrity and Ethics

Driven by a robust values system, we take great pride in our role as a responsible corporate entity that continuously strengthens its foundation of governance. Our commitment to adhering to laws and regulations, organisational culture of compliance, accountability, ethical conduct, help us safeguard the best interests of our stakeholders.

Our business is underpinned by our adherence to high ethical standards and best practices in corporate governance. As a public company, we are committed not merely to guarantee consistent profitability to our shareholders, but also contribute to the economic growth of the nation by performing with integrity and in strict compliance with public laws and regulations. We are, at the same time, committed to work in the best interests of our stakeholders, which include not only our business partners, and employees but also the larger society we impact through our operations.

The Board of Directors guides the Company in its strategic direction, ensures that it delivers stakeholder value, provides oversight and guides the management. Further, the Board also ensures that the Company is able to remain true to its obligations to the stakeholders and function in a sustainable way. The Board executes its duties in a way that involves careful risk considerations so that the Company is able to remain viable in the long term.

Board composition

8	1	7	4
Directors	Executive Director	Non-Executive Directors	Independent Directors

The Board supervises the performance of the Company and takes decision on its strategies while reviewing various aspects of its operations that includes, but is not limited to, risk management, sustainability and stakeholder relationship, among others. The Board holds regular meetings to review and give its opinion. Meeting attendance of 90% during the reporting period indicates the Board's active involvement.

Ambuja Cement is the first Company in the country to involve Board-level participation for compliance, with a committee formed specifically for this purpose and chaired by an Independent Director.

The senior management of the Company regularly updates the Board on key matters that concern and impact the business. At a special meeting every year, Board members are required to review and approve the business plan for the next year and give its feedback, which is addressed while drawing up the final plan. The Audit Committee and the Board also review and approve every related-party transaction. We seek the approval of the shareholders whenever necessary.

All related-party transactions are entered into on an arm's length basis and are compliant with the applicable provisions of the Companies Act, 2013 and the Listing Agreement. The details of the process to manage related-party transactions are provided and those of transactions with related parties are provided in the financial statements that form part of the Annual Integrated Report 2022-23.

The senior management ensures that the Directors are regularly familiarised and updated on business processes and key activities. Interaction with the Adani Group Management is undertaken regularly and the Directors updated about the Group's best practices and key events.

The Nomination and Remuneration Committee drives the succession planning process for the Company.

The Board ensures that the Company adheres to Environment, Social and Governance (ESG) parameters under various Board committees. It seeks regular updates on the functioning of each project and other specific updates.

Values, ethics and integrity

The Board has laid down a Whistle blower Policy, covering the Directors, employees and relevant stakeholders. Our policy of Zero Tolerance towards corruption ensures fair and transparent business dealings.

The Audit and Compliance Committees of the Board keep a stringent watch on the implementation and maintenance of Whistle Blower Policy.

We have a vigil mechanism for disclosure and for avoiding conflict of interest in all our dealings that covers the Board of Directors and all employees across levels.

A more detailed review can be found in the Corporate Governance Report, forming part of this Integrated Report.

Prevention of Sexual Harassment (POSH)

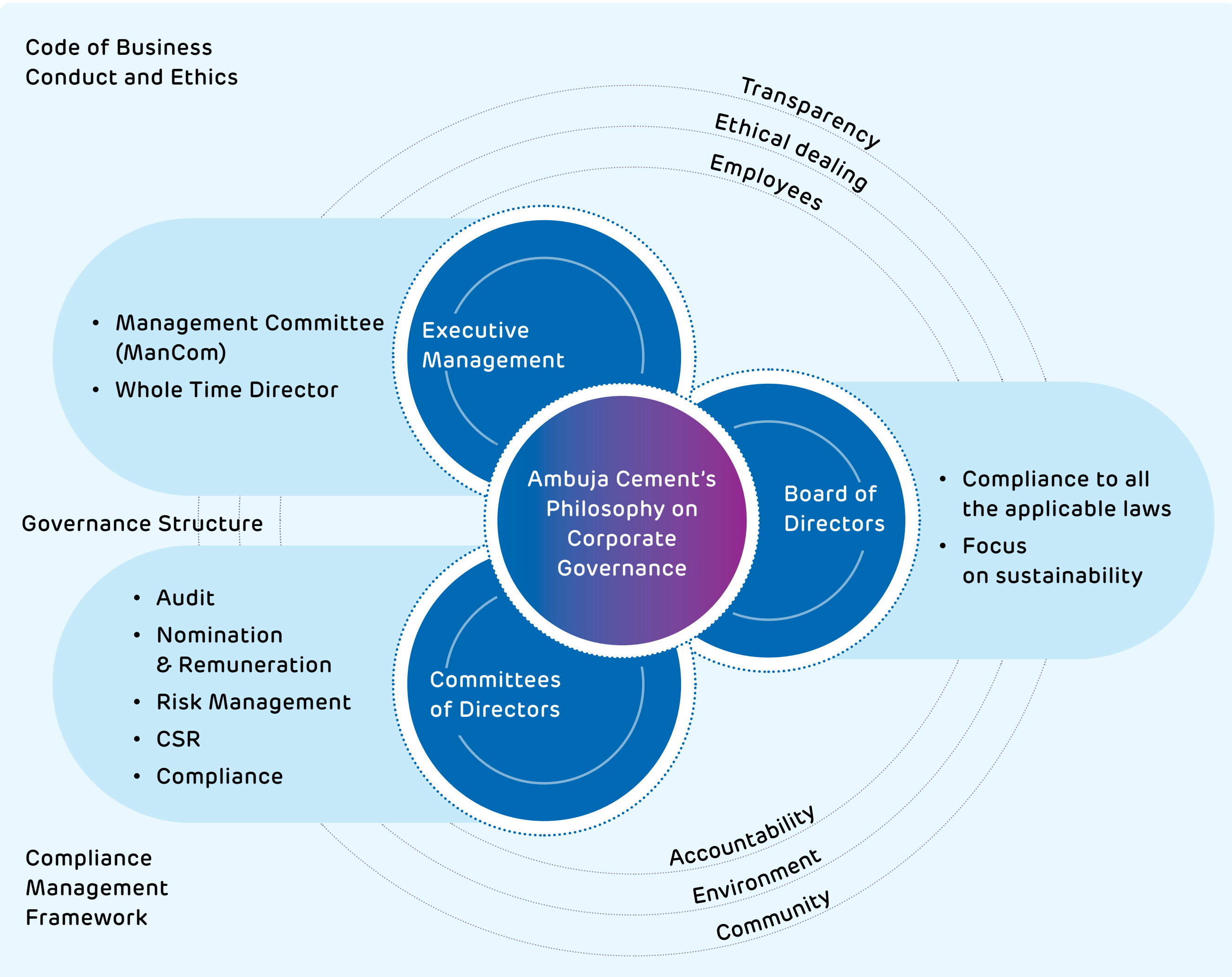
We have a comprehensive POSH policy and we practice a policy of Zero Tolerance towards any misconduct, particularly of sexual harassment. Any reported incident is investigated with due attention and appropriate decisions are taken based on the outcome of the investigation. During the period under review, no complaint was received.

Investor grievance

The Stakeholders' Relationship Committee is responsible for managing investor grievances, and is assisted by the registrar and share transfer agent of the Company. We had no pending complaints at the beginning of the year; and received 70 new complaints during the reporting period. At the end of the reporting period, all complaints were addressed.

Based on the nature of the queries/ complaints, we usually take seven days to a month to resolve investors' complaints.

Governance framework



Board of Directors

Leading the Journey for Long-Term Success

Mr. Gautam Adani

Non-Executive Chairman, Non-Independent Director

Mr. Karan Adani

Non-Executive, Non-Independent Director

SR CSR MA CPR RR

Mr. Rajnish Kumar

Non-Executive, Independent Director

A NR CSR RM LRT CR PC IT CPR RR

Mr. Maheswar Sahu

Non-Executive, Independent Director

SR CSR LRT CR PC IT RR A NR

Chairman   Member

A Audit Committee

NR Nomination and Remuneration Committee

SR Stakeholders' Relationship Committee

CSR Corporate Social Responsibility Committee

RM Risk Management Committee

CR Corporate Responsibility Committee

Mr. M. R. Kumar

Non-Executive,
Non-Independent Director

Mr. Ameet Desai

Non-Executive, Independent Director

A NR SR RM LRT CR PC MA CPR

Ms. Purvi Sheth

Non-Executive, Independent Director

NR CSR RM CR PC IT MA

Mr. Ajay Kapur

Whole-Time Director, CEO

SR RM LRT IT MA CPR RR

PC Public Consumer Committee

IT Information Technology & Data Security Committee

MA Mergers and Acquisitions Committee

LRT Legal, Regulatory & Tax Committee

RR Reputation Risk Committee

CPR Commodity Price Risk Committee

Leadership Team

Strengthened by Effective Management

Mr. Ajay Kapur
Chief Executive Officer

Mr. Vinod Bahety
Chief Financial Officer

Mr. Sukuru Ramarao
Chief Operating Officer

Mr. Diwakar Payal
Chief Sales & Marketing Officer

Mr. Sanjay Kumar Gupta
Chief Procurement Officer

Mr. Praveen Kumar Garg
Chief Logistics Officer

Mr. Jayant Kumar
Chief Human Resources Officer

Mr. K A Chowdary
Chief Projects Officer

Mr. Bhimsi Kachhot
Chief - Strategy & Business Development

Mr. Hemal Shah
Chief Digital Officer

Mr. Vineet Bose
Chief Legal Officer

Awards and accolades

Recognised across Platforms

Brand

1. Ranked as 'India's Most Trusted Cement Brand 2023' by TRA
2. Recognised amongst 'Iconic Brands of India, 2022' by The Economic Times
3. Ranked amongst 'Best Companies To Work For' in Construction and Infrastructure sector by Business Today

Governance

1. Plaque Award for Excellence in Financial Reporting for the year 2021-22 at the ICAI Awards
2. Silver Award for Excellence in Reporting on Sustainable Development Goals at the ICAI Awards
3. Excellence in Financial Reporting, FY21-22 in the Non-Profit sector at the ICAI Awards

Health and Safety

1. Road Safety Gold Award by the Occupational Health, Safety & Sustainability Association of India (OHSSAI)
2. Safety Silver Award by the Occupational Health, Safety & Sustainability Association of India (OHSSAI)
3. Gare Palma Coal Mines Rescue Team won 6th Position in Rescue & Recovery work in 51st AIMRC .

5. 'Excellence in Innovation-Material Handling' at the Occupational Safety and Health India Award 2022
6. National Safety Award (Mines)
7. Occupational Safety and Health India Award 2022 for 'Safety Excellence in Employee Competence-Electrical Safety'

Sustainability

1
Platinum Award at the IconSWM-CE Excellence Awards 2022

2
Ranked amongst Top 5 on the 'Capri Global Capital Hurun India Impact 50, 2021'

3
Recognised among 'India's Top 50 Most Sustainable Companies' Cross Industry and among 'India's Top 3 Most Sustainable Companies in Infrastructure & Engineering Sector' by BW Businessworld

4
The Corporate Sustainability Campaign won Bronze at ABBY Awards 2022 under the Green Award category

5
The Corporate Sustainability Campaign won Gold award at Imagexx Awards 2022 under the Environment category

6
The Corporate Sustainability Campaign won Gold at South Asia SABRE Awards 2022

7
The Corporate Sustainability Campaign won Silver at the Fulcrum Awards 2022 for Best use of Integrated Communications

8
ESG India Leadership Award for Water Efficiency, GHG Emissions and Overall Leadership in Environment

9
National Award for Energy Excellence under the Grinding category

10
Ranked as the first runner up in Best Practices challenge on water management and wash in India 2022

Corporate Social Responsibility

1
Social Leadership Award by the Bengal Chamber of Commerce & Industries

2
Best CSR Award in the Health Category at the Impactful CSR Award of Metropolis Healthcare Heroes of India Awards 2022

3
'Best Project Implementation Agency' Award by NABARD for Watershed Development Projects

4
ICC Social Impact Award for Employment Enhancing Vocational Skills in Large Project Category

5
'Development Catalyst' Award at the Livelihoods India Summit

6
FICCI CSR award for Women Empowerment

7
Recognised for 'Best Practices Challenge on Water Management' by The United Nations Global Compact Network India (UNGCNI)

8
ICC Social Impact Awards for Women Empowerment and Water Resource Management & Healthcare initiatives

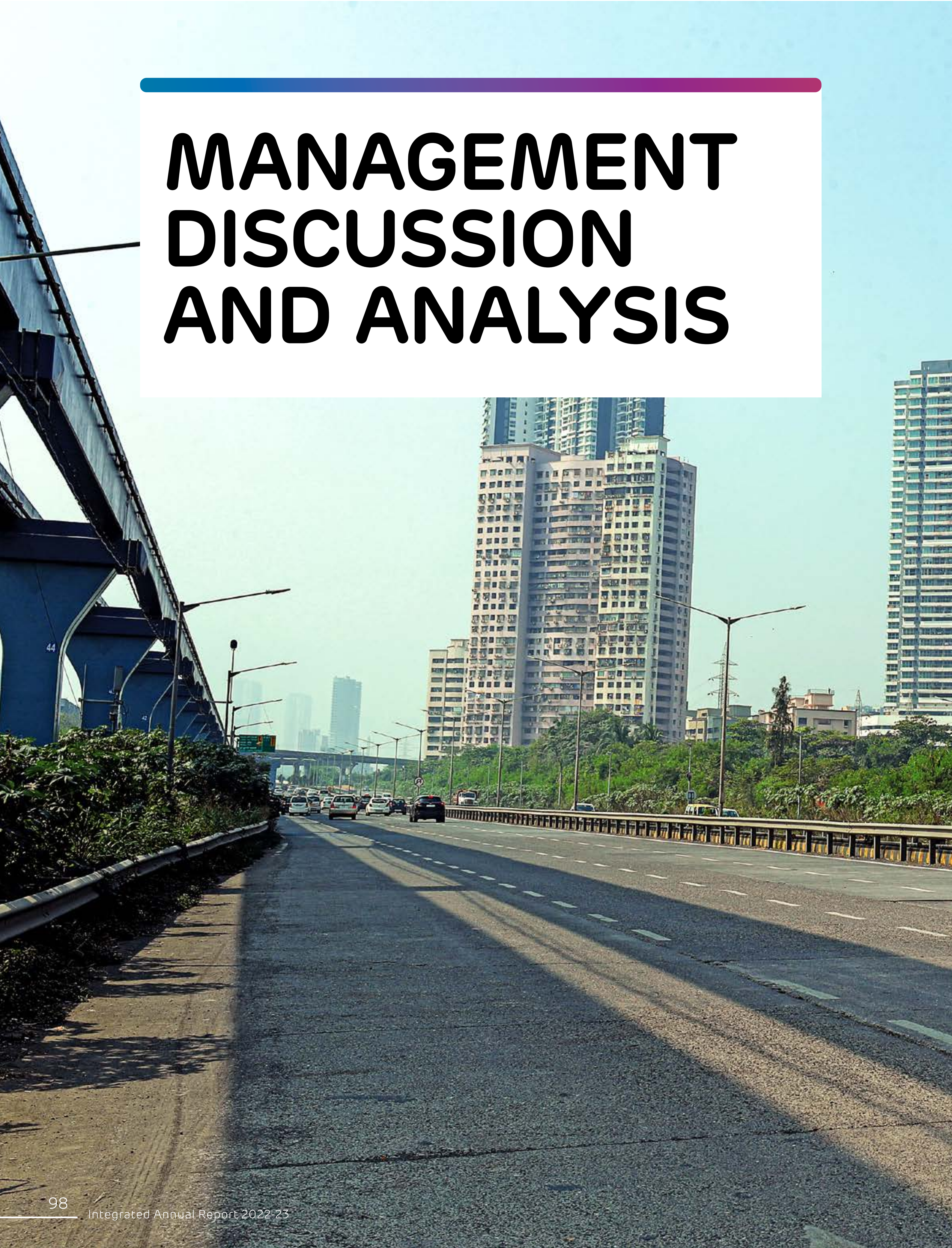
Customer Service

"Best use of innovation to enhance customer experience" award at The Customer Fest Awards

Others

Recognised as the 'Best Industrial Training Institute' by the Directorate of Vocational Education

MANAGEMENT DISCUSSION AND ANALYSIS



Prelude

Ambuja Cements Limited, a part of the diversified Adani Group, is among India's leading cement companies, renowned for its hassle-free, home-building solutions. Unique products tailor-made for Indian climatic conditions, sustainable operations and initiatives that advance the Company's philosophy of contributing to the larger good of the society, have made it the most trusted cement brand in India. With a strong commitment to responsible growth and adding value to customers, our innovative products like Ambuja Plus, Ambuja Cool Walls, Ambuja Compocem and Ambuja Kawach under the umbrella of Ambuja Certified Technology are significantly reducing carbon footprint.

Ambuja Cements is the industry leader in the responsible use of resources, both natural and man-made. The Company has been certified 8 times water-positive, a feat achieved through conservation efforts and increasing water efficiency in its plants. Globally, Ambuja Cements is the only cement maker that has been recognised for its leadership in water security by the United Nations Global Compact Network India. It is also plastic-negative by 6.6 times.

By integrating sustainability into operational and growth planning, Ambuja has continued to reduce its carbon footprint by lowering the clinker factor, reducing thermal and electrical energy intensity, implementing Waste Heat Recovery Systems at the plants, and increasing the use and capacity of generating renewable energy. We continue to play a pivotal role in building a greener and more sustainable future.

Economic Scenario and Outlook

The world economy faced multiple headwinds such as escalating geopolitical tensions, constrained supply chains and high inflation. India proved to be an outlier, demonstrating resilience and growing by 7.2% GDP during FY 2023, aided by strong private consumption, growth-supportive policies, and continued government spending on infrastructure and logistics, among others. However, inflation stayed high, prompting a series of rate hikes by the Reserve Bank of India which, in turn, impacted demand.

The Indian government's strong infrastructure push under the Prime Minister's Gati Shakti (National Master Plan for Multimodal Connectivity) initiative is likely to contribute significantly towards raising industrial competitiveness. Further, the Production Linked Incentive (PLI) scheme announced by the government is not only bolstering the country's manufacturing sector but also creating enormous employment opportunities. Till December 2022, more than 650 applications were approved across 13 sectors under the scheme. The scheme facilitated private sector capex to the tune of ₹3.5 lakh crore over the next 3-4 years. Further, with global businesses looking at diversifying their supply chains from China's dependence, India is in the sweet spot to become a manufacturing hub for the world.

India is also witnessing a massive digital transformation. The mass-scale digital infrastructure is second to none, which is further validated by the creation of the India stack. Digitalisation is accelerating e-commerce growth, changing the retail consumer market landscape and attracting leading multinationals in technology and e-commerce to the Indian market.

India's GDP Growth Trend

Outlook

While global economic growth is expected to moderate further in 2023 before marginally increasing in 2024, India is likely to grow 6.0%-6.5% in FY 2024, the fastest among major economies in the world. Higher public sector capex, coupled with fresh capital investments by the private sector, will help drive medium-term growth, while digitalisation and efficiency-enhancing reforms will enhance productivity. Further, India's transition to clean energy and mobility through green hydrogen and electric vehicles provides significant investment opportunities. Semiconductors and IT product manufacturing are expected to position India attractively in global trade.

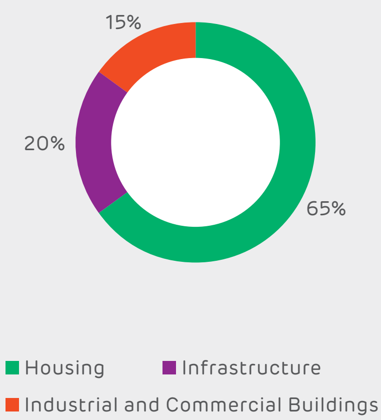
The long-term growth drivers of the economy remain intact, coupled with a large and fast-growing middle-class driving consumer spending. The rapidly growing domestic consumer market as well as the large industrial sector have made India an important investment destination for a wide range of multinationals across manufacturing, infrastructure, and services. Further, India is fast becoming the start-up capital of the world, attractive sizeable foreign investments, driven by its young population including a large GenX segment, and technology edge.

However, a complex interplay of geopolitical events including the neighbouring countries, high inflation and consequently elevated interest rates could pose risks to future economic growth.

Cement Industry

India is the world's second-largest cement producer, accounting for over 7% of the global cement installed capacity. Cement production in India grew at 7.6% for FY 2023 (368 million tonnes) driven by strong demand from housing and infrastructure sectors. The housing sector accounts for the majority of India's cement consumption, followed by the infrastructure sector, and commercial and industrial building constructions.

Sector-Wise Share of Cement Consumption



Key Sectoral Demand Drivers

- Rise in rural income
- Growing capex by the government to drive infrastructure sector
- Consistent rise in the country's urbanisation
- Strong demand in the country's real estate sector along with focused investments in the affordable segment

Outlook

The outlook for cement sectors is favourable on the back of higher growth opportunities in the housing and infrastructure segment. Government in the Union Budget 2023-24 has allocated $11.4 billion for the creation of safe housing (rural and urban), sanitation and increasing road connectivity.

With a busy construction season ahead with the pre-election spending kicking in. The Industry is expected to see a volume growth of 6-8% going forward and is likely to reach ~390-400 million tonnes.

Business Review

Sustainable Development

Sustainable profitable growth is ingrained in the Company's DNA. Ambuja Cements' multi-pronged strategy, including triple bottom line accounting method; true value; good corporate governance practices; overarching corporate environment policy; and sustainable supply chain policy, have helped cement the Company's credentials as a sustainable manufacturer. Ambuja Cements' Sustainable Development Ambition 2030 provides strategic direction to the company's long-term sustainability vision. All plants are ISO 14001 certified.

The Company also works closely with communities that live around its plants, through its CSR arm. It implements need-based and participatory programmes in the thematic areas of water resource development, health and sanitation, women empowerment, rural infrastructure, education and agro-based/skill-based livelihood creation.

Being an employee-friendly workplace, Ambuja Cements has been ranked No. 1 in the 'Best Companies to Work For' survey in 2022 by Business Today in the Construction and Infrastructure sector, Ambuja is recognised among 'India's Top 50 Most Sustainable Companies' Cross Industry and among 'India's Top 3 Most Sustainable Companies in Infrastructure & Engineering Sector' by BW Businessworld. It has also been felicitated and recognised for its Customer Engagement, Safety, Sustainability Focus, Financial Reporting, CSR and Corporate Sustainability by leading awards and industry forums.

87.6 MW
WHRS capacity by 2024

13.1 MT
Waste Derived Resources Consumed

~43%
Green Power (Renewable+WHRS) contribution in total power consumption by 2024

100 MW
Solar Power generation capacity by 2024

A. Circular Economy

We utilise Waste Derived Resources (WDR) like fly ash and slag from the power and steel industries in the cement manufacturing process as a replacement for clinker in the cement. During the reporting period, we consumed 9.88 million tonnes (MT) of fly ash, 0.55 million tonnes (MT) of slag, 1.42 million tonnes (MT) of synthetic gypsum including Phosphogypsum, and 0.88 million tonnes (MT) of alternative fuels and raw materials.

B. Climate and Energy

We made significant progress on our climate-related goals during the January 2022-March 2023 period. We reduced specific carbon emissions to 513 kilograms/tonne of cementitious materials. Some of the levers affecting the CO_2 emissions, such as clinker factor and Thermal Substitution Rate (TSR) improved over the past year.

- **Clinker Factor**

We reduced the clinker factor by 0.72%, even though there was a marginal decrease in blended cement volume.

- **Thermal Energy**

Ambuja Cements continued its efforts to reduce thermal energy intensity, which dropped by 3.9 units. Further, our thermal energy intensity improvement projects are well on track.

Company Overview
Creating Value
Accelerating our value creation
Statutory Reports
Financial Statements

- **Green Energy and Power Generation Through Waste Heat Recovery System**

To increase the share of renewables in our overall energy mix, in 2022, we invested in WHRS installations across plants located in Rajasthan, Himachal Pradesh and Chhattisgarh, with a cumulative generation capacity of 53.5 MW. Investments are in the advanced stage for producing an additional 27.5 MW in Maharashtra and Gujarat. In addition, we plan to tie up/ invest in solar energy for sourcing an additional 100 MW, taking the share of green energy to 50% of our total energy requirements.

- **Alternative Fuels and Raw Materials**

Co-processing of waste in cement manufacturing helps conserve fossil fuel and raw materials and reduces carbon footprint while saving public funds spent on waste disposal through landfilling and incineration. It also generates employment and curtails the spread of diseases caused by failure to adequately manage municipal solid waste. Our four pre-processing facilities and enhanced co-processing facilities at six plants promote efficient disposal of industrial, municipal and agricultural waste in kilns. Our waste management arm, Geoclean helps contribute to safe waste management solutions in industries and municipalities and increase the utilisation of alternative fuels in cement kilns. During the reporting period, we co-processed 0.54 million tonnes of alternative fuels, substituting 6.36% of total thermal energy.

C. Environment

Several measures were undertaken during the year to promote water conservation and water harvesting. These included close monitoring of water consumption and withdrawal, augmenting of water harvesting structures in communities, and optimisation of processes. Specific freshwater consumption in cement operations reduced from 58 litres/tonne of cementitious material to 48.69 litres/tonne during the reporting period. We reduced specific water consumption to 86.5 litres/tonne of cementitious material from 87.7 litres/tonne in 2021. The contribution of harvested water used in cement operation was 43.8% of our total water consumption.

Biodiversity

Ambuja Cements continued with its measures towards nature conservation and biodiversity preservation. Efforts to conserve specific flora and fauna formed part of the 'B-Buzz' project. In addition, plantations were set up at many plant locations and colonies.

Emissions

Emissions are an inherent part of cement production. We have made it mandatory for all sites to measure and manage air emissions as much as possible. During the reporting period, we worked towards improving emissions and the surrounding environment.

44.09%

of the water used in cement operations was harvested & recycled water

- **Dust Emission Control**

During the reporting period, maintenance activities were conducted through in-house and third-party teams for the upgradation of Electrostatic Precipitators (ESP) and a replacement of damaged bags, among others. This has reduced stack dust emissions in cement plants at <30 milligrams/Nm3.

- **NOx Emission Control**

We take primary and secondary measures to control NOx emissions and implemented Selective Non-Catalytic Reduction (SNCR) systems in integrated cement plants.

- **SOx Emission Control**

Given that our emission levels are within the limits prescribed by the pollution control authorities, we are not required to undertake major emission control measures for SOx emissions. We report, on a real-time basis, ambient air quality, effluents, and process emissions to regulatory authorities. We monitor the plants' stack emissions (dust, NOx, and SOx) through the Continuous Emission Monitoring System (CEMS), commissioned at most of the plants, providing information on process and emission parameters to senior management.

Water

Our dry process of cement production requires significantly less water than other processes. Further, our innovative range of products minimises the use of water in construction. Five of our plants are in water-scarce regions – compliant with all water-related regulations. We are maximising the use of recycled water treated at our effluent treatment plants as well as reverse osmosis plants. Recycled water is also used for dust suppression and gardening, along with other purposes.

Sales Volume

On a consolidated basis in January 2022-March 2023, our cement sales stood at 69.09 million tonnes (MT). Excluding Master Supply Agreement (MSA) sales, our cement volume increased ~0.5% to 67.60 million tonnes (MT) from 67.29 million tonnes (MT) in January 2021-March 2022, aided by the structural demand drivers such as rising urbanisation, mass residential projects, and large investments in roads and infrastructure, among others. Individual home builders and ground plus three-storey (G+3) buildings in the retail segment continue to be Ambuja Cements' largest customer segment, both in terms of volume and profitability.

Market Development

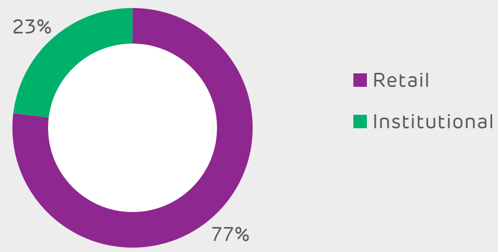
Our Sales and Marketing teams have gained a deep understanding of customers' changing preferences and requirements, enabling us to maximise capacity utilisation through a better product mix and driving efficiency in the supply chain by reinvigorating the dealer network.

As part of our responsible growth and sustainability strategy, we have been reducing the share of Ordinary Portland Cement (OPC) in our product portfolio. At the same time, we have been taking measures, such as appointing new channel partners and enhancing wallet share per counter, to manage the dealer channel effectively as part of our growth strategy in key markets. We have also managed to maintain a strong connection with retail customers who are served by the dealer channel.

Strong Distribution Network

Ambuja Cements has a strong pan-India channel network consisting of ~12,000 dealers and ~44,000 retailers/sub-dealers, who help us cater to the country's demand for quality cement and building materials on a sustained basis and at competitive prices. This network accounted for ~77% of cement sales in the retail segment during the reporting period.

Segment-Wise Revenue (%)



Ambuja Kawach (Water Repellent Cement)

The water-repellent 'Ambuja Kawach', launched in 2020 in the premium cement category, registered healthy growth during the reporting period. The water-repellent property of the product results from minutely controlled process changes under a sustainable environment, including adjustments in the raw material dosage. Our blended cement products have received certification from the Confederation of Indian Industry (CII) – GreenPro and Solar Impulse.

Solutions and Products

We have a diversified product portfolio across cement and concrete and have created new building material categories, such as Ambuja Cool Walls and PuraSand.

Some of the key initiatives taken during the reporting period:

- Introduced Ambuja Cool Walls product variant (4+ MPa Blocks) for RCC structural homes
- 5+ MPa Ambuja Cool walls recommended for load-bearing structures
- New supply points started in Paonta Sahib (Himachal Pradesh), Ujjain (Madhya Pradesh), Gwalior (Madhya Pradesh), and Panipat (Haryana)

We have achieved overall 20 Ambuja Cool Walls supply units and 4 for PuraSand in Mumbai, Delhi, and Jaipur markets.

Net Sales	66.2 Crs
EBITDA	11.19Crs
EBITDA Margin	16%

Sustainable Products

At Ambuja Cements, we innovate and develop products and solutions that promote sustainable construction at customer sites. These products and solutions have been key differentiators and helped build the brand's reputation for long-lasting and durable structures.

Ambuja Cements majorly produces blended cement, which reduces our carbon footprint by ~30% compared to Ordinary Portland Cement, as it utilises waste materials such as fly ash and slag. This enables us to preserve natural resources like limestone and consume less coal. Ambuja Cements' blended cement portfolio consists of Ambuja Plus, Ambuja Kawach, Ambuja Compocem and Ambuja Cement (PPC). These products are aligned with our sustainability goals and objective of inspiring and exploring innovative ways in promoting sustainable construction. Our blended cement are now listed in GRIHA's Green Product Catalogue. Green Rating for Integrated Habitat Assessment (GRIHA) is a National Green rating system of India conceived by The Energy & Resources Institute (TERI) and developed jointly with the Ministry of New and Renewable Energy, Government of India. The GRIHA Council has developed

the GRIHA Product Catalogue which provides all necessary information on Green Building Products available in the country to Green Building Designers, Architects, Engineers, and clients which can be used to make GRIHA-compliant green buildings.

Our green product, Ambuja Kawach was recognised as the 'Best use of Innovation to Enhance Customer Experience' under the Customer Experience category in the Customer Fest Show 2022 held in Mumbai.

Customer Engagement and Relationship

Building a strong and durable house is the dream of every Indian individual. An Individual House Builder (IHB) invests the biggest share of their wealth to fulfil this dream. We continue to focus on playing a big role in an IHB's construction journey and helping them build a strong home. We assist IHBs by addressing their unmet needs related to the right quality material, the right construction method, and the right professionals (good and skilled contractors).

Further, for a hassle-free construction experience, we provide on-site sustainable construction solutions that improve construction quality and promote sustainable construction practices at customer sites.

Some of the initiatives include:

Instant Concrete Mix Proportion

It optimises the use of natural resources by minimising the use of aggregates, sand, and water in the concrete mix based on their properties. During the reporting period, an instant mix proportioning solution was improved at 24,578 customer sites which helped in making strong and durable concrete, saving ~30 million litres of water.

Modular Curing solution

Also known as Zero Water Curing solution, is developed in-house to offer effective and efficient curing of concrete slabs without using water. During the year, the Modular Curing solution was provided at 3,283 sites, saving ~39 million litres of water.

Slab Supervision

Our team of technical experts provided technical guidance and supervision for slab casting at 31,698 customer sites.

Rainwater Harvesting Guidance and Solution

Our team is also creating awareness about Rainwater Harvesting Solutions and providing technical guidance to implement rainwater harvesting structures at customer sites. This solution makes our customers self-sufficient for their water demand. RWH guidance and solutions were provided at 106 sites, saving ~9 million litres of water.

Influencer Engagement and Relationship

Ambuja Knowledge Centre

For the Architecture and Engineering community, we have developed a sustainable knowledge-sharing platform called the Ambuja Knowledge Centre. We have 18 Ambuja Knowledge Centres (AKCs) that serve as knowledge-sharing and technology transfer platforms for professionals in the construction industry. We utilise our AKC platform to promote and educate about sustainable construction, as well as the use of advanced construction materials and techniques. Around 15,500+ professionals were covered under various knowledge-sharing activities through the AKC platform, both in physical and virtual modes.

Concrete Talk at BAPS Event, Ahmedabad

We have associated with and participated in Pramukh Swami Maharaj Centenary Celebrations, a BAPS Event on the eve of the 100th Birth Anniversary of Pujya Pramukh Swami Maharaj in Ahmedabad. GICEA and BAPS organised a one-day seminar for civil engineers and audience comprising 500+ professionals.

International Conference by ICI, Nagpur

The Indian Concrete Institute (ICI), Nagpur, arranged a two-day international conference on 'Infrastructure Development Scenario'. We participated in this event as Platinum sponsors and presented our AKC initiatives. We displayed our AKC Lab, VAS, Alccofine and other offerings. We nominated 10 practising field engineers as delegates.

5,000+
Contractors benefitted through 'Darpan'

A contractor plays an important role in an IHB's construction journey as they are responsible for executing the work. IHBs rely heavily on contractors, and without their engagement, it is impossible to influence construction quality or customer choice. A large section of the Indian contractors lacks technical/academic qualifications and most of them upgrade themselves from mason/helper. Aiming to empower, engage and fulfil the unmet needs of contractors, we launched a differentiated long-term loyalty programme known as Ambuja Abhimaan in January 2020. This programme takes a holistic approach, offering transactional and transformational values that go beyond establishing long-term relationships. It encourages contractors to choose the right and sustainable products and adopt sustainable construction practices to build strong and durable homes. Currently, about 1.20 lakh contractors across India are enrolled in this programme. Since its inception, we have continuously added innovative and unique offerings that set us apart in the industry.

Family Mediclaim Benefit

Contractors and their spouses enrolled in Abhimaan in the Gold and Platinum categories are covered under three types of insurance – accidental, accidental Mediclaim, and Mediclaim. We distributed digital Mediclaim health insurance cards to eligible contractors through an online e-card Bank.

Knowledge and Skill Building

To upgrade contractor skillset, we have developed various in-house applicator training programmes on promoting the right and sustainable construction practices. Annually, we cover 5,000+ masons and contractors. These programmes include different modules like project management, repair and waterproofing, steel estimation and detailing, earthquake-resisting structure, estimation and costing, rainwater harvesting, advanced wall solution, etc.

Business Aid Mobile App

We offer a unique Business aid mobile app known as 'Darpan' for Abhimaan contractors to help them manage their daily work; 5,000+ contractors benefitted by using various features of this app.

Talent Hunt Programme

To enhance engagement levels and recognise and reward hidden talent among our contractors and their families, we launched a musical talent hunt programme, 'Ambuja Abhimaan Ke Sangeet Kalakaar'. This unique concept brought together stakeholders from across India and provided a platform to showcase their talent.

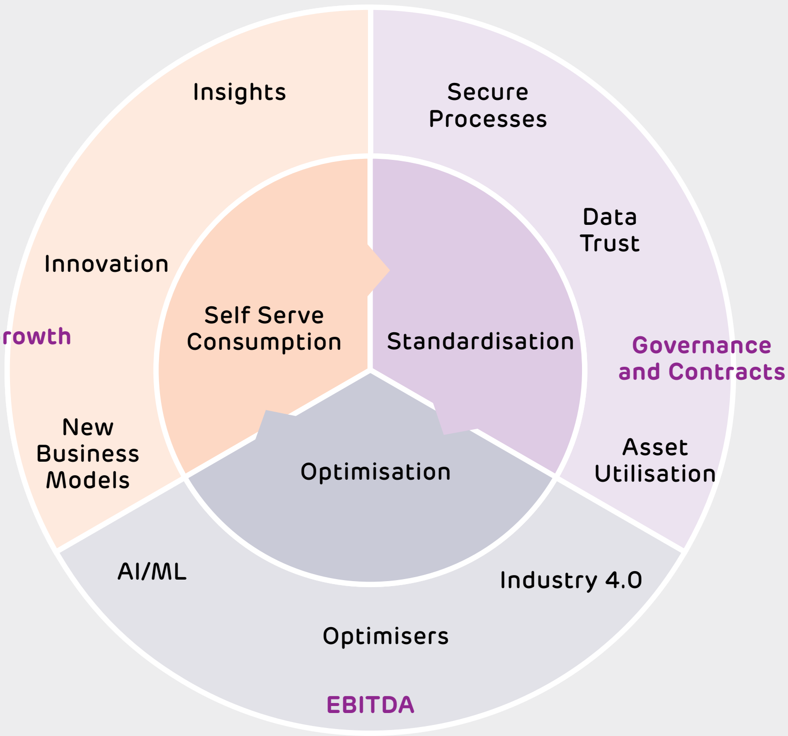
This helped strengthen our bond with this important stakeholder. We received an overwhelming response from the participants. We empanelled renowned jury members for a fair evaluation of their performances. The top fifty-five participants were selected for the semi-finals, and the top twelve contestants advanced to the national final. The finalists showcased their talent in a grand online finale, where the winners were duly rewarded and recognised for their exceptional performances.

528

members participated in Ambuja Abhimaan Ke Sangeet Kalakaar

Creating Bonds that Sustain

At Ambuja, we ensure regular communication and collaboration with our stakeholders. We share essential updates and valuable insights through our newsletter, Sambandh. This publication, available in six regional languages, highlights the achievements of Ambuja's channel partners across India. Additionally, we published Bandhan, a contractor newsletter, in ten regional languages, which aims to engage with the contractor community by sharing inspiring stories and construction tips. These communication initiatives strengthen Ambuja's relationship with the stakeholders and keep them well-informed.



Digitalisation and Innovation

At Ambuja Cements, we firmly believe that digitalisation is a key driver of sustainable business growth. Over the past few years, we have continuously embraced digital technologies across our core business processes including sales, logistics, materials management, manufacturing, control systems and technology operations.

Our well-defined digital transformation strategy aims at streamlining business processes and optimising resources to achieve sustainable business growth while complying with regulatory requirements.

Our marquee digital initiatives include:

Cyber Risk Management – We have a comprehensive Cyber Risk posture management programme to safeguard the confidentiality, integrity, and availability of critical business assets. All security operations are centralised and governed by an in-house, 24 x7 Cyber Defence Centre. Our Security Operations Centre (SOC) has best-in-class cyber security solutions covering Brand Protection, End Point Security, Cloud workload protection, Perimeter security, Multi-Factor Authentication, Data Protection & Encryption, Application Security, Security Information and Event Management (SIEM) for OT & IT system monitoring and Cyber Incident Management.

Cloud-First Strategy – We have adopted a cloud-first policy and all our digital assets have been migrated to a hybrid public cloud platform to achieve high availability, agility, and operational efficiency.

Centralised Command and Control on Adani's Industry Cloud (aligned to Industry 4.0) – The migration of technology from Holcim to Adani servers, including the transition to cloud infrastructure, was accomplished within a timeframe of just 4 months. At Ambuja Cements, a comprehensive Digital Command & Control centre is being set up. This centre will provide end-to-end visibility into our business processes and systems. This will also enable a real-time view of the production, demand, sales, and logistics under one umbrella. This initiative is part of our long-term digital strategy, aiming to enable remote 'exception-based interventions' in decision-making, leveraging real-time market scenarios.

Advanced Mobile Platform – We have a comprehensive mobile application platform and multiple applications have been launched to boost sales and marketing. These mobile applications help our dealers, warehouse operators and customers track their orders and shipments in real-time.

AI/ML for Predictive Analysis – We have adopted Artificial Intelligence (AI) and Machine Learning (ML)-based tools to predict demand, optimise production and control distribution. Diligent use of AI and ML-based logistics platforms has given us a competitive advantage.

Consolidated Cement Business – Performance

Particulars	2022-23	2021
Sales Volume (Ml)	69.09	54.19
Net Revenue *(crore)	38,937	28,965
EBITDA (crore)	5,860	6,563
EBITDA Margin (%)	15.1	22.7

*Includes sales to RMX

Previous year data is not comparable.

Significant improvements in Key Financial Ratios (Standalone)

Ratios	2022-23	2021
EBITDA Margin (%)	20.9	25.0
Net Profit Margin (%)	12.8	14.9
Return on Net Worth (%)	8.1	9.8
Net Worth (crore)	28,506	22,205
Net Debt Equity Ratio	NA	NA
Debtors Turnover (Times)	36.8	56.8
Inventory Turnover (Times)	5.1	4.9
Debt service coverage ratio (Times)	59.9	81.9

Debtor's Turnover days has decreased due to better working capital management.

Costs

During January 2022-March 2023, we implemented various cost management strategies.

- **Cost of Materials Consumed**

During the reporting period, raw materials costs increased by 5% per tonne of cement vis-à-vis 2021. The major contributor to this increase was the cost of slag (higher by 48%) and gypsum (by 2%). The impact was offset by reducing the clinker factor (down 0.7%). However, for fly ash, the landed cost was lower by 2% compared to that of the previous year owing to the utilisation of wet/conditioned fly ash. Increased utilisation of wet fly ash can be attributed to the installation of fly ash dryers at our various manufacturing units.

Power and Fuel

Power and fuel costs witnessed a significant increase of 55% during the reporting period compared to the previous year, primarily driven by external market dynamics. Kiln fuel cost increased by 50% while Captive Power Plant (CPP) fuel cost increased by 67%. We focused on reducing the cost of power and fuel by using coal from our mines and maximising domestic coal utilisation, reducing our dependence on international coal. Also, pet coke and Alternative Fuels (AFs) were utilised to cater to the remaining process requirements.

We are optimising the power mix by enhancing the use of renewable power including Waste Heat Recovery System (WHRS), solar and wind. We used power produced by solar plants in Chhattisgarh, Rajasthan, and Uttar Pradesh, aggregating to more than 65 MW.

During the reporting period, we successfully installed WHRS in our plants in Rajasthan, Himachal Pradesh, and Chhattisgarh, with a combined power generation capacity of 53.5 MW. Our plants like Bhatapara have already been utilising renewal energy from WHRS and solar, accounting for more than 35% of the total requirement. This reinforces our commitment to the 'Net Zero Pledge'. Going forward, we will continue to add more renewable and green energy resources to our portfolio. This includes increasing the co-processing of Alternative Fuels and Raw Materials (AFRs).

Freight and Forwarding Expenses

Various cost-improvement measures were undertaken during the reporting period to reduce logistics costs. Our freight and forwarding expenses remained flat despite an increase of ~4% in diesel prices. Initiatives to improve efficiency, reduce wasteful expenditure, improve direct dispatches, rationalisation of warehouse footprint through consolidation of Ambuja Cements and ACC warehouses, C&F rate negotiation and higher Master Supply Agreement volumes were some of the measures undertaken to achieve this. With the efficient use of technology and network optimisation tools for commercial and operational excellence, we aim to integrate our supply chain and strengthen our competitive edge.

Master Supply Agreement (MSA)

We have an MSA with our subsidiary, ACC Limited (ACC). The MSA was previously approved by the shareholders of the Company in 2021 and helped us achieve greater synergies. The MSA was further approved in March 2023 by the shareholders for one year.

During January 2022-March 2023, we sold 40.88 lakh tonnes to ACC under the MSA, thereby enhancing

volume and profitability. It also helped us: 1) achieve synergies and economies of scale; 2) bring efficiency in operational and logistics costs; 3) strengthen sustainability in terms of the use of fuel and other resources and conserving natural resources. We will continue to explore the MSA arrangement with ACC for higher revenues and profitability.

Capacity Expansion

The capex projects are planned to increase cement production by installing new cement plants and de-bottlenecking existing plants with a focus on improving efficiencies, increasing the co-processing of AFRs, and deploying WHRS across locations. We have recently announced a capacity expansion of 14 MTPA for producing blended cement with a WHRS capacity of 42 MW, provision to utilise 50% AFR and provision to operate on green power. These projects are expected to be commissioned in 24 months and the capex will be funded from internal accruals.

Discussions on Financial Performance Vis-À-Vis Operational Performance

For details on financial performance vis-à-vis operational performance, please refer to **375**.

Internal Control Systems and Their Adequacy

The Company has strong internal control systems and best-in-class processes commensurate with its size and scale of operations. These comprise of:

- Well-formulated policies and procedures for all major activities. These procedures facilitate effective business operations with governance.
- Well-defined delegation of power with authority limits is in place for approving revenue as well as capex expenditure at the level of organisational hierarchy. This enables ease of decision-making processes in day-to-day affairs as well as long-term and short-term business plans.
- Financial control is effectively managed through the Annual Budgeting process and its monitoring is carried out through monthly review of all operating and service functions.
- The Company has a state-of-the-art ERP system to record data for accounting, consolidation and management information purposes and connects to different locations for efficient exchange of information. It has continued its efforts to align all its processes and controls with global best practices.
- The Company has a well-established online Compliance Management System in which technology is seamlessly integrated with laws. The system provides comprehensive coverage across all laws applicable to the business and its compliance update at each of the operating units through the management dashboard.
- There is a well-established multidisciplinary Management Audit & Assurance Services (MA & AS) in the organisation, that consists of professionally qualified accountants, engineers and SAP experienced executives who carry out extensive audits throughout the year, across all functional areas and submit reports to Management and Audit Committee about the compliance with internal controls and efficiency and effectiveness of operations and key process risks.
- MA & AS follows Risk Based Annual Internal Audit Plan. The audit plan and its scope are reviewed and approved by the Audit Committee of the Board. The entire internal audit processes are web-enabled and managed online by Audit Management System (AMS).
- Internal Audit is carried out following auditing standards to review the design effectiveness of internal control systems and procedures to manage risks, operation of monitoring control, compliance with relevant policies and procedures and recommend improvement in them.

- The Audit Committee of the Board of Directors regularly reviews the execution of the Audit Plan, adequacy, and effectiveness of internal audit systems, and monitors the implementation of internal audit recommendations including those relating to strengthening of Company's risk management policies and systems.
- In terms of Governance, there are independent Committees in place for monitoring and governance over efficiency and effective internal controls:

A. Risk Management Committee

Risk Management Framework which provides a process of identifying, assessing, monitoring, reporting, and mitigating various risks at all levels at periodic intervals. Under the framework, the Company has constituted a Risk Management Committee to continuously monitor, report and mitigate various risks faced. The outcome of this process is reported to the Audit Committee and the Board of Directors quarterly.

B. Information Technology & Data Security Committee

Information technology & Data Security governance is an integral part of an overarching office-wide governance structure. The Company has a matured IT Governance process wherein the Governance Committee periodically reviews, recommends, and monitors the Company's IT priorities, projects, and major IT investments besides the effectiveness of control established for data security.

C. Legal, Regulatory and Tax Committee

To exercise oversight concerning the structure, operation, and efficacy of the Company's compliance programme and review compliance with applicable laws and regulations

Corporate Social Responsibility Initiatives

Ambuja Cements runs its community outreach initiatives through its CSR arm. Over the past three decades, we have been working to bring prosperity to communities around our plant locations. To ensure a better understanding of local nuances and efficient implementation, community initiatives are designed based on participatory rural appraisals. The focus areas under CSR are Water Resource Management, Livelihoods (agro-based and skill-based), Community Health, Women Empowerment and Quality Education. These programmes are following the Schedule VII of the Companies Act, 2013 and are in alignment with the United Nations Sustainable Development Goals.

We placed significant emphasis on water conservation and efficient use, demonstrated through a month-long campaign, 'Ambuja for Water' in March 2023. This was conducted across various communities, raising awareness of the importance of water conservation. To commemorate World Environment Day, we organised a virtual event on Water Stewardship & Sustainable Environment with key experts on the panel.

We also focused on soil health due to the alarming rate of degradation. A soil health campaign was organised to raise awareness among farmers and other stakeholders on sustainable soil management practices. A compendium was launched covering our practices on soil health.

In association with Harvard T.H. Chan School of Public Health – India Research Centre, we completed the final intervention phase of the 2-year action research project to identify high-risk people in Bathinda on Non-Communicable Diseases. The end-line data collection was initiated for the entire population of 11,000 high-risk respondents.

In collaboration with the Association of Breast Surgery, UK, the Association of Breast Surgeons in India and the Tata Cancer Care Programme, we initiated a training and awareness programme on cancer, with a special focus on breast cancer, cervical cancer and oral cancer. This programme aimed to educate healthcare professionals in Chandrapur, Maharashtra over a two-day period. Experts from the UK and India provided insights into best practices and techniques to regional oncologists, community health officers, government health officials, Sakhis and ASHA workers. Additionally, a health camp was organised, benefitting ~300 women. This allowed frontline workers to gain practical experience in the identification and treatment methods for these types of cancer.

We continue to invite more like-minded organisations to collaborate on various community initiatives to expand our community-based development models to more geographies. These partnerships helped Ambuja's CSR arm reach 56 districts of 12 states in India, helping over 3.32 million people overcome poverty.

Details on CSR expenditure mandated by the relevant laws are presented under the Annexure of the Director's Report. The CSR Policy of Ambuja Cements is available on the website.

Health and Safety (H&S)

We endeavour to spread safety consciousness across our Ambuja Family with the aim of 'Zero Harm'. We have had zero onsite and offsite fatalities during the year, demonstrating our commitment to a safer workplace. We have made safety a way of life at Ambuja, and organised a slew of safety initiatives including competency development, training, audits, inspections, surveys, We Care initiatives, Critical Control Management to prevent unwanted events, and special cross-functional teams to drive process safety etc. We believe with the right intention, everyone has the potential to be a change leader in safety practices. At Ambuja Cements, we have embraced digital transformation at our manufacturing sites. The Training Management System is a digital platform for our employees and contractors to build their capabilities and assess their competencies. One of the best digital initiatives implemented at Ambuja Cements is the 'Boots on Ground' mobile application. The application was introduced to control the incidents at the site and increase leadership visibility on-ground. This digital initiative has been well-recognised by other cement industries in the Global Cement Concrete Association. Our strategy in 2021 was to sustain performance with a focus on frontline safety, and in 2022, we headed with the strategy of strengthening the basics and critical controls. The journey to achieve this goal was ensured by six pillars – Onsite Safety, Safety Ownership, Systems & Processes, Control of Health Risks, Road Fatality Reduction and Environmental Excellence.

Onsite Safety

- Implementation of Critical Control Management Programme
- Strengthen ME operations and Crate Traffic Safety
- Step up risk awareness and mitigation at packing plants (Truck and Wagon loading)
- Robust implementation of structural failure assurance plan Level 1 Inspec-tion and high-risk Action closure
- Improve Job Risk Management-Field level risk assessments and Management of Change
- Review H&S compliance at Minex
- Improve simulta-neous working in Brownfield Projects

Safety Ownership

- MSE KPIs as part of individual performance appraisals
- Training of Senior Leadership team on Leading with Safety
- Complete >80% Training as per TNI in all Fatality Elimina-tion Controls
- Zero tolerance for non-compliance – Ensure Timely consequence Management
- Review horizontal deployment of lessons learnt from last five years fatal incidents.
- Close Monitoring-80G performance, CCM, PSM and We Care Dashboards

Systems and Processes

- Smooth Transition to Group BoG app
- Validate sustainable implementation of group audit Level 1 findings across all plants
- Roll out and implement the Road Safety & Internal waste Standards
- Gap assess-es SSMS (Contrator Safety Management)
- PTW assuance audits for all IPs, Ropar and Sankrail
- Implement Machine guarding dashboard duty Integrated with maintenance requests
- CCTV survey and coverage of truck yards and pack-ing plants

Control of Health Risks

- Emergency Response Pre-paredness-Pri-mary care-COV-ID, Injuries
- Industrial Hygiene-Verification Surveys at 5 plants
- Review implementation of Asbestos standard across all plant

Road Fatality Reduction

- Review controlled fleet definition is increased (VMS coverage)
- >35% controlled Seat drivers trained in Incab
- >95% E-passport implementation with well-em-bedded 10-point check List
- Improved engagement with transport partners – Frequency, VMS feed, expectations on compliance to
- Guidelines, consequence management
- Minimum Vehicle

Specifications

- 100% 3-point seat belt (controlled Seat)
- 100% load carriers with seat belts (no seat belt no load)
- >95% SUPD and RUPD (controlled fleet)

Highlights of January 2022-March 2023

- 6 manufacturing units achieved Zero Harm
- Sustained our leading indicator reporting
- Training and competency enhancement through a Digital Training Management System; we were able to increase our efficiency with this system
- 3 levels of Health & Safety Management System Audits were conducted across all 19 manufacturing sites to ensure that the actions are timely closed and implemented
- The Critical Control Management programme was effectively implemented utilising quarterly verification for 8 identified critical high-risk areas to ensure no unwanted occupational injuries/incidents at sites

Fall from Height	Structural Collapse	Coal Mill Explosion	Contact with Hot Meal
Contact Moving machinery	Material Engulfment	Liquid Fuel Fire	Mobile Equipment Incident

Critical Control Verification Process

1. Identify Priority Unwanted Events
2. Determine Critical Controls
3. Specify Performance Requirement
4. Assign Accountability
5. Field Verification and Action

We continuously strive to improve our Safety Management System and build a long-term sustainable safety culture.

Human Resources

As we integrate into the Adani Group's culture, we remain steadfast in our mission to attract and retain top talent, promote a culture of continuous learning and development, encourage high performance, maintain positive industrial relations, and ensure a safe and inclusive workplace. Our employees are our most valuable assets, and we are proud to showcase our human resource initiatives in this new chapter of our Company's history.

Focused on Learning and Development

We understand the importance of investing in employees' growth and development to ensure their success in this new chapter of our history. We have implemented several initiatives to promote a culture of continuous learning. We have expanded our training programmes, including leadership development, technical training, and cross-functional collaboration.

Our mentoring programme has helped our employees build relationships and receive valuable guidance from experienced leaders. We also encourage our employees to pursue external certifications and educational opportunities to enhance their skills and knowledge.

High Performance

Promoting high performance and excellence in all aspects of our business is essential during the integration process. We are committed to aligning our goals and objectives with those of the Adani Group to ensure a seamless integration process. Our performance management system is designed to provide regular feedback, goal setting, and performance evaluation, enabling our employees to develop and achieve their full potential in the new organisation.

We are also leveraging digital tools to facilitate performance management, such as online goal setting and progress tracking. We have also implemented a rewards and recognition programme to acknowledge outstanding performance and incentivise our employees to continue striving for excellence. By recognising and rewarding high performers, we foster engagement and create a culture of excellence.

Industrial Relations

We have established several initiatives to ensure a harmonious and productive workplace. We are committed to maintaining an open-door policy, encouraging dialogue and feedback from our employees, including those from the Adani Group. Our grievance redressal mechanism ensures that any concerns or complaints are resolved in a fair and timely manner. We also engage with our employees through various employee forums and committees to ensure that their voices are heard. By engaging with our employees and addressing their concerns we foster engagement and create a culture of collaboration and inclusivity.

Diversity and Inclusion

Through our commitment to diversity and inclusion, we have been able to build a more engaged and productive workforce while attracting and retaining top talent from diverse backgrounds.

As we integrate with the Adani Group, we remain committed to promoting diversity and inclusion throughout our organisation. By continuing to leverage data to inform our diversity and inclusion initiatives, we are confident that we will be able to build a stronger, more inclusive workforce that reflects the diversity of the communities in which we operate. This will enable us to achieve our business objectives by fostering innovation, creativity, and collaboration while improving our ability to serve our diverse customer base.

Prevention of Sexual Harassment of Women at the Workplace

Creating a safe and inclusive workplace is essential during the integration process. We have implemented a comprehensive Prevention of Sexual Harassment (POSH) policy that provides a safe and confidential reporting mechanism for any incidents of harassment. We conduct regular training and awareness programmes to educate our employees on the importance of maintaining a harassment-free workplace. We are also collaborating with the Adani Group to understand their approach to POSH and aligning our policies and procedures to ensure a consistent and effective approach across the organisation. By creating a safe and inclusive workplace, we foster engagement and create a culture of trust and respect.

Business Risks and Opportunities

Risks and Areas of Concern

We have a comprehensive framework for risk management covering strategic, operational, compliance, financial and sustainability-related risks through Business Risk Management (BRM) process.

Effective risk and crisis management are vital for planning. To bring in the best practices, our Risk Management Policy has been formally framed to identify and assess the key risk areas, monitor, and report compliance and effectiveness of the policy and procedure in line with the regulatory requirements.

A Risk Management Committee has also been constituted to oversee the risk management process.

The BRM exercise supports management in the strategic decision-making process. Therefore, it is an integral part of the management reporting cycle. We have laid down a well-defined risk management mechanism covering analysis, risk exposure, potential impact and risk mitigation.

Potential risks are identified on a 3X3 matrix (High, Medium, and Low) of severity and probability. The overall risk exposure is assessed from both top-down and bottom-up, which is then consolidated/calibrated to get a bird's eye view.

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Based on a detailed review and considering the current and future circumstances, which may arise due to change in the management, the risks have been broadly classified into phases due to the uniqueness of risks considering:

- Transition Phase Risks
- High Growth Phase Risks

Transition Phase Risks

- **Change Management**

Ambuja Cements Limited is now part of the Adani Group, which is a leading diversified business conglomerate. With a change in management, there comes changes in policies and practices, which needs to be implemented and aligned and all this comes with moderate risk, which may disrupt business, operations, and people temporarily.

The risk of change management was addressed with utmost care and expertise by the organisation and so had minimal impact on the business and operations.

- **IT and Cyber Security**

Today nearly every aspect of our life revolves around information technology and cyber security, therefore protecting vital information in the cyber world is not only our responsibility but a necessity to secure our business and operations more so with our ongoing transition to Adani Group. As we move towards digitisation and automation, cyber tools and utilities are sure to be further explored and exploited, which in a way is a necessity too from the growth perspective.

Effective cyber security requires protecting both our hardware and software from misuse, interference, loss, unauthorised access, modification and disclosure and we as a concerned and proactive organisation have taken all effective measures to design our control mechanism and ensure that we are cyber-secured.

High Growth Phase Risks

- **Regulatory Changes**

As a responsive Company, we are aware that changes in regulations are essential for the growth and protection of the environment and nature. Non-compliance to these regulations can lead to serious reputational and financial consequences while compliance too comes at a cost – cost for innovation, alternatives, transformation, upgradation, etc.

We are taking up various projects across its operations to comply with new environmental regulations related to Dust Emissions, SOx, and NOx emissions.

- **Risk of Natural Resources**

The cement industry is highly energy intensive and is largely dependent on natural resources like limestone, coal, minerals, etc. To ensure that there is no disruption in business and operations, there is a need to ensure a continuous supply of these materials at optimum cost and quality. However, due to reserve depletion and procurement challenges, this is becoming a challenge for the industry.

For continuous operation, there is a need to secure limestone with a minimum of ~50 years of reserve. Volatility in the price of coal is also an area of concern for the industry.

To mitigate the risk, we need to invest in the development of products that emit less CO2. We are also exploring ways and means to reduce emissions by enhancing the share of Green Power.

- **Energy Security**

Energy security largely depends on the availability and cost. Risks associated with energy costs account for a significant part of the production costs of the Company. Cement production requires a high level of energy consumption, especially for the kilning and grinding processes. The principal elements of these energy costs are fuel expenses and electricity expenses (which include amongst others, costs for coal, petroleum coke, natural gas, and alternative fuels such as biomass).

Operations of the Company are therefore expected to be significantly affected by volatile energy prices, which may fluctuate due to market forces and other factors, including changes in the regulatory regime. We seek to protect ourselves against the risk of energy price inflation by diversifying fuel sources including the use of alternative fuels.

BOARD'S REPORT

TO THE MEMBERS

The Board of Directors are pleased to present your Company's 40th Annual Report on business and operations, together with the audited financial statements (consolidated as well as standalone) for the fifteen months period ended March 31, 2023 (FY 2022-23).

1. FINANCIAL PERFORMANCE 2022-2023

(₹ in Crores)

Particulars	Consolidated		Standalone	
	2022-23	2021	2022-23	2021
Revenue from Operations	38,937.03	28,965.46	19,985.43	13,979.04
Other Income	737.71	352.44	952.27	281.18
Total Income	**39,674.74**	**29,317.90**	**20,937.70**	**14,260.22**
Profit before Tax	**3,729.49**	**5,164.47**	**3,055.05**	**2,787.90**
Tax Expenses	705.11	1,453.43	501.56	704.71
Profit for the year	**3,024.38**	**3,711.04**	**2,553.49**	**2,083.19**
Attributable to				
Owners of your Company	2,583.40	2,780.38	2,553.49	2,083.19
Non-controlling Interest	440.98	930.66	-----	-----
Other Comprehensive Income/(Loss)	28.87	11.11	(2.11)	5.67
Total Comprehensive Income	**3,053.25**	**3,722.15**	**2,551.38**	**2,088.86**
Attributable to				
Owners of your Company	2,596.81	2,788.78	2,551.38	2,088.86
Non-controlling Interest	456.44	933.37	----	----
Opening Balance in retained earnings	**6,516.20**	**3,925.98**	**3,526.28**	**1,635.98**
Amount available for appropriations	9,113.01	6,714.76	6,077.66	3,724.84
Appropriations				
Final Dividend Paid for 2021	1,250.96	198.56	1,250.96	198.56
Closing balance in retained earnings	**7,857.70**	**6,516.20**	**4,826.70**	**3,526.28**

The performance of the current year is not comparable to that of the previous year due to change in accounting period,as current year comprises of a period of 15 months as against 12 months of the previous year.

2. CHANGE OF MANAGEMENT – ENTRY OF ADANI GROUP

During the FY 2022-23, your Company became a part of the Adani Group, as Holcim divested their entire shareholding and control in your Company by way of transfer of 100% shareholding of Holderind Investments Limited (Holderind) to Endeavour Trade and Investment Ltd., a company belonging to Adani group (Endeavour). In view of the above, Endeavour also became one of the Promoter of your Company along with Holderind.

With the change in the promoters, there was a change in the Management of your Company. Your Company also revised its Financial year from January- December to April-March to comply with the provisions of the Companies Act, 2013. Accordingly, the financial performance presented is for a period of 15 months i.e. from January 01, 2022 to March 31, 2023.

3. OVERVIEW OF COMPANY`S OPERATIONAL AND PERFORMANCE HIGHLIGHTS

- Consolidated income, comprising Revenue from Operations and other income, for the FY 2022-23 was ₹ 39,675 as against ₹ 29,318 Crore in 2021.
- Consolidated Profit before Tax for the FY 2022-23 was ₹ 3,729 Crore vis-à-vis ₹ 5,164 Crore in 2021.
- Consolidated Profit after Tax for the FY 2022-23 was ₹ 3,024 Crore compared to ₹ 3,711 Crore in 2021.
- Cement production is 67.06 Million tonnes in 2022-23 as against 52.81 Million Tonnes in 2021.
- Cement Sales Volume is 67.60 Million tonnes in FY 2022-23 as against 53.23 Million Tonnes in 2021.
- The net sales in cement is ₹ 38,398 Crore in FY 2022-23 as against ₹ 28,548 Crore in 2021.

4. DIVIDEND

Your Company has a robust track record of rewarding its shareholders with a generous dividend pay-out. In view of the strong operational and financial performance during the FY 2022-23 under review, the Board of Directors is pleased to recommend a dividend of 2.50 per share (125%) for the period ended March 31, 2023. This represents a pay-out ratio of 19.4%.

The Dividend payment is in accordance with your Company`s Dividend Distribution Policy. In terms of the provisions of Regulation 43A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('the Listing Regulations'). This policy is available on your Company's website at https://www.ambujacement.com/Upload/PDF/8.-Dividend-distribution-policy.pdf.

5. CAPITAL STRUCTURE OF YOUR COMPANY

Your Company's paid-up equity share capital continues to stand at ₹ 397.13 Crore as on March 31, 2023.

During the FY 2022-23, your Company has issued 477,478,249 (Forty Seven Crores Seventy Four Lakhs Seventy Eight Thousand Two Hundred Forty Nine) warrants, each convertible into, or exchangeable for, 1 (one) fully paid-up equity share of your Company of face value of ₹ 2/- each ('Warrants') at a price of ₹ 418.87 each payable in cash ('Warrants Issue Price'), aggregating upto ₹ 20,001 crore. The warrant holders have paid 25% of the warrant issue price and have options to convert the warrants within a period of 18 months i.e by April 18, 2024.

Your Company does not have any scheme for the issue of shares, including sweat equity to the Employees or Directors of your Company.

6. TRANSFER TO RESERVES

Your Company has not transferred any amount to the Reserves for the period ended March 31, 2023.

7. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the period under review, as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("SEBI Listing Regulations") is presented in a separate section, forming part of this Annual Report.

8. CAPACITY EXPANSION AND NEW PROJECTS

Your Company's current installed capacity is 31.45 MTPA. Detailed information on capacity expansion and new projects is covered in the report on Management Discussion and Analysis forming part of this Annual Report.

9. CREDIT RATING

As in the previous years, CRISIL, the reputed rating agency, has given the highest credit rating of AAA/STABLE for the long-term and A1+for the short-term financial instruments of your Company. This reaffirms the reputation and trust your Company has earned for its sound financial management and its ability to meet its financial obligations.

10. DEPOSITS

There were no outstanding deposits within the meaning of Section 73 and 74 of the Act read with rules made thereunder at the end of the FY 2022- 23 or the previous financial years. Your Company did not accept any deposit during the period under review.

11. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

The details of loans, guarantees and investments 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 the Notes to the Financial Statements *(Refer Note No. 54)*

12. INTERNAL CONTROL SYSTEMS

12.1 Internal audit and its adequacy

The scope and authority of the internal audit function is defined in the Internal Audit Charter. To maintain independence and objectivity in its functions, the internal audit function reports directly to the Audit Committee.

At the beginning of each financial year, a risk-based annual audit plan is rolled out after it is approved by the Audit Committee. The audit plan aims to evaluate the efficacy and adequacy of the internal control system(s) and compliance(s) thereof, robustness of internal processes, policies and accounting procedures, compliance with laws and regulations.

The Internal Audit function, consisting of professionally qualified accountants, engineers, Fraud Risk and Information Technology audit specialists, is adequately skilled and resourced to deliver audit assurances at highest levels.

Based on the reports of internal audit function, process owners undertake corrective action in their respective areas. Significant audit observations and corrective actions thereon are presented to the Audit Committee.

12.2 Internal Controls over Financial Reporting

Your Company's internal financial controls are commensurate with the scale and complexity of its operations. The controls were tested during the FY 2022-23 and no reportable material weaknesses either in their design or operations were observed.

Your Company has put in place robust policies and procedures, which inter-alia, ensure integrity in conducting its business, safeguarding of its assets, timely preparation of reliable financial information, accuracy & completeness in maintaining accounting records and prevention & detection of frauds & errors.

13. WHISTLE BLOWER POLICY

Your Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for its employees and Directors to report concerns about any unethical and improper activity, without fear of retaliation. No person has been denied access to the Chairman of the Audit Committee. The Whistle Blower policy is uploaded on the website of your Company at https://www.ambujacement.com/Upload/PDF/3.-Whistle-Blower-Policy_New.pdf. The Audit Committee monitors and reviews the investigations of the whistle blower complaints. During the FY 2022-23 under review, 20 complaints were received under Whistle Blower Policy and were resolved after investigation.

14. SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANIES

As of March 31, 2023, your Company has six subsidiaries, one joint venture and one joint operation. Your Company had incorporated two wholly owned Subsidiaries i.e. Ambuja Shipping Services Ltd. and Ambuja Resources Ltd. during FY 2022-23.

M/s. Dirk India Private Limited ceased to be the subsidiary of your Company during the FY 2022-23 due to its merger with the Company and M/s. Dang Cement Industries Private Limited ceased to be the subsidiary of your Company during the FY 2022-23 due to the divestment made by the Company.

Pursuant to the provisions of Section 129, 134 and 136 of the Act read with rules made thereunder and Regulation 33 of the SEBI Listing Regulations, your Company has prepared Consolidated Financial Statements of your Company and a separate statement containing the salient features of Financial Statement of subsidiary, joint venture and joint operation entities in Form AOC-1, which forms part of this Annual Report.

The Annual Financial Statements and related detailed information of the subsidiary / joint venture companies shall be made available to the shareholders of the holding and subsidiary / joint venture companies seeking such information on all working days during business hours. The financial statements of the subsidiary / joint venture companies shall also be kept for inspection by any shareholders during working hours at your Company's registered office and that of the respective subsidiary / joint venture companies concerned. In accordance with Section 136 of the Act, the Audited Financial Statements, including Consolidated Financial Statements and related information of your Company and audited accounts of each of its subsidiary joint venture, are available on website of your Company at www.ambujacement.com under the 'Investors' section.

The Board of Directors of your Company has approved a Policy for determining material subsidiaries in line with the Listing Regulations. The Policy is available on your Company's website (www.ambujacement.com/investors)

Pursuant to Section 134 of the Act read with rules made thereunder, the details of developments of subsidiaries and joint ventures of your Company are covered in the Management Discussion and Analysis Report, which forms part of this Annual Report.

15. BOARD OF DIRECTORS & KEY MANAGERIAL PERSONNEL

15.1 Directorate

As of March 31, 2023, your Company's Board had eight members comprising of three Non Executive and Non-Independent Directors, one Executive Director and four Independent Directors including one woman Independent Director. The details of Board and Committees composition, tenure of Directors, areas of expertise and other details are available in the Corporate Governance Report, which forms part of this Annual Report.

During the FY 2022-23, following changes took place:

A. Appointments/Re-appointments

With effect from September 16, 2022, the Board was re-constituted as under:

Mr. Gautam Adani - Non-Executive Chairman, Mr. Karan Adani-Non-Executive Director, Mr. M R Kumar - Nominee Director (LIC nominee), Mr. Rajneesh Kumar - Independent Director, Mr. Ameet Desai - Independent Director, Mr. Maheshwar Sahu - Independent Director and Ms. Purvi Seth - Independent Director, were appointed.

Mr. Ajay Kapur was appointed as Whole Time Director and CEO, by the Members at the Extra Ordinary General Meeting held on October 08, 2022 with effect from September 17, 2022 to November 30, 2025.

Mr. N. S. Sekhsaria, Chairman & Non-Executive, Non-Independent Director tendered his resignation from the position of Chairman and

Director of your Company w.e.f. September 16, 2022 in order to focus on other interests and endeavours. In recognition of his outstanding and invaluable contributions, Mr. Sekhsaria was appointed as "Chairman Emeritus" of your Company.

Retirement by Rotation

In accordance with the provisions of Section 152 of the Act, read with rules made thereunder and Articles of Association of your Company, Mr. Karan Adani (DIN: 03088095) is liable to retire by rotation at the ensuing Annual General Meeting (AGM) and being eligible, offers himself for re-appointment.

B. Cessation

The Holcim representatives on the Board – Mr. Jan Jenisch, Mr. Martin Kriegner, Mr. Christof Hassig, Ms. Then Hwee Tan, Mr. Ramanathan Muthu, Mr. Ranjit Shahani, Mr. Mario Gross resigned w.e.f September 16, 2022 due to transfer of ownership of Holderind to Endeavour.

Mr. Praveen Kumar Molri and Mr. Arun Kumar Anand representatives of Life Insurance Corporation (LIC) tendered their resignation w.e.f. April 28, 2022 and September 15, 2022 respectively, pursuant to the withdrawal of their nominations by LIC.

The Independent Directors –Mr. Nasser Munjee, Mr. Shailesh Haribhakti, Mr. Rajendra Chitale and Dr. Omkar Goswami also resigned from your Company w.e.f. September 16, 2022 due to change of control of your Company.

Ms Shikha Sharma - Independent Director resigned for personal reasons w.e.f September 16, 2022.

The Board placed on record its appreciation for the valuable services rendered by all outgoing Directors.

15.2 Key Managerial Personnel

During the FY 2022-23 under review Mr. Neeraj Akhoury, Managing Director & CEO and Ms. Rajani Kesari, Chief Financial Officer resigned w.e.f September 16, 2022. Mr. Rajiv Gandhi, Company Secretary resigned w.e.f December 15, 2022 from your Company.

The Board placed on record its appreciation for the valuable services rendered by Mr. Neeraj Akhoury, Ms. Rajani Kesari and Mr. Rajiv Gandhi

Your Company appointed Mr. Vinod Bahety as Chief Financial Officer and Mr Ajay Kapur as Whole Time Director & CEO w.e.f September 17, 2022.

15.3 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 your Company's Code of Conduct.

The Board is of the opinion that the Independent Directors of your Company possess requisite qualifications, experience and expertise in the fields of finance, people management, strategy, auditing, tax and risk advisory services, infrastructure, banking, insurance, financial services, investments, mining and mineral industries and e-marketing and they hold highest standards of integrity.

15.4 Board effectiveness

a. Familiarisation programme for Independent Directors

Over the years, your Company has developed a robust familiarisation process for the newly appointed Directors with respect to their roles and responsibilities, way ahead of the prescription of the regulatory provisions. The process has been aligned with the requirements under the Act and other related regulations. This process inter-alia includes providing an overview of the cement industry, your Company's business model, the risks and opportunities, the new products, innovation, sustainability measures, digitization measures etc.

Details of the familiarisation programme are explained in the Report on Corporate Governance and are also available on your Company's website and can be accessed at https://www.ambujacement.com/Upload/PDF/8.-Familiarization-programme.pdf

b. Formal annual evaluation

The Board carries out its annual performance evaluation of its own performance, the Directors individually, as well as the evaluation of the working of its Audit, Nomination & Remuneration, Risk Management, Stakeholders' Relationship, CSR Committees as mandated under the Act and SEBI Listing Regulations, as amended from time to time. The criteria applied in the evaluation process are explained in the

Report on Corporate Governance, which forms part of this Annual Report.

15.5 Remuneration policy and criteria for selection of candidates for appointment as Directors, Key Managerial Personnel and Senior Leadership positions

Your Company has in place, a policy for remuneration of Directors, Key Managerial Personnel and Members of the Managing Committee ('ManCom') as well as a well-defined criterion for the selection of candidates for appointment to the said positions, which has been approved by the Board. The Policy broadly lays down the guiding principles, philosophy and the basis for payment of remuneration to the Executive and Non-Executive Directors (by way of sitting fees and commission), Key Managerial Personnel and ManCom.

The criteria for the selection of candidates for the above positions cover various factors and attributes, which are considered by the Nomination & Remuneration Committee and the Board while selecting candidates. The policy on remuneration of Directors, Key Managerial Personnel is available at the website of your Company and can be accessed at https://www.ambujacement.com/Upload/PDF/4.-Remuneration-Policy.pdf

The Board has also formulated and adopted the policy on the 'Diversity of the Board'. The details of the same are available at the website of your Company and the weblink is provided in **Annexure-1** to this report.

16. NUMBER OF MEETINGS OF THE BOARD & ITS COMMITTEES

Regular meetings of the Board and its Committees are held to discuss and decide on various business policies, strategies, financial matters and other businesses. The schedule of the Board/Committee Meetings to be held in the forthcoming financial year is circulated to the Directors in advance to enable them to plan their schedule for effective participation in the meetings. Due to business exigencies, the Board has also been approving several proposals by circulation from time to time.

During the FY 2022-23, 10 Board Meetings were convened and held, the details of which are given in the Report on Corporate Governance, which forms part of this Annual Report.

During the FY 2022-23 under review, with an objective of further strengthening the governance standards so as to match with internationally accepted better practices, the Board had reconstituted certain existing Committees to bring more independence; constituted certain new Committees and Sub-committees; and amended / adopted the terms of reference of the said Committees. Most of the Committees consist of majority of Independent Directors. All Committees are chaired by an Independent Director. Details of the various Committees constituted by the Board, including the Committees mandated pursuant to the applicable provisions of the Act and SEBI Listing Regulations, are given in the Corporate Governance Report, which forms part of this Annual Report.

17. Independent Directors' Meeting

The Independent Directors met on 30th March, 2023, without the attendance of Non-Independent Directors and members of the management. The Independent Directors reviewed the performance of Non-Independent Directors, the Committees and the Board as a whole along with the performance of the Chairman of your Company, taking into account the views of Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

18. CORPORATE SOCIAL RESPONSIBILITY

Your Company has constituted a Corporate Social Responsibility (CSR) Committee and framed a CSR Policy. The brief details of CSR Committee are provided in the Corporate Governance Report, which forms part of this Annual Report.

In compliance with Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended, statutory disclosures with respect to the CSR Committee and an Annual Report on CSR Activities forms part of this Report as **Annexure-2**.

The CSR Policy and CSR Plan as recommended by the CSR Committee and as approved by the Board is available on the website of your Company and can be accessed at https://www.ambujacement.com/Upload/PDF/1.-Corporate-Social-Responsibility-Policygh.pdf

Further, the Chief Financial Officer of your Company has certified that CSR spends of your Company for the FY 2022-23 have been utilised for the purpose and in the manner approved by the Board of the Company.

19. RISK MANAGEMENT FRAMEWORK

Your Company's governance structure has well-defined roles and responsibilities, which enable and empower the Management to identify, assess and leverage business opportunities and manage risks effectively. There is also a comprehensive framework for strategic planning, implementation and performance monitoring of the business plan, which inter-alia includes a well-structured Business Risk Management process. To systematically identify risks and opportunities and monitor their movement, a heat map has been designed comprising two (2) parameters:

a) likelihood of the event and

b) the impact it is expected to have on your Company's operations and performance.

The risks that fall under the purview of high likelihood and high impact are identified as key risks. This structured process in identifying risks supports the ManCom in strategic decision-making and in the development of detailed mitigation plans. The identified risks are then integrated into your Company's planning cycle, which is a rolling process to, inter-alia periodically review the movement of the risks on the heat map and the effectiveness of the mitigation plan.

The detailed section on key business risks and opportunities forms part of Management Discussion and Analysis Report, which forms part of this Annual Report.

20. TRANSACTIONS WITH RELATED PARTIES

Your Company has developed a Related Party Transactions (**'RPTs'**) Manual and Standard Operating Procedures to identify and monitor RPTs.

All transactions with related parties are placed before the Audit Committee as well as the Board for approval. Prior omnibus approval of the Audit Committee and the Board is obtained for the RPTs, which are foreseeable and repetitive. The RPTs are entered with prior approvals of the Audit Committee and the same are subject to audit. A statement giving details of all RPTs is placed before the Audit Committee and the Board of Directors on a quarterly basis. The statement is supported by a certificate from the WTD &CEO and the CFO.

All transactions with related parties during the FY 2022-23 were on arm's length basis and were in the ordinary course of business. The details of the material related-party transactions entered into during the FY 2022-23 as per the policy on RPTs approved by the Board have been reported in Form AOC 2, which is given in **Annexure-3** to this Report.

None of the Directors and the Key Managerial Personnel has any pecuniary relationships or transactions vis-à-vis your Company.

Your Company did not enter into any related party transactions during the year which could be prejudicial to the interest of minority shareholders. No loans / investments to / in the related party have been written off or classified as doubtful during the year under review.

The policy on RPTs as approved by the Board of Directors has been uploaded on your Company's website and can be accessed at https://www.ambujacement.com/Upload/PDF/2.-Related-Party-Transcation-Policy.pdf

21. TRANSFER OF EQUITY SHARES UNPAID/ UNCLAIMED DIVIDEND TO THE IEPF

In line with the statutory requirements, your Company has transferred to the credit of IEPF set up by the Government of India, equity shares in respect of which dividend had remained unpaid/unclaimed for a period of seven (7) consecutive years within the time lines laid down by the Ministry of Corporate Affairs. Unpaid/unclaimed dividend for seven (7) years or more has also been transferred to the IEPF pursuant to the requirements under the Act.

22. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

Order passed by the National Company Law Appellate Tribunal (NCLAT) in the Matter of Penalty Levied by the Competition Commission of India (CCI)

i) Appeal filed by your Company against the Order of the CCI levying penalty of ₹ 1,163.91 crore on your Company was heard and dismissed by the NCLAT in July 2018 and CCI's Order was upheld. Further, your Company has challenged the judgement passed by NCLAT before the Hon'ble Supreme Court in September 2018. The Hon'ble Supreme Court has admitted your Company's Appeal and ordered for the continuation of interim order passed by the Tribunal.

ii) Pursuant to a reference filed by the Director, supplies and Disposals, Government of Haryana, the CCI vide its Order dated January 19, 2017 has imposed a penalty of ₹ 29.84 crore on your Company. Your Company filed an Appeal before the Competition Appellate Tribunal (COMPAT) and obtained an interim stay on the operation of the said Order. Further, by virtue of Government of India notification, all cases pending before the COMPAT were transferred to the NCLAT and as such. The 'Note of Submission' is filed as directed by NCLAT and during the FY 2022-23 there is no further development.

Other than the aforesaid, there have been no significant and material orders passed by the courts or regulators or tribunals impacting the ongoing concern status and your Company's operations. However, Members' attention is drawn to the statement on contingent liabilities and commitments in the notes forming part of the Financial Statements.

23. AUDITORS

23.1 Statutory Auditor & Auditors' Report

M/s. S R B C & Co. LLP, Chartered Accountants (ICAI Firm Registration Number 324982E/E300003)were appointed as the Statutory Auditors of your Company for a period of 5 years to hold office from the conclusion of the 39th AGM till the conclusion of the 44th AGM to be held in 2027. The Auditors have also furnished a declaration confirming their independence as well as their arm's length relationship with your Company as well as declaring that they have not taken up any prohibited non-audit assignments for your Company. The Audit Committee reviews the independence of the Auditors and the effectiveness of the Audit process. The Auditors attend the Annual General meeting of your Company. The Auditors' Report for financial year 2022-2023 on the Financial Statement (standalone and consolidated) of your Company forms part of this Annual Report.

The Notes to the financial statements referred in the Auditors' Report are self-explanatory. The Auditors' Report is enclosed with the financial statements forming part of this Annual Report.

Explanation to Auditors' Comment:
The Auditors' Qualification has been appropriately dealt with in Note No. 65 and 71 of the Notes to the Audited Financial Statements on Standalone and Consolidated basis respectively.

23.2 Cost Auditor

The cost accounts and records are required to be maintained under Section 148(1) of the Act. They 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 has on the recommendation of the Audit Committee appointed M/s P.M. Nanabhoy & Co. Cost Accountants (ICWAI Firm Registration No.000012) as the Cost Auditors, to conduct the cost audit of your Company for the financial year ending March 31, 2023, at a remuneration as mentioned in the Notice convening the 40th AGM.

As required under the Act read with the Companies (Cost Records and Audit) Rules, 2014, the remuneration payable to Cost Auditors must be placed before the Members at a general meeting for ratification. Hence, a resolution for the same forms part of the Notice of the ensuing AGM.

M/s P.M. Nanabhoy & Co. Cost Accountants have confirmed that the cost records for the financial year ended December 31, 2021 are free from any disqualifications as specified under Section 141 (3) and proviso to Section 148(3) read with Section 141(4) of the Act. They have further confirmed their independent status. The cost audit report for the FY 2021 was filed before the due date with Ministry of Corporate Affairs.

23.3 Secretarial Auditor and Secretarial Audit Report

In terms of the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed M/s. Mehta & Mehta, Company Secretaries in Practice, Mumbai, as the Secretarial Auditor for conducting Secretarial Audit of your Company for the financial year ended March 31, 2023.

The report of the Secretarial Auditor is given in **Annexure-4**. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

24. MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF YOUR COMPANY

There are no material changes and commitments, affecting the financial position of your Company, which has occurred between the end of FY 2022-23 and the date of this report.

25. CORPORATE GOVERNANCE

The Board of Directors reaffirm their continued commitment to good corporate governance practices. During the FY 2022-23 under review, your Company complied with the provisions relating to corporate governance as provided under the Listing Regulations. The compliance report together with a certificate from your Company's auditors confirming the compliance is provided in the Report on Corporate Governance, which forms part of this Annual Report.

Board Policies

The details of the policies approved and adopted by the Board as required under the Act and SEBI Listing Regulations are provided in **Annexure-1** to this report.

26. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

The Business Responsibility and Sustainability Report, describing the initiatives taken by your Company from environment, social and governance perspective, for the FY 2022-23, forms part of this Annual Report as required under Regulation 34(2)(f) of the Listing Regulations.

27. PARTICULARS OF EMPLOYEES

Your Company had 4,146 employees on standalone basis as on March 31, 2023.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given in **Annexure-5** to this Report.

Further, a statement showing the names and other particulars of employees drawing remuneration in excess of the limits as set out in the rules 5(2) and 5(3) of the aforesaid Rules forms part of this report. However, in terms of the first provision of section 136(1) of the Act, the Annual Report and Accounts are being sent to the Members and other entitled thereto, excluding the aforesaid information. The said information is available for inspection by the Members at the registered office of your Company during business hours on working days upto the date of the ensuing AGM. Any Member, who is interested in obtaining these, may write to the Chief Financial Officer or your Company Secretary at the Registered Office of your Company.

28. REPORTING OF FRAUDS BY AUDITORS

During FY 2022-23 under review, neither the Statutory Auditors nor the Secretarial Auditor have reported to the Audit Committee of the Board, under Section 143(12) of the Act, any instances of fraud committed against your Company by its officers or employees, the details of which would need to be mentioned in this Report.

29. ANNUAL RETURN

Pursuant to the provisions of Section 134(3)(a) and Section 92(3) of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the draft of the Annual Return of your Company for the financial year ended March 31, 2023 is uploaded on the website of your Company and can be accessed at www.ambujacement.com

30. COMPLIANCE WITH SECRETARIAL STANDARDS

The Board of Directors affirms that your Company has complied with the applicable Secretarial Standards (SS) issued by the Institute of Company Secretaries of India, which have mandatory application during the FY 2022-23 under review.

31. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The disclosures required to be made under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of The Companies (Accounts) Rules, 2014, on Conservation of Energy , Technology Absorption and Foreign Exchange Earnings and Outgo is as follows:

A) Conservation of Energy

(a) The steps taken or impact on conservation of energy:

1. Installation of medium voltage variable frequency drives (**'MVVFD'**) & low voltage variable frequency drives (**'LVVFD'**) for process fans across all ACL plants (Ambuja nagar, Bhatapara, Maratha & Panvel)
2. Burner upgradation at Ambuja nagar, Bhatapara, Rauri, Suli & Maratha
3. Replacement of Component Cooling Water (CCW) Pump with higher efficiency pump (Bhatapara)
4. Reduction in Station Heat Rate (SHR) and auxiliary power consumption by replacing vacuum pump. (Rabriyawas)
5. Installation of LED Lights at Plant and Colony at various location across all plants
6. Optimisation of grinding aid consumption in cement mill across all plants
7. Reduction in Specific Thermal Energy Consumption (STEC) by installation of high level controller in Bhatapara (Kiln – 1)
8. Reduction in (Specific Electric Energy consumption) SEEC Grinding by installation of Mill master (Ropar, Bhatinda, Nalagarh)
9. Improvement in both STEC & SEEC by cooler replacement at Rabriyawas
10. Replacement of 50% traditional HSD usage with PYROLITIC oil in heavy mobile equipment.
11. Replacement of separators in mills [Raw mill / Cement mills] to improve productivity
12. Maximising utilisation of renewal energy & power from WHRS
13. Utilization of electric & Liquified Natural Gas (LNG) vehicle at Ambuja nagar
14. Focus on Productivity Rate Index (**'PRI'**) improvement through Computational Fluid Dynamics (**'CFD'**) studies and through other in house modification at Rauri, Darlaghat, Ambuja nagar (3 kilns), Maratha

Also, additional internal actions have been taken like timely heat balance and maintenance of equipment's has increased productivity, thus improving energy consumption.

(b) The capital investment on energy conservation equipment :Capex ~

1. Power saving in by installing VFD, LVFD & MVVFD

2. 2 nos. High efficiency Condensor Cooling Water (CCW) Pumps for TPP
3. 1 no. Vacuum Pump in place of Steam-jet air ejectors (SJAE)
4. 4 no. burner upgradation
5. AFR feeding system upgradation – Solid & Liquid
6. Installation of Gas by-pass system for increasing AF utilization
7. New AFR feeding system, with increased capacity
8. Installation made for increasing utilization of wet / conditioned fly ash
9. 3 nos. of separator replacement
10. Fibre Reinforced Plastic (FRP) blade fan installation for Captive Power plant (CPP)

(c) Steps taken for alternate source of utilisation:

1. ~1.24 Lakh units of power, generated from WHRS installed at Rabriyawas, Bhatapara & Rauri has been consumed in above period. WHRS at Suli plant to be commissioned soon.
2. 1.09 Lakh unit of renewal power [own + Certificate Purchased] during the reporting period
3. Thermal Substitution Rate (TSR %) increase by 71 bps as compared to 2021.

B) Technology Absorption

(a) Efforts made towards Technology Absorption:

1. Installation of mill master to improve productivity of cement mill
2. Installation of high-level control to improve productivity of kiln
3. Technical Information system (TIS) Installation at plant locations along with PACT dashboard for close monitoring of process data
4. Close Monitoring & Rescheduling of colony and plant lighting

(b) Information regarding Technology Imported during period Jan'22 – Mar'23:

Details of Projects involved in Imports	Status
New XRF at Ambuja nagar, Rabriyawas & Ropar	Fully Absorbed
X-ray Analyser at Bhatapara	Fully Absorbed
Mill Master installation at Bhatinda, Nalagarh, Roorkee & Farakka	Fully Absorbed
TIS installation at Ambuja nagar, Rabiriyawas & Farakka	Fully Absorbed
Shredder spares [Cutting table, Side & Central Comb, Hydraulic pump, Hydraulic Motor] at Maratha & Ambuja nagar	Fully Absorbed
Burner Replacement at Ambuja nagar, Maratha & Darlaghat	Fully Absorbed
WHRS System at Rauri, Suli & Bhatapara (Kiln -1)	Partially Absorbed
Ecostar Screen shaft assembly at Maratha & Ambuja nagar	Partially Absorbed
Retrofitting of LNG kits in 16 nos Tippers, Tip-Trailers & Bulkers at Ambuja nagar Mines	Fully Absorbed
Screw conveyor set for Split hopper at Ambuja nagar	Partially Absorbed
Replacement of Cutting Mill (Lab)	Fully Absorbed
Replacement of Brokk machine at Ambuja nagar	Fully Absorbed
Complete Cooler Replacement at Rabriyawas	Fully Absorbed
ATS Crane Winch Gear Box at Ambuja nagar	Partially Absorbed
PGNNA analyser for limestone stacker belt at Ambuja & Gajambuja unit at Ambuja nagar	Fully Absorbed
Cutting Rotor set at Maratha	Fully Absorbed
Chain Conveyor accessories at Maratha	Partially Absorbed
Replacement of Bomb calorimeter at CPP at Maratha	Fully Absorbed
Replacement of Kiln& Cooler CCTV System at Maratha	Fully Absorbed

(c) Benefits derived (Cost reduction, product improvement/improvement, Import substitution):

1. Improvement in clinker factor by increasing clinker reactivity and intern increasing the Flyash usage.
2. AFR use brings down the requirement of conventional fuels.
3. Solar power saves fuels used and impacts heavily on electricity cost.
4. Energy saving through initiative like Variable Frequency Drive (VFD) installation, LED lights and optimisation.

C) There is no major Expenditure for R&D for the period of Jan'22 – Mar'23, as various projects were executed. However, expansion plan for laboratory is under progress.

D) Foreign Exchange Earnings and Outgo

₹ Crore

Foreign Exchange earned	5,002
Foreign exchange outgo	2,214

32. OTHER DISCLOSURES

32.1 The WTD & CEO of your Company is not drawing any remuneration or commission from any of the subsidiary of the Company.

32.2 Your Company has taken appropriate insurance for all assets against foreseeable perils.

32.3 There were no material changes and commitments affecting the financial position of your Company between the end of the financial year and the date of this report.

32.4 Your Company has not issued any shares with differential voting rights/sweat equity shares.

32.5 There was no revision in the Financial Statements.

32.6 There has been no change in the nature of business of your Company as on the date of this report.

32.7 There are no proceedings, either filed by Company or filed against Company, pending under the Insolvency and Bankruptcy Code, 2016 as amended, before National Company Law Tribunal or other courts during the FY 2022-23.

32.8 Prevention of Sexual Harassment of Women at the Workplace

As per the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and rules made thereunder, your Company has constituted Internal Complaints Committees (ICs) at all relevant locations across India to consider and resolve the complaints related to sexual harassment. The ICs includes external member with relevant experience. The ICs, presided by senior women,conduct the investigations and make decisions at the respective locations. The ICs also work extensively on creating awareness on relevance of sexual harassment issues, including while working remotely. During FY 2022-23 under review, there was no complaint pertaining to sexual harassment. All new employees go through a detailed personal orientation on anti-sexual harassment policy adopted by your Company.

33. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134 of the Act:

a) that in the preparation of the Financial Statements for the extended Financial year ended March 31, 2023, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any

b) that such accounting policies as mentioned in Note 3 of the Notes to the Accounts have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company as on March 31, 2023, and of the profit of your Company for the year ended on that date

c) that 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 fraud and other irregularities

d) that the annual accounts have been prepared on a going concern basis

e) that proper internal financial controls laid down by the Directors were followed by your Company and such internal financial controls are adequate and were operating effectively

f) that proper systems to ensure compliance with the provisions of all applicable laws have been devised and such systems were adequate and were operating effectively

34. ACKNOWLEDGEMENTS

The Directors express their deep sense of gratitude to the Central and State Government Ministries and departments, shareholders, customers, business associates, bankers, employees, trade unions and all other stakeholders for their support and look forward to their continued assistance in future.

For and on behalf of the Board of Directors
For Ambuja Cements Limited

Gautam Adani
Chairman
DIN : 00006273

Ahmedabad
2nd May 2023

Annexure - 1

BOARD POLICIES

Name of Policies	Legislation	Weblink
Vigil Mechanism / Whistle Blower Policy	Regulation 22 of SEBI Listing Regulations and as defined under Section 177 of the Act.	https://www.ambujacement.com/Upload/PDF/Whistle_Blower_PolicyMay23.pdf
Policy for procedure of inquiry in case of leak or suspected leak of Unpublished Price Sensitive Information	Regulation 9A of SEBI (Prohibition of Insider Trading) Regulations, 2015.	https://www.ambujacement.com/Upload/PDF/7.-Leak-of-UPSI-Policy.pdf
Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders	Regulation 8 of SEBI (Prohibition of Insider Trading) Regulations, 2015.	https://www.ambujacement.com/Upload/PDF/5.--Insider-Trading-Code.pdf
Terms of Appointment of Independent Directors	Regulation 46 of SEBI Listing Regulations and Section 149 read with Schedule IV to the Act	https://www.ambujacement.com/Upload/PDF/1.-Terms-and-Conditions-of-Independent-Directors.pdf
Familiarization Program	Regulations 25(7) and 46 of SEBI Listing Regulations.	https://www.ambujacement.com/Upload/PDF/6.-Familiarisation-program-for-Independent-Directors.pdf
Related party transactions	Regulation 23 of SEBI Listing Regulations and as defined under the Act.	https://www.ambujacement.com/Upload/PDF/2.-Related-Party-Transcation-Policy.pdf
Policy on Material Subsidiaries	Regulation 24 of the SEBI Listing Regulations.	https://www.ambujacement.com/Upload/PDF/5.-Policy-for-determining-material-subsidiary.pdf
Material Events Policy	Regulation 30 of SEBI Listing Regulations.	https://www.ambujacement.com/Upload/PDF/6.-Material-Events-Policy.pdf
Website content Archival Policy	SEBI Listing Regulations.	https://www.ambujacement.com/Upload/PDF/10.-Website-Content-Archival-Policy.pdf
Nomination and Remuneration Policy of Directors, KMP and other Employees	Regulation 19 of the SEBI Listing Regulations and Section 178 of the Act.	https://www.ambujacement.com/Upload/PDF/4.-Remuneration-Policy.pdf
CSR Policy	Section 135 of the Act.	https://www.ambujacement.com/Upload/PDF/1.-Corporate-Social-Responsibility-Policygh.pdf
Dividend Distribution Policy	Regulation 43A of the SEBI Listing Regulations.	https://www.ambujacement.com/Upload/PDF/8.-Dividend-distribution-policy.pdf
Code of Conduct for Board of Directors and Senior Management of the Company	Regulation 17 of the SEBI Listing Regulations.	https://www.ambujacement.com/Upload/PDF/2.-Code-of-Conduct.pdf
Policy on Board Diversity	Regulation 19 of the SEBI Listing Regulations.	https://www.ambujacement.com/Upload/PDF/11.-Diversity-Policy.pdf

Annexure - 2

ANNUAL REPORT ON CSR ACTIVITIES OF THE COMPANY

1. A brief outline on Corporate Social Responsibility (CSR) Policy of the Company:

Ambuja Cements Ltd. (ACL) conducts its CSR Programs mainly through its social development arm, Ambuja Cement Foundation (ACF). ACF was envisioned in 1993 to directly engage with Company's host communities and facilitate their quality of life alongside business growth. Since the last three decades ACF has been working mainly with communities around ACL manufacturing sites, and is currently active across 21 districts of 12 states.The key identified programme areas of ACF are Natural Resource Management (Land and Water Resource Management), Livelihood Promotion (Agro Based Livelihoods and Skill and Entrepreneurship Development), Human Development (Community Health and Sanitation, Education and Women Empowerment) & Rural Infrastructure Development.

In addition to the community based thrusts mentioned above, Ambuja Cements operates 5 schools in Ambuja Cement's IPs through Ambuja Vidya Niketan Trust and providing quality healthcare to all through a multi-specialty hospital in Ambujanagar through Ambuja Hospital Trust.

2. Composition of the CSR committee as on March 31, 2023:

1.	Mr. Rajnish Kumar	Chairman	Non-Executive Independent Director
2.	Mr. Karan Adani	Member	Non-Executive Non-Independent Director
3.	Mr. Maheshwar Sahu	Member	Non-Executive Independent Director
4.	Ms. Purvi Sheth	Member	Non-Executive Independent Director

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the web site of the Company:

Other committees | Ambuja Cement

1.-Corporate-Social-Responsibility-Policygh.pdf (ambujacement.com)

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):

Executive Summary of Impact Assessment Reports

1. Social Return on Investment (SROI) Study Farakka, Murshidabad, West Bengal

   Conducted by: CII Centre of Excellence for Sustainable Development (CESD)

   Critical findings: The average Location SROI worked out to 9.91 that indicates that for each rupee invested, a social return of ₹ 9.91 is generated through development initiatives taken up by ACF at Farkka.

Development Programme	SROI value
Agro Based Livelihood	14.94
Community Health	9.90
Women Empowerment	9.60
Skill and Entrepreneurship Development	9.15
Water Resource Management	8.27
Average SROI	9.91

2) Impact Assessment Report of 'Interventions under the Non-Communicable Diseases (NCDs) Project'

Conducted by: Soulace Consulting Private Limited

Ambuja locations: Bhatapara, Chattisgarh, Darlaghat, HP, Chandrapur, Maharashtra and Roorkee, Uttarakhand

Critical Findings:

- The interventions improved awareness levels regarding NCDs among the community:
- 7.4% increase in number of people believing that NCDs can be prevented

- ACF's Program model to control NCDs was found robust, lead to adoption of healthy practices by the community and successfully ensured continuity of care in villages.

Weblink to assess Impact Assesment Reports :

https://www.ambujacement.com/Sustainability/Corporate-social-responsibility

5. (a) Average net profit of the Company as per Section 135(5) : ₹ **2278.29 crores**.

(b) Two percent of average net profit of the Company as per section 135(5) : ₹ **45.57 crores**.

(c) Surplus arising out of the CSR projects or programmes or activities of the previous financial years : **NIL**

(d) Amount required to be set off for the financial year, if any:NIL

(e) Total CSR obligation for the financial year [(b) +(c)-(d)]: ₹ **45.57 crores**

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project): ₹ **70.58 crores**

(b) Amount spent in Administrative Overheads: ₹ **2.70 crores**.

(c) Amount spent on Impact Assessment, if applicable: **NIL**

(d) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ **73.28 crores**.

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year 2022-23 (In ₹)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per sub section (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of transfer
73.28 crore	NIL	NIL	NIL	NIL	NIL

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

Sl. No.	Particular	Amount (in ₹ Crore)
(i)	Two percent of average net profit of the company as per section 135(5)	45.57
(ii)	Total amount spent for the Financial Year	73.28
(iii)	Excess amount spent for the financial year [(ii)-(i)]	27.71
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Not Applicable
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	27.71

7. (a) Details of Unspent CSR amount for the preceding three financial years :

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135(6) (in ₹)	Balance Amount in Unspent CSR Account under sub section (6) of section 135 (In ₹)	Amount spent in the Financial Year (In ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.		Amount remaining to be spent in succeeding Financial years. (In ₹)	Deficiency, if any
					Amount (in ₹)	Date of transfer.		
	FY-2019	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	FY-2020	NIL	NIL	NIL	NIL	NIL	NIL	NIL
	FY-2021	NIL	NIL	NIL	NIL	NIL	NIL	NIL

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **NIL**

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub-section (5) of section 135: **N.A**

For and on behalf of Ambuja Cements Limited

Sd/-	Sd/-
(Ajay Kapur)	**(Rajnish Kumar)**
WTD & CEO	Chairman – CSR Committee
DIN : 03096416	DIN : 0532267

Annexure - 3

Form No. AOC-2

January 2022 to March – 2023

Particulars of contracts/arrangements made with related parties

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

This Form pertains to the disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

Details of contracts or arrangements or transactions not at arm's length basis

There were no contracts or arrangements or transactions entered into during the period ended 31st March 2023, which are not at arm's length basis.

Details of material contracts or arrangement or transactions at arm's length basis

The details of material contracts or arrangements or transactions at arm's length basis (net of GST) for the period ended March 31, 2023 are as follows;

Name of the related party	Nature of Relationship	Duration of Contract	Terms [1]	Amount (in ₹ Crore)
Nature of Contract				
Purchase of goods or fixed Assets				
ACC Limited	Subsidiary	January 01, 2022 - March 31, 2023	Based on Transfer Pricing Guidelines	1,164.57
				1,164.57
Sale of goods or fixed assets				
ACC Limited	Subsidiary	January 01, 2022 - March 31, 2023	Based on Transfer Pricing Guidelines	2,146.43
				2,146.43
Receiving of Services				
ACC Limited	Subsidiary	January 01, 2022- March 31, 2023	Based on Transfer Pricing Guidelines	76.30
				76.30
Rendering of Services				
ACC Limited	Subsidiary	January 01, 2022 -March 31, 2023	Based on Transfer Pricing Guidelines	54.01
				54.01

Note:

1. All related party transactions entered during the year were in Ordinary course of business and at Arm's length basis.
2. Appropriate approvals have been taken from Audit Committee, Board and Shareholders (wherever required) for the related party transactions entered by the Company and advances paid have been adjusted against bills, wherever applicable

Annexure - 4

FORM MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2023

{Pursuant to Section 204(1) of the Companies Act, 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014}

To,
The Members,
AMBUJA CEMENTS LIMITED
Adani Corporate House,
Shantigram, Near Vaishnav Devi Circle,
S. G. Highway, Khodiyar,
Ahmedabad GJ 382421.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Ambuja Cements Limited** (hereinafter called "the Company"). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct statutory compliance and expressing our opinion thereon.

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

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the half year ended on June 30, 2022, 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 there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings **(during the period under review not applicable to the Company);**

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

(vi) The Securities and Exchange Board of India (Substantial Acquisition of Sharesand Takeovers) Regulations, 2011;

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

(viii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(during the period under review not applicable to the Company);**

(ix) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 **(during the period under review not applicable to the Company);**

(x) The Securities and Exchange Board of India (Issue and Listing of Non- ConvertibleSecurities) Regulations, 2021 **(during the period under review not applicable to the Company);**

(xi) The Securities and Exchange Board of India (Registrars to an Issue and ShareTransfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **(during the period under review not applicable to the Company);**

(xii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(during the period under review not applicable tothe Company);**

(xiii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 **(during the period under review not applicable to the Company);**

(xiv) Mines and Mineral (Regulation and Development) Act,1957 read with Mineral Conservation and Development Rules, 1988

(xv) Mines Act, 1952 read with Mines Rules, 1955

(xvi) Cement Cess Rule, 1993

(xvii) Cement (Quality Control) Order, 2003.

We have examined compliance with the applicable clauses of the following:

(i) Secretarial Standards issued by the Institute of Company Secretaries of India;

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

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

We further report that:

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

Adequate notices are given to all Directors to schedule the Board / Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance to all the Directors. Meetings held at shorter notice are in compliance with the provisions of the Act and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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 Company had the following specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

a) The Company at its Annual General Meeting held on April 29, 2022 declared final dividend ₹ 6.30 per equity share for the Financial Year ended December 31, 2021.

b) The Board at its meeting held on May 15, 2022 informed that Holderind B.V. signed a Share Purchase Agreement with Endeavour Trade and Investment Ltd, a Mauritius based company of the Adani Group, of India to sell its entire shareholding in Holderind Investments Limited resulting in the indirect transfer of 63.11% of the share capital of Ambuja Cements Limited.

c) The Company at its Extraordinary General meeting held on October 08, 2022 has passed special resolution for issuance of securities on preferential basis, change in registered office of the Company and amended Article of Association.

d) The Board at its meeting held on September 16, 2022 has passed a resolution for change in financial year i.e from January-December to April-March.

For Mehta & Mehta,
Company Secretaries
(ICSI Unique Code P1996MH007500)

Dipti Mehta
Partner
FCS No: 3667
CP No: 23905
UDIN:F003667E000235571

Place: Mumbai
Date:May 02, 2023

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,
AMBUJA CEMENTS LIMITED
Adani Corporate House,
Shantigram, Near Vaishnav Devi Circle,
S. G. Highway, Khodiyar,
Ahmedabad GJ 382421.

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

1) Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4) Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

5) The compliance of the provisions of corporate laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6) As regard the books, papers, forms, reports and returns filed by the Company under the provisions referred in Secretarial Audit Report in Form MR-3,the adherence and compliance to the requirements of the said regulations is the responsibility of management. Our examination was limited to checking the execution and timeliness of the filing of various forms, reports, returns and documents that need to be filed by the Company with various authorities under the said regulations. We have not verified the correctness and coverage of the contents of such forms, reports, returns and documents.

7) 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 Mehta & Mehta,
Company Secretaries
(ICSI Unique Code P1996MH007500)

Dipti Mehta
Partner
FCS No: 3667
CP No: 23905
UDIN:F003667E000235571

Place: Mumbai
Date:May 02, 2023

Annexure - 5

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

(A) RATIO OF THE REMUNERATION OF EACH DIRECTOR/KMP TO THE MEDIAN REMUNERATION OF ALL THE EMPLOYEES OF THE COMPANY FOR THE FINANCIAL YEAR:

Name of Director and KMP	Ratio of remuneration of each Director to median remuneration of employees (a)	% increase in remuneration in the Financial Year 2022-23
Non-Executive Directors		
Mr. Gautam Adani (from 16th September 2022)	NA	NA
Mr. Karan Adani (from 16th September 2022)	NA	NA
Mr. M. R. Kumar (from 16th September 2022)	1.56	NA
Mr. N.S. Sekhsaria (upto 16th September 2022)	2.44	NA
Mr. Jan Jenisch (upto 16th September 2022)	2.01	NA
Mr. Chrisfof Haessig (upto 16th September 2022)	2.21	NA
Mr. Martin Kriegner (upto 16th September 2022)	NA	NA
Ms. Then Hwee Tan (upto 16th September 2022)	2.40	NA
Mr. Mahendra Kumar Sharma (resigned w.e.f 29th April 2022)	0.94	NA
Mr. Ranjit Shahani (upto 16.09.2022)	2.37	NA
Mr. Praveen Kumar Molri (resigned w.e.f 17th March 2022)	0.62	NA
Mr. Ramanathan Muthu (upto 16th September 2022)	2.21	NA
Mr. Mario Gross (upto 16th September 2022)	1.28	NA
Mr. Arun Kumar Anand (upto 16th September 2022)	1.59	NA
Independent Directors		
Mr. Maheswar Sahu(from 16th September 2022)	2.36	NA
Mr. Rajnish Kumar (from 16th September 2022)	2.36	NA
Mr. Ameet Desai (from 16th September 2022)	2.29	NA
Ms. Purvi Sheth (from 16th September 2022)	1.96	NA
Mr. Nasser Munjee (upto 16th September 2022)	3.04	NA
Mr. Rajendra Chitale (upto 16th September 2022)	3.04	NA
Mr. Shailesh Haribhakti (upto 16th September 2022)	5.70	NA
Dr. Omkar Goswami (upto 16th September 2022)	5.90	NA
Mr. Praveen Kumar Motri	0.61	NA
Ms. Shikha Sharma (upto 16th September 2022)	5.47	NA
Executive Director		
Mr. Neeraj Akhoury, MD & CEO (upto 16th September 2022)	297.81	NA
Mr. Ajay Kapur , WTD and CEO (from 17th September 2022)	47.72	NA
Other KMPs		
Mr. Vinod Bahety, CFO (from 16th September 2022)	37.58	NA
Ms. Rajani Kesari, CFO (upto 16th September 2022)	90.24	NA
Mr. Rajiv Gandhi, Company Secretary (upto 15th December 2022)	42.54	NA

Notes : (1) (a) The ratio of remuneration to the median remuneration is based on the remuneration paid during the period 1st January, 2022 to 31st March, 2023;

(b) The remuneration to Directors includes sitting fees paid for attending Board and Committee Meeting and commission payable to them for the year ended 31st March, 2023.

(c) Remuneration to WTD, MD & CEO and KMPs includes salary, performance bonus, allowances & other benefits on payment basis and applicable perquisites and contribution to approved Pension Fund but except for the accrued Gratuity Fund.

(2) There were changes in the Director and KMP including the MD & CEO and CFO during the year and hence the figures are not comparable and percentage increase in renumeration is not provided.

(B) MEDIAN REMUNERATION OF ALL THE EMPLOYEES OF THE COMPANY FOR THE FINANCIAL YEAR 2022-23:

₹ 7,54,836

(C) PERCENTAGE INCREASE IN THE MEDIAN REMUNERATION OF EMPLOYEES IN THE FINANCIAL YEAR:

10.9%

(D) NUMBER OF PERMANENT EMPLOYEES ON THE ROLLS OF THE COMPANY AS ON 31ST MARCH 2023

4146

(E) Average percentile increase in the salaries of employees other than the Managerial Personnel and its comparison with the percentile increase in the Managerial Remuneration and justification thereof:

(i) Average percentile increase over the previous year in the salaries of employees other than the Managerial Personnel (i.e. WTD & CEO) is 8.4%.

(ii) There is no change in the remuneration of Managerial Personnel (i.e. WTD & CEO).

(F) Affirmation that the remuneration is as per the Remuneration Policy of the Company:

The Company affirms remuneration is as per the Remuneration Policy of the Company.

CORPORATE GOVERNANCE REPORT

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

At Ambuja Cements, Corporate Governance has been an integral part of the way we have been doing our business since inception. We believe that good Corporate Governance emerges from the application of the best and sound management practices and compliance with the laws coupled with adherence to the highest standards of transparency and business ethics. These main drivers, together with the Company's ongoing contributions to the local communities through meaningful "Corporate Social Responsibility" initiatives will play a pivotal role in fulfilling our renewed vision to be the most sustainable and competitive company in our industry and our mission to create value for all our stakeholders.

The Company places great emphasis on values such as empowerment and integrity of its employees, safety of the employees and communities surrounding our plants, transparency in decision making process, fair and ethical dealings with all, pollution free clean environment and last but not the least, accountability to all the stakeholders. These practices being followed since inception have contributed to the Company's sustained growth. The Company also believes that its operations should ensure conservation and development of economic, social and environmental capital and that the precious natural resources are utilised in a manner that contributes to the "Triple Bottom Line". The relentless efforts made on these fronts have resulted in the Company becoming 8 times water positive and 3.5 times plastic negative among various other sustainability initiatives. The Company has been recognised for leadership in corporate sustainability by global environmental non-profit CDP, securing a place on its prestigious 'A List' for tackling water security. Ambuja Cements is one of a small number of high-performing companies out of nearly 12,000 that were scored. Through significant demonstrable actions to protect water resources, the Company is leading on corporate environmental ambition, action and transparency worldwide. Sustainability being embedded in Company's core strategy.

Courage, Trust and Commitment are the main tenets of our Corporate Governance Philosophy -

- **Courage:** We shall embrace new ideas and businesses.
- **Trust:** We shall believe in our employees and other stakeholders.
- **Commitment:** We shall stand by our promises and adhere to high standard of business.

The Company believes that sustainable and longterm growth of every stakeholder depends upon the judicious and effective use of available resources and consistent endeavor to achieve excellence in business along with active participation in the growth of society, building of environmental balances and significant contribution in economic growth.

Further, keeping in line with the provisions of the Act, the Company has aligned its Financial year from January- December to April-March. Hence, this report contains data for the period 1st January, 2022 to 31st March, 2023 (referred as the FY 2022-23).

The Company is in compliance with the conditions of corporate governance as required under the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 as amended from time to time ("SEBI Listing Regulations"), as applicable.

2. BOARD OF DIRECTORS

The Board, being the trustee of the Company, is responsible for the establishment of cultural, ethical and accountable growth of the Company and is constituted with a high level of integrated, knowledgeable and committed professionals. The Board provides strategic guidance and independent views to the Company's senior management while discharging its fiduciary responsibilities. The Board also provides direction and exercises appropriate control to ensure that the Company is managed in a manner that fulfils stakeholder's aspirations and societal expectations.

Composition of the Board

The Company has a balanced Board with optimum combination of Executive, Non-Executive and Independent Directors, which plays a crucial role in Board processes and provides independent judgment on issues of strategy and performance.

The Board currently comprise of 8 (eight) Directors out of which one Director is Executive Director, 3 Directors are non-Executive and remaining 4 (four) are Independent Directors including 1 (one) Woman Independent Director. The Independent Directors are Non-Executive Directors, as defined under Regulation 16(1)(b) of the SEBI Listing Regulations as amended from time to time.

The maximum tenure of the Independent Directors is in compliance with the Act. All Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations as amended from time to time and Section 149 of the Act.

The present strength of the Board reflects judicious mix of professionalism, competence and sound knowledge which enables the Board to provide effective leadership to the Company.

The Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.

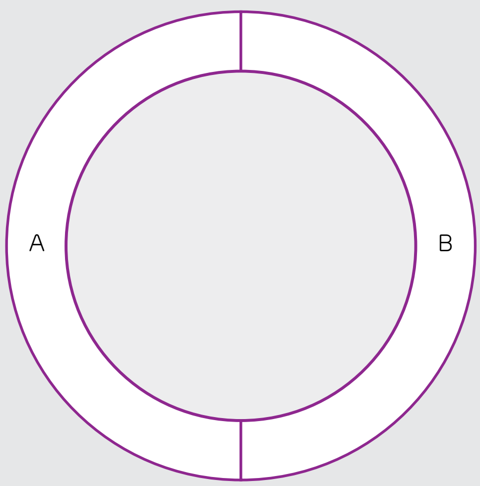
None of the Directors is a director in more than 10 (ten) public limited companies or acts as an independent director in more than 7 (seven) listed companies. Further, none of the Directors on the Company's Board is a member of more than 10 (ten) committees and chairperson of more than 5 (five) committees (committees being, audit committee and stakeholders' relationship committee) across all the companies in which he/she is a Director.

All the Directors have made necessary disclosures regarding Committee positions held by them in other companies.

None of the Directors have attained the age of Seventy-five (75) years.

The composition of the Board is in conformity with the Regulation 17 of the SEBI Listing Regulations, which requires that for a company with a chairman, who is a promoter, at least half of the board shall consist of independent directors and the board of directors of the top 1,000 listed companies, effective 1st April, 2020, shall have at least one independent woman director.

Board Composition



A. Independent Directors **50%**
B. Non-Independent Directors **50%**

With the transfer of ownership of Holderind Investments Ltd. (Promoter Company) to Endeavour Trade and Investment Ltd., Adani Group on 16th September, 2022, pursuant to the share purchase agreement dated May 15, 2022, Holcim Ltd. ceased to have control over the Company.

The Holcim representatives on the Board – Mr. Jan Jenisch, Mr. Martin Kriegner, Mr. Christof Hassig, Ms. Then Hwee Tan, Mr. Ramanathan Muthu, Mr. Ranjit Shahani, Mr. Mario Gross resigned due to transfer of ownership of Holderind Investments Ltd. to Endeavour Trade and Investment Ltd. Adani Group.

Mr. Arun Kumar Anand, representative of Life Insurance Corporation ('LIC') had tendered his resignation w.e.f. 15th September, 2022 pursuant to the withdrawal of the nomination by LIC. LIC had requested the appointment of Mr. M. R. Kumar as a Director on Board w.e.f. 16th September, 202, representative LIC as replacement of Mr. Arun Kumar Anand.

The Independent Directors – Mr. Nasser Munjee, Mr. Shailesh Haribhakti, Mr. Rajendra Chitale and Dr. Omkar Goswami resigned from the Company w.e.f. September 16, 2022 due to change of control of the company. Ms Shikha Sharma - Independent Director, resigned due to personal reasons w.e.f September 16, 2022. Mr. N. S. Sekhsaria, Chairman & Non-Executive, Non-Independent Director tendered his resignation from the position of Chairman and Director of the Company w.e.f. 16th September, 2022 in order to focus on other interests and endeavours. In recognition of the outstanding and invaluable contributions made by Mr. Sekhsaria was appointed as "Chairman Emeritus" of the Company.

The following directors were appointed by the Board w.e.f. 16th September, 2022:

Sr. No.	Name of the Director and DIN	Category
1)	Mr. Gautam Adani (DIN :00006273)	Non-Executive, Non-Independent Chairman
2)	Mr. Karan Adani (Din :03088095)	Non-Executive, Non-Independent Director
3)	Mr. M. R. Kumar (DIN : 03628755)	Non-Executive, Non-Independent Director
4)	Mr. Maheswar Sahu (DIN :00034051)	Non-Executive, Independent Director
5)	Mr. Rajnish Kumar (DIN :05328267)	Non-Executive, Independent Director
6)	Mr. Ameet Desai (DIN :00007116)	Non-Executive, Independent Director
7)	Ms. Purvi Sheth (DIN :06449636)	Non-Executive, Independent Women Director

Mr. Neeraj Akhoury resigned from the position of Managing Director & CEO w.e.f. the closing business hours of 16th September, 2022. Mr. Ajay Kapur (DIN 03096416) was appointed as the Whole-time Director and CEO w.e.f. 17th September, 2022.

The composition of the Board and the number of directorships and committee positions held by the Directorsas on 31st March, 2023, are as under:

Sr. No.	Name of the Director	Category	No. of Directorships held in IndianPublic Companies(1)	Committee Positions in India(2)	
				Chairman	Member
1.	Mr. Gautam Adani, Chairman (DIN 00006273)	Non-Executive, Non-Independent	7	Nil	Nil
2.	Mr. Karan Adani (DIN 03088095)	Non-Executive, Non-Independent	3	Nil	3
3.	Mr. Rajnish Kumar (DIN: 05328267)	Non-Executive, Independent	3	2	1
4.	Mr. Maheswar Sahu (DIN: 00034051)	Non-Executive, Independent	2	1	5
5.	Mr. Ameet Desai (DIN: 00007116)	Non-Executive, Independent	1	Nil	2
6.	Ms. Purvi Sheth (DIN: 06449636)	Non-Executive, Independent	3	Nil	Nil
7.	Mr. M.R.Kumar (DIN: 03628755)	Non-Executive, Non-Independent (LIC nominee)	0	Nil	Nil
8.	Mr. Ajay Kapur (DIN: 03096416)	Whole-Time Director and CEO	1	Nil	2

Notes:

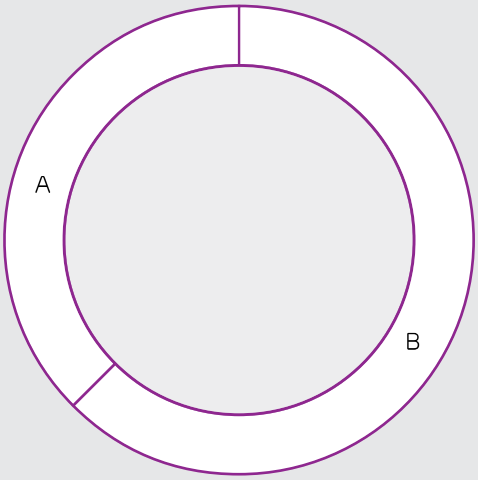
1. The Directorship held by the Directors as mentioned above excludes alternate directorship, directorship in foreign companies, Companies under Section 8 of the Act and Private Limited Companies, which are not the subsidiaries of public limited companies.
2. Represents Membership/Chairmanship of two committees' viz. audit committee and stakeholders' relationship committee as per Regulation 26 of the SEBI Listing Regulations.
3. As on 31st March, 2023, none of the Directors of the Company was related to each other except Mr. Gautam S. Adani, Non - Executive Chairman who is the father of Mr. Karan Adani, Non-Executive Non - independent Director of the Company.
4. None of the Directors hold any equity shares or any convertible instruments in the Company except Mr. Ajay Kapur, Mr. Ameet Desai and Mr. Maheshwar Sahu, who hold 9,66,201 , 6700 and 2000 Equity Shares respectively in the Company.

The profile of the Directors is available on the website of the Company at https://www.ambujacement.com/about-ambuja/management-team/board-of-directors

Details of other listed entities where the Directors of the Company are directors, as on 31st March, 2023, are as under:

Name of Director	Name of other Listed entities in which the concerned Director is a Director	Category of Directorship
Mr. Gautam S. Adani (DIN: 00006273)	Adani Enterprises Limited	Promoter & Executive
	Adani Ports and Special Economic Zone Limited	Promoter & Executive
	Adani Transmission Limited	Promoter & Executive
	Adani Total Gas Limited	Promoter, Non-Executive
	Adani Power Limited	Promoter, Non-Executive
	Adani Green Energy Limited	Promoter, Non-Executive
Mr. Karan G. Adani (DIN: 03088095)	ACC Limited	Non-Executive Chairman
	Adani Ports and Special Economic Zone Limited	Executive
Mr. Rajnish Kumar (DIN: 05328267)	L & T Infotech Limited	Independent Director
	Hero MotoCorp Limited	Independent Director
Mr. Maheswar Sahu (DIN: 00034051)	1. Maruti Suzuki (India) Limited	Independent Director
	2. Diamond Power Infrastructure Limited	Independent Director
	3. Adani Total Gas Limited	Independent Director
Mr. Ameet Desai (DIN: 00007116)	1. Hester Biosciences Ltd.	Independent Director
Ms. Purvi Sheth (DIN: 06449636)	1. Deepak Nitrite Limited	Independent Director
	2. Kirloskar Oil Engines Ltd.	Independent Director
	3. Kirloskar Industries Ltd.	Independent Director
Mr. M.R.Kumar (DIN: 03628755)	NIL	NIL
Mr. Ajay Kapur (DIN: 03096416)	1. ACC Limited	Whole-time Director & CEO

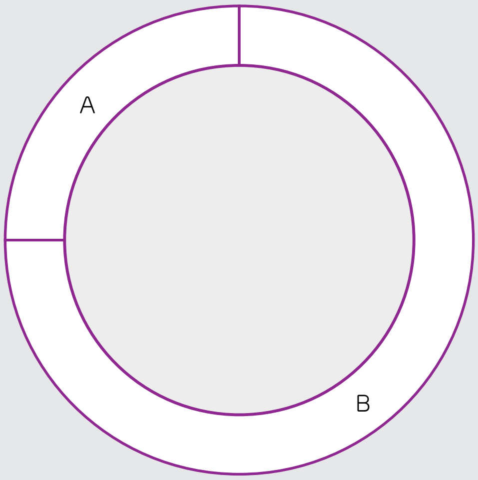
Board age profile



A. 36-55 = **37.5%**

B. 56-75 = **62.5%**
(in years)

Board Experience



A. <30 years = **25%**

B. > 30 years = **75%**

Board Meetings and Procedure

The internal guidelines for Board / Committee meetings facilitate the decision making process at the meetings of the Board/Committees in an informed and efficient manner.

Board Meetings are governed by structured agenda. All major agenda items are backed by comprehensive background information to enable the Board to take informed decisions.

The Company Secretary, in consultation with the Senior Management, prepares the detailed agenda for the meetings. Agenda papers and Notes on Agenda are circulated to the Directors, in advance, in the defined agenda format. All material information is circulated along with agenda papers for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the agenda, the same is tabled before the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted.

In order to transact some urgent business, which may come up after circulation of agenda papers, the same is placed before the Board by way of table agenda or Chairman's agenda. Frequent and detailed deliberation on the agenda provides the strategic roadmap for the future growth of the Company.

Minimum 4 (four) pre-scheduled Board meetings are held every year. Apart from the above, additional Board meetings are convened by giving appropriate notice to address the specific needs of the Company. In case of business exigencies or urgency of matters, resolutions are also passed by way of circulation.

Detailed presentations are made at the Board/ Committee meetings covering finance, major business segments and operations of the Company, terms of reference of the Committees, global business environment, key business areas of the Company including business opportunities, business strategy and the risk management practices, before taking on record the quarterly /half yearly / annual financial results of the Company.

The required information as enumerated in Part A of Schedule II to SEBI Listing Regulations is made available to the Board for discussions and consideration at every Board Meeting. The Board periodically reviews compliance reports of all laws applicable to the Company, as required under Regulation 17(3) of the SEBI Listing Regulations.

The important decisions taken at the Board/ Committee meetings are communicated to departments concerned, promptly. Action taken report on the decisions taken at the meeting(s) is placed at the immediately succeeding meeting of the Board / Committee, for noting by the Board / Committee.

During the year under review, Board met ten times i.e. on 17th February, 2022, 28th April, 2022, 15th May, 2022, 24th May, 2022, 19th July, 2022, 16th September, 2022 (2 meetings), 21st October, 2022, 7th February, 2023 and 23rd March, 2023.The Board meets at least once in every quarter to review the Company's operations and financial performance. The maximum time gap between any two meetings is not more than 120 days.

The necessary quorum was present in all the meetings.

The details of attendance of Directors at the Board Meetings held during the revised Financial year 1st January, 2022 to 31st March, 2023 and at the last Annual General Meeting, held on 29th April, 2022, are as under:

Name of Director(s)	Number of Board Meetings		Attended Last AGM	% of attendance at Board Meetings
	Held during the tenure of the Director	Attended		
Mr. Gautam S. Adani, (Chairman w.e.f. 16.09.2022)	4	3	N.A.	75%
Mr. N. S. Sekhsaria, (Chairman upto 16.09.2022 and Chairman Emeritus from 16.09.2022)	6	6	No	100%
Mr. Karan G. Adani, (Non-Executive, Non-Independent Director w.e.f. 16.09.2022)	4	4	N.A.	100%
Mr. Rajnish Kumar, (Non-Executive,Independent Director w.e.f. 16.09.2022)	4	4	N.A.	100%
Mr. Maheswar Sahu (Non-Executive, Independent Director w.e.f. 16.09.2022)	4	4	N.A.	100%
Mr. Ameet Desai (Non-Executive, Independent Director w.e.f. 16.09.2022)	4	4	N.A.	100%
Ms. Purvi Sheth (Non-Executive, Independent Director w.e.f. 16.09.2022)	4	4	N.A.	100%
Mr. M. R. Kumar (Non-Executive, Non Independent Director w.e.f. 16.09.2022)	4	2	N.A.	50%
Mr. Ajay Kapur (WTD & CEO w.e.f. 17.09.2022)	4	4	N.A.	100%
Mr. Jan Jenisch, (Vice Chairman upto 16.09.2022)	6	2	No	33%
Mr. Nasser Munjee (Non-Executive, Independent Director upto 16.09.2022)	6	6	Yes	100%
Mr. Rajendra Chitale (Non-Executive, Independent Director upto 16.09.2022)	6	6	Yes	100%
Mr. Shailesh Haribhakti (Non-Executive, Independent Director upto 16.09.2022)	6	6	Yes	83%
Dr. Omkar Goswami (Non-Executive, Independent Director upto 16.09.2022)	6	6	Yes	100%
Ms. Shikha Sharma (Non-Executive, Independent Director upto 16.09.2022)	6	5	No	83%
Mr. Christof Hassig (Non-Executive, Non Independent Director upto 16.09.2022)	6	5	Yes	83%
Mr. Martin Kriegner (Non-Executive, Non Independent Director upto 16.09.2022)	6	6	Yes	100%
Ms. Then Hwee Tan (Non-Executive, Non Independent Director upto 16.09.2022)	6	6	Yes	100%
Mr. Mahendra Kumar Sharma (Non-Executive, Non Independent Director upto29.04.2022)	2	2	Yes	100%
Mr. Ranjit Shahani (Non-Executive, Non Independent Director upto 16.09.2022)	6	5	Yes	83%
Mr. Praveen Kumar Molri (Non-Executive, Non Independent Director upto17.03.2022)	1	1	N.A.	100%
Mr. Arun Kumar Anand (Non-Executive, Non Independent Director from 28.04.2022 to 16.09.2022)	4	4	No	100%
Mr. Mario Gross (Non-Executive, Non Independent Director from 30.04.2022 to 16.09.2022)	4	4	NA	100%
Mr. Ramanathan Muthu (Non-Executive, Non-Independent Director upto. 16.09.2022)	6	5	No	83%
Mr. Neeraj Akhoury MD & CEO upto 16.09.2022	6	6	Yes	100%

During the year, the Board accepted all recommendations of the Committees of the Board, which were statutory in nature and required to be recommended by the Committees and approved by the Board. Hence, the Company is in compliance of condition of clause 10(j) of Schedule V of the SEBI Listing Regulations.

Skills/expertise competencies of the Board of Directors

The following is the list of core skills/competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available within the Board Members:

Business Leadership	Leadership experience including in areas of business development, strategic planning, succession planning, driving change and long-term growth and guiding the Company and its senior management towards its vision and values.
Financial Expertise	Knowledge and skills in accounting, finance, treasury management, tax and financial management of large corporations with understanding of capital allocation, funding and financial reporting processes.
Risk Management	Ability to understand and assess the key risks to the organization, legal compliances and ensure that appropriate policies and procedures are in place to effectively manage risk.
Global Experience	Global mindset and staying updated on global market opportunities, competition experience in driving business success around the world with an understanding of diverse business environments, economic conditions and regulatory frameworks.
Merger & Acquisition	Ability to assess 'build or buy' & timing of decisions, analyze the fit of a target with the Company's strategy and evaluate operational integration plans
Corporate Governance & ESG	Experience in implementing good corporate governance practices, reviewing compliance and governance practices for a sustainable growth of the Company and protecting stakeholders' interest.
Technology & Innovations	Experience or knowledge of emerging areas of technology such as digital, artificial intelligence, cyber security, data centre, data security etc.

In the table below, the specific areas of focus or expertise of individual board members as on 31st March, 2023 have been highlighted.

Name of the Director	Areas of Skills/ Expertise						
	Business Leadership	Financial Expertise	Risk Management	Global Experience	Corporate Governance & ESG	Merger & Acquisition	Technology &Innovation
Mr. Gautam S. Adani	Y	Y	Y	Y	Y	Y	Y
Mr. Karan G. Adani	Y	Y	Y	Y	Y	Y	Y
Mr. Rajnish Kumar	Y	Y	Y	Y	Y	Y	Y
Mr. Maheswar Sahu	Y	Y	Y	Y	Y	Y	Y
Mr. Ameet Desai	Y	Y	Y	Y	Y	Y	Y
Ms. Purvi Sheth	Y	-	Y	Y	Y	Y	Y
Mr. M. R. Kumar	Y	Y	Y	Y	Y	-	Y
Mr. Ajay Kapur	Y	Y	Y	Y	Y	Y	Y

Note: Each Director may possess varied combinations of skills/expertise within the described set of parameters.

Directors' selection, appointment, induction and familiarisation

As per the delegation given by the Board to the Nomination and Remuneration Committee (NRC) of the Company, consisting exclusively of Independent Directors, the NRC screens and selects the suitable candidates, based on the defined criteria and makes recommendations to the Board on the induction of new directors. The Board appoints the director, subject to the shareholders' approval.

During the revised Financial year, off site Board Meeting of the Director was held on 6th and 7th April, 2022 to familiarise the directors with Company's Strategy and Sustainable Development.

All new Directors are taken through a detailed induction and familiarisation program when they join the Board of the Company. The induction program is exhaustive covering the history and culture of Adani Group, background of the Company and its growth, various milestones in the Company's existence since its incorporation, the present structure and an overview of the businesses and functions. Post the takeover of the Company by Adani Group, the new Directors were briefed by the Group CFO in December, 2022. Further, ESG session was held on 24th March, 2023 in Ahemedabad, wherein external experts were invited to update on the key ESG trends and the way forward. Deep dives and immersion sessions are conducted by senior executives on their respective business units/functions. Key aspects that are covered in the sesessions include:

- Industry/market trends
- Company's operations including those of major subsidiaries
- Growth Strategy
- ESG Strategy and performance

Separate Meeting of Independent Directors:

The Independent Directors met on 23rd March, 2023, without the attendance of Non-Independent Directors and members of the management. The Independent Directors reviewed the performance of Non-Independent Directors, Board and its Committees, and the performance of the Chairman of the Company, taking into account the views of other Directors and assessed the quality, quantity and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Confirmation as regards independence of Independent Directors

In the opinion of the Board, all the existing Independent Directors fulfill the conditions specified in the SEBI Listing Regulations and are independent of the management.

Remuneration Policy

The remuneration policy of the Company is directed towards rewarding performance, based on review of achievements on a periodic basis. The Company endeavors to attract, retain, develop and motivate the high-caliber executives and to incentivise them to develop and implement the Group's strategy, there by enhancing the business value and maintain a high performance workforce. The policy ensures that the level and composition of remuneration of the Directors is optimum.

i) Remuneration to Non-Executive Directors

The Members had, at the Annual General Meeting held on 9th April, 2020, approved the payment of remuneration by way of commission to the Non-Executive Directors (other than Promoter Directors) of the Company, of a sum not exceeding 1% per annum of the net profits of the Company, calculated in accordance with the provisions of the Act, for a period of 5 years commencing 1st April, 2020.

The remuneration by way of commission to the Directors is decided by the Board. The Board had at their meeting held on 16th September, 2022 had fixed ₹ 20 Lakhs as the Annual Commission payable to the Independent Directors and LIC Nominee. In addition to the commission, the Non-Executive Independent Directors and the LIC Nominee are paid sitting fees of ₹ 50,000/- for attending Board and Audit Committee meetings and ₹ 25,000/- for attending other Committee meetings along with actual reimbursement of expenses, incurred for attending each meeting of the Board and Committees.

The Company has taken a Directors' & Officers 'Liability Insurance Policy.

ii) Performance Evaluation Criteria for Independent Directors:

The performance evaluation criteria for Independent Directors are determined by the Nomination and Remuneration Committee. An indicative list of factors that may be evaluated include participation and contribution by a director, commitment, effective deployment of knowledge and expertise, effective management of relationship with stakeholders, integrity and maintenance of confidentiality and independence of behaviour and judgement. The details of evaluation are captured in the Directors' Report, which forms part of this Annual Report.

iii) Remuneration to the Executive Director

The remuneration of the Executive Director is recommended by the Nomination and Remuneration Committee to the Board based on criteria such as industry benchmarks, the Company's performance vis-à-vis the industry, responsibilities shouldered, performance/track record, macro-economic review on remuneration packages of heads of other organisations. The pay structure of Executive Director has appropriate success and sustainability metrics built in. On the recommendation of the Nomination and Remuneration Committee, the remuneration paid/pay able by way of salary, perquisites and allowances (fixed component), incentive and/or commission (variable components), to its Executive Directors, within the limits prescribed under the Act, is approved by the Board and by the Members in the General Meeting.

The Executive Director and the Promoter Group Directors are not being paid sitting fees for attending meetings of the Board and its Committees. The Company has not granted stock option to the Executive Director or employees of the Company.

Mr. Neeraj Akhoury resigned as Managing Director & CEO of the Company w.e.f September 16, 2022 . He was paid remuneration of Rs. 22.47 Crore till the date of his relieving.

The Shareholder have vide Postal Ballot during the FY 2022-23 :-

a) Approved the payment of special bonus of ₹ 1.8 Crores p.a. (payable on six monthly basis) to Mr. Neeraj Akhoury. (Postal Ballot Notice dated 11th May, 2022) for a period of 3 years.

b) Approved payment of one-time incentive of ₹ 17,15,80,000/- (Rupees Seventeen Crores Fifteen Lakhs and Eighty Thousand Only) to Mr. Neeraj Akhoury in terms of the incentive plan as approved by the Board on 15th May, 2022. (Postal Ballot Notice dated 24th May, 2022)

Mr. Ajay Kapur was appointed as Whole Time Director & CEO w.e.f September 17, 2022 till November 30, 2025 and was paid remuneration of ₹ 3.60 Crore during the year .

Appointment of Mr. Ajay Kapur can be terminated with a notice of 3 months on either side and no severance fees is payable on termination.

iv) Details of Remuneration to Non Executive Directors:

The details of remuneration, sitting fees, performance bonus and commission paid to each of the Directors during the revised financial year ended 31st March, 2023 are as under:

(₹ In Lakhs)

Name of Directors	Sitting	Commission	Total
Current Directors			
Mr. Gautam S. Adani	Nil	Nil	Nil
Mr. Karan G. Adani	Nil	Nil	Nil
Mr. Rajnish Kumar	7.00	10.79	17.79
Mr. Maheswar Sahu	7.00	10.79	17.79
Mr. Ameet Desai	6.50	10.79	17.29
Ms. Purvi Sheth	4.00	10.79	14.79
Mr. M. R. Kumar	1.00	10.79	11.79
Past Directors			
Mr. N. S. Sekhsaria	4.20	14.19	18.39
Mr. Jan Jenisch	1.00	14.19	15.19
Mr. Nasser Munjee	8.80	14.19	22.99
Mr. Rajendra Chitale	8.80	14.19	22.99
Mr. Shailesh Haribhakti	7.50	14.19	21.69
Dr. Omkar Goswami	9.40	14.19	23.59
Ms. Shikha Sharma	4.50	14.19	18.69
Mr. Christof Hassig	2.50	14.19	16.69
Mr. Martin Kriegner	Nil	Nil	Nil
Ms. Then Hwee Tan	3.90	14.19	18.09
Mr. Mahendra Kumar Sharma	2.30	4.82	7.12
Mr. Ranjit Shahani	3.70	14.19	17.89
Mr. Arun Kumar Anand	2.00	10.02	12.02
Mr. Praveen Kumar Molri	0.50	4.16	4.66
Mr. Mario Gross	2.00	7.67	9.67
Mr. Ramanathan Muthu	2.50	14.19	16.69

1. Mr. Gautam S. Adani and Mr. Karan Adani have waived their right to receive any sitting fees and/or commission from the Company from the date of their appointment i.e. 16th September, 2022.
2. Mr. Martin Kriegner has waived his right to receive any sitting fees and/or commission (Payable on a six monthly basis) from October, 2018.

Other than sitting fees and commission paid to Non-Executive and Independent Directors, there were no pecuniary relationships or transactions by the Company with any of the Non-Executive and Independent Directors of the Company. The Company has not granted stock options to the Non-Executive and Independent Directors.

Notes on Directors appointment/ re-appointment

Mr. Karan Adani, Director is retiring at the ensuing AGM and being eligible, offer himself for re-appointment. The brief resume and other information required to be disclosed under this section is provided in the Notice convening the ensuing AGM.

Code of Conduct:

The Board has laid down a Code of Business Conduct and Ethics (the "Code") for all the Board Members and Senior Management of the Company. The Code is available on the website of the Company.

All Board Members and Senior Management Personnel have affirmed compliance of the Code. A declaration signed by the WTD& CEO to this effect, is attached to this report.

The Board has also adopted separate code of conduct with respect to duties of Independent Directors, as per the provisions of the Act.

3. COMMITTEES OF THE BOARD

The Board Committees play a vital role in ensuring sound corporate governance practices. The Committees are constituted to handle specific activities and ensure speedy resolution of the diverse matters. The Board Committees are setup under the formal approval of the Board to carry out clearly defined roles, under which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The minutes of the meetings of all the Committees are placed before the Board, for review. During FY 2022-23, the Committee were re-constituted and new Committees were formed to align with the Adani Group, the new promoters of the Company.

As on 31st March, 2023, the Board has constituted the following Committees / Sub-committees:

1. Statutory Committees

A. Audit Committee
B. Nomination and Remuneration Committee
C. Stakeholders' Relationship Committee
D. Corporate Social Responsibility Committee ("CSR")
E. Risk Management Committee("RMC")

2. Non-Statutory Committees

With an objective to further strengthen the governance standards, so as to match with internationally accepted better practices, the Board has constituted following additional Committees / Sub-committees -

A. Corporate Responsibility Committee
B. Public Consumer Committee
C. Information Technology & Data Security Committee
D. Mergers & Acquisitions Committee (Sub-committee of RMC)
E. Legal, Regulatory & Tax Committee (Sub-committee of RMC)
F. Reputation Risk Committee (Sub-committee of RMC)
G. Commodity Price Risk Committee (Sub-committee of RMC)
H. Finance Committee

I. Statutory Committees

A. Audit Committee

The Audit Committee acts as a link among the Management, the Statutory Auditors, Internal Auditors and the Board to oversee the financial reporting process of the Company. The Committee's purpose is to oversee the quality and integrity of accounting, auditing and financial reporting process including review of the internal audit reports and action taken report. A detailed charter of the Audit Committee is also available on the website of the Company at https://www.ambujacement.com/Upload/PDF/1.-Audit-Committee-Charter.pdf

As on 31st March, 2023, the Audit Committee comprise solely of Independent Directors to enable independent and transparent review of financial reporting process and internal control mechanism with an objective to further strengthen the confidence of all stakeholders.

Terms of Reference:

The powers, role and terms of reference of the Audit Committee covers the areas as contemplated under SEBI Listing Regulations as amended from time to time and Section 177 of the Act. The brief terms of reference of Audit Committee are as under:

Sr. No.	Terms of Reference	Frequency
1.	To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible	Q
2.	To recommend for appointment, remuneration and terms of appointment of statutory and internal auditors of the company	P
3.	To approve availing of the permitted non-audit services rendered by the Statutory Auditors and payment of fees there of	A
4.	To review, with the management, the annual financial statements and auditor's report the re on before submission to the Board for approval, with particular reference to:	
	A. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Section134(3) (c) of the Companies Act, 2013	A
	B. Changes, if any, in accounting policies and practices and reasons for the same	Q
	C. Major accounting entries involving estimates based on the exercise of judgment by the management	Q
	D. Significant adjustments made in the financial statements a rising out of audit findings	Q
	E. Compliancewithlistingandotherlegalrequirementsrelatingtofinancialstatements	Q
	F. Disclosure of any related party transactions	Q
	G. Modified opinion(s) in the draft audit report	A
5.	To review, with the management, the quarterly financial statements before submission to the board for approval	Q

Sr. No.	Terms of Reference	Frequency
6.	To review, 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 utilized 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	P
7.	To review and monitor the Auditor's independence and performance, and effectiveness of audit process	Q
8.	To approve all related party transaction and subsequent modifications, thereof.	P
9.	To scrutinise inter-corporate loans and investments	Q
10.	To undertake evaluation of undertakings or assets of the company, where ever it is necessary	P
11.	To evaluate internal financial controls and risk management systems	Q
12.	To review, with the management, the performance of statutory and internal auditors, adequacy of the internal control systems	Q
13.	To review 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	Q
14.	To discuss with internal auditors of any significant findings and follow up there on	Q
15.	To review 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	Q
16.	To discuss 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	Q
17.	To look into the reasons for substantial defaults, if any, in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors	Q
18.	To review the functioning of the Vigil Mechanism/ Whistle Blower Policy of the Company.	Q
19.	To approve appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate.	P
20.	To review financial statements, in particular the investments made by the Company's unlisted subsidiaries	Q
21.	To review compliance with the provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 at least once in a financial year and verify that the systems for internal control are adequate and are operation effectively.	Q
22.	To review the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding ₹100 Crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments	Q
23.	To oversee the company' s disclosures and compliance risks, including those related to climate	Q
24.	To consider and comment on rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders	P
25.	To review key significant issues, tax and regulatory/legal report which is likely to have significant impact on financial statements and management's report on actions taken there on	P
26.	To discuss with the management regarding pending technical and regulatory matters that could affect the financial statements and updates on management's plans to implement new technical or regulatory guidelines	Q
27.	To review and recommend to the Board for approval–Business plan, Budget for the year and revised estimates	A
28.	To review Company's financial policies, strategies and capital structure, working capital and cash flow management	H
29.	To ensure the Internal Auditor has direct access to the Committee chair, providing independence from the executive and accountability to the committee	Q
30.	To review the treasury policy & performance of the Company, including investment of surplus funds and foreign currency operations	P
31.	To review management discussion and analysis of financial condition and results of operations	A
32.	To review, examine and deliberate on all the concerns raised by an out-going auditors and to provide views to the Management and Auditors	P
33.	To carry out any other function mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable.	P

Frequency – A- Annually, Q- Quarterly, H- Half yearly, P- Periodically

Composition, Meetings and Attendance of the Audit Committee

During the revised Financial year ended on 31st March, 2023, ten meetings of the Audit Committee were held i.e. on 17th February, 2022, 28th April, 2022, 21st June, 2022, 19th July, 2022, 5th August, 2022, 16th September, 2022, 21st October, 2022, 10th January, 2023, 6th February, 2022 and 23rd March, 2023.The intervening gap between two meetings did not exceed 120 (one hundred and twenty) days.

The composition of the Audit Committee and the meeting attended by its members during FY 2022-23 are given below:

Sr. No.	Name and Designation	Category	Number of meetings: Held during the tenure of the Director	Number of meetings: Attended	% of Attend-ance
1.	Mr. Rajnish Kumar (Chairman w.e.f. 16.09.2022)	Non-Executive, Independent	5	5	100%
2.	Mr. Maheswar Sahu (Member w.e.f. 16.09.2022)	Non-Executive, Independent	5	5	100%
3.	Mr. Ameet Desai (Member w.e.f. 16.09.2022)	Non-Executive, Independent	5	5	100%
4.	Mr. Rajendra Chitale (Ceased to be a member w.e.f 16.09.2022)	Non-Executive, Independent	5	5	100%
5.	Mr. Nasser Munjee (Ceased to be a member w.e.f 16.09.2022)	Non-Executive, Independent	5	5	100%
6.	Ms. Shikha Sharma (Ceased to be a member w.e.f 16.09.2022)	Non-Executive, Independent	5	1	20%
7.	Dr. Omkar Goswami (Ceased to be a member w.e.f 16.09.2022)	Non-Executive, Independent	5	5	100%
8.	Mr. Mahendra K. Sharma (Ceased as memberw.e.f 29th April, 2022)	Non-Executive, Non-Independent	2	2	100%
9.	Mr. Martin Kriegner (Ceased to be a member w.e.f 16.09.2022)	Non-Executive, Non-Independent	5	5	100%

All members of the Audit Committee have accounting and financial management knowledge and expertise/ exposure. The Audit Committee meetings are attended by the Internal Auditors, Statutory Auditors, Chief Financial Officer.

The minutes of the Audit Committee Meetings are reviewed by the Board at its subsequent meetings.
The Company Secretary act as the Secretary of the Committee. The last AGM held on 29th April, 2022 was attended by the then Chairman of Audit Committee, Mr. Rajendra Chitale who answered to the shareholders' queries.

B. Nomination and Remuneration Committee

As on 31st March 2023, all the members of the Nomination and Remuneration Committee (NRC) were Independent Directors. A detailed charter of the NRC is also available on the website of the Company at https://www.ambujacement.com/Upload/PDF/2.-Nomination-&-Remuneration-Committee-Charter.pdf

Terms of reference:

The powers, role and terms of reference of NRC covers the areas as contemplated under the SEBI Listing Regulations and Section 178 of the Act.

The brief terms of reference of NRC are as under:

Sr. No.	Terms of Reference	Frequency
1.	To formulate the criteria for determining qualifications, positive attribute sand independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees.	A
2.	To evaluate the balance of skills, knowledge and experience on the Board while appointing an Independent Director and based on such evaluation, prepare a description of the roles and capabilities required of an Independent Director. For the purpose of identifying suitable candidates, the Committee may:- a) Use the services of an external agencies, if required. b) Consider candidates from a wide range of backgrounds, having due regard to diversity; and c) Consider the time commitments of the candidates.	P
3.	To formulate criteria for & mechanism of evaluation of Independent Directors and the Board of directors	A
4.	To specify the manner for effective evaluation of performance of Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance.	A
5.	To devise a policy on diversity of Board of Directors.	P
6.	To Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal,	P
7.	To extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.	A
8.	ToreviewandrecommendremunerationoftheManagingDirector(s)/Whole-timeDirector(s) based on their performance	A
9.	To recommend to the Board, all remuneration, in whatever form, payable to senior management	A
10.	To review, amend and approve all Human Resources related policies	A
11.	To ensure that the management has in place appropriate programs to achieve maximum leverage from leadership, employee engagement, change management, training & development, performance management and supporting system	A
12.	To oversee work places safety goals, risks related to work force and compensation practices	A
13.	To oversee employee diversity programs	A
14.	To oversee HR philosophy, people strategy and efficacy of HR practices including those for leadership development, rewards and recognition, talent management and succession planning (specifically for the Board, KMP and Senior Management)	A
15.	To oversee familiarisation programme for Directors	A
16.	To recommend the appointment of one of the Independent Directors of the Company on the Board of its Material Subsidiary	P
17.	To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification, as may be applicable	P

Frequency – A-Annually, P-Periodically

Composition, Meetings and Attendance of the Nomination & Remuneration Committee

During FY 2022-23, six meetings of the NRC were held i.e. on 17th March, 2022, 27th April, 2022, 15th May, 2022, 16th September, 2022 (2 meetings) and 6th February, 2023.

The composition of the Nomination and Remuneration Committee and the meeting attended by its members during FY 2022-23 are given below:

Sr. No.	Name and Designation	Category	Number of meetings		% of Attend-ance
			Held during the tenure	Attended	
1.	Ms. Purvi Sheth, (Chairman w.e.f. 16.09.2022)	Non-Executive, Independent	2	2	100%
2.	Mr. Maheswar Sahu, (Member w.e.f. 16.09.2022)	Non-Executive, Independent	2	2	100%
3.	Mr. Rajnish Kumar, (Member w.e.f. 16.09.2022)	Non-Executive, Independent	2	2	100%
4.	Mr. Nasser Munjee, (Chairman upto 16.09.2022)	Non-Executive, Independent	4	4	100%
5.	Mr. N. S. Sekhsaria (Member upto 16.09.2022)	Non-Executive, Non-Independent	4	3	75%
6.	Mr.ShaileshHaribhakti (Member upto 16.09.2022)	Non-Executive, Independent	4	4	100%
7.	Mr. MartinKriegner (Member upto 16.09.2022)	Non-Executive, Non-Independent	4	4	100%
8.	Ms. Shikha Sharma (Member upto 16.09.2022)	Non-Executive, Independent	4	3	75%
9.	Dr. Omkar Goswami (Member upto 16.09.2022)	Non-Executive, Independent	4	4	100%

The minutes of NRC Meetings are reviewed by the Board at its subsequent meetings.

The Company Secretary acts as the Secretary of the Committee.

C. Stakeholders' Relationship Committee

The Stakeholders Relationship Committee (SHRC) comprise of Board members, with a majority of Independent Directors. A detailed charter of the SRC is also available on the website of the Company a t https://www.ambujacement.com/Upload/PDF/3.-Stakeholders-Relationshio-Commiottee-Charter.pdf

Terms of Reference:

The powers, role and terms of reference of SHRC covers the areas as contemplated under the SEBI Listing Regulations and Section 178 of the Act.

The brief terms of reference of SHRC are as under:

Sr. No.	Terms of Reference	Frequency
1.	To look into various aspects of interest of shareholders, debenture holders and other security holders including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.	Q
2.	To review the measures taken for effective exercise of voting rights by shareholders	A
3.	Toreviewadherencetotheservicestandardsadoptedinrespectofvariousservicesbeingrenderedby the Registrar &Share Transfer Agent	A
4.	To review various measures and initiatives taken for reducing the quantum of unclaimed dividend sand ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company	Q
5.	To review engagement programs with investors, proxy advisors, etc. and to oversee investors movement (share register)	Q
6.	To review engagement with rating agencies (Financial, ESG etc.)	H
7.	To oversee statutory compliance relating to all the securities issued, including but not limited to dividend payments, transfer of unclaimed dividend amounts/unclaimed shares to the IEPF	A
8.	To suggest and drive implementation of various investor-friendly initiatives	H
9.	To approve and register transfer and/or transmission of securities, issuance of duplicate security certificates, issuance of certificate on re materialization and to carry out to their related activities	P
10.	To carry out any other function as is referred by the Board from time to time or enforced by any statutory notification/amendment or modification as may be applicable	P

Frequency - A - Annually Q - Quarterly H - Half yearly P - Periodically

Composition, Meetings and Attendance of Stakeholders' Relationship Committee

During FY 2022-23, four meetings of SHRC were held i.e. On 16th February, 2022, 27th April, 2022, 18th July, 2022 and 6th February, 2023.

The composition of the Stakeholders' Relationship Committee and the meeting attended by its members during FY 2022-23 are given below:

Sr. No	Name and Designation	Category	Number of meetings		% of attendance
			Held during the tenure	Attended	
1.	Mr. Maheshwar Sahu (Chairman w.e.f. 16.09.2022)	Non- Executive Independent	1	1	100%
2.	Mr. Ameet Desai (Member w.e.f. 16.09.2022)	Non- Executive Independent	1	1	100%
3.	Mr. Karan Adani (Member w.e.f. 16.09.2022)	Non-Executive, Non-Independent	1	1	100%
4.	Mr. Ajay Kapur (Member w.e.f. 16.09.2022)	Executive	1	1	100%
5.	Mr. Ranjit Shahani, (Chairman upto 16.09.2022)	Non-Executive, Non-Independent	3	3	100%
6.	Dr. Omkar Goswami (Member upto 16.09.2022)	Non- Executive Independent	3	3	100%
7.	Mr. Rajendra Chitale (Member upto 16.09.2022)	Non- Executive Independent	3	3	100%
8.	Mr.Neeraj Akhoury (Member upto 16.09.2022)	Executive	3	3	100%

The Company Secretary is the Compliance Officer of the Company as per requirements of the SEBI Listing Regulations.

The minutes of the SHRC Meetings are reviewed by the Board at its subsequent meetings.

The Company Secretary acts as the Secretary of the Committee.

The last AGM held on 29th April, 2022 was attended by the then Chairman of SHRC, Mr. Ranjit Shahani who answered to the shareholders' queries.

Redressal of Investor Grievances

The Company and its Registrar and Share Transfer Agent address all complaints, suggestions and grievances expeditiously and replies are sent usually within 7-10 days except in case of dispute over facts or other legal impediments and procedural issues. The Company endeavours to implement suggestions as and when received from the investors.

Details of complaints received and redressed during the year:

Opening Balance	During the year		Pending Complaints
	Received	Resolved	
Nil	70	70	Nil

All complaints have been resolved to the satisfaction of shareholders.

D. Corporate Social Responsibility (CSR) Committee

As on 31st March 2023, the CSR Committee comprise of four members, with a majority of Independent Directors. A detailed charter of the CSR Committee is also available on the web site of the Company at https://www.ambujacement.com/Upload/PDF/4.-Corporate-Social-Responsibility-Committee-Charter.pdf

Terms of reference:

The powers, role and terms of reference of CSR Committee covers the areas as contemplated under Section 135 of the Act. The brief terms of reference of CSR Committee are as under:

SN	Terms of Reference	Frequency
1.	To formulate and recommend to the Board, a Corporate Social Responsibility ("CSR") Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013 and rules made there under and review there of	A
2.	To formulate and recommend to the Board, an annual action plan in pursuance to CSR Policy	A
3.	To recommend to the Board the amount of expenditure to be incurred on the CSR activities	A
4.	To monitor the implementation of framework of CSR Policy	A
5.	To review the performance of the Company in the areas of CSR	H
6.	To institute a transparent monitoring mechanism for implementation of CSR projects/activities undertaken by the company	H
7.	To recommend extension of duration of existing project and classify it as on-going project or other than on-going project.	A
8.	To submit annual report of CSR activities to the Board	A
9.	To consider and recommend appointment of agency/consultant for carrying out impact assessment for CSR projects, as applicable, to the Board	A
10.	To review and monitor all CSR projects and impact assessment report	A
11.	To carry out any other function as is mandated by the Board from time to time and/or enforced by any statutory notification, amendment or modification as may be applicable or as may be necessary or appropriate for performance of its duties	P

Frequency – A - Annually Q - Quarterly H - Half yearly P - Periodically

Composition, Meetings and Attendance of CSR Committee

During FY 2022-23, three meetings of CSR Committee were held i.e. on 16th February, 2022, 27th April, 2022 and 6th February, 2023.

The composition of the Corporate Social Responsibility Committee and the meeting attended by its members during FY 2022-23 are given below:

Sr. No	Name and Designation	Category	Number of meetings		% of attendance
			Held during the tenure	Attended	
1.	Mr. Rajnish Kumar (Chairman w.e.f 16th September, 2022)	Non- Executive, Independent	1	1	100%
2.	Mr. Maheshwar Sahu (Member w.e.f 16th September, 2022)	Non- Executive, Independent	1	1	100%
3.	Ms. Purvi Sheth (Member w.e.f 16th September, 2022)	Non-Executive, Independent	1	1	100%
4.	Mr. Karan Adani (Member w.e.f 16th September, 2022)	Non- Executive, Non-Independent	1	1	100%
5.	Mr N S Sekhsaria (Chairman upto 16th September, 2022)	Non- Executive, Non-Independent	2	2	100%
6.	Mr Nasser Munjee (Member upto 16th September, 2022)	Non-Executive, Independent	2	2	100%
7.	Mr. Rajendra Chitale (Member upto 16th September, 2022)	Non-Executive, Independent	2	2	100%
8.	Mr. Martin Kriegner (Member upto 16th September, 2022)	Non- Executive, Non-Independent	2	2	100%
9.	Mr. Mahendra Kumar Sharma (Member upto 16th September, 2022)	Non- Executive, Non-Independent	2	2	100%

The minutes of the CSR Committee Meetings are reviewed by the Board at its subsequent meetings.

The Company Secretary act as the Secretary of the Committee.

E. Risk Management Committee

As on 31st March, 2023, the Risk Management Committee (RMC) comprise of four members. A detailed charter of the RMC is available on the website of the Company at https://www.ambujacement.com/Upload/PDF/5.-Risk-Management-Committee-Charter.pdf

The Board at its meeting held on 16th September, 2022 constituted the following committees as Sub-committees of RMC, as a part of good corporate governance practice –

- Mergers & Acquisitions Committee
- Legal, Regulatory & Tax Committee
- Reputation Risk Committee
- Commodity Price Risk Committee

Constitution, meetings and terms of reference and other details of above Sub-committees, are separately included as a part of this report.

Terms of reference:

The powers, role and terms of reference of RMC covers the areas as contemplated under Regulation 21 of the SEBI Listing Regulations. The brief terms of reference of RMC are as under:

Sr. No.	Terms of Reference	Frequency
1.	To review the Company's risk governance structure, risk assessment and risk management policies, practices and guidelines and procedures, including the risk management plan.	A
2.	To review and approve the Enterprise Risk Management ('ERM') framework	A
3.	To formulate a detailed risk management policy which shall include: a. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information technology, cybersecurity risks or any other risk as may be determined by the Committee b. Measures for risk mitigation including systems and processes for internal control of identified risks c. Business continuity plan, Oversee of risks, such as strategic, financial, credit, market, liquidity, technology, security, property, IT, legal, regulatory, reputational, and other risks d. Oversee regulatory and policy risks related to climate change, including review of state and Central policies	A
4.	To ensure that appropriate methodology, processes and systems are in place to identify, monitor, evaluate and mitigate risks associated with the business of the Company	Q
5.	To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems	Q
6.	To review compliance with enterprise risk management policy, monitor breaches/trigger trips of risk tolerance limits and direct action	H
7.	To periodically review the risk management policy, at least once in a year, including by considering the changing industry dynamics and evolving complexity	A
8.	To consider appointment and removal of the Chief Risk Officer, if any, and review his terms of remuneration	P
9.	To review and approve Company's risk appetite and tolerance with respect to line of business	H
10.	To review and monitor the effectiveness and application of credit risk management policies, related standards and procedures to control the environment with respect to business decisions	A
11.	To review and recommend to the Board various business proposals for their corresponding risks and opportunities	P
12.	To obtain reason able assurance from management that all known and emerging risks has been identified and mitigated and managed	Q
13.	To form and delegate authority to sub-committees, when appropriate, such as:	
	- Mergers& Acquisition Committee;	
	- Legal, Regulatory &Tax Committee;	
	- Commodity Price Risk Committee;	
	- Reputation Risk Committee; and	
	- Other Committee(s) as the committee may think appropriate	P
14.	To oversee suppliers' diversity.	A
15.	To carry out any other function as is referred by the Board from time to time or enforced by any statutory notification/ amendment or modification as may be applicable.	-

Frequency – A - Annually Q - Quarterly H - Half Yearly P - Periodically

Composition, Meetings and Attendance of RMC

During FY 2022-23, two meetings of RMC were held i.e. on 10th June, 2022 and 2nd December, 2022.

The composition of the Risk Management Committee and the meeting attended by its members during the FY 2022-23 are given below:

Sr. No	Name and Designation	Category	Number of meetings		% of attendance
			Held during the tenure	Attended	
1.	Mr. Ameet Desai (Chairman w.e.f 16th September, 2022)	Non- Executive, Independent	1	1	100%
2.	Ms. Purvi Sheth (Member w.e.f 16th September, 2022)	Non- Executive, Independent	1	1	100%
3.	Mr. Rajnish Kumar (Member w.e.f. 16th September, 2022)	Non- Executive, Independent	1	NIL	NIL
4.	Mr. Ajay Kapur (Member w.e.f. 16th September, 2022)	Whole Time Director & CEO	1	NIL	NIL
5.	Mr. Rajendra Chitale (Chairman upto 16th September, 2022)	Non- Executive, Independent	1	1	100%
6.	Mr. Nasser Munjee (Member upto 16th September, 2022)	Non- Executive, Independent	1	1	100%
7.	Mr. Shailesh Haribhakti (Member upto 16th September, 2022)	Non- Executive, Independent	1	1	100%
8.	Mr. Neeraj Akhoury (Member upto 16th September, 2022)	Executive	1	1	100%

The Company has a risk management framework to identify, monitor and minimize risks. The minutes of the RMC Meetings are reviewed by the Board at its subsequent meetings.

The Company Secretary acts as the Secretary of the Committee.

II. Non-Statutory Committees

A. Corporate Responsibility Committee (CRC)

To align with the Adani group policies, the Sustainability Committee was renamed as Corporate Responsibility Committee on 16th September, 2022. As on 31st March, 2023, all the members of the CRC are Independent Directors. A detailed charter of the Corporate Responsibility Committee is available on the website of the Company at https://www.ambujacement.com/Upload/PDF/10.-Corporate-Responsibility-Committee-Charter.pdf

Terms of reference:

The brief terms of reference of CRC are as under:

Sr. No.	Terms of Reference	Frequency
1.	To define the Company's corporate and social obligations as a responsible citizen and oversee its conduct in the context of those obligations	A
2.	To approve a strategy for discharging the Company's corporate and social responsibilities in such a way as to provide an assurance to the Board and stakeholders	Q
3.	To oversee the creation of appropriate policies and supporting measures (including Public disclosure policy, Anti-money Laundering policy, Anti Bribery, Fraud & Corruption policies etc.) and map them to UNSDG and GRI disclosure standards	A
4.	To identify and monitor those external developments which are likely to have a significant influence on Company's reputation and/or its ability to conduct its business appropriately as a good citizen and review how best to protect that reputation or that ability	Q
5.	To review the Company's stakeholder engagement plan (including vendors/supply chain)	A
6.	To ensure that appropriate communications policies are in place and working effectively to build and protect the Company's reputation both internally and externally	A
7.	To review the Integrated Annual Report of the Company	A

Sr. No.	Terms of Reference	Frequency
8.	To review and direct for alignment of actions/initiatives of the Company with United Nations Sustainable Development Goals 2030 (UNSDG): 1. No poverty 2. Zero hunger 3. Good health &wellbeing 4. Quality education 5. Gender equality 6. Clean water and sanitation 7. Affordance and clean energy 8. Decent work and economic growth 9. Industry, Innovation and Infrastructure 10. Reduced inequalities 11. Sustainable cities and communities 12. Responsible consumption and production 13. Climate action 14. Life below water 15. Life on land 16. Peace and justice strong intuitions 17. Partnerships for goals	A
9.	To review sustainability and/or ESG and/or Climate reports or other disclosures such as ethical governance, environmental stewardship, safety performance, water and energy use etc. and similar communications to stakeholders on ESG initiatives and activities by the Company and ensure mapping of the same to GRI disclosure standards	A
10.	To oversee strategies, activities and policies regarding sustainable organisation including environment, social, governance, health and safety, human talent management and related material issue and indicators in the global context and evolving statutory framework	A
11.	To oversee ethical leadership, compliance with the Company's sustainability policy, sustainability actions and proposals and their tie-in with the Strategic Plan, interaction with different stakeholders and compliance with the ethics code.	H
12.	To oversee Company's initiatives to support innovation, technology, and sustainability.	A
13.	To oversee sustainability risks related to supply chain, climate disruption and public policy	H
14.	To monitor Company's ESG ratings/scores from ESG rating agencies and improvement plan	H
15.	To approve appointment of Chief Sustainability Officer after assessing the qualification, experience and background etc. of the candidate	P
16.	To oversee the Company's:	
a.	Vendor development and engagement programs;	
b.	Program for ESG guidance (including Climate) to stakeholders and to seek feedback on the same and make further improvement programs	Q
17.	To provide assurance to Board in relation to various responsibilities being discharged by the Committee	H

Frequency – A - Annually Q - Quarterly H - Half yearly P - Periodically

Composition, Meetings and Attendance of CRC

During FY 2022-23, two meeting of CRC was held on 30th March, 2022 and 6th February, 2023.

The composition of the Corporate Responsibility Committee and the meeting attended by its members during FY 2022-23 are given below:

Sr. No	Name and Designation	Category	Number of meetings		% of attendance
			Held during the tenure	Attended	
1)	Ms. Purvi Seth (Chairman w.e.f. 16.09.2022)	Non-Executive & Independent	1	1	100%
2)	Mr. Maheshwar Sahu (Member w.e.f. 16.09.2022)	Non- Executive Independent	1	1	100%
3)	Mr. Ameet Desai (Member w.e.f. 16.09.2022)	Non-Executive & Independent	1	1	100%
4)	Mr. Rajnish Kumar (Member w.e.f. 16.09.2022)	Non-Executive & Independent	1	1	100%
5)	Mr. Martin Kriegner (Member upto 16th September, 2022)	Non- Executive, Non-Independent	1	1	100%
6)	Mr. N. S. Sekhsaria (Chairman upto 16th September, 2022)	Non- Executive, Non-Independent	1	1	100%
7)	Mr. Mahendra Kumar Sharma (Member upto 28th April, 2022)	Non- Executive, Non-Independent	1	1	100%
8)	Mr. Ranjit Shahani (Member upto 16th September, 2022)	Non-Executive, Non-Independent	1	1	100%

The minutes of CRC Meetings are reviewed by the Board at its subsequent meetings.

The Company Secretary acts as the Secretary of the Committee.

B. Public Consumer Committee (PCC)

The Board, at its meeting held on 16th September, 2022 constituted the PCC. As on 31st March, 2023, all the members of the PCC are Independent Directors. A detailed charter of the PCC is available on the website of the Company at https://www.ambujacement.com/Upload/PDF/11.-Public-Consumer-Committee-Charter.pdf

Terms of reference:

The brief terms of reference of PCC are as under:

Sr. No.	Terms of Reference	Frequency
1.	To devise a policy on consumer services	A
2.	To oversee consumer relationships management (approach, attitude and fair treatment) including the Company's policies, practices and services offered.	H
3.	To review the actions taken for building and strengthening consumer service orientation and providing suggestion for simplifying processes for improvement in consumer service levels	H
4.	To discuss service updates, ongoing projects specifically targeted towards improvement of consumer service and appropriate actions arising from discussions.	H
5.	To examine the possible methods of leveraging technology for better consumer services with proper safeguards and recommend measures to enhance consumer ease	H
6.	To seek/provide feedback on quality of services rendered by the Company to its consumers	H
7.	To examine the grievance redressal mechanism, its structure, framework, efficacy and recommend changes/improvements required in the system, procedures and processes to make it more effective and responsive	H
8.	To review the status of grievances received, redressed and pending for redressal	H
9.	To review the working of Alternate Dispute Redressal (ADR) Mechanism, if established by the Company	H
10.	To approve appointment of Chief Consumer Officer after assessing the qualifications, experience and background, etc. of the candidate and to oversee his performance	P
11.	To oversee policies and processes relating to advertising and compliance with consumer protection laws	P
12.	To review consumer engagement plan, consumer survey/consumer satisfaction trends and to suggest directives for improvements	H

Frequency – A - Annually H - Half yearly P - Periodically

Composition, Meetings and Attendance of PCC

During FY 2022-23, one meeting of PCC was held on 6th February, 2023.

The composition of the Public Consumer Committee and the meeting attended by its members during FY 2022-23 are given below:

Sr. No	Name and Designation	Category	Number of meetings		% of attendance
			Held during the tenure	Attended	
1)	Mr. Maheshwar Sahu (Chairman w.e.f. 16.09.2022)	Non-Executive & Independent	1	1	100%
2)	Ms. Purvi Seth (Member w.e.f. 16.09.2022)	Non- Executive Independent	1	1	100%
3)	Mr. Ameet Desai (Member w.e.f. 16.09.2022)	Non-Executive & Independent	1	1	100%
4)	Mr. Rajnish Kumar (Member w.e.f. 16.09.2022)	Non-Executive & Independent	1	1	100%

The minutes of PCC Meetings are reviewed by the Board at its subsequent meetings.

The Company Secretary acts as the Secretary of the Committee.

C. Information Technology & Data Security Committee (IT & DS Committee)

The Board, at its meeting held on 16th September, 2022, constituted the IT & DS Committee. As on 31st March, 2023, IT & DS Committee comprise of four members with majority of Independent Directors. A detailed charter of the IT& DS Committee is available on the website of the Company at https://www.ambujacement.com/Upload/PDF/12.-Information-Technology-&-Data-Security-Charter.pdf

Terms of reference:

Sr. No.	Terms of Reference	Frequency
1.	To review and oversee the function of the Information Technology (IT) within the Company in establishing and implementing various latest IT tools and technologies by which various key functions and processes across various divisions within the group can be automated to the extent possible and there by to add the value	H
2.	To review and oversee the necessary actions being taken by IT and Cyber team with respect to protection of various important data across the Company and what the policy for data protection and its sustainability	A
3.	To oversee the current cyber risk exposure of the Company and future cyber risk strategy	H
4.	To review at least annually the Company's cybersecurity breach response and crisis management plan	A
5.	To review reports on any cyber security incidents and the adequacy of proposed action	H
6.	To assess the adequacy of resources and suggest additional measures to be undertaken by the Company	A
7.	To regularly review the cyber risk posed by third parties including outsourced IT and other partners	A
8.	To annually assess the adequacy of the Group's cyber insurance cover	A

Frequency – A - Annually H - Half yearly

Composition, Meetings and Attendance of IT & DS Committee

During FY 2022-23, one meeting of IT & DS Committee was held on 6th February, 2023.

The composition of the Information Technology & Data Security Committee and the meeting attended by its members during the revised Financial year from 1st January, 2022 to 31st March, 2023 are given below:

Sr. No	Name and Designation	Category	Number of meetings		% of attendance
			Held during the tenure	Attended	
1	Ms. Purvi Sheth (Chairman w.e.f. 16.09.2022)	Non-Executive & Independent	1	1	100%
2	Mr. Rajnish Kumar (Member w.e.f. 16.09.2022)	Non-Executive & Independent	1	1	100%
3	Mr. Maheshwar Sahu (Member w.e.f. 16.09.2022)	Non-Executive & Independent	1	1	100%
4	Mr. Ajay Kapur (Member w.e.f. 16.09.2022)	Executive Director	1	1	100%

The minutes of IT & DS Committee Meetings are reviewed by the Board at its subsequent meetings.

The Company Secretary acts as the Secretary of the Committee.

D. Mergers & Acquisitions Committee (M&A) Committee

The Board, at its meeting held on 16th September 2022, constituted the M&A Committee as a Sub-committee of Risk Management Committee. As on 31st March, 2023, the M&A Committee comprise of four members, with a majority of Independent Directors. A detailed charter of the M&A Committee is available on the website of the Company at https://www.ambujacement.com/Upload/PDF/6.-Mergers-&-Acquisitions-Committee-Charter.pdf

Terms of reference:

Sr. No.	Terms of Reference	Frequency
1.	To review acquisition strategies with the management	P
2.	To review proposals relating to merger, acquisition, investment or divestment ("Transaction/s") that are presented to the Committee (including how such transaction fits with the Company's strategic plans and acquisition strategy, Transaction timing, important Transaction milestones, financing, key risks (including cyber security) and opportunities, Risk appetite, tolerance and the integration plan) and if thought fit, to recommend relevant opportunities to the Audit Committee / Board as appropriate	P
3.	To oversee due diligence process with respect to proposed Transaction(s) and review the reports prepared by internal teams or independent external advisors, if appointed	P
4.	To evaluate execution/completion, integration of Transaction(s) consummated, including information presented by management in correlation with the Transaction approval parameters and the Company's strategic objectives	P
5.	To periodically review the performance of completed Transaction(s)	A
6.	To review the highlights good practices and learnings from Transaction and utilize them for future Transactions	P
7.	To review the tax treatment of Transactions and ascertain their effects up on the financial statements of the Company and seek external advice on the tax treatment of these items, where appropriate	P

Frequency – A - Annually P - Periodically

Composition, Meetings and Attendance of M & A Committee

The composition of the Mergers & Acquisitions Committee FY 2022-23 is given below:

Sr. No	Name and Designation	Category
1.	Mr. Ameet Desai (Chairman w.e.f. 16.09.2022)	Non-Executive & Independent
2.	Ms. Purvi Sheth (Member w.e.f. 16.09.2022)	Non-Executive & Independent
3.	Mr. Karan Adani (Member w.e.f. 16.09.2022)	Non-Executive & Non-Independent
4.	Mr. Ajay Kapur (Member w.e.f. 16.09.2022)	Executive

No meeting of the M&A Committee was held during the revised Financial year ended 31st March, 2023.

The Company Secretary act as the Secretary of the sub-committee.

E. Legal, Regulatory &Tax Committee (LR&T Committee)

To align with the Adani group policies, the Compliance Committee was renamed as Legal, Regulatory & Tax Committee at the Board Meeting held on 16th September, 2022.

The LR&T Committee is now a Sub-committee of Risk Management Committee. As on 31st March, 2023, the LR&T Committee comprise of three members, with a majority of Independent Directors.

A detailed charter of the LR&T Committee is available on the website of the Company at https://www.ambujacement.com/Upload/PDF/7.-Legal,-Regulatory-&-Tax-Committee-Charter.pdf

Terms of reference:

Sr. No.	Terms of Reference	Frequency
1.	To exercise oversight with respect to the structure, operation and efficacy of the Company's compliance program.	A
2.	To review legal, tax and regulatory matters that may have a material impact on the Company's financial statements and disclosures, reputational risk or business continuity risk.	H
3.	To review compliance with applicable laws and regulations.	H
4.	To approve the compliance audit plan for the year and review of such audits to be performed by the internal audit department of the Company.	A
5.	To review significant inquiries received from, and reviews by, regulators or government agencies, including, without limitation, Issues pertaining to compliance with various laws or regulations, or enforcement or other actions brought or threatened to be brought against the Company by regulators or government authorities / bodies / agencies.	P
6.	To review, oversee and approve the tax strategy and tax governance framework and consider and action tax risk management issues that are brought to the attention of the Committee.	A

Frequency – A-Annually H-Half yearly P-Periodically

Composition, Meetings and Attendance of LR & T Committee

During FY 2022-23, four meeting of LRT Committee was held on 16th February, 2022, 27th April, 2022, 18th July, 2022 and 6th February, 2023.

The composition of the Legal, Regulatory & Tax Committee and the meeting attended by its members during FY 2022-23 are given below:

Sr. No	Name and Designation	Category	Number of meetings		% of attendance
			Held during the tenure	Attended	
1.	Mr. Rajnish Kumar (Chairman w.e.f. 16th September, 2022)	Non-Executive & Independent	1	1	100%
2.	Mr. Maheshwar Sahu (Member w.e.f. 16th September, 2022)	Non-Executive & Independent	1	1	100%
3.	Mr. Ameet Desai (Member w.e.f. 16th September, 2022)	Non-Executive & Independent	1	1	100%
4.	Mr. Ajay Kapur (Member w.e.f. 16th September, 2022)	Executive	1	1	100%
5.	Mr. Nasser Munjee (Chairman upto16th September, 2022)	Non-Executive & Independent	3	3	100%
6.	Dr. Omkar Goswami (Memberupto16th September, 2022	Non-Executive & Independent	3	3	100%
7.	Mr. Shailesh Haribhakti (Memberupto16th September, 2022)	Non-Executive & Independent	3	3	100%
8.	Ms. Then Hwee Tan (Memberupto16th September, 2022)	Non-Executive & Non-Independent	3	3	100%
9.	Mr. Neeraj Akhoury (Memberupto16th September, 2022)	Executive	3	3	100%

The minutes of LR & T Committee meetings are reviewed by the Board at its subsequent meetings.

The Company Secretary acts as the Secretary of the sub-committee.

F. Reputation Risk Committee

The Board, at its meeting held on 16th September, 2022 constituted the Reputation Risk Committee as a Sub-committee of Risk Management Committee.

As on 31st March, 2023, the Reputation Risk Committee comprise of four members. A detailed charter of the Reputation Risk Committee is available on the website of the Company at https://www.ambujacement.com/Upload/PDF/8.-Reputation-Risk-Committee-Charter.pdf

Terms of reference:

Sr. No.	Terms of Reference	Frequency
1.	To review reports from management regarding reputation risk, including reporting on the Reputation Risk Management Framework and Reputation Risk Appetite.	H
2.	To provide ongoing oversight of the reputational risk posed by global business scenario, functions, geographies, material legal changes, climate change or high-risk relationships/ programs.	H
3.	To assess and resolve specific issues, potential conflicts of interest and other reputation risk issues that are reported to the Committee.	P
4.	To recommend good practices and measures that would avoid reputational loss.	A
5.	To review specific cases of non-compliances, violations of codes of conduct which may cause loss to reputation the Company.	P

Frequency – A - Annually H - Half yearly P - Periodically

Composition, Meetings and Attendance of RRC

During FY 2022-23, one meeting of RRC was held on 6th February, 2023.

The composition of the Reputation Risk Committee and the meeting attended by its members during FY 2022-23 are given below:

Sr. No	Name and Designation	Category	Number of meetings		% of attendance
			Held during the tenure	Attended	
1)	Mr. Maheshwar Sahu (Chairman w.e.f. 16.09.2022)	Non-Executive & Independent	1	1	100%
2)	Ms. Rajnish Kumar (Member w.e.f. 16.09.2022)	Non- Executive Independent	1	1	100%
3)	Mr. Karan Adani (Member w.e.f. 16.09.2022)	Non-Executive & Non-Independent	1	1	100%
4)	Mr. Ajay Kapur (Member w.e.f. 16.09.2022)	Executive	1	1	100%

The minutes of Reputation Risk Committee Meetings are reviewed by the Board at its subsequent meetings.

The Company Secretary acts as the Secretary of the sub-committee.

G. Commodity Price Risk Committee

The Board, at its meeting held on 16th September, 2022, constituted the Commodity Price Risk Committee as a Sub-committee of Risk Management Committee. As on 31st March, 2023, the Commodity Price Risk Committee comprise of four members. A detailed charter of the Commodity Price Risk Committee is available on the website of the Company at https://www.ambujacement.com/Upload/PDF/9.-Commodity-Price-Risk-Committee-Charter.pdf

Terms of reference:

Sr. No.	Terms of Reference	Frequency
1.	To monitor commodity price exposures of the Company	H
2.	To oversee procedures for identifying, assessing, monitoring and mitigating commodity price risks	A
3.	To devise Commodity Price Risk Management (CPRM) Policy and to monitor implementation of the same	A
4.	To review strategy for hedging in relation to volume, tenure and choice of the hedging instruments and to approve/ratify of any deviations in transactions vis-a-vis the CPRM Policy.	A
5.	To review MIS, documentation, outstanding positions including market to market transactions and internal control mechanisms.	H
6.	To review internal audit reports in relation to the CPRM Policy.	A
7.	To review and amend the CPRM Policy, if market conditions dictate from time to time.	A

Frequency – A - Annually H - Half yearly

Composition, Meetings and Attendance of CPRC

During FY 2022-23, one meeting of CPRC was held on 6th February, 2023.

The composition of the Commodity Price Risk Committee and the meeting attended by its members during FY 2022-23 are given below:

Sr. No	Name and Designation	Category	Number of meetings		% of attendance
			Held during the tenure	Attended	
1.	Mr. Ameet Desai (Chairman w.e.f. 16.09.2022)	Non-Executive & Independent	1	1	100%
2.	Mr. Rajnish Kumar (Member w.e.f. 16.09.2022)	Non-Executive & Independent	1	1	100%
3.	Mr. Karan Adani (Member w.e.f. 16.09.2022)	Non-Executive & Non-Independent	1	1	100%
4.	Mr. Ajay Kapur (Member w.e.f. 16.09.2022)	Executive	1	1	100%

The minutes of Commodity Price Risk Committee meetings are reviewed by the Board at its subsequent meetings.

The Company Secretary acts as the Secretary of the sub-committee.

4. SUBSIDIARY COMPANIES

The Company does not have any material unlisted subsidiary, and hence, the Company is not required to nominate an Independent Director of the Company on the Board of any subsidiary. The subsidiaries of the Company function with an adequately empowered board of directors and sufficient resources.

For more effective governance, the Company monitors performance of subsidiary companies, inter alia, by following means:

1. Financial statements, in particular investments made by subsidiary companies, are reviewed quarterly by the Company's Audit Committee and the Board.
2. Minutes of subsidiary companies are placed before the Board of the Company regularly.
3. A statement, wherever applicable, of all significant transactions and arrangements entered into by the Company's subsidiaries is presented to the Board at its meetings.
4. Presentations are made to the Company's Board on business performance of subsidiaries of the Company by the Senior Management.

The Company has a policy for determining 'material subsidiaries' which is uploaded on the website of the Company at https://www.ambujacement.com/Upload/PDF/5.-Policy-for-determining-material-subsidiary.pdf.

5. WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blower Policy and has established the necessary vigil mechanism for its employees and Directors to report concerns about any unethical and improper activity. No person has been denied access to the Chairman of the Audit Committee. The Whistle Blower policy is uploaded on the website of the Company at https://www.ambujacement.com/Upload/PDF/3.-Whistle-Blower-Policy_New.pdf

The Audit Committee monitors and reviews the investigations of the whistle blower complaints. During the year under review, 20 complaints were received and resolved after investigation under Whistle Blower Policy during the year.

6. GENERAL BODY MEETINGS

a) Annual General Meetings

The date, time and location of the Annual General Meetings held during the preceding 3 years and special resolutions passed there at are as follows:

Financial Year	Venue of AGM	Date, Day and Time	Special R esolution passed
2021 39th AGM	Video conferencing (VC) / Other Audio Visual Means (OAVM)	Friday, 29th April, 2022 at 2:00 p.m.	No special resolutions were passed.
2020 38th AGM		Friday, 9th April, 2021 at 12:00 noon	No special resolutions were passed.
2019 37th AGM		Friday, 10th July, 2020 at 10.30 a.m.	No special resolutions were passed.

The Company had passed the following special resolutions at the Extra Ordinary General Meeting held on 8th October, 2022: -

1	Appointment of Mr. Maheswar Sahu as an Independent Director
2	Appointment of Mr. Rajnish Kumar as an Independent Director
3	Appointment of Mr. Ameet Desai as an Independent Director
4	Appointment of Ms. Purvi Sheth as an Independent Director
5	Amendment to the Articles of Association
6	Change of Registered Office outside the local limits but within the same jurisdiction of Registrar of Companies.
7	Issue of Securities on a Preferential Basis.

b) Whether special resolutions were put through postal ballot last year, details of voting pattern:

There were no special resolutions passed through postal ballot process.

c) Whether any resolutions are proposed to be conducted through postal ballot:

There is no immediate proposal for passing any resolution through postal ballot. None of the businesses proposed to be transacted at the ensuing AGM require passing of are solution through postal ballot.

d) **Procedure for postal ballot:**

Prescribed procedure for postal ballot, as per the provisions contained in this behalf in the Act read with rules made there under as amended from time to time, shall be complied with, whenever necessary.

7. MEANS OF COMMUNICATION

a) **Financial Results:**

The quarterly/half-yearly and annual results of the Company are normally published in the Financial Express (English)and Financial Express (Gujarati).

The quarterly/half-yearly and annual results and other official news release is placed on the website of the Company–www.ambujacements.com Shortly after its submission to the Stock Exchanges.

b) **Intimation to Stock Exchanges:**

The company regularly intimates to the Stock Exchanges all price sensitive and other information which are material and relevant to the investors.

c) **Earnings Calls and Presentations to Analysts:**

At the end of each quarter, the company organizes meetings/conference call with analysts and investors and the presentations made to analysts and transcripts of earnings call are uploaded on the website thereafter.

The Company has maintained consistent communication with investors at various forums organized by investment bankers.

8. OTHER DISCLOSURES

a) **Disclosure on materially significant related party transactions:**

All related party transactions entered into during the financial year were at arm's length basis and in the ordinary course of business. The details of related party transactions are disclosed in financial section of this Annual Report. The Company has developed a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions (RPT Policy).

The said RPT Policy is uploaded on the website of the Company at https://www.ambujacement.com/Upload/PDF/2.-Related-Party-Transcation-Policy.pdf

In the preparation of the financials statements, the Company has followed the accounting policies and practices as prescribed in the Accounting Standards.

b) **Details of compliance**

The Company has complied with all the requirements of the Stock Exchanges as well as the regulations and guidelines prescribed by the Securities and Exchange Board of India (SEBI). There were no penalties or strictures imposed on the Company by Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

c) **AMBUJA Code of Conduct**

The AMBUJA Code of Conduct for the Directors and Senior Management of the Company has been laid down by the Board and the same is posted on the website of the Company at https://www.ambujacement.com/Upload/PDF/9.-Code-of-conduct-for-BOD-&-Senior-Management.pdf.

A declaration signed by the Managing Director affirming the compliance with the AMBUJA Code of Conduct by the Board Members and Senior Management Personnel of the Company is annexed to this report.

d) **Ambuja of Conduct for Prevention of Insider Trading**

Ambuja Code of Conduct for Prevention of Insider Trading, as approved by the Board, interalia, prohibits dealing in the securities of the Company by Directors and employees while in possession of unpublished price sensitive information in relation to the Company. The said Code is available on the website of the Company and the link for the same is https://www.ambujacement.com/Upload/PDF/5.--Insider-Trading-Code.pdf

e) **CEO/CFO Certificate**

The CEO and CFO have certified to the Board with regard to the financial statements and other matters as required by the SEBI Listing Regulations. The certificate is appended as an Annexure to this report.

They have also provided quarterly certificates on financial results while placing the same before the Board pursuant to Regulation 33 of the SEBI Listing Regulations.

f) **Proceeds from public issues, rights issues, preferential issues etc.**

The Company discloses to the Audit Committee, the uses/application of proceeds/funds raised from right is issue, preferential issue as part of the quarterly review of financial results, whenever applicable.

g) The designated Senior Management Personnel of the Company have disclosed to the Board that no material, financial and commercial transactions have been made during the year under review in which they have personal interest, which may have a potential conflict with the interest of the Company at large.

h) The Material Events Policy and Website Content Archival Policy are uploaded on the website of the Company at

a) **Material Events Policy: -**

https://www.ambujacement.com/Upload/PDF/6.-Material-Events-Policy.pdf

b) **Website Content Archival Policy:-**

https://www.ambujacement.com/Upload/PDF/10.-Website-Content-Archival-Policy.pdf

i) As a part of good governance practice, the Company has also constituted several policies from ESG perspective and the same are available on Company's website at as per following details –

- **Water Stewardship Policy: -** https://www.ambujacement.com/Upload/PDF/6.-Ambuja-Water-Stewardship-Policy.pdf
- **Resource Conservation Policy: -** https://www.ambujacement.com/Upload/PDF/5.-Resource-Conservation-Policy.pdf
- **ESG Policy: -** https://www.ambujacement.com/Upload/PDF/4.--ESG-Policy.pdf
- **Energy Management Policy: -** https://www.ambujacement.com/Upload/PDF/3.--Energy-Management-Policy.pdf
- **Climate Change Policy:-** https://www.ambujacement.com/Upload/PDF/2.-Climate-Change-Policy.pdf
- **Biodiversity Policy: -** https://www.ambujacement.com/Upload/PDF/1.--Biodiversity-Policy.pdf

j) Details of the familiarization programmes imparted to the Independent Directors are available on the website of the Company at https://www.ambujacement.com/Upload/PDF/8.-Familiarization-programme.pdf

k) The Company has put in place succession plan for appointment to the Board and to Senior Management.

l) The Company complies with all applicable Secretarial Standards.

m) The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub–regulation (2) of Regulation 46 of the SEBI Listing Regulations. It has obtained a certificate affirming the compliances from Statutory Auditors and the same is attached to this report.

n) As required under Regulation 36(3) of the SEBI Listing Regulations, particulars of Director seeking re-appointment at the ensuing AGM are given in the Annexure to the Notice of the 40th AGM to be held on 20th July, 2023.

o) The Company has obtained certificate from M/s Surendra Kanstiya, Practising Company Secretary confirming that none of the Directors of the Company is debarred or dis qualified by the Securities and Exchange Board of India/Ministry of Corporate Affairs or any such authority from being appointed or continuing as Director of the Company and the same is also attached to this report.

p) Total fees for all services paid by the Company and its subsidiaries, on a consolidated basis, to the Statutory Auditors and all entities in the network firm/network entity of which the Statutory Auditor is a part, is given below:

Payment to Statutory Auditors		1st January, 2022 to 31st March, 2023
1)	Statutory audit Fees	₹ 257 Lakhs
2)	Statutory audit Fees (Subsidiaries)	₹ 439 Lakhs
3)	Other Services	₹ 13 Lakhs

q) As per the requirements of The Sexual Harassment of Women at Workplace (Prevention, Prohibition& Redressal) Act, 2013 and rules made there under, the Company has constituted Internal Complaints Committees (ICs) at all relevant locations across India to consider and resolve the complaints related to sexual harassment. The ICs includes external members with relevant experience. The ICs, presided by senior women, conduct the investigations and make decisions at the respective locations. The ICs also work extensively on creating awareness on relevance of sexual harassment issues, including while working remotely.

During the year under review, there were no complaints pertaining to sexual harassment.

All new employees go through a detailed personal orientation on anti-sexual harassment policy adopted by the Company.

9. GENERAL SHAREHOLDER INFORMATION

A. Company Registration Details:

The Company is registered in the State of Gujarat, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L26942GJ1981PLC004717.

During the revised financial year, the registered office of the Company was shifted from Ambuja nagar, Taluka Kodinar, Dist Gir Somnath, Gujarat 362715 to "Adani Corporate House, Shantigram, Near Vaishnav Devi Circle, S. G. Highway, Khodiyar, Ahmedabad, Gujarat 382421, post approval of the Shareholders at the Extra Ordinary General Meeting held on 8th October, 2022.

B. 40th Annual General Meeting:

Day and Date	Time	Mode
Tuesday, 20th July, 2023	11.00a.m.	Through Video Conferencing /Other Audio Visual Means

C. Registered Office:

"Adani Corporate House", Shantigram, Near Vaishno Devi Circle, S.G. Highway, Khodiyar, Ahmedabad – 382421.

D. Financial Calendar for 2023-24: (tentative schedule, subject to change):

Period	Approval of Quarterly results
Quarter ending 30th June,2023.	First Week - August, 2023
Quarter and half year ending 30th September,2023.	First Week - November, 2023
Quarter ending 31st December,2023.	Last Week - January 2024
The year ending 31st March,2024.	First Week - of May, 2024

E. Record Date:

The Company has fixed Friday the 7th July, 2023 as the 'Record Date' for determining entitlement of Members to receive dividend for the financial year ended 31st March, 2023, if approved at the ensuing AGM.

F. Dividend Payment:

Dividend shall be paid to all eligible shareholders from 25th July 2023 onwards, if approved by the members in ensuing AGM

As per Regulation 43A of the SEBI Listing Regulations, the top 500 listed companies shall formulates a dividend distribution policy. The Board of Directors have framed a Dividend Policy to set out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to its shareholders and/or retaining profits earned by the Company. The same is posted on the website of the Company at https://www.ambujacement.com/Upload/PDF/12.-Dividend-Distribution-Policy_2022.pdf

G. Dividend Distribution Policy

The Company is paying dividend from its very first full year of operation. From a modest dividend of 11% in 1987-88, the Company has been rewarding its shareholders with appropriate dividend.

During the last 5 years, the Company has usually been maintaining the pay-out ratio of more than 20%.

As per Regulation 43A of the SEBI Listing Regulations, the top 500 listed companies shall formulate a dividend distribution policy.The Board of Directors have framed a Dividend Policy to set out the parameters and circumstances that will be taken into account by the Board in determining the distribution of dividend to its share holders and/or retaining profits earned by the Company. The same is posted on the website of the Company at https://www.ambujacement.com/Upload/PDF/12.-Dividend-Distribution-Policy_2022.pdf

H. Dividend History for the last 5 years

The dividend paid by the Company on the Equity shares for the last 5 years is as under: -

Financial year	Interim Dividend Rate (%)	Final Dividend Rate (%)	Total Dividend Rate (%)	Dividend Amt. (₹in Crores)
2017	80	100	180	714.83
2018	Nil	75	75	297.85
2019	75	Nil	75	297.85
2020	850	50	900	3,574.16
2021	-	315	315	1,250.96

I Listing of Shares and Other Securities:

(a) ISIN Code for the Company's equity share: INE079A01024

(b) Equity Shares

The equity shares of the Company are listed with the following stock exchanges:-

1	BSE Limited (BSE) P. J. Towers, Dalal Street, Fort, Mumbai - 400001	(StockCode:500425)
2	National Stock Exchange of India Limited (NSE) "Exchange Plaza", Bandra-Kurla Complex, Bandra (E), Mumbai 400 051.	(Stock Code: AMBUJACEM)

(c) Depositories:

1.	National Securities Depository Limited (NSDL) TradeWorld,4th Floor, Kamala Mills Compound, Senapati Bapat Marg, Lower Parel, Mumbai – 400013.
2.	Central Depository Services (India) Limited (CDSL) 25th Floor, A Wing, Marathon Futurex, Mafatlal Millis Compound, NM Joshi Marg, Lower Parel (E), Mumbai - 400013

Annual Listing fees of BSE & NSE and Annual Custody/Issuer fee of NSDL & CDSL for FY 2023-24 will be paid on receipt of the invoices from respective agencies.

(d) Debentures: There are no outstanding debentures.

(e) GDRs:
The GDRs are listed under the EURO MTF Platform (Code: US02336R2004) of Luxembourg Stock Exchange, S.A., 35A, Boulevard Joseph II, L-1840, Luxembourg.

J. Market Price Data:

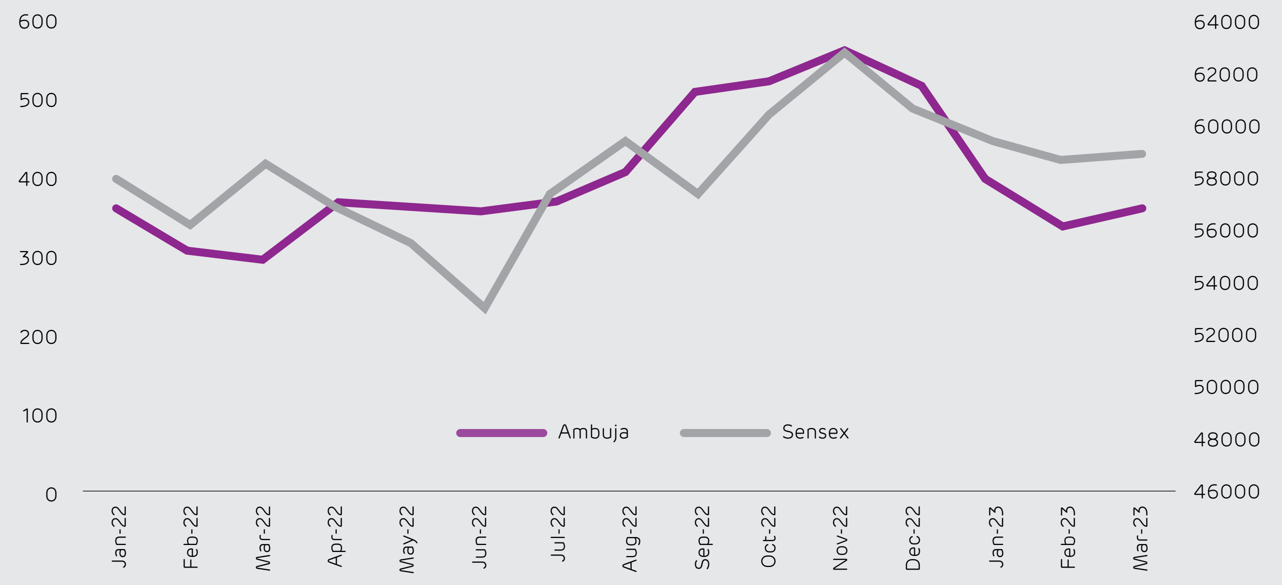
The high / low market price of the shares during the revised financial year from 1st January, 2022 to 31st March, 2023 at the Bombay Stock Exchange Limited and at National Stock Exchange of India Ltd. were as under: -

Month	BSE			NSE		
	High(H)	Low(L)	Sensex	High(H)	Low(L)	Nifty
January, 2022	409.05	340.35	58014.17	410.00	340.45	17339.85
February, 2022	386.05	302.00	56247.28	386.30	302.05	16793.9
March, 2022	315.05	274.00	58568.51	314.90	274.00	17464.75
April, 2022	390.90	298.55	57060.87	391.00	298.50	17102.55
May, 2022	382.65	349.35	55566.41	382.00	349.30	16584.55
June, 2022	376.20	355.75	53018.94	376.35	355.50	15780.25
July, 2022	376.05	362.05	57570.25	376.00	362.10	17158.25
August, 2022	426.95	374.25	59537.07	427.00	374.25	17759.3
September, 2022	585.45	405.55	57426.92	585.70	405.55	17094.35
October, 2022	538.50	471.60	60746.59	538.60	471.05	18012.2
November, 2022	593.75	533.10	63099.65	593.50	533.75	18758.35
December, 2022	598.15	486.00	60840.74	598.00	486.00	18105.3
January, 2023	536.70	345.10	59549.90	536.75	345.15	17662.15
February, 2023	412,65	315.30	58962.12	412.70	315.30	17303.95
March, 2023	404.95	340.95	58991.52	404.90	340.80	17359.75

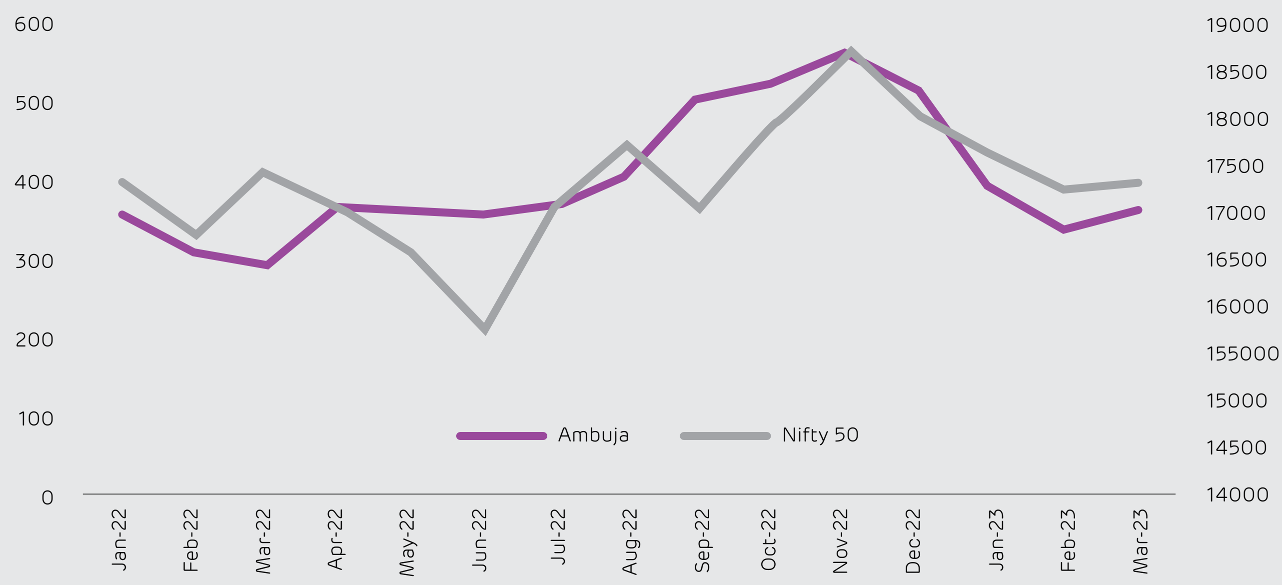
[Source: This information is compiled from the data available from the web sites of BSE and NSE]

K. Performance in comparison to broad-based indices such as BSE Sensex.

Ambuja vs Sensex



Ambuja vs Nifty 50



L. Registrar and Share Transfer Agents:

The details of the Registrar and Share Transfer Agents are: -

M/s. Link Intime India Private Limited
C-101, 247 Park, L B S Marg, Vikhroli (West),
Mumbai – 400 083.
Tel: +91-022-4918 6000/49186270
Email: rnt.helpdesk@linkintime.co.in.

M. Transfer to Investor Education and Protection Fund (IEPF)

In terms of Section124(6) of the Act read with Investor Education and Protection Fund Authority (Accounting, Auditing, Transfer and Refund) Rules, 2016, the Company has transferred the shares to the demat account to IEPF Authority in respect of which the dividend has not been claimed for a continuous period of seven years or more.

The Company had communicated to all the concerned shareholders individually whose shares were liable to be transferred to IEPF. The Company had also given newspaper advertisements, before such transfer in favour of IEPF. The Company had also uploaded the details of such shareholders and shares transferred to IEPF on the website of the Company at https://www.ambujacement.com/investors/transfer-of-unpaid-and-unclaimed-dividends-and-shares-to-iepf

In terms of the Section 125 of the Act, the amount of dividend that remained unclaimed for a period of seven years is required to be transferred to the Investor Education and Protection Fund (IEPF) administered by the Central Government. To ensure maximum disbursement of unclaimed dividend, the Company sends reminders to the relevant shareholders, before transfer of dividend to IEPF.

During the year, your Company has transferred the unclaimed and un-encashed final dividend of FY 2014 amounting to ₹ 2,00,97,892/- and interim dividend of FY 2015 amounting to ₹ 1,06,31,004/- to IEPF.

Shareholders may note that both the unclaimed dividend and corresponding shares transferred to the IEPF Authority including all benefits accruing on such shares, if any, can be claimed back by them from IEPF Authority after following the procedure (i.e., an application in E-form No. IEPF-5) prescribed in the Rules. Shareholders may refer Rule7 of the said Rules for Refund of shares/dividend etc.

N. Share Transfer System:

The Board-level Stakeholders' Relationship Committee examines and redresses investors' grievances. The status of investors' grievances and share transfers are reported to the Board.

As mandated by SEBI, securities of the Company can be transferred /traded only in dematerialised form. Further, SEBI vide its circular dated 25th January, 2022, mandated that all service requests for issue of duplicate certificate, claim from unclaimed suspense account, renewal/exchange of securities certificate, endorsement, sub-division/splitting/consolidation of certificate, transmission and transposition which were allowed in physical form should be processed in dematerialized form only. The necessary forms for the above request are available on the website of the Company i.e., https://www.ambujacement.com.

Shareholders holding shares in physical form are advised to avail the facility of dematerialisation.

Shareholders should communicate with Link Intime India Private Limited, the Company's Registrars & Share Transfer Agent at rnt.helpdesk@linkintime.co.in quoting their folio number or Depository Participant ID and Client ID number, for any queries relating to their securities. The average time taken for processing and registration of relodged share transfer requests is less than 15 days. The Stakeholders Relationship Committee considers the transfer proposals generally on a weekly basis.

During the year under review, the Company obtained following certificate(s) from a Practicing Company Secretary and submitted the same to the stock exchanges within stipulated time.

1. Certificate confirming due compliance of share transfer formalities by the Company pursuant to Regulation 40(9) of the SEBI Listing Regulations for year ended 31st March, 2023 respectively with the Stock Exchanges; and
2. Certificate regarding reconciliation of the share capital audit of the Company on quarterly basis.

   All share transfer and other communication regarding share certificates, change of address, dividend etc. should be addressed to R&T Agents of the Company at the address given above.

O. **Dematerialization of Shares and Liquidity:**

The equity shares of the Company are tradable in compulsory dematerialized segment of the Stock Exchanges and are available in depository system of National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

As on 31st March, 2023, 197,60,65,816 number of shares (constituting 99.52%) were held in dematerialized form.

P. **The Distribution of Shareholding as on 31stMarch, 2023 is as follows:**

Number of Equity shares	Number of shareholders	No. of Shares	Percentage of Shareholding (%)
Less than 50	4,82,312	79,25,641	0.40
51 to 100	94,857	79,41,090	0.40
101 to 500	96,808	2,33,41,224	1.18
501 to 1000	18,328	1,43,87,781	0.72
1001 to 5000	20,484	4,91,76,648	2.48
5001 to 10000	3,206	2,32,71,557	1.17
10001 to 50000	2,230	4,51,77,543	2.28
50001 to10000	240	1,71,74,142	0.86
100001 to500000	321	7,51,17,778	3.78
5000001 and Above 10000	194	1,72,21,31,825	86.73
TOTAL	**7,18,980**	**1,98,56,45,229**	**100.00**

Q. **Shareholding Pattern as on 31st March,2023 is as follows:**

Category	No. of Shares held	(%) of total
Promoters and Promoter Group	1,253,858,803	63.22
Foreign Portfolio Investors / Institutional Investors	220,860,136	11.12
Mutual Funds, Financial Institutions / Banks	274,035,790	13.8
OCB's, N.R.I.	12,127,470	0.61
Body Corporates	40,733,902	2.05
GDR Holders	2,206,944	0.11
Indian Public and others	181,822,184	9.10
Total	**1,985,645,229**	**100.00**

R. **Outstanding GDRs or Warrants or any Convertible Instrument, conversion Dates and likely impact on Equity:**

(i) The Company had issued Foreign Currency Convertible Bonds (FCCB) in the year 1993 and 2001. Out of the total conversion of these bonds into GDRs, 2,206,944 GDRs are outstanding as on 31st March, 2023 which are listed on the Luxembourg Stock Exchange. The underlying shares representing the outstanding GDRs have already been included in equity share capital. Therefore, there will be no further impact on the equity share capital of the Company.

(ii) The Company has issued warrants which can be converted into equity shares. The year-end outstanding position of the rights shares / warrants that are convertible into shares and their likely impact on the equity share capital is as under: -

A. Rights entitlement kept in abeyance out of the Rights Issue of equity shares and warrants to equity shareholders made in the year 1992

(₹ in Crores)

Sr. No.	Issue Particulars	Conversion rate (₹ per share)	Likely impact on full conversion	
			Share Capital	Share Premium
(i)	139830 Right shares	*6.66	0.03	0.07
(ii)	186690 Warrants	*7.50	0.04	0.10
	TOTAL		**0.07**	**0.17**

(*) conversion price has been arrived after appropriate adjustment of split and bonus issues.

(iii) The diluted equity share capital of the Company upon conversion of all the outstanding convertible instruments will become ₹ 397.16 crores. This excludes 47,74,78,249 Warrants issued on Preferential basis, which can be converted into equivalent number of Equity Shares of the Company by the allottees by payment of the balance Warrant Issue Price on or before April 18, 2024.

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

The company does not have any exposure hedged through Commodity derivatives.

The company has well defined Forex Exchange Risk Management Policy approved by Board of Directors, forex exposures are duly hedged as per the said policy through plain vanilla forward covers.

T. Credit Rating: During FY 2022-23, the CRISIL has re-affirmed the rating of the Company. During the year under review, the Company has not issued any debt instrument or any fixed deposit programme.

Facility	Amount	Rating	Action by CRISIL
Long term bank loan facilities	₹ 1650/- Crore	CRISIL AAA/stable (Triple A; Outlook: Stable)	Re-affirmed
Short term bank loan facilities		CRISIL A1+ (A One Plus)	Re-affirmed
Short term Debt	₹ 100/- Crore	CRISIL A1+ (A One Plus)	Re-affirmed

U. Plant Location:

The location of the Company's plant are given on Page **13** of this Integrated Report. The details of the plants, along with their address are also available on the Company's website.

V. Address for correspondence:

(a) Registered Office: "Adani Corporate House", Shantigram, Near Vaishno Devi Circle, S. G. Highway, Khodiyar, Ahmedabad – 382421.

(b) Exclusive e-mail id for Investor Grievances: The following e-mail ID has been designated for communicating investors' grievances: -investors.relation@adani.com.

W. Transfer of Unclaimed Equity Shares to Investor Education and Protection Fund (IEPF) Suspense Account:

Pursuant to the provisions of Section 124 and 125 of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended, ("Rules") all shares on which dividend has not been paid or claimed for seven consecutive years or more is required to be transferred to an IEPF after complying with the procedure laid down under the Rules. The Company in compliance with the aforesaid provisions and the Rules has transferred 38,09,796 equity shares of the face value of ₹ 2/- each belonging to 35,029 shareholders underlying the unclaimed dividends. The market value of the shares transferred is ₹ 140.82 crores considering the share price as on 31st March, 2023.

Members are requested to take note that the company has also initiated the process for transfer of the shares underlying the unclaimed / unpaid final dividend declared for the financial year 2015 and interim dividend for Financial year 2016, which is due for transfer to IEPF Account during May, 2023 and September 2023. Members may after completing the necessary formalities, claim their unclaimed dividends immediately to avoid transfer of the underlying shares to the IEPF. Members may note that the dividend and shares transferred to the IEPF can be claimed back by the concerned shareholders from the IEPF Authority after complying with the procedure prescribed under the Rules. Information on the procedure to be followed for claiming the dividend /shares is available on the website of the company.

X. Transfer of Disclosure relating to Demat Suspense Account/Unclaimed Suspense Account:

In according with the requirement of Regulation 34 (3) and Part F of the Schedule V of the Listing Regulations 2015, the Company report the following details in respect of equity shares lying in the Suspense account:

Particulars	Number of shareholders	Number of Equity Shares
Aggregate number of shareholders and outstanding shares in the suspense account at the beginning of the Financial Year starting 1st January, 2022	1,271	9,50,209
Less: Number of shareholders who approached the Company for transfer of shares and shares transferred from Suspense Account during 2021	25	14,767
Less: Number of shares Transferred to Investor Education and Protection Fund (IEPF)	181	7,231
Aggregate number of shareholders and outstanding shares in the suspense account as at the end of the revised Financial Year ended on 31st March, 2023	1,065	9,28,211

The voting rights on these shares will remain frozen till the rightful owner claims the shares.

10. NON-MANDATORY REQUIREMENTS:

The non-mandatory requirements have been adopted to the extent and in the manner as stated under the appropriate headings detailed below:

1. **The Board:**

   Your Company has an Non- executive Chairman and hence, the need for implementing this non-mandatory requirement does not arise.

2. **Modified opinion(s) audit report:**

   The Modified opinion has been appropriately dealt with in Note No. 65 and 71 of the Notes to the Audited Financial Statements on Standalone and Consolidated basis respectively.

3. **Shareholder Rights:**

   The quarterly, half-yearly and annual financial results of your Company are published in newspapers and posted on Company's website www.ambujacements.com. The same are also available on the sites of stock exchanges (BSE & NSE)where the shares of the Company are listed i.e. www.bseindia.com and www.nseindia.com.

4. **Separate posts of Chairperson and CEO:**

   The Chairman's office is separate from that of the Whole-time Director and CEO. Mr. Gautam S. Adani is the Non-Executive Chairman and Mr. Ajay Kapur is the Whole-time Director and CEO of the Company. They are not related to each other.

5. **Reporting of Internal Auditor:**

   The Internal Audit or of the Company is a permanent invitee to the Audit Committee Meeting and regularly attends the Meetings for reporting their findings of the internal audit to the Audit Committee Members.

****

DECLARATION REGARDING CODE OF CONDUCT

I hereby declare that all the Directors and Senior Management Personnel have confirmed compliance with the Code of Conduct as adopted by the Company during the Financial Year* 2022-23.

*The Company followed the Financial Year from January 1, 2022 to December 31, 2022. However, due to change in management the Financial Year of the Company has been extended from December 31, 2022 to March 31, 2023.

Ajay Kapur
Whole Time Director & CEO
DIN : 03096416

Ahmedabad, May 2, 2023

CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATE

Dear Sirs and Madam,

We, Ajay Kapur, Whole time Director & Chief Executive Officer and Vinod Bahety, Chief Financial Officer of the Company, do here by certify that:

a) **We have reviewed the Financial Statements and the Cash Flow Statement for the year ended March 31, 2023, and that to the best of my 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 the existing accounting standards, applicable laws and regulations.

b) To the best of our knowledge and belief, no transactions entered into by the Company during the year ended March 31,2023 are fraudulent, illegal or violate the Company's code of conduct.

c) We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of the internal control systems of the company pertaining to the financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware, have been disclosed to the Auditors and the Audit Committee and steps have been taken to rectify these deficiencies.

d) **We have indicated to the Auditors and the Audit Committee that:**

   i. There has not been any significant change in internal control over financial reporting during the year under reference;

   ii. There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements; and

   iii. We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in company's internal control system over financial reporting.

For and on behalf of Ambuja Cements Limited

Ajay Kapur
Whole Time Director & CEO
DIN : 03096416

Vinod Bahety
Chief Financial Officer

Place: Ahmedabad
Date: 02nd May, 2023

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members,
Ambuja Cements Limited

We have examined the compliance of conditions of Corporate Governance by **Ambuja Cements Limited**(hereinafter referred as "Company") for the Financial year ended March 31, 2023 as prescribed under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paras C, D and E of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as "Listing Regulations").

We state that compliance of conditions of Corporate Governance is the responsibility of the management, and our examination was limited to procedures and implementation thereof adopted by the Company for ensuring compliance with conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information and according to our examination of the relevant records and the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as prescribed under 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.

This certificate is issued solely for the purposes of complying with Listing Regulations and may not be suitable for any other purpose.

For Mehta & Mehta,
Company Secretaries
(ICSI Unique Code P1996MH007500)

Dipti Mehta
Partner
FCS No: 3667
CP No.: 23905
UDIN:F003667E000235679

Place: Mumbai
Date: May 02, 2023

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members
AMBUJA CEMENTS LIMITED
Adani Corporate House, Shantigram
Near Vaishnav Devi Circle
S. G. Highway, Khodiyar
AHMEDABAD 382421

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of AMBUJA CEMENTS LIMITED - CINL26942GJ1981PLC004717(hereinafter referred to as 'the Company') having registered office at Adani Corporate House, Shantigram, Near Vaishnav Devi Circle, S. G. Highway, Khodiyar, Ahmedabad 382421 and Corporate Office at Elegant Business Park, MIDC Cross Road 'B', Off Andheri Kurla Road, Andheri (East), Mumbai - 400 059, produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V ParaC Clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below and who were on the Board of Directors of the Company as on 31st March 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

Sr. No.	Name of the Director	DIN	Date of appointment in the Company
1	Gautam Shantilal Adani	00006273	16/09/2022
2	Ameet kumar Hiranya kumar Desai	00007116	16/09/2022
3	Maheswar Sahu	00034051	16/09/2022
4	Karan Gautam Adani	03088095	16/09/2022
5	Mangalam Rama subramanian Kumar	03628755	16/09/2022
6	Rajnish Kumar	05328267	16/09/2022
7	Purvi Sheth	06449636	16/09/2022
8	Ajay Kapur	03096416	17/09/2022

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate 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 Surendra Kanstiya Associates
Company Secretaries

Surendra U. Kanstiya
Proprietor
FCS 2777. CP No 1744
UIN: S1990MH007900
UDIN: F002777E000195277

Place: Mumbai
Date: 26th April 2023

Annexure I

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORT

SECTION A: GENERAL DISCLOSURES

I	Details of the listed entity		
1	Corporate Identity Number (CIN) of the Listed Entity	:	L26942GJ1981PLC004717
2	Name of the Listed Entity	:	Ambuja Cements Limited
3	Year of incorporation	:	1981
4	Registered office address	:	Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S.G. Highway, Khodiyar, Ahmedabad – 382421
5	Corporate address	:	Elegant Business Park MIDC Cross Road B Off Andheri-Kurla Road Andheri (E) Mumbai - 400059
6	E-mail	:	secretarial@adani.com
7	Telephone	:	+91 7925555555
8	Website	:	https://www.ambujacement.com/
9	Financial year for which reporting is being done	:	January 2022 to March 2023 (15 Months)
10	Name of the Stock Exchange(s) where shares are listed	:	BSE NSE Luxembourg
11	Paid-up Capital	:	Rs.397.13 Crores
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	:	NAME : Sanjay Prasad Address: Adani Corporate House, Shantigram, Near Vaishno Devi Circle, S.G. Highway, Khodiyar, Ahmedabad – 382421 Contact:+91 8094016218 Email ID: sanjay.prasad@adani.com
13	Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together).	:	Disclosures made in this report are on a consolidated basis for all Integrated Units and Grinding units, and mines
II	Products/services		The key product that the Company manufactures is Cement.

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1)	Manufacturing	Cement, Clinker	97.09%
2)			
3)			

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

S. No.	Product/Service	NIC Code	% of total Turnover contributed
	Total - Cement		>97%

III. Operations

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

Location	Number of plants	Number of offices	Total
National	6 Integrated Plants 8 Grinding Untis 5 Bulk Cement Terminals	54	73
International	-	-	-

17. Markets served by the entity:

a. Number of locations

Locations	Number
National (No. of States)	14
International (No. of Countries)	-

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

Nil

c. A brief on types of customers

Individual Home Builders, Masons and Contractors, and Professionals, etc.

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	EMPLOYEES					
1.	Permanent (D)	2,819	2,726	96.70%	93	3.30%
2.	Other than Permanent (E)	170	159	93.53%	11	6.47%
3.	**Total employees (D + E)**	**2,989**	**2,885**	**96.52%**	**104**	**3.48%**
	WORKERS					
4.	Permanent (F)	1,329	1,324	99.62%	5	0.38%
5.	Other than Permanent (G)	43	43	100%	0	0.00%
6.	**Total workers (F + G)**	**1,372**	**1,367**	**99.64%**	**5**	**0.36%**

b. Differently abled Employees and workers:

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B / A)	No. (C)	% (C / A)
	DIFFERENTLY ABLED EMPLOYEES					
1.	Permanent (D)	11	11	100%	0	0.00%
2.	Other than Permanent (E)	0	0	-	0	-
3.	**Total differently abled employees (D + E)**	**11**	**11**	**100%**	**0**	**0.00%**
	DIFFERENTLY ABLED WORKERS					
4.	Permanent (F)	0	0	-	0	-
5.	Other than permanent (G)	0	0	-	0	-
6.	**Total differently abled workers (F + G)**	**0**	**0**	**-**	**0**	**-**

19. Participation/Inclusion/Representation of women

	Total (A)	No. and percentage of Females	
		No. (B)	% (B / A)
Board of Directors	08	01	12.50
Key Management Personnel	02	0	NIL

20. Turnover rate for permanent employees and workers
(Disclose trends for the past 3 years)

	2022-23 (Turnover rate in Jan'22 to Mar'23)			2021 (Turnover rate in previous Year)			2020 (Turnover rate in the year prior to the previous Year)		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	16.52%	39.57%	17.28%	18.83%	16.82%	18.76%	8.93%	6.16%	8.78%
Permanent Workers	4.65%	0.00%	4.64%	7.04%	0.00%	7.02%	0.93%	0.00%	0.91%

V. Holding, Subsidiary and Associate Companies (including joint ventures)

21. (a) Names of holding / subsidiary / associate companies / joint ventures

S. No.	Name of the holding / subsidiary / associate companies / joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed entity? (Yes/No)
	M.G.T Cements Private Limited	Subsidiary	100%	The Company's business responsibility initiatives does not apply to subsidiaries except ACC Limited.
	Chemical Limes Mundwa Private Limited	Subsidiary	100%	
	ACC Limited	Subsidiary	50.05%	
	OneIndia BSC Private Limited (Refer Note (b) below)	Subsidiary	50%	
	Ambuja Shipping Services Limited	Subsidiary	100%	
	Ambuja Resources Ltd.	Subsidiary	100%	
	Counto Microfine Products Private Limited	Joint Venture	50%	
	Wardha Vaalley Coal Field Private Limited	Joint Operation	27.27%	

VI. CSR Details

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No)
Yes
(ii) Turnover (in ₹ crore) : 19,744.24
(iii) Net worth (in ₹ crore) : 28,505.54

VII. Transparency and Disclosures Compliances

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No)	Jan.22 – Mar.23 Current reporting period			Jan.21 – Dec.21 Previous reported Year		
	(If Yes, then provide web-link for grievance redress policy)	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Call : 1800 209 1005 Fax : +91 (22) 6645 9796 Email : acl@ethicalview.com / whistleblower@adani.com Postal: Chairman's office (Audit Committee) or Vigilance Officer at Adani Corporate House, Shantigram, S G Highway, Khodiyar, Ahmedabad – 382 421.						
Investors (other than shareholders)							
Shareholders		70	Nil	None	30	Nil	None
Employees and workers		2	Nil				
Customers		4	Nil				
Value Chain Partners							
Other (please specify)		14	Nil	Anonymous Complaint			

16. Overview of the entity's material responsible business conduct issues

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

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk / opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
	Climate Change	Opportunity	Climate Change related risks and opportunities identified considering the Environmental regulations imposed, National and International level goals	Environment and Climate Change is at first place in ACL. Please refer Climate Change Policy https://www.ambujacement.com/Upload/PDF/2.-Climate-Change-Policy.pdf	Positive
	Health And Safety	Risk	Short term and long term risks associated to occupational health and safety related related to operational hazards etc.	Please refer https://www.ambujacement.com/Upload/PDF/3.-Occupational-Health--Safety-Policy.pdf	Negative

SECTION B : MANAGEMENT AND PROCESS DISCLOSURES

The National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as under:

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 well-being 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

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC (National Guidelines on Responsible Business Conduct) Principles and Core Elements.

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
b. Has the policy been approved by the Board? (Yes/No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
c. Web Link of the Policies, if available									
P1 - Anti Corruption and Anti Bribery Policy	https://www.ambujacement.com/Upload/PDF/5.-Ambuja-Anti-Corruption-and-Anti-Bribery-Policy-2023-06-06.pdf								
P2 - ESG Policy	https://www.ambujacement.com/Upload/PDF/4.--ESG-Policy-2023-06-069.pdf								
P3 - Corporate Social Responsibility Policy	https://www.ambujacement.com/Upload/PDF/1.-Corporate-Social-Responsibility-Policygh.pdf								
P4 - Sustainability Stakeholder Engagement	https://www. ambujacement. com/ Sustainability/ Stakeholder-engagement								
P5 - Sustainability Stakeholder Engagement	https://www.ambujacement.com/Sustainability/Stakeholder-engagement								
P6 - ESG Policy P6 - Corporate Social Responsibility Policy	https://www.ambujacement.com/Upload/PDF/4.--ESG-Policy.pdf https://www.ambujacement.com/Upload/PDF/1.-Corporate-Social-Responsibility-Policygh.pdf								
P7 - Corporate Social Responsibility Policy	https://www.ambujacement.com/Upload/PDF/2.--Policy-on-responsible-Advocay.pdf								
P8 - ESG Policy	https://www.ambujacement.com/Upload/PDF/4.--ESG-Policy.pdf								
P9 - Code of Conduct	https://www.ambujacement.com/Upload/PDF/Code-of-Conduct_Updated_Latest.pdf								

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y		Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Value chain partners are expected to comply the applicable policies of the Company while executing any work at ACL Company sites								
4. Name of the national and international codes/certifications/ labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by yourentity and mapped to each principle.	All the policies are best of the stipulated principles, national and International Standards.								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	We have commitments, goals and targets set and achieved related to Environment, Social and Governance are incorporated in the Integrated Report Available on https://www.ambujacement.com/Sustainability/Sustainable-Development-Ambition-2030								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.									
Governance, leadership and oversight									
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (*listed entity has flexibility regarding the* placement of this disclosure) Please refer Chairman and CEO's message in Annual report Page no. 8 to 11									
8. Details of the highest authority responsible for imple- mentation and oversight of the Business Res- ponsibility policy (ies).	CEO								
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes / No). If yes, provide details.	Yes **Business Responsibility Committee -** 1. Ms. Purvi Seth - Chairperson - Independent Director 2. Mr. Maheshwar Sahu - Member - Independent Director 3. Mr. Ameet Desai - Member - Independent Director 4. Mr. Rajnish Kumar - Member - Independent Director								

10. Details of Review of NGRBCs by the Company:

Subject for Review	Indicate whether review was under taken by Director / Committee of the Board/ Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Performance against above policies and follow up action	Committee of Board									Annually								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company is Compliant to relevant principles, applicable rules and regulations. Compliance to the regulatory requirement are reviewed on regular basis and as per the requirement.																	

	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/No). If yes, provide name of the agency.	The Company publish the Integrated report which includes Financial and Non-Financial parameters. Sustainability parameters of the report are assured by the external agency and Assurance certificate is enclosed in the Report.								

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

Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
The entity does not consider the Principles material to its business (Yes/No)	N.A.								
The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)									
The entity does not have the financial or/human and technical resources available for the task (Yes/No)									
It is planned to be done in the next financial year (Yes/No)									
Any other reason (please specify)									

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions. The information sought is categorized as "Essential" and "Leadership". While the essential indicators are expected to be disclosed by every entity that is mandated to file this report, the leadership indicators may be voluntarily disclosed by entities which aspire to progress to a higher level in their quest to be socially, environmentally and ethically responsible.

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

Essential Indicators

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

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	%age of persons in respective category covered by the awareness programmes
Board of Directors	3	Familarisation program of Directors, Overview of Adani Group and ESG program	100%
Key Managerial Personnel	3	Familarisation program of Directors, Overview of Adani Group and ESG program	100%
Employees other than BoD and KMPs	17	12	24%
Workers	3	3	2%

2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine	NIL	NIL	NIL	NIL	NIL
Settlement	NIL	NIL	NIL	NIL	NIL
Compounding fee	NIL	NIL	NIL	NIL	NIL

	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)
Imprisonment	NIL	NIL	NIL	NIL
Punishment	NIL	NIL	NIL	NIL

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

Case Details	Name of the regulatory/ enforcement agencies/ judicial institutions
NIL	NIL

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.
The Company has "Code of Conduct for Board of Directors and Senior Management" on its website, the weblink of which is:
https://www.ambujacement.com/Upload/PDF/9.-Code-of-conduct-for-BOD-&-Senior-Management.pdf

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

	2022-23 (Jan'22 to Mar'23)	2021 Previous Year
Directors	NIL	NIL
KMPs	NIL	NIL

Employees	NIL	NIL
Workers	NIL	NIL

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

	2022-23 (Jan'22 to Mar'23)		2021 Previous Year	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	NIL	NIL	NIL	NIL
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	NIL	NIL	NIL	NIL

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

   Not Applicable

   LEADERSHIP INDICATOR

1. Does the entity have processes in place to avoid/ manage conflict of interests involving members of the Board? **(Yes/No)** If Yes, provide details of the same.

   Yes,

   The Company has "Code of Conduct for Board of Directors and Senior Management" on its website, the weblink of which is: https://www.ambujacement.com/Upload/PDF/9.-Code-of-conduct-for-BOD-&-Senior-Management.pdf

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

Essential Indicators

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

	Current Financial Year (in Crore)	Previous Financial Year (in Crore)	Details of improvements in environmental and social impacts
R&D	Nil	0.04	Kawach is a blended cement with use of mineral admixture replacing clinker with 30-35%, thus lower carbon foot print as compared with ordinary Portland cement . During the manufacturing of Kawach water repellency is induced at particle levels. Kawach is a pre-homogenized material, thereby eliminating any possibility of over dosage, under dosage, missed dosage and spillages as in case of other water proofing additions
Capex	Nil	Nil	

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/No)

      Yes,

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

      - The company has well developed supplier code of coduct in place, which helps the company to integrate ESG parameter in its procurement.
      - During the reporting period 29.80% of raw Material used that are Recycled Input Materials.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste

   The Company has Supplier Code of Conduct which ensures the incorporation of ESG criteria in Value chain.

   The Company aim to reduce the generation of waste.

   The company has taken target to reuse the waste of 21 million tonne by 2030 in line with the circular economy.

The Company has Resource Conservation Policy well in place at company website: https://www.ambujacement.com/Upload/PDF/5.-Resource-Conservation-Policy.pdf

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

- Yes, EPR is applicable to the Company.
- ACC has submitted the action plan to Pollution Control Board in 2021. Online submission of the action plan as per latest guidelines of Central Pollution Control Board.

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

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

Category	Total (A)	% of employees covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B /A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E /A)	Number (F)	% (F /A)
Permanent employees											
Male	2726	2726	100%	2726	100%	0	0%	26	0.95%	2726	100%
Female	93	93	100%	93	100%	7	7.53%	0	0%	93	100%
Total	**2819**	**2819**	**100%**	**2819**	**100%**	**7**	**0.25%**	**26**	**0.92%**	**2819**	**100%**
Other than Permanent employees											
Male	159	159	100%	159	100%	0	0%	0	0%	159	100%
Female	11	11	100%	11	100%	0	0%	0	0%	11	100%
Total	**170**	**170**	**100%**	**170**	**100%**	**0**	**0%**	**0**	**0%**	**170**	**100%**

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

Category	Total (A)	% of workers covered by									
		Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B /A)	Number (C)	% (C /A)	Number (D)	% (D /A)	Number (E)	% (E /A)	Number (F)	% (F/A)
Permanent workers											
Male	1324	1324	100%	1324	100%	0	0%	1324	100%	1324	100%
Female	5	5	100%	5	100%	5	100%	0	0%	5	100%
Total	**1329**	**1329**	**100%**	**1329**	**100%**	**5**	**100%**	**1324**	**100%**	**1329**	**100%**
Other than Permanent workers											
Male	43	43	100%	43	100%	-	-	43	100%	43	100%
Female	0	0	-	0	-	-	-	0	-	0	-
Total	**43**	**43**	**100%**	**43**	**100%**	**-**	**-**	**43**	**100%**	**43**	**100%**

2. Details of retirement benefits, for Current FY and Previous Financial Year.

Benefits	2022-23 (Jan'22 to Mar'23)			2021 Previous Year		
	No. of employees covered as a % of total employees*	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees*	No. of workers covered as a % of total workers*	Deducted and deposited with the authority (Y/N/N.A.)
PF	100%	100%	Yes	100%	100%	Yes
Gratuity	100%	100%	N.A.	100%	100%	N.A.
ESI	100%	100%	Yes	100%	100%	Yes
Others – please specify	-	-	N.A.	-	-	N.A.

* As per the applicability of benefits to employees, all area covered in the respective benefits.

3. Accessibility of workplaces

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

Yes

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

Yes, The Company believes in equal Opportunity, and it is at the first place of Company Values.

Policy on 'Diversity, Equity and Inclusion' available on Company website:

https://www.ambujacement.com/Upload/PDF/1.--Diversity-Equity-and-Inclusion-Policy.pdf

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

	Permanent employees		Permanent workers	
Gender	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	100%	100%	100%	100%
Female	86%	57%	100%	100%
Total	**100%**	**100%**	**100%**	**100%**

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

	Yes/No (If Yes, then give details of the mechanism in brief)
Permanent Workers	Industrial Relation officers at all sites are entitled to address the grievances of Employees and workers.
Other than Permanent Workers	
Permanent Employees	
Other than Permanent Employees	

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

Category	2022-23 (Jan'22 to Mar'23)			2021 Previous Year		
	Total employees / workers in respective category (A)	No. of employees / workers in respective category, who are part of association(s) or Union (B)	% (B / A)	Total employees / workers in respective category (C)	No. of employees/ workers in respective category, who are part of association(s) or Union (D)	% (D/C)
Total Permanent Employees						
- Male	-	-	-	-	-	-
- Female	-	-	-	-	-	-
Total Permanent Workers						
- Male	1324	1324	100%	1434	1434	100%
- Female	5	5	100%	5	5	100%

8. Details of training given to employees and workers:

Category	2022-23 (Jan'22 to Mar'23)					2021 Previous Year				
		On Health and safety measures		On Skill upgradation			On Health and safety measures		On Skill upgradation	
	Total (A)	No. (B)	% (B / A)	No. (C)	% (C / A)	Total (D)	No. (E)	% (E / D)	No. (F)	% (F / D)
Employees										
Male	2885	1527	53%	2134	74%	NR	NR	NR	NR	NR
Female	104	56	54%	118	113%	NR	NR	NR	NR	NR
Total	**2989**	**1583**	**53%**	**2252**	**75%**	**NR**	**NR**	**NR**	**NR**	**NR**
Workers										
Male	1367	499	37%	24	2%	NR	NR	NR	NR	NR
Female	5	0	0%	0	0%	NR	NR	NR	NR	NR
Total	**1372**	**499**	**36%**	**24**	**2%**	**NR**	**NR**	**NR**	**NR**	**NR**

9. Details of performance and career development reviews of employees and worker:

Category	2022-23 (Jan'22 to Mar'23) Total (A)	No. (B)	% (B / A)	2021 Previous Year Total (C)	No. (D)	% (D / C)
Employees						
Male	2885	2885	100%	3114	3114	100%
Female	104	104	100%	132	132	100%
Total	**2989**	**2989**	**100%**	**3246**	**3246**	**100%**
Workers						
Male	1367	1367	100%	1473	1473	100%
Female	5	5	100%	5	5	100%
Total	**1372**	**1372**	**100%**	**1478**	**1478**	**100%**

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes, We have Health and Safety Management standards defined for our processes. The standards are applicable to all our manufacturing units.

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

Yes. We have well defined Hazard identification and risk assessment procedure. All the personnel at manufacturing plants are trained to assess the risk before start of the activity.

c. Whether you have processes for workers to report the work related hazards and to remove themselves from such risks. (Y/N)

Yes

d. Do the employees/ worker of the entity have access to non-occupational medical and healthcare services? (Yes/ No)

Yes

11. Details of safety related incidents, in the following format:

Safety Incident/Number	Category	2022-23 (Jan'22 to Mar'23)	2021 Previous Year
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.33	0.08
	Workers	0.62	0.26
Total recordablework-related injuries	Employees	13	5
	Workers	38	13
No. of fatalities	Employees	0	0
	Workers	0	0
High consequence work-related injury or ill-health (excluding fatalities)	Employees	5	1
	Workers	21	8

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

A well defined Health and Safety Management System which starts right from planning our Health & Safety Improvement plan for the year, reviewing the standards, procedures, processes etc. The plan is developed at the Corporate level and flows down to the manufactuing units and is tracked month on month basis for its effectiveness. A robust digital platform to enhance competency and capability building for both employees and workers. Various campaigns, events and initiatives to build the awareness and culture on ground. Trianing Need Identification monitoring, H&S Digitisation, effective process safety management controls at site, well established Vehicle and traffic Safety management system are some of the key pillars for driving our H&S System. With all these in place Senior Leadership engagement and involvement ensures a safe and healthy workplace

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

	2022-23 (Jan'22 to Mar'23)			2021 Previous Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	Nil	Nil	N.A.	Nil	Nil	N.A.
Health & Safety	Nil	Nil	N.A.	Nil	Nil	N.A.

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	Plants are certified for ISO45001
Working Conditions	

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

All the actions pertaining to lead and lag indicators are being monitored by respective locations for their closures.

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

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

   Please refer Stakeholder Engagement Policy:

   https://www.ambujacement.com/Upload/PDF/Ambuja-Stakeholder-Engagement-policy-18-oct.pdf

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channels of communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website), Other	Frequency of engagement (Annually/ Half yearly/ Quarterly / others – please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees	No	Internal Communication System, One to One meet, Townhalls	Daily	Ongoing exercise
Shareholders and Investors	No	Investor meetings, Annual General Meeting, One to One meet, Annual Report and other public disclosures	Monthly, Quarterly, Annually, as and when required	To strengthen the business conduct and understand their concerns and priorities.
Govt. authorities and Regulatory Bodies	No	Annual Report, Plant Visits, Regulatory Compliance reports, One to One meet as per requirement	Monthly, Quarterly, Half yearly, Annually, as and when required	Statutory Compliance
Industrial Association	No	One to One meeting, Annual Report, Public disclosures	Monthly, Quarterly, Annually, as and when required	Information and knowledge enhancement
Suppliers and Contractors	Yes	Vendor meets, review meetings, Progress and performance reports, Feedback and Grievances system	Periodically	Adherence to the Supplier code of conduct, and long-term business relationships.
Customers	Yes	Company website and public disclosures, Products promotion drives, Grievances redressal system, Surveys	Periodically	Customer satisfaction, feedback, and grievances
Community	Yes	Community Engagement programs, meetings, Workshops, and surveys	Periodically	Community engagement, CSR

PRINCIPLE 5 Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	2022-23 (Jan'22 to Mar'23)			2021 Previous Year		
	Total (A)	No. of / employees workers covered (B)	% (B / A)	Total (C)	No. of / employees workers covered (D)	% (D / C)
Employees						
Permanent	2819	5	0%	NR	NR	NR
Other than permanent	170	69	41%	NR	NR	NR
Total Employees	**2989**	**74**	**2%**	**NR**	**NR**	**NR**
Workers						
Permanent	1329	0	0%	NR	NR	NR
Other than permanent	1329	0	0%	NR	NR	NR
Total Workers	**1329**	**0**	**0%**	**NR**	**NR**	**NR**

2. Details of minimum wages paid to employees and workers, in the following format:

Category	2022-23 (Jan'22 to Mar'23)					2021 Previous Year				
		Equal to Minimum Wage		More than Minimum Wage			Equal Minimum Wage		More than Minimum Wage	
	Total (A)	No. (B)	% (B/ A)	No. (C)	% (C/ A)	Total (D)	No. (E)	% (E/ D)	No. (F)	% (F/ D)
Employees										
Permanent										
Male	2,726	0	0	2,726	100%	2,873	0	0	2,873	100%
Female	93	0	0	93	100%	107	0	0	107	100%
Other Permanent than										
Male	159	0	0	159	100%	241	0	0	241	100%
Female	11	0	0	11	100%	25	0	0	25	100%
Workers										
Permanent										
Male	1,324	0	0	1,324	100%	1,434	0	0	1,434	100%
Female	5	0	0	5	100%	5	0	0	5	100%
Other Permanent than										
Male	43	0	0	43	100%	39	0	0	39	100%
Female	0	0	0	0	-	0	0	0	0	-

3. Details of remuneration/salary/wages, in the following format:

	Male		Female	
	Number	Median remuneration/ salary/ wages of respectivecategory	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	7	-	1	-
Key Managerial Personnel	2		0	
Employees other than BoD and KMP	2883		104	
Workers	1367		5	

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? (Yes/No)

Yes, Please refer

https://www.ambujacement.com/Upload/PDF/Ambuja-Human-Rights-Policy.pdf

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.
Yes, Please refer
https://www.ambujacement.com/Upload/PDF/Ambuja-Human-Rights-Policy.pdf

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

	2022-23 (Jan'22 to Mar'23)			2021 Previous Year		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Sexual Harassment	0	0		0	0	
Discrimination at workplace	0	0		0	0	
Child Labour	0	0		0	0	
Forced Labour/Involuntary Labour	0	0		0	0	
Wages	0	0		0	0	
Other human rights related issues	0	0		0	0	

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.
Yes, Please refer ' Policy on prevention of sexual harassment'
https://www.ambujacement.com/Upload/PDF/5.-Policy-on-Prevention-of-Sexual-Harassment.pdf

8. Do human rights requirements form part of your business agreements and contracts? (Yes/No)
Yes.

9. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Child labour	0
Forced/involuntary labour	0
Sexual harassment	0
Discrimination at workplace	0
Wages	0
Others – please specify	0

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

None

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

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	2022-23 (Jan'22 to Mar'23)	2021 Previous Year
Total electricity consumption (A) TJ	90,822	73,198
Total fuel consumption (B) TJ	87,083	70,745
Energy consumption through other sources (C)	NIL	NIL
Total energy consumption (A+B+C) (TJ)	1,77,905	1,43,943
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees) in TJ/Rupee	0.90×10^{-6}	1.04×10^{-6}
Energy intensity (optional) – the relevant metric may be selected by the entity	NIL	NIL

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

Yes, PAT targets have achieved achieved except 2 plant locations i.e. Bhatpara and Darlaghat. As remedial action for these location, e-certs are being purchased.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	2022-23 (Jan'22 to Mar'23)	2021 Previous Year
Water withdrawal by source (in 000' kilolitres)		
(i) Surface water	2,060	1,961
(ii) Groundwater	1,953	1,740
(iii) Third party water	545	454
(iv) Seawater / desalinated water	NIL	NIL
(v) Others	NIL	NIL
Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)	4,558	4,155
Total volume of water consumption (in 000' kilolitres)	7,177	6,113
Water intensity per rupee of turnover (Water consumed / turnover) in 000' KL/ Rupee	3.6 X 10^{-8}	4.4 X10^{-8}
Water intensity (optional) – the relevant metric may be selected by the entity	NIL	NIL

* Consumption from harvested water

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

Yes, The Company has implemented mechanism for zero liquid discharge at all the operating locations.

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

Parameter	Please specify unit	2022-23 (Jan'22 to Mar'23)	2021 Previous Year
NOx	T	18,251	16,073
SOx	T	3,372	1,966
Particulate matter(PM)	T	505	466
Persistent organic pollutants (POP)	NIL	NIL	NIL
Volatile organic compounds (VOC)	NIL	NIL	NIL
Hazardousair pollutants (HAP)	NIL	NIL	NIL
Others – please specify	NIL	NIL	NIL

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	2022-23 (Jan'22 to Mar'23)	2021 Previous Year
Total Scope 1 emissions	Metric tonnes of CO_2 equivalent	20,000,839	16,180,247
Total Scope 2 emissions	Metric tonnes of CO_2 equivalent	715,005	601,907
Total Scope 1 and Scope 2 emissions per rupee of turnover	Metric Tonne CO_2 e/ rupee	1.5 X 10^{-4}	1.5 X 10^{-4}
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	NIL	NIL	NIL

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

We are committed to Net Zero carbon emission and are making efforts to increase green energy consumption. To reduce Green House Gas emission, we are improving our Waste Heat Recovery System (WHRS) capacity, optimising sourcing of alternative fuel through GeoClean, developing products which have low-carbon footprint, reducing clinker factor and using alternative raw materials.

The Company has taken target to reduce its emission to 453* Kg Co2/tonne of Cementitious Material by 2030.

* Excluding Captive Power Plant (CPP)

8. Provide details related to waste management by the entity, in the following format:

Parameter	2022-23 (Jan'22 to Mar'23)	2021 Previous Year
Total Waste generated (in metric tonnes)		
Plastic waste (A)	10638.49	8320.34
E-waste (B)	17.41	7.22
Bio-medical waste (C)	4.58	4.42
Construction and demolition waste (D)	0	0
Battery waste (E)	49.47	12.85
Radioactive waste (F)	0	0
Other Hazardous waste. Please specify, if any. (G)	48785	100.21
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	2196.35	3600.49
Total (A+B + C + D + E + F + G + H)		
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	14,161	392,829
(ii) Re-used	-	-
(iii) Other recovery operations	NIL	NIL
Total		
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	NIL	NIL
(ii) Landfilling	NIL	NIL
(iii) Other disposal operations (waste co-processed -AF) (000 Tonnes)	5.4	3.7
(iv) Plastic Waste Co-porcessed)	0.20	0.12
Total		

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

Hazardous and non-hazardous Waste generated at all locations is collected and segregated separately as per its characteristics in line with Waste Management Rules.

Through the co-processing technology, the Company provides a 'Zero Landfill' solution that doesn't create any additional emission and in addition avoids soil contamination, water and air pollution coming from landfill sites, recovering energy and minerals from the waste materials.

WASH initiatives addressed community requirements for safe drinking water and better health through malnutrition eradication, health camps and waste management in collaboration with municipal bodies.

Geoclean helps ACL contribute to safe waste management solutions in industries and municipalities and increase the utilisation of alternative fuels in cement kilns. The Company has been building up stakeholders' awareness on these issues through its advocacy in appropriate forums. With consumption of alternative fuels of 5.4 lakh tonnes, the Company has achieved TSR of 6.3% during January 2022 to March 2023 compared to 5.13% in 2021.

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

S. No.	Location of operations/offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons thereof and corrective action taken, if any.
		Not Applicable	

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

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
Bhatapara plant expansion; Clinker (4.8 MTPA to 8.8 MTPA), Cement (3.5 to 6.5MTPA) and WHRS (18.3 MW to 39.3 MW) by installation of new line -III, Chhatisgarh	SO. 1533 (E) dated 14 sep, 2006 & its abendments	PH completed on 31.03.2022	Yes	Yes	https://enviscecb.org
Ropar expansion (3.4 to 5.4 MTPA), Punjab	SO. 1533 (E) dated 14 sep, 2006 & its abendments	PH completed on 04.04.2022	Yes	Yes	https://ppcb.punjab.gov.in
Rabriyawas expansion; Clinker (2.4 to 3.5), WHR (6.5 to 12MW), & FAD:1000TPD for new Line-II	SO. 1533 (E) dated 14 sep, 2006 & its abendments	PH completed on 05.05.2022	Yes	Yes	https://environment.rajasthan.gov.in
Farakka expansion (1.25 to 3.0 MTPA), West Bengal	SO. 1533 (E) dated 14 sep, 2006 & its abendments	PH completed on 30.06.2022	Yes	Yes	https://www.wbpcb.gov.in
Marwar Mundwa Limestone expansion ML-2 (0.5 to 2 MTPA), Rajasthan	SO. 1533 (E) dated 14 sep, 2006 & its abendments	PH completed on 30.09.2022	Yes	Yes	https://environment.rajasthan.gov.in
Maratha Limestone mine (ML-I): Transfer of EC (GACL to ACL), Maharashtra	SO. 1533 (E) dated 14 sep, 2006 & its abendments	EC transfer on 30.03.2022	Yes	Yes	https://parivesh.nic.in
Maratha Limestone mine (ML-II): Transfer of EC (GACL to ACL), Maharashtra	SO. 1533 (E) dated 14 sep, 2006 & its abendments	EC transfer on 30.03.2022	Yes	Yes	https://parivesh.nic.in
RAS-I Limestone mine expansion (0.279 to 2.8 MTPA), Rajasthan	SO. 1533 (E) dated 14 sep, 2006 & its abendments	EC granted on 28th June, 2022	Yes	Yes	https://parivesh.nic.in
Nandgaon- Ekodi Limestone mine (2 MTPA), Maharashtra	SO. 1533 (E) dated 14 sep, 2006 & its abendments	EC granted on 1st August, 2022	Yes	Yes	https://parivesh.nic.in
Bhatapara plant expansion; Clinker (4.8 MTPA to 8.8 MTPA), Cement (3.5 to 6.5MTPA) and WHRS (18.3 MW to 39.3 MW) by installation of new line-III, Chhatisgarh	SO. 1533 (E) dated 14 sep, 2006 & its abendments	EC granted on 31st October, 2022	Yes	Yes	https://parivesh.nic.in
Revalidation of Maratha mine (ML-III), Maharashtra	SO. 1533 (E) dated 14 sep, 2006 & its abendments	EC granted on 6th August, 2022	Yes	Yes	https://parivesh.nic.in
Marwar mine (ML-I) expn. (2.5 to 3 MTPA), Rajasthan	SO. 1533 (E) dated 14 sep, 2006 & its abendments	EC granted on 1st November, 2022	Yes	Yes	https://parivesh.nic.in
Sankrail expansion (2.4 to 4.0 MTPA), West Bengal	SO. 1533 (E) dated 14 sep, 2006 & its abendments	PH completed on 03.11.2022	Yes	Yes	https://www.wbpcb.gov.in

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format:

S. No.	Specify the law / regulation / guidelines which was not complied with	Provide details of the non- compliance	Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts	Corrective action taken, if any
	Directions u/s 31-A of the Air (Prevention & Control of Pollution) Act, 1981as amended in 1987 dated 18.08.2022	Non-compliance to CPCB guidelines for loading, unloading and nuisance free transportation of fly ash from GGSSTP Dykes	Rs. 25 Lakhs as environmental compensation	Installation of wheel washing system at the exit of the fly ash dykes

PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

   b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	N.A.	

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
	N.A.	

PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
It is an ongoing process at ACF that continues to assess social impacts using platforms such as Social Engagement Scorecard (SES), Community Advisory Panle (CAP) etc. Any social impacts emerged out of these platforms is seriously considered and factored into annual workplan and activties of Ambuja Cement Foundation.					

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S.No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (In ₹)
			NR			

3. Describe the mechanisms to receive and redress grievances of the community.

   ACF acts like a bridge between the plant and the community. The concerns and grivances if from the community are taken to Unit Head by ACF team. ACF facilitates the issue based dicussion with community and the plant as may be suggested by the Unit Head. Each plant also has a CSR committee where concerns of the community are shared and discussed with senior plant team.

   Ambuja plants had Community Advisory Panel (CAPs) a formal forum where stakeholders representatives including senior team at plant . Issues and concerns were discussed and resolved in the same forum.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	2022-23 (Jan'22 to Mar'23)	2021 Previous Year
Directly sourced from MSMEs/ small producers	NR	
Sourced directly from within the district and neighbouring districts		

Leadership indicators

1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments (Reference: Question 1 of Essential Indicators above):

Details of negative social impact identified	Corrective action taken
1) Water scarcity due to depleting ground water table came up during the SIA conducted at locations including Marwar Mundwa, Rajsthan or Kodinar, Gujarat, and Chandrapur, Maharashtra among other locations.	ACF with a systematic approach and holistic planning for water evolved a work plan spread over years leading to improved water conditions and availability.
2) Demand for employment and livelihood to the plant from the core communities especially considering limited potential in agriculture for employment.	ACF through its agriculture based livelihood and allied agriculture activities engages community. This leads to improved agriculture productivity and alternate source of income for the community members. SEDI provides skill training opportunities especially for the youth getting placement in technical and service trades in the market.

5. Details of beneficiaries of CSR Projects:

S. No.	CSR Project	No. of persons benefitted from CSR Projects	% of beneficiaries from vulnerable and marginalized groups
1)	Agriculture Livelihoods (including allied activities)	2.6 lakh	50%
2)	Water Resource Management	1.89 lakh	50%
3)	Community Health	2.09 lakh	70%
4)	Skill Livelihoods	16999	60%
5)	Education (in government schools)	25000	90%
6)	Women empowerment program	36597	73%

PRINCIPLE 9 Businesses should engage with and provide value to their consumers in a responsible manner

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

   The Company has provided on its website a dedicated e-mail address wherein the Company receives and responds to consumer complaints and feebacks. The e-mail address is consumer.care@adani.com

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	100%
Safe and responsible usage	100%
Recycling and/or safe disposal	100%

3. Number of consumer complaints in respect of the following:

	2022-23 (Jan'22 to Mar'23)			2021 Previous Year		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	Nil	Nil	Nil	NR	NR	NR
Advertising	Nil	Nil	Nil	NR	NR	NR
Cyber-security	Nil	Nil	Nil	NR	NR	NR
Delivery of essential services	Nil	Nil	Nil	NR	NR	NR
Restrictive Trade Practices	17	Nil	Complains related to Bribery, Conflict of Interest, Assest Misappropriation	NR	NR	NR
Unfair Trade Practices	3	Nil	Complains related to Trade Voilation	NR	NR	NR
Other				NR	NR	NR

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls	Nil	
Forced recalls		

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

   Yes, Please refer https://www.ambujacement.com/Upload/PDF/1.-Cyber-security-and-data-privacy-policy.pdf

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

   All communications have necessary disclaimer as per Advertising Standard Council of India (ASCI) and Bureau of Indian Standard (BIS) guidelines

Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

   Yes, Please refer https://www.ambujacement.com/product-and-services

INDEPENDENT AUDITOR'S REPORT

To the Members of **Ambuja Cements Limited**

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the accompanying standalone financial statements of Ambuja Cements Limited ("the Company"), which comprise the Balance sheet as at March 31 2023, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the fifteen months financial year then ended (Refer Note 63), and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Qualified Opinion

As stated in Note 65 of the accompanying standalone financial statements, the Company had obtained an opinion from independent law firm in respect of evaluating relationships with parties having transactions with the Company and referred to in the short seller's report. As also detailed in that note, considering the ongoing proceedings before the Hon'ble Supreme Court and regulatory investigations and adequacy of information in respect of the transaction stated therein, we are unable to comment on the possible consequential effects thereof, if any, on these standalone financial statements.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone financial statements.

Emphasis of Matter

We draw your attention to Note 49(b) of the accompanying standalone financial statements which describes the uncertainty related to the outcome of ongoing litigations with the Competition Commission of India. Our opinion is not modified in respect of these matters.

Key Audit Matters

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

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

Key audit matters	How our audit addressed the key audit matter
Litigation and Claims (as described in Notes 3(K), 3(Y)(I) and 49 of the standalone financial statements)	
The Company has significant ongoing legal proceedings for various complex matters relating to direct tax, indirect tax, government incentive claims and other legal matters under various laws prevailing in India. Due to the magnitude and complexity involved in these matters, management's judgement regarding recognition and measurement of provisions for these legal proceedings is inherently uncertain and might change over time as the outcome of the legal cases are determined. Accordingly, it has been considered as a key audit matter.	Our audit procedures included the following: • Read the Company's accounting policies with respect to contingent liabilities and provisions and assessing its compliance with Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets". • Obtained understanding of the Company's process and controls to identify and monitor all litigations, including Company's process of assessment of litigations as 'probable', 'possible' and 'remote' and reporting to the board of directors / audit committee. • Held discussions with the management including the person responsible for legal and compliance to obtain an understanding of the matters involved and development in these matters compared to previous year. For significant direct and indirect tax matters and government incentive claims, we assessed the management conclusion with the support of specialists. • For other significant legal matters, assessed management conclusion basis the related documentation / correspondence and opinions from external legal experts (where applicable), as provided by the management. • Obtained direct legal confirmations for significant matters from external law firms handling such matters to corroborate management conclusions. • Assessed the objectivity and competence of the external legal experts / law firms as referred above. • Reviewed the disclosures made by the Company in the standalone financial statements.
Physical verification of bulk inventories (as described in Notes 3(D), 3(Y)(VII) and 14 of the standalone financial statements)	
Bulk inventory for the Company primarily comprises of coal, petcoke and clinker which are used during the production process at the Company's plants. Company has laid down a policy for physical verification defining, amongst other things, the frequency, responsibility and tolerance limits for all category of inventories, including bulk inventories. Company also performs regular calibration checks of measuring equipment involved in determining physical quantities of bulk inventories and also engages independent third party to perform physical quantity checks. Determination of physical quantities of bulk inventories is done based on volumetric measurements and involves special considerations with respect to physical measurement, density calculation, moisture, etc. Considering the inherent risk involved in determining physical quantities of bulk inventories, we have considered this as a key audit matter.	Our audit procedures included the following: • Obtained an understanding of the Company's process and controls with respect to physical verification of bulk inventories and evaluated the design effectiveness and operating effectiveness of these controls. • On a test basis, reviewed the equipment calibration check reports. • Obtained reports of physical verification performed for bulk inventories by management during the fifteen months financial year and at year end and assessed, on a test basis, that adjustments, if any, have been recorded for differences as compared to the inventory records as per the books. • Assessed the frequency of physical verification performed by independent third party in line with the Company's policy and on a test basis, reviewed the reports issued. • On a test basis, observed physical verification performed by the management at or near year end.

Other Information

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

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

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

Responsibilities of the Management for the Standalone Financial Statements

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

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

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

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

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

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

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

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

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

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

March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

The standalone financial statements of the Company for the year ended December 31, 2021, included in these standalone financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on February 17, 2022. The comparatives for the year ended December 31, 2021 have been restated to give effect of the merger as described in Note 61 to the standalone financial statements, which have been audited by us.

Report on Other Legal and Regulatory Requirements

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

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

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

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

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

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

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

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

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

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

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

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

      i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 49 to the standalone financial statements;

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

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

      iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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

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

As stated in Note 24 to the standalone financial statements, the Board of Directors of the Company have proposed final dividend for the fifteen months financial year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

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

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

per Govind Ahuja
Partner
Membership Number: 048966
UDIN: 23048966BGYDPQ2229

Place of Signature: Mumbai
Date: May 2, 2023

Annexure '1' referred to in paragraph under the heading "Report on Other Legal and Regulatory Requirements" of our independent auditor's report of even date

Re: Ambuja Cements Limited ("the Company")

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

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

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

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

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

(₹ In Crores)

Description of Property	Gross carrying value	Held in name of	Whether promoter, director or their relative or employee	Period held – indicate range, where appropriate	Reason for not being held in the name of Company
Freehold Land	1.29	Wholly owned subsidiary Chemical Limes Mundwa Pvt. Ltd.	No	Since acquisition October 20, 2010 to date	Title deed is in name of subsidiary
Freehold Land	0.01	Ambuja Cements Rajasthan Limited	No	August 8, 2013 to date	Title deed in name of erstwhile subsidiary which is merged with the Company
Freehold land and buildings	9.25	Subsidiary Dirk India Pvt. Ltd.	No	Since acquisition December 28, 2022 to date	Title deed in name of erstwhile subsidiary which is merged with the Company

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

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

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

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

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

Particulars	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount granted/ provided during the fifteen months financial year				
- Subsidiaries	₹ Nil	₹ Nil	₹ 200.12 crores	₹ Nil
- Others	₹ Nil	₹ Nil	₹ Nil	₹ 2,851.16 crores
Balance outstanding as at balance sheet date in respect of above cases				
- Subsidiaries	₹ Nil	₹ Nil	₹ 1.56 crores	₹ Nil
- Others	₹ Nil	₹ Nil	₹ Nil	₹ 432.00 crores

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

(iii) (b) During the fifteen months financial year ended March 31, 2023, the Company has granted advances of ₹ 709.00 crores for procurement of fuel (balance outstanding as at balance sheet date ₹ 432.00 crores) and ₹ 2,142.16 crores for the procurement of property, plant and equipments (balance outstanding as at balance sheet date ₹ Nil) which are in the nature of loans, the terms and conditions of which are not prejudicial to the Company's interest. Further, during the fifteen months financial year ended March 31, 2023, the Company has made investments and provided loans to its subsidiaries, the terms and conditions of which are not prejudicial to the Company's interest. The Company has not provided any security or guarantee to companies, firms, limited liability partnerships or any other parties during the fifteen months financial year ended March 31, 2023.

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

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

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

(iii) (f) As disclosed in Note 18 to the standalone financial statements, during the fifteen months financial year ended March 31, 2023, the Company has granted loans which are repayable on demand. Of these, following are the details of the aggregate amount of loans granted to promoters or related parties as defined in clause (76) of section 2 of the Companies Act, 2013:

	Related Parties (₹. In Crore)
Aggregate amount of loans - Repayable on demand to subsidiary companies (₹ in crores)	1.56
Percentage of loans to the total loans given	28.78%

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

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

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

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

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

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

(₹ in crores)

Name of Statute	Nature of Dues	Period to which the amount relates	Forum where dispute is pending	Amount unpaid
Central Excise Act, 1944	Demand of Excise Duty, Denial of Cenvat Credit, Interest and Penalty	1994-95 to 2017-18	Appellate authorities and Tribunal	13.37
			Commissionerate	9.78
			High Court	0.20
			Supreme Court	0.12
Central Sales Tax Act, 1956 and various State Sales Tax Acts	Demand of Sales Tax/ Additional Purchase Tax, Interest and Penalty	1988-89 to 2017-18	Appellate authorities and Tribunal	14.95
			Commissionerate	20.12
			High Court	130.40
			Supreme Court	113.48
Entry Tax	Demand for constitutional validity for entry tax and other miscellaneous demand	2002-03 to 2016-17	High Court	60.65
			Appellate authorities and Tribunal	0.94
			Commissionerate	30.30
The Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Demand under section 7A for the provident fund contribution and other miscellaneous demand	1996-97 to 2009-10	Appellate authorities and Tribunal	28.63
		2003-2016	High Court	50.45
Stamp Duty	Demand for stamp duty on merger order and other matters	2014-2015	High Court	310.34
Customs Act,1962	Demand of Custom Duty, Interest and Penalty	2000-01 to 2013-14	Appellate authorities and Tribunal	39.33
			Commissionerate	2.07
Finance Act, 1994	Demand of service tax credit and penalty	2004-05 to 2017-18	Appellate authorities and Tribunal	252.62
			Commissionerate	9.10
Goods and Service Tax	Demand of GST	2018-19 to 2020-21	Commissionerate	0.03
Income Tax Act,1961	Income Tax and Interest	2006-07 to 2012-13	Appellate authorities and Tribunal	15.56
			Commissionerate	70.42
Other statutes	Tax, interest and penalty	Various	Various	139.84

Refer Note 49(b) for demand under the Competition Act, 2002

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

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

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

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

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

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

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

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

(x) (b) The Company has complied with provisions of sections 42 and 62 of the Companies Act, 2013 in respect of the preferential allotment of equity warrants during the fifteen months financial year. The funds raised, have been used for the purposes for which the funds were raised. The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the fifteen months financial year under audit.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(xix) On the basis of the financial ratios disclosed in Note 59 to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Companies Act, 2013 (the Act), in compliance with second proviso to sub section 5 of section 135 of the Act. Refer Note 47(a) to the standalone financial statements.

(xx) (b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Companies Act, 2013. Refer Note 47(a) to the standalone financial statements.

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

per Govind Ahuja
Partner
Membership Number: 048966
UDIN: 23048966BGYDPQ2229

Place of Signature: Mumbai
Date: May 2, 2023

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF AMBUJA CEMENTS LIMTED

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

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

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls With Reference to Standalone Financial Statements

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

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

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

Qualified Opinion

According to the information and explanations given to us and based on our audit, as stated in the 'Basis for Qualified Opinion' paragraph of our audit report, considering the ongoing proceedings before the Hon'ble Supreme Court and regulatory investigations and the consequential impact, if any, it may have on Company's processes and internal controls including procurements (for adequacy of information for transactions referred in Note 65 to the standalone financial statements), related party transactions and compliance with laws and regulations, to that extent we are unable to comment on whether there exists any material weakness in the Company's internal controls as at March 31, 2023.

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

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

Explanatory paragraph

We also have audited, in accordance with the Standards on Auditing issued by ICAI, as specified under Section 143(10) of the Act, the standalone financial statements of Ambuja Cements Limited, which comprise the Balance Sheet as at March 31, 2023, and the related Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the fifteen months financial year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information. The matter described above was considered in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2023 standalone financial statements of Ambuja Cements Limited and this report affect our report dated May 2, 2023, which expressed modified opinion on those financial statements.

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

per Govind Ahuja
Partner
Membership Number: 048966
UDIN: 23048966BGYDPQ2229

Place of Signature: Mumbai
Date: May 2, 2023

Balance Sheet

₹ In Crore

Particulars			Notes	As at March 31, 2023 (Refer Note -63)	As at December 31, 2021
ASSETS					
1	**Non-current assets**				
	a)	Property, plant and equipments	4	7,556.47	7,134.13
	b)	Right-of-use assets	5	823.95	343.26
	c)	Capital work-in-progress	4	841.87	951.35
	d)	Goodwill	6	19.29	19.29
	e)	Other intangible assets	7	220.04	174.15
	f)	Investments in subsidiaries and joint ventures	9	11,766.68	11,764.68
	g)	Financial assets			
		i) Investments	10	9.20	9.20
		ii) Loans	11	1.01	1.52
		iii) Other financial assets	12	2,072.26	554.40
	h)	Non-current tax assets (net)		119.39	118.96
	i)	Other non-current assets	13	1,227.46	331.37
		Total - Non-current assets		**24,657.62**	**21,402.31**
2	**Current assets**				
	a)	Inventories	14	1,639.41	1,464.13
	b)	Financial assets			
		i) Trade receivables	15	564.91	294.73
		ii) Cash and cash equivalents	16	284.62	3,990.57
		iii) Bank balances other than cash and cash equivalents	17	2,248.43	178.67
		iv) Loans	18	4.41	4.78
		v) Other financial assets	19	4,831.96	204.95
	c)	Other current assets	20	1,672.77	617.90
				11,246.51	**6,755.73**
	d)	Non-current assets classified as held for sale	21	-	24.75
		Total - Current assets		**11,246.51**	**6,780.48**
		TOTAL - ASSETS		**35,904.13**	**28,182.79**
EQUITY AND LIABILITIES					
Equity					
	a)	Equity share capital	22	397.13	397.13
	b)	Other equity	25	23,108.38	21,807.80
	c)	Money received against Share warrants	62	5,000.03	-
		Total Equity		**28,505.54**	**22,204.93**
Liabilities					
1	**Non-current liabilities**				
	a)	Financial liabilities			
		i) Borrowings	26	34.22	43.50
		ii) Lease liabilities	27	599.73	261.15
		iii) Other financial liabilities	28	-	0.13
	b)	Provisions	29	85.84	66.01
	c)	Deferred tax liabilities (net)	30	218.06	213.66
	d)	Other non-current liabilities	32	37.27	36.74
		Total - Non-current liabilities		**975.12**	**621.19**
2	**Current liabilities**				
	a)	Financial liabilities			
		i) Borrowings	33	13.49	3.44
		ii) Trade payables			
		Total outstanding dues of micro and small enterprises	34	31.01	7.57
		Total outstanding dues of trade payables other than micro and small enterprises		1,540.10	1,138.13
		iii) Lease liabilities	53	301.98	42.90
		iv) Other financial liabilities	35	929.64	875.81
	b)	Other current liabilities	36	2,344.42	2,040.34
	c)	Provisions	37	4.10	9.00
	d)	Current tax liabilities (net)		1,258.73	1,239.48
		Total - Current liabilities		**6,423.47**	**5,356.67**
		Total Liabilities		**7,398.59**	**5,977.86**
		TOTAL - EQUITY AND LIABILITIES		**35,904.13**	**28,182.79**

See accompanying notes to the financial statements

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per GOVIND AHUJA
Partner
Membership Number : 048966

Mumbai
May 02, 2023

For and on behalf of the Board of Directors of Ambuja Cements Limited

GAUTAM S. ADANI
Chairman
DIN : 00006273

KARAN ADANI
Director
DIN : 03088095

AJAY KAPUR
Wholetime Director & Chief Executive Officer
DIN - 03096416

VINOD BAHETY
Chief Financial Officer
Ahmedabad
May 02, 2023

Statement of Profit and Loss

₹ In Crore

Particulars			Notes	For the fifteen months ended March 31, 2023 (Refer Note - 63)	For the year ended December 31, 2021
1	Income				
	a)	Revenue from operations	38	19,985.43	13,979.04
	b)	Other income	39	952.27	281.18
		Total income		**20,937.70**	**14,260.22**
2	Expenses				
	a)	Cost of materials consumed	40	1,664.57	1,130.18
	b)	Purchase of stock-in-trade	41	1,032.82	381.39
	c)	Changes in inventories of finished goods, work-in progress and stock-in-trade	42	66.99	(356.09)
	d)	Employee benefits expense	43	800.16	681.23
	e)	Finance costs	44	127.97	91.00
	f)	Depreciation and amortisation expense	45	832.42	551.74
	g	Power and fuel		6,012.91	3,422.75
	h)	Freight and forwarding expense	46	4,383.48	3,309.91
	i)	Other expenses	47	2,832.09	2,214.70
				17,753.41	**11,426.81**
	j)	Captive consumption of cement		**(28.03)**	**(20.18)**
		Total expenses		**17,725.38**	**11,406.63**
3	Profit before exceptional items and tax (1-2)			3,212.32	2,853.59
4	Exceptional items		64	157.27	65.69
5	Profit before tax (3-4)			3,055.05	2,787.90
6	Tax expense		31		
	a)	Current tax (net)		496.38	690.79
	b)	Deferred tax		5.18	13.92
				501.56	**704.71**
7	Profit after tax (5-6)			**2,553.49**	**2,083.19**
8	Other comprehensive income				
	Items that will not be reclassified to profit and loss:				
		Remeasurement gains / (losses) on defined benefit plans		(2.89)	7.59
		Income tax relating to items that will not be reclassified to profit and loss		0.78	(1.92)
	Other comprehensive income for the year, net of tax			**(2.11)**	**5.67**
9	Total comprehensive income for the year (7+8)			**2,551.38**	**2,088.86**
10	Earnings per share of ₹ 2 each - in ₹		48		
	Basic			12.86	10.49
	Diluted			12.49	10.49

See accompanying notes to the financial statements
As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per GOVIND AHUJA
Partner
Membership Number : 048966

Mumbai
May 02, 2023

For and on behalf of the Board of Directors of Ambuja Cements Limited

GAUTAM S. ADANI
Chairman
DIN : 00006273

KARAN ADANI
Director
DIN : 03088095

AJAY KAPUR
Wholetime Director & Chief Executive Officer
DIN - 03096416

VINOD BAHETY
Chief Financial Officer
Ahmedabad
May 02, 2023

Statement of changes in equity

₹ In Crore

Particulars		Notes	As at March 31, 2023	As at December 31, 2021
A	**Equity share capital**	22		
	Opening Balance		397.13	397.13
	Changes during the year		-	-
	Closing balance		**397.13**	**397.13**

B Other equity

₹ In Crore

Particulars	Reserves and surplus (Refer Note 25) Capital reserve	Securities premium	General reserve	Capital redemption reserve	Capital subsidies	Capital contribution from parent	Retained earnings	Total
Balance as at January 01, 2022	**130.71**	**12,471.07**	**5,659.43**	**9.93**	**5.02**	**5.36**	**3,526.28**	**21,807.80**
Profit for the year	-	-	-	-	-	-	2,553.49	2,553.49
Other comprehensive income (net of tax)	-	-	-	-	-	-	(2.11)	(2.11)
Total comprehensive income for the year	-	-	-	-	-	-	2,551.38	2,551.38
Share based payment (Refer Note 50)	-	-	-	-	-	0.16	-	0.16
Dividend paid (Refer Note 24)	-	-	-	-	-	-	(1,250.96)	(1,250.96)
Balance as at March 31, 2023	**130.71**	**12,471.07**	**5,659.43**	**9.93**	**5.02**	**5.52**	**4,826.70**	**23,108.38**

₹ In Crore

Particulars	Reserves and surplus (Refer Note 25) Capital reserve	Securities premium	General reserve	Capital redemption reserve	Capital subsidies	Capital contribution from parent	Retained earnings	Total
Balance as at January 01, 2021	**130.71**	**12,471.07**	**5,655.83**	**9.93**	**5.02**	**1.53**	**1,644.64**	**19,918.73**
Changes in balance on account of merger*	-	-	3.60	-	-	-	(8.66)	(5.06)
Restated Balance as at January 01, 2021	**130.71**	**12,471.07**	**5,659.43**	**9.93**	**5.02**	**1.53**	**1,635.98**	**19,913.67**
Profit for the year	-	-	-	-	-	-	2,083.19	2,083.19
Other comprehensive income (net of tax)	-	-	-	-	-	-	5.67	5.67
Total comprehensive income for the year	**-**	**-**	**-**	**-**	**-**	**-**	**2,088.86**	**2,088.86**
Share based payment (Refer Note 50)	-	-	-	-	-	3.83	-	3.83
Dividend paid (Refer Note 24)	-	-	-	-	-	-	(198.56)	(198.56)
Balance as at December 31, 2021	**130.71**	**12,471.07**	**5,659.43**	**9.93**	**5.02**	**5.36**	**3,526.28**	**21,807.80**

*Restated (Refer Note 61)

There are no changes in the equity share capital and other equity due to prior period errors.

See accompanying notes to the financial statements

As per our report of even date
As per our report of even date
For S R B C & CO LLP
ICAI Firm Registration No. 324982E/E300003

per GOVIND AHUJA
Partner
Membership Number : 048966

Mumbai
May 02, 2023

For and on behalf of the Board of Directors of Ambuja Cements Limited

GAUTAM S. ADANI
Chairman
DIN : 00006273

KARAN ADANI
Director
DIN : 03088095

AJAY KAPUR
Wholetime Director & Chief Executive Officer
DIN - 03096416

VINOD BAHETY
Chief Financial Officer
Ahmedabad
May 02, 2023

Statement of cash flows

₹ In Crore

Particulars		For the fifteen months ended March 31, 2023 (Refer Note - 63)	For the year ended December 31, 2021
A)	**Cash flows from operating activities**		
	Profit before tax	3,055.05	2,787.90
	Adjustments to reconcile profit before tax to net cash flows		
	Depreciation and amortisation expense	832.42	551.74
	Provision for restructuring cost	80.71	65.69
	(Profit)/loss on property, plant and equipment sold, discarded and written off (net)	(4.12)	25.09
	Gain on sale of current financial assets measured at fair value through profit and loss	(35.12)	(8.26)
	Interest income	(310.40)	(109.08)
	Finance costs	123.61	87.66
	Impairment loss/ (reversal) on trade receivable (net)	(7.62)	1.95
	Provision for slow and non moving store and spares (net)	(3.50)	23.00
	Provisions no longer required written back	(34.52)	(11.07)
	Net gain on fair valuation of current financial assets measured at fair value through profit and loss	(0.08)	(0.10)
	Compensation expenses under employees stock options scheme	0.16	3.83
	Fair value movement in derivative instruments	(7.31)	5.92
	Unrealised exchange loss (net)	33.62	2.46
	Dividend income from subsidiary	(545.11)	(131.58)
	Dividend income from joint venture	(10.09)	(2.75)
	Gain on sale of investment in subsidiary	(14.00)	-
	Other non-cash items	(24.07)	5.72
	Operating profit before working capital changes	**3,129.63**	**3,298.12**
	Changes in Working Capital		
	Adjustments for Decrease / (Increase) in operating assets		
	(Increase) / Decrease in inventories	(174.52)	(742.22)
	(Increase) / Decrease in trade receivable	(262.56)	(104.07)
	(Increase) / Decrease in other assets	(977.52)	13.52
	Adjustments for Increase / (Decrease) in operating liabilities		
	Increase / (Decrease) in trade payables	375.24	207.63
	Increase / (Decrease) in provisions	14.93	14.42
	Increase / (Decrease) in other liabilities	238.96	155.07
	Cash generated from operations	**2,344.16**	**2,842.47**
	Direct taxes paid (net of refund) (Refer Note 69)	(334.57)	(365.94)
	Net cash flow from operating activities (A)	**2,009.59**	**2,476.53**
B)	**Cash flows from investing activities**		
	Purchase of property, plant and equipment and other intangible assets (Including capital work-in-progress and capital advances)	(2,153.65)	(1,160.58)
	Proceeds from sale of property, plant and equipment and other intangible assets	42.10	17.60
	Loans given to subsidiaries (net)	(0.11)	(0.01)
	Gain on sale of current financial assets measured at fair value through profit and loss	35.12	8.26
	Inter corporate deposits given	(200.00)	-
	Inter corporate deposits repaid	200.00	-
	(Investment) / Redemption in bank and margin money deposits (having original maturity for more than 3 months)	(8,023.03)	15.68
	Investment in equity shares	(2.00)	(4.70)
	Dividend received from subsidiary	545.11	131.58
	Dividend received from joint venture	10.09	2.75
	Interest received	219.20	102.67
	Net cash used in investing activities (B)	**(9,327.17)**	**(886.75)**
C)	**Cash flows from financing activities**		
	Repayment of non-current borrowings	(3.59)	-
	Payment of lease liabilities (including interest)	(66.07)	(42.68)
	Interest paid	(67.86)	(75.64)
	Net movement in earmarked balances with banks	0.45	3.54
	Money received against share warrants	5,000.03	-
	Dividend paid	(1,251.41)	(202.10)
	Net cash used in financing activities (C)	**3,611.55**	**(316.88)**
	Net increase / (decrease) in cash and cash equivalents (A + B + C)	**(3,706.03)**	**1,272.90**

Statement of cash flows

₹ In Crore

Particulars	For the fifteen months ended March 31, 2023 (Refer Note - 63)	For the year ended December 31, 2021
Cash and cash equivalents		
Cash and cash equivalents at the end of the year	284.62	3,990.57
Adjustment for gain on fair valuation of current financial assets measured at FVTPL	(0.08)	(0.10)
	284.54	**3,990.47**
Cash and cash equivalents at the beginning of the year	3,990.57	2,717.57
Net increase / (decrease) in cash and cash equivalents	**(3,706.03)**	**1,272.90**

3. Changes in liabilities arising from financing activities :

₹ In Crore

Particulars	As at January 01, 2022	Cash flow changes		Non-cash flow changes		As at March 31, 2023
		Receipts	Payments	Unwinding charges	Reclassified from non current to current	
Non-current borrowings (Refer Note 26)	43.50	-	-	4.21	(13.49)	34.22
Current maturities of non-current borrowings (Refer Note 33)	3.44	-	(3.59)	0.15	13.49	13.49
Total	**46.94**	**-**	**(3.59)**	**4.36**	**-**	**47.71**

₹ In Crore

Particulars	As at January 01, 2021	Cash flow changes		Non-cash flow changes		As at December 31, 2021
		Receipts	Payments	Unwinding charges	Reclassified from non current to current	
Non-current borrowings (Refer Note 26)	43.60	-	-	3.34	(3.44)	43.50
Current maturities of non-current borrowings (Refer Note 33)	-	-	-	-	3.44	3.44
Total	**43.60**	**-**	**-**	**3.34**	**-**	**46.94**

Refer Note 53 for changes in the lease liabilities

See accompanying notes to the financial statements
As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per GOVIND AHUJA
Partner
Membership Number : 048966

Mumbai
May 02, 2023

For and on behalf of the Board of Directors of Ambuja Cements Limited

GAUTAM S. ADANI
Chairman
DIN : 00006273

KARAN ADANI
Director
DIN : 03088095

AJAY KAPUR
Wholetime Director & Chief Executive Officer
DIN - 03096416

VINOD BAHETY
Chief Financial Officer
Ahmedabad
May 02, 2023

1. Corporate information

Ambuja Cements Limited ('the Company') is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India and its GDRs are listed under the EURO Multilateral Trading Facility (MTF) Platform of Luxembourg Stock Exchange. During the year, the Company has changed its registered office to Adani Corporate House, Shantigram, SG. Highway, Khodiyar, Ahmedabad – 382421, Gujarat from Ambujanagar, Taluka Kodinar, Dist. Gir Somnath, Gujarat.

The Company's principal activity is to manufacture and market cement and cement related products.

2. Statement of compliance and basis of preparation

A. Statement of compliance

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

B. Basis of preparation

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

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

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

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

These financial statements were approved for issue in accordance with the resolution of the Board of Directors on May 2, 2023.

3. Significant accounting policies

A. Property, plant and equipments

I. Measurement and Recognition

a. Property, plant and equipments are stated at their cost of acquisition / installation / construction net of accumulated depreciation, and impairment losses, if any, except freehold non-mining land which is carried at cost less accumulated impairment losses. Subsequent expenditures are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. When significant parts of plant and equipments are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipments as a replacement if the recognition criteria are satisfied. All other repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for provisions are met.

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

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

II. Depreciation on property, plant, and equipments

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

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

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

d. Depreciation on an item of property, plant and equipments sold, discarded, demolished or scrapped, is provided upto the date on which the said asset is sold, discarded, demolished or scrapped.

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

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

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

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

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

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

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

Assets	Useful lives
Land (freehold)	No depreciation except on land with mineral reserves. Cost of mineral reserves embedded in the cost of freehold mining land is depreciated in proportion of actual quantity of minerals extracted to the estimated quantity of extractable mineral reserves
Leasehold mining land	Amortised over the period of lease on a straight line basis
Buildings, roads and water works	3 – 60 years
Plant and equipments	8 – 30 years
Railway sidings and locomotives	8 – 15 years
Furniture, office equipments and tools	3 – 10 years
Vehicles	6 – 10 years
Ships	25 years

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

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

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

III. Derecognition of property plant and equipments

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

B. Intangible assets

I. Recognition and Measurement

a. Intangible assets acquired separately are measured on initial recognition at cost. Cost comprises the purchase price (net of tax / duty credits availed wherever applicable) and any directly attributable cost of bringing the assets to its working condition for its intended use. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

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

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

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

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

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

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

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

II. Derecognition of intangible assets

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

III. Contract based Intangibles

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

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

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

IV. Amortisation of intangible assets

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

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

C. Impairment of non-financial assets

The carrying amounts of other non-financial assets, other than inventories and deferred tax assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss, if any, is recognised in the statement of profit and loss wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less cost of disposal and value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets of or Group of assets. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the assets. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. A previously recognised impairment loss, if any, is reversed when there is an indication of reversal, however, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation / amortisation if there was no impairment.

D. Inventories

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

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

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

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

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

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

E. Business combination

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

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

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

II. Liabilities or equity instruments related to share-based payment arrangements of the acquiree or share – based payments arrangements of the

Company entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 "Share-based Payments" at the acquisition date.

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

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

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and fair value of any previously held interest in acquiree, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred (bargain purchase), the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in Other Comprehensive Income (OCI) and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

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

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

Business combination of entities under common control

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

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

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

III. The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination, however, where the business combination had occurred after that date, the prior period information is restated only from that date.

IV. The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee.

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

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

F. Goodwill

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

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

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

G. Investment in subsidiaries, associates and joint ventures

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

H. Fair value measurement

The Company measures some of its financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities for which fair value is measured as disclosed in the financial statements are categorised within the fair value hierarchy described in Note 56.

I. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through the statement of profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through the statement of profit and loss are recognised immediately in the statement of profit and loss.

I. Financial assets

a. Initial recognition and measurement of financial assets

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

b. Subsequent measurement of financial assets

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

i. Financial assets at amortised cost

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

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The EIR amortisation is included in other income in the statement of profit and loss. The losses arising from impairment if any are recognised in the statement of profit and loss.

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

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

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

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

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

Debt instrument at FVTPL

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

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

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

Equity instruments

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

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

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

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

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

c. **Derivative Financial Instruments**

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

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

d. **Derecognition of financial assets**

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

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

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

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

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

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

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

e. Impairment of financial assets

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

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

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

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

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

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

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

II. Financial liabilities and equity instruments

Classification as debt or equity

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

a. Equity instruments

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

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

b. Financial liabilities

i. Initial recognition and measurement

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

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

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

ii. Subsequent measurement of financial liabilities at amortised cost

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

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

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

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

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

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

iv. Derecognition of financial liabilities

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

v. Embedded derivatives

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

III. Offsetting of financial instruments

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

J. Effective interest method

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

K. Provisions and contingencies

I. Provisions

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

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

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

Mines reclamation

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

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

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

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

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

II. Contingent liability

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

L. Foreign exchange gains and losses

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

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

M. Revenue recognition

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

I. Sale of goods

Revenue from the sale of the goods is recognised when delivery has taken place and control of the goods has been transferred to the customer according to the specific delivery term that have been agreed with the customer and when there are no longer any unfulfilled obligations. Revenue is measured after deduction of any discounts, price concessions, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts, price concessions and rebates.

No element of financing is deemed present as the sales are made with credit terms largely ranging between 30 days and 60 days depending on the specific terms agreed with customers.

Contract balances

Trade Receivables and Contract Assets

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

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

Contract Liabilities

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

II. Rendering of services

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

III. Interest income

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

IV. Dividends

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

N. Retirement and other employee benefits

I. Defined contribution plan

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

II. Defined benefit plan

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

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

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

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

b. The date that the Company recognises related restructuring costs

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

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

b. Net interest expense or income

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

III. Short term employee benefits

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

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

IV. Other long-term employee benefits

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

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

V. Employee share-based payments

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

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

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

VI. Termination benefits

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

a. when the Company can no longer withdraw the offer of those benefits;

b. when the Company recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits.

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

VII. Presentation and disclosure

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

O. Non-current assets held for sale

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

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

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

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

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

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

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

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

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

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

P. Borrowing Costs

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

Q. Taxation

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

I. Current income tax

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

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

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

II. Deferred tax

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

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

a. When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

b. In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised only to the extent that it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realised, except:

a. When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

b. In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Company writes-down the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain that sufficient future taxable income will be available.

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

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

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

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

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

R. Leases

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

i. Company as a lessee:

Right-of-use assets

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

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

Right of use assets	Terms (in years)
Buildings	2-30
Leasehold land	5-99
Ships and tugs	2-13

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

Lease liabilities

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

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

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

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

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

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

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

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

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

Short-term leases and leases of low-value assets

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

ii. **Company as a lessor:**

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

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

S. Segment reporting

a. Segment Policies

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

b. Identification of segments

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

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

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

c. Allocation of common costs

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

d. Inter-segment transfers

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

e. Unallocated items

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

T. Cash and cash equivalents

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

U. Government grants and subsidies

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

Where the grants relate to an item of expense, they are recognised as income on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate.

Where the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

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

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

V. Earnings per share

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

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

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

All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 "Presentation of financial statements".

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

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

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

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

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

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

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

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

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

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

III. Others

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

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

X. Exceptional items

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

Y. Use of estimates and judgments

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

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

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

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

I. Classification of legal matters and tax litigations (Refer Note 49)

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

II. Defined benefit obligations (Refer Note 52)

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

III. Useful life of property, plant and equipments (Refer Note 4)

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

IV. Impairment of Property, plant and equipments (Refer Note 4)

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

V. Incentives under the State Industrial Policy (Refer Note 12 and 19)

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

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

VI. Discounts / rebate to customers (Refer Note 38)

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

VII. Physical verification of Inventory (Refer Note 14)

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

AA. Standards Issued and Effective

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

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

AB. Amendments not yet effective:

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

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

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

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

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

(iii) Ind AS 12 – Income Taxes

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

a) right-of-use assets and lease liabilities

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

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

(iv) Ind AS 103 – Common control Business Combination

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

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

Notes to the financial statements

NOTE 4 - PROPERTY, PLANT AND EQUIPMENT

₹ In Crore

Particulars	Gross carrying value				Accumulated depreciation				Net carrying value	
	As at January 01, 2022	Additions	Deductions/ Transfers	As at March 31, 2023	As at January 01, 2022	Depreciation charge for the year	Deductions/ Transfers	As at March 31, 2023	As at March 31, 2023	As at December 31, 2021
Freehold non-mining land	428.49	15.26	6.48	437.27	-	-	-	-	437.27	428.49
Freehold mining land	864.22	61.55	-	925.77	126.24	50.88	-	177.12	748.65	737.98
Leasehold mining land	201.64	-	-	201.64	7.33	2.57	-	9.90	191.74	194.31
Buildings roads and water works (Refer Note (a) below)	1,745.54	92.70	0.97	1,837.27	477.61	98.96	0.19	576.38	1,260.89	1,267.93
Plant and equipment (owned) (Refer Note (b) below)	6,487.53	1,036.67	67.99	7,456.21	2,308.89	516.51	35.34	2,790.06	4,666.15	4,178.64
Furniture and fixtures	29.15	0.96	0.09	30.02	16.64	3.07	0.08	19.63	10.39	12.51
Vehicles	139.49	25.32	5.57	159.24	63.28	28.41	4.54	87.15	72.09	76.21
Office equipment	84.06	19.16	6.04	97.18	63.17	12.04	5.36	69.85	27.33	20.89
Marine structures (Refer Note (c) below)	24.37	0.71	0.02	25.06	20.31	3.84	0.02	24.13	0.93	4.06
Railway sidings and locomotives	159.37	25.26	-	184.63	28.16	15.44	-	43.60	141.03	131.21
Ships	126.52	11.20	135.34	2.38	44.62	8.47	50.71	2.38	-	81.90
Total	**10,290.38**	**1,288.79**	**222.50**	**11,356.67**	**3,156.25**	**740.19**	**96.24**	**3,800.20**	**7,556.47**	**7,134.13**

₹ In Crore

Particulars	Gross carrying value				Accumulated depreciation				Net carrying value
	As at January 01, 2021	Additions	Deductions/ Transfers	As at December 31, 2021	As at January 01, 2021	Depreciation charge for the year	Deductions/ Transfers	As at December 31, 2021	As at December 31, 2021
Freehold non-mining land	423.78	4.71	-	428.49	-	-	-	-	428.49
Freehold mining land	793.56	70.66	-	864.22	84.58	41.66	-	126.24	737.98
Leasehold mining land	201.45	0.19	-	201.64	5.27	2.06	-	7.33	194.31
Buildings roads and water works (Refer Note (a) below)	1,570.85	175.30	0.61	1,745.54	405.85	73.61	1.85	477.61	1,267.93
Plant and equipment (owned) (Refer Note (b) below)	4,662.20	1,884.65	59.32	6,487.53	1,992.56	341.06	24.73	2,308.89	4,178.64
Furniture and fixtures	25.46	3.76	0.07	29.15	14.26	4.27	1.89	16.64	12.51
Vehicles	133.56	21.85	15.92	139.49	56.96	17.81	11.49	63.28	76.21
Office equipment	73.96	13.57	3.47	84.06	58.51	8.04	3.38	63.17	20.89
Marine structures (Refer Note (c) below)	24.37	-	-	24.37	17.31	3.00	-	20.31	4.06
Railway sidings and locomotives	48.60	110.77	-	159.37	22.83	5.33	-	28.16	131.21
Ships	126.54	-	0.02	126.52	37.47	7.17	0.02	44.62	81.90
Total	**8,084.33**	**2,285.46**	**79.41**	**10,290.38**	**2,695.60**	**504.01**	**43.36**	**3,156.25**	**7,134.13**

Note 4 - Property, plant and equipment

Includes :

a) i) Premises in co-operative societies, on ownership basis of ₹ 84.50 crore (December 31, 2021 - ₹ 84.50 crore) and ₹ 11.33 crore (December 31, 2021 - ₹ 9.33 crore) being accumulated depreciation thereon.

ii) ₹ 19.92 crore (December 31, 2021 - ₹ 19.92 crore) being cost of roads constructed by the Company, the ownership of which vests with goverment-local authorities and ₹ 17.52 crore (December 31, 2021 - ₹ 17.24 crore) being accumulated depreciation thereon.

b) ₹ 74.21 crore (December 31, 2021 - ₹ 73.83 crore) being cost of power lines incurred by the Company, the ownership of which vests with state electricty boards and ₹ 16.38 crore (December 31, 2021 - ₹ 13.47 crore) being accumulated depreciation thereon.

c) Cost incurred by the Company the ownership of which vests with the state maritime boards.

d) Details of immovable properties whose title deeds are not held in the name of the Company:

Asset category	Title Deeds held in the name of	Property held since	Reason for not being transferred in the name of Company	Gross carrying value as on March 31, 2023	Gross carrying value as on December 31, 2021
Freehold Land	Ambuja Cements Rajasthan Limited	August 08, 2013	The title deeds are in the name of erstwhile Ambuja Cements Rajasthan Limited which was merged with the Company	0.01	0.01
Freehold Land	Chemical Limes Mundwa Pvt. Ltd.	October 20, 2010	The title deeds are in the name of subsidiary company	1.29	1.29
Freehold Land	Dirk MP India Pvt Ltd	December 28, 2022	The title deeds are in the name of Dirk India Private Limited which was merged with the Company (Refer Note 61)	0.62	-
Freehold Land	Dirk India Pvt. Ltd.	December 28, 2022		0.11	-
Building and Roads	Dirk India Pvt. Ltd.	December 28, 2022		8.52	-

e) Capital Work-in-progress

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Capital Work-in-progress	841.87	951.35
Total	**841.87**	**951.35**

Notes:

i) It comprises of various projects and expansions spread over all units.

ii) Movement in capital work in progress

Particulars	Amount ₹ In Crore
Opening balance as on January 01, 2021	1,873.74
Add - Additions during the year	1,376.27
Less - Capitalized during the year	2,298.66
Closing balance as on December 31, 2021	951.35
Add - Additions during the year	1,196.47
Less - Capitalized during the year	1,305.95
Closing balance as on March 31, 2023	**841.87**

iii) Ageing schedule of capital-work-in progress (CWIP):

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2023					
Projects in progress	522.44	166.22	23.71	129.50	841.87
Total	**522.44**	**166.22**	**23.71**	**129.50**	**841.87**

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at December 31, 2021					
Projects in progress	335.00	372.59	158.89	84.87	951.35
Total	**335.00**	**372.59**	**158.89**	**84.87**	**951.35**

Notes to the financial statements

Note 5 - Right-of-use assets

₹ In Crore

Particulars	Gross carrying value				Accumulated depreciation				Net carrying value	
	As at January 01, 2022	Additions	Deductions/ Transfers	As at March 31, 2023	As at January 01, 2022	Depreciation charge for the year	Deductions/ Transfers	As at March 31, 2023	As at March 31, 2023	As at December 31, 2021
Leasehold land	89.21	-	-	89.21	6.88	4.50	-	11.38	77.83	82.33
Buildings	8.08	1.57	4.20	5.45	2.91	1.85	1.88	2.88	2.57	5.17
Ships and tugs	317.17	556.07	17.81	855.43	61.41	68.28	17.81	111.88	743.55	255.76
Total	**414.46**	**557.64**	**22.01**	**950.09**	**71.20**	**74.63**	**19.69**	**126.14**	**823.95**	**343.26**

₹ In Crore

Particulars	Gross carrying value				Accumulated depreciation				Net carrying value
	As at January 01, 2021 (Refer Note (a) below)	Additions	Deductions/ Transfers	As at December 31, 2021	As at January 01, 2021	Depreciation charge for the year	Deductions/ Transfers	As at December 31, 2021	As at December 31, 2021
Leasehold land	86.79	2.42	-	89.21	3.23	3.65	-	6.88	82.33
Buildings	7.79	1.18	0.89	8.08	1.57	1.60	0.26	2.91	5.17
Ships and tugs	315.64	2.84	1.31	317.17	31.44	31.21	1.24	61.41	255.76
Total	**410.22**	**6.44**	**2.20**	**414.46**	**36.24**	**36.46**	**1.50**	**71.20**	**343.26**

Notes to the financial statements

Note 6 - Goodwill

₹ In Crore

Particulars	Gross carrying value: As at January 01, 2022	Gross carrying value: Additions	Gross carrying value: Deductions/ Transfers	Gross carrying value: As at March 31, 2023	Accumulated amortisation: As at January 01, 2022	Accumulated amortisation: Amortisation charge for the year	Accumulated amortisation: Deductions/ Transfers	Accumulated amortisation: As at March 31, 2023	Net carrying value: As at March 31, 2023	Net carrying value: As at December 31, 2021
Goodwill (Refer Note (a) below)	254.92	-	-	254.92	235.63	-	-	235.63	19.29	19.29
Total	**254.92**	**-**	**-**	**254.92**	**235.63**	**-**	**-**	**235.63**	**19.29**	**19.29**

₹ In Crore

Particulars	Gross carrying value: As at January 01, 2021	Gross carrying value: Additions	Gross carrying value: Deductions/ Transfers	Gross carrying value: As at December 31, 2021	Accumulated amortisation: As at January 01, 2021	Accumulated amortisation: Amortisation charge for the year	Accumulated amortisation: Deductions/ Transfers	Accumulated amortisation: As at December 31, 2021	Net carrying value: As at December 31, 2021
Goodwill (Refer Note (a) below)	254.92	-	-	254.92	235.63	-	-	235.63	19.29
Total	**254.92**	**-**	**-**	**254.92**	**235.63**	**-**	**-**	**235.63**	**19.29**

Note :

a) The Company has adopted Ind AS w.e.f. January 01, 2017. Under previous generally accepted accounting principles (GAAP), the Company was amortising goodwill.

Note 7 - Other intangible assets

₹ In Crore

Particulars	Gross carrying value: As at January 01, 2022	Gross carrying value: Additions	Gross carrying value: Deductions/ Transfers	Gross carrying value: As at March 31, 2023	Accumulated amortisation: As at January 01, 2022	Accumulated amortisation: Amortisation charge for the year	Accumulated amortisation: Deductions/ Transfers	Accumulated amortisation: As at March 31, 2023	Net carrying value: As at March 31, 2023	Net carrying value: As at December 31, 2021
Mining rights	194.82	15.67	-	210.49	22.72	10.82	-	33.54	176.95	172.10
Water drawing rights	0.31	-	-	0.31	0.12	0.02	-	0.14	0.17	0.19
Computer software	2.36	1.49	0.33	3.52	0.50	0.76	0.04	1.22	2.30	1.86
Sponsorship rights (Refer Note 55)	-	46.62	-	46.62	-	6.00	-	6.00	40.62	-
Total	**197.49**	**63.78**	**0.33**	**260.94**	**23.34**	**17.60**	**0.04**	**40.90**	**220.04**	**174.15**

₹ In Crore

Particulars	Gross carrying value: As at January 01, 2021	Gross carrying value: Additions	Gross carrying value: Deductions/ Transfers	Gross carrying value: As at December 31, 2021	Accumulated amortisation: As at January 01, 2021	Accumulated amortisation: Amortisation charge for the year	Accumulated amortisation: Deductions/ Transfers	Accumulated amortisation: As at December 31, 2021	Net carrying value: As at December 31, 2021
Mining rights	185.23	12.01	2.42	194.82	11.76	10.96	-	22.72	172.10
Water drawing rights	0.31	-	-	0.31	0.10	0.02	-	0.12	0.19
Computer software	1.17	1.19	-	2.36	0.21	0.29	-	0.50	1.86
Total	**186.71**	**13.20**	**2.42**	**197.49**	**12.07**	**11.27**	**-**	**23.34**	**174.15**

Note 8 - Capitalisation of expenditure

The Company has capitalised following expenses of revenue nature to the cost of Property, plant and equipment / Capital work-in-progress. Consequently, expenses disclosed under the respective notes are net of amounts capitalised.

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Balance at the beginning of the year included in capital work-in-progress	-	125.96
Add : Expenditure during construction for projects		
Employee benefits expenses (Refer Note (a) below)	0.72	24.56
Other expenses (Refer Note (b) below)	5.78	105.56
	6.50	**256.08**
Less : Capitalised during the year (Refer Note (c) below)	-	256.08
Balance at the end of the year included in capital work-in-progress	**6.50**	**-**

Notes:

a) Costs of employee benefits (as defined in Ind AS 19 "Employee Benefits") of project associated departments are arising directly from the construction or acquisition of the item of Property, plant and equipment.

b) Other expense are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

c) During the previous year 2021, the Company has started commercial production at its integrated plant at Marwar in Rajasthan with clinker capacity of 3.0 million ton per annum and cement grinding capacity of 1.8 million ton per annum.

Note 9 - Investments in subsidiaries and joint venture

	Particulars	Face value (in Rs.)	As at March 31, 2023		As at December 31, 2021	
			No of shares	₹ In Crore	No of shares	₹ In Crore
A)	Investment in subsidiaries					
	Quoted, in fully paid equity shares					
	ACC Limited	10	9,39,84,120	11,737.80	9,39,84,120	11,737.80
	Unquoted, in fully paid equity shares					
	M.G.T. Cements Private Limited	10	7,50,000	3.05	7,50,000	3.05
	Chemical Limes Mundwa Private Limited	10	51,40,000	6.47	51,40,000	6.47
	OneIndia BSC Private Limited	10	25,01,000	2.50	25,01,000	2.50
	Ambuja Shipping Services Limited	10	10,00,000	1.00	-	-
	Ambuja Resources Limited	10	10,00,000	1.00	-	-
				14.02		**12.02**
B)	Investment in joint venture					
	Unquoted, In fully paid equity shares					
	Counto Microfine Products Private Limited	10	76,44,045	14.86	76,44,045	14.86
	Total			**11,766.68**		**11,764.68**

Notes:

a) Book and Market value

₹ In Crore

Particulars	Book value as at		Market value as at	
	March 31, 2023	December 31, 2021	March 31, 2023	December 31, 2021
Aggregate carrying value of quoted investments	11,737.80	11,737.80	15,664.80	20,840.04
Aggregate carrying value of unquoted investments	28.88	26.88	-	-
Total	**11,766.68**	**11,764.68**	**15,664.80**	**20,840.04**

b) Disclosure pursuant to Ind AS 27 - Separate Financial Statements

₹ In Crore

Name of the Company	Principal activities	Country of Incorporation	% of equity interest As at March 31, 2023	As at December 31, 2021
Direct and Indirect Subsidiaries (At Cost)				
M.G.T. Cements Private Limited	Cement and cement related products	India	100.00%	100.00%
Chemical Limes Mundwa Private Limited	Cement and cement related products	India	100.00%	100.00%
Dang Cement Industries Private Limited (Refer Note 21)	Cement and cement related products	Nepal	0.00%	91.63%
ACC Limited	Cement and cement related products	India	50.05%	50.05%
OneIndia BSC Private Limited	Shared services	India	75.03%	75.03%
Ambuja Shipping Services Limited	Shipping services	India	100.00%	NA
Ambuja Resources Limited		India	100.00%	NA
Joint Venture (At Cost)				
Counto Microfine Products Private Limited	Cement and cement related products	India	50.00%	50.00%
Joint Operation (Refer Note 68)				
Wardha Vaalley Coal Field Private Limited	Cement and cement related products	India	27.27%	27.27%

Note 10 - Non-current investments

Particulars	Face Value (in Rs.)	As at March 31, 2023		As at January 01, 2022	
		No of shares	₹ In Crore	No of shares	₹ In Crore
A) Investments carried at amortised cost					
Unquoted, In Government and trust securities					
National Savings Certificate ₹ 36,500 (December 31, 2021 ₹ 36,500) deposited with government department as security. (Refer Note (a) below)			-		-
			-		-
B) Investments carried at fair value through profit and loss (FVTPL)					
Unquoted, In fully paid equity shares					
Gujarat Goldcoin Ceramics Limited (Refer Note (b) below)	10	10,00,000	1.00	10,00,000	1.00
Less: Impairment in the value of investments			1.00		1.00
			-		-
Avaada MHBuldhana Private Limited (Refer Note (c) below)	10	7,87,500	0.79	7,87,500	0.79
Solbridge Energy Private Limited (Refer Note (d) below)	10	30,75,791	3.91	30,75,791	3.91
Amplus Green Power Private Limited	10	25,78,592	4.50	25,78,592	4.50
			9.20		**9.20**
Total			**9.20**		**9.20**
Aggregate value of unquoted investments			**9.20**		**9.20**

Notes:

a) Denotes amount less than ₹ 50,000.

b) This company is under liquidation and the Company has fully provided for the investment value.

c) During the previous year, the Company has subscribed 787,500 equity shares in Avaada MHBuldhana Private Limited (Avaada) representing 0.90% holding for a total consideration of ₹ 0.79 crore. The Avaada has set up a solar power plant in the State of Maharashtra of which the Company's Panvel plant would be one of the consumer.

d) During the previous year, the Company has subscribed 3,075,791 equity shares in Solbridge Energy Private Limited (Solbridge) representing 7.31% holding for a total consideration of ₹ 3.91 crore. The Solbridge has set up a solar power plant in the State of Chhattisgarh of which the Company's Bhatapara plant would be one of the consumer.

Note 11 - Non-current loans

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Unsecured, considered good		
Loans to employees	1.01	1.52
Unsecured loans which have significant increase in credit risk		
Loan to Wardha Vaalley Coal Field Private Limited, a Joint operation	1.16	1.10
	1.16	**1.10**
Less : allowance for doubtful loans	1.16	1.10
	-	-
Total	**1.01**	**1.52**

Note 12 - Other non-current financial assets

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Unsecured, considered good		
Security deposits	103.60	66.97
Government grant receivable (Net)	182.21	427.28
Receivable from subsidiary company	171.31	-
Bank deposits with remaining maturity of more than 12 months (Refer note (a) below)	1,598.72	42.30
Margin money deposit with remaining maturity of more than 12 months (Refer note (b) below)	11.22	10.88
Interest accrued on fixed deposits	5.20	6.97
Total	**2,072.26**	**554.40**

Notes:

a) These include fixed deposits of ₹ 1.53 crore (December 31, 2021 - ₹ 0.46 crore) given as security to regulatory authorities.

b) Margin money deposit is against bank guarantees given to regulatory authorities.

Note 13 - Other non-current assets

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Unsecured, considered good		
Capital advances (Refer Note 65)	101.16	134.51
Payment under long term supply arrangement (Refer Note below)	925.00	-
Deposit against government dues / liabilities	173.18	167.57
Advances recoverable other than in cash	28.12	29.29
	1,227.46	**331.37**
Unsecured, considered doubtful		
Capital advances	7.63	4.70
Advances recoverable other than in cash	-	0.85
Other claim receivable from Government	36.16	31.84
	43.79	**37.39**
Less : Allowance for doubtful receivables	43.79	37.39
	-	-
Total	**1,227.46**	**331.37**

Note:

During the fifteen months ended March 31, 2023, the Company has made payments to Mundra Petrochem Limited (MPL) (a wholly owned subsidiary of Adani Enterprise Limited, a related party) for securing rights for raw material / fuel under a long-term supply arrangement, amounting to Rs. 925.00 crores on an exclusive basis for its cement manufacturing unit at Mundra, which is expected to commission in Financial Year 2025-26. MPL is in the process to set up integrated coal to polyvinyl chloride unit and currently expecting to commission its plant around the same time. The Company has right to obtain the refund of the amount for non-performance of the contract, backed by an undertaking from Adani Enterprise Limited. The said amounts will be reclassified to contract based intangible asset once requisite activities to perform the contract are concluded by the counter party. The Company has performed a detailed internal assessment of the recoverability of the said amounts and believes that the amount is fully recoverable.

Note 14 - Inventories
At lower of cost and net realisable value

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Raw materials (including in-transit - ₹ 1.81 crore; December 31, 2021 - ₹ 0.26 crore)	110.31	79.83
Work-in-progress	343.31	481.77
Finished goods	127.51	109.00
Stock in trade	18.62	2.56
Captive coal	124.42	87.52
Fuel (including in-transit - ₹ 5.25 crore; December 31, 2021 - ₹ 15.44 crore)	600.35	476.64
Stores and spares (including in transit - ₹ 5.04 crore; December 31, 2021 - ₹ 5.06 crore)	273.30	190.44
Packing materials	41.14	35.49
Others	0.45	0.88
Total	**1,639.41**	**1,464.13**

Notes:

a) During the year ended March 31, 2023, the Company has recognized ₹ (3.50) crore (December 31, 2021 - ₹ 23.00 crore) as an (income)/expense for the provision related to stores and spares inventory.
Provision for slow and non moving stores and spares as at March 31, 2023 is ₹ 124.68 crore (December 31, 2021 - ₹ 127.92 crore).

Note 15 - Trade receivables

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Secured, considered good	167.24	56.69
Unsecured, considered good	397.67	238.04
Unsecured, Receivables which have significant increase in credit risk	16.28	26.16
	581.19	**320.89**
Less : Allowance for doubtful trade receivables	16.28	26.16
Total	**564.91**	**294.73**

Notes:

a) Trade receivable ageing schedule is as given below:

Balance as at March 31, 2023

Sr N	Particulars	Outstanding for following periods from the transaction date					Total
		Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
1	Undisputed Trade receivables - Considered good	541.80	8.82	5.58	1.15	7.57	564.91
2	Undisputed Trade receivables which have significant increase in credit risk	2.48	1.01	2.50	2.74	7.55	16.28
	Total	**544.28**	**9.83**	**8.08**	**3.89**	**15.12**	**581.19**

(ii) Balance as at December 31, 2021

Sr N	Particulars	Outstanding for following periods from the transaction date					Total
		Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
1	Undisputed Trade receivables - Considered good	282.57	3.32	3.40	1.26	4.18	294.73
2	Undisputed Trade receivables - which have significant increase in risk	1.25	6.43	11.83	3.42	3.23	26.16
	Total	**283.82**	**9.75**	**15.23**	**4.68**	**7.41**	**320.89**

Note 16 - Cash and cash equivalents

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Balances with banks		
In current accounts	174.34	61.65
Deposit with original maturity of less than three months	0.20	3,453.84
	174.54	**3,515.49**
Investments in liquid mutual funds measured at FVTPL	110.08	475.08
Total	**284.62**	**3,990.57**

Note 17 - Bank balances other than cash and cash equivalents

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Other Bank Balances		
Earmarked balances with banks (Refer Note (a) below)	28.30	28.75
Deposits with original maturity for more than three months but less than twelve months (Refer Note (b) below)	2,220.13	149.92
Total	**2,248.43**	**178.67**

Notes :

a) These balances represent unpaid dividend liabilities of the Company and unclaimed sale proceeds of the odd lot shares belonging to the shareholders of erstwhile Ambuja Cements Rajasthan Limited (merged with the Company) not available for use by the Company.

b) These include fixed deposit with lien in favour of National Company Law Appellate Tribunal (NCLAT) ₹ 135.68 crore including interest (December 31, 2021 - ₹ 133.57 crore), (Refer Note 49(b)(i)) and other deposits amounting ₹ 1.19 crore (December 31, 2021 - ₹ 1.14 crore) given as security against bank guarantees and ₹ 11.00 crore (December 31, 2021 - ₹ 15.22 crore) given as security to regulatory authorities.

Note 18 - Current loans

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Unsecured, considered good		
Loans to related parties, Subsidiaries of the Company (Refer Note 55)	1.56	1.45
Loans to employees	2.85	3.33
Total	**4.41**	**4.78**

Note :

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

Type of Borrower	Outstanding as at		% to the total loans as at	
	March 31, 2023	December 31, 2021	March 31, 2023	December 31, 2021
Related Parties	1.56	1.45	29%	23%

Note 19 - Other current financial assets

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Unsecured, considered good		
Government grant receivables (Net)	300.40	148.98
Interest accrued on loan to subsidiaries (Refer Note 55)	0.63	0.38
Interest accrued on fixed deposits	69.30	3.34
Bank deposits with remaining maturity of less than 12 months (Refer Note (a) below)	4,405.00	8.94
Other receivables	56.63	43.31
	4,831.96	**204.95**
Unsecured which have significant increase in credit risk		
Other receivables	11.97	12.03
Less : allowance for doubtful other receivable	11.97	12.03
	-	-
Total	**4,831.96**	**204.95**

Note:

a) Deposits of ₹ Nil (December 31, 2021 - ₹ 8.94) given as security to regulatory authorities.

Note 20 - Other current assets

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Unsecured, considered good		
Advances to suppliers (Refer note below)	865.45	225.73
Balances with statutory / government authorities	758.61	353.50
Prepaid expenses	34.50	30.82
Others	14.21	7.85
Total	**1,672.77**	**617.90**

Note :

a) Include ₹ 432.00 crores (December 31, 2021 – ₹ Nil) to a coal trader for supply of fuel under long term supply agreement at the lower of prevailing market price or the contracted price.

Note 21 - Non-current assets classified as held for sale

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Investments in Dang Cement Industries Private Limited (Refer Note below)	-	24.75
Total	**-**	**24.75**

Note :

During the fifteen months ended March 31, 2023, pursuant to the share purchase agreement, the Company has sold its investment in Dang Cement Industries Private Limited (DCIPL), a subsidiary of the Company and has recognised a gain of ₹ 14.00 crore in Other income. Consequent to this, DCIPL ceased to be a subsidiary of the Company w.e.f. June 13, 2022.

Note 22 - Equity share capital

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Authorised		
40,017,500,000 (December 31, 2021 - 40,017,500,000) equity shares of ₹ 2 each (Refer Note 61)	8,003.50	8,003.50
150,000,000 (December 31, 2021 - 150,000,000) preference shares of ₹ 10 each	150.00	150.00
Total	**8,153.50**	**8,153.50**
Issued		
1,985,971,749 (December 31, 2021 - 1,985,971,749) equity shares of ₹ 2 each fully paid-up	397.19	397.19
Subscribed and paid-up		
1,985,645,229 (December 31, 2021 - 1,985,645,229) equity shares of ₹ 2 each fully paid-up	397.13	397.13

Notes :

a) Reconciliation of equity shares outstanding

Particulars	As at March 31, 2023		As at December 31, 2021	
	No of shares	₹ In Crore	No of shares	₹ In Crore
At the beginning of the year	1,98,56,45,229	397.13	1,98,56,45,229	397.13
Changes during the year	-	-	-	-
At the end of the year	1,98,56,45,229	397.13	1,98,56,45,229	397.13

b) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 2 per share. Each shareholder is entitled to one vote per equity share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

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

c) Equity shares held by holding company / ultimate holding company and / or their subsidiaries

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Holderind Investments Limited, Mauritius (Holding company)*		
1,253,156,361 (December 31, 2021 - 1,253,156,361) Equity shares of Rs. 2 each fully paid-up	250.63	250.63
Endeavour Trade and Investment Limited (Holding company of Holderind Investments Limited, Mauritius)		
702,442 (December 31, 2021 - Nil) Equity shares of Rs. 2 each fully paid-up	0.14	-

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

d) Details of equity shares held by shareholders holding more than 5% shares in the Company

Particulars	As at March 31, 2023		As at December 31, 2021	
	No of shares	% holding	No of shares	% holding
Holderind Investments Limited, Mauritius	1,25,31,56,361	63.11%	1,25,31,56,361	63.11%
Life Insurance Corporation of India	12,48,97,263	6.29%	12,28,28,767	6.19%

As per the records of the Company including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholdings represent both legal and beneficial ownership of shares.

e) Details of shares held by promoters

	Number of shares at the December 31, 2021	Change during the year	Number of shares at the March 31, 2023	% of total share	% of change during the year	% Change during the year
Holderind Investments Limited, Mauritius	1,25,31,56,361	-	1,25,31,56,361	63.11%	0.00%	-
Endeavour Trade and Investment Limited	-	7,02,442	7,02,442	0.04%	100.00%	-

	Number of shares at the December 31, 2020	Change during the year	Number of shares at the December 31, 2021	% of total share	% of change during the year	% Change during the year
Holderind Investments Limited, Mauritius	1,25,31,56,361	-	1,25,31,56,361	63.11%	0.00%	-

f) Outstanding tradable warrants and right shares

Outstanding tradable warrants and right shares are kept in abeyance exercisable into 186,690 (December 31, 2021 - 186,690) and 139,830 (December 31, 2021 - 139,830) equity shares of ₹ 2 each fully paid-up respectively.

g) Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date

Pursuant to the scheme of amalgamation of Holcim (India) Private Limited (HIPL) with the Company in August 2016, 58,4417,928 equity shares were allotted as fully paid up to the equity shareholders of HIPL, without payment being received in cash.

Note 23 - Capital management

a) The Company's objectives when managing capital are to maximise shareholders value through an efficient allocation of capital towards expansion of business optimisation of working capital requirements and deployment of balance surplus funds on the back of an effective portfolio management of funds within a well defined risk management framework.

b) The management of the Company reviews the capital structure of the Company on regular basis to optimise cost of capital. As part of this review, the Board considers the cost of capital and the risks associated with the movement in the working capital.

c) The Company generally meets its capital requirement through internal accruals. The borrowings as appearing in the Notes 26 and 33 represents interest free loan from state government considered as government grant. The Company is not subject to any externally imposed capital requirements.

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Total debt (including current maturities of borrowings) (Refer Notes 26 and 33)	47.71	46.94
Less : Cash and cash equivalents (Refer Note 16)	284.62	3,990.57
Net debt	**(236.91)**	**(3,943.63)**
Total equity (Refer Notes 22 and 25)	28,505.54	22,204.93
Net Debt to Equity	NA	NA

Note 24 - Dividend distribution made and proposed

₹ In Crore

	Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
A)	**Dividend paid on equity shares**		
	Final dividend for the year ended December 31, 2021 ₹ 6.30 per share (December 31, 2020 - ₹ 1.00 per share)	1,250.96	198.56
	Total	**1,250.96**	**198.56**
B)	**Dividend proposed on equity shares**		
	Final dividend for the year ended March 31, 2023 ₹ 2.50 per share (December 31, 2021 - ₹ 6.30 per share) (Refer Note (a) below)	496.41	1,250.96
	Total	**496.41**	**1,250.96**

Note :

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

Note 25 - Other equity

(Refer Statement of Changes in Equity for detailed movement in other equity balances)

₹ In Crore

Particulars		As at March 31, 2023	As at December 31, 2021
a)	Capital reserve	130.71	130.71
b)	Securities premium	12,471.07	12,471.07
c)	General reserve	5,659.43	5,659.43
d)	Capital redemption reserve	9.93	9.93
e)	Subsidies	5.02	5.02
f)	Capital contribution from parent	5.52	5.36
g)	Retained earnings	4,826.70	3,526.28
Total		**23,108.38**	**21,807.80**

Nature and purpose of each reserve within equity:

a) Capital reserve

This reserve has been transferred to the Company in the course of business combinations and can be utilized in accordance with the provisions of the Companies Act, 2013.

b) Securities premium

This reserve represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.

c) General reserve

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

d) Capital redemption reserve

Capital redemption reserve was created by transferring from retained earnings. During the year ended 30th June 2005, part of the amount was used for issue of bonus shares. The balance will be utilised in accordance with the provisions of the Companies Act, 2013.

e) Subsidies

These are capital subsidies received from the Government and various authorities.

f) Capital contribution from parent

Capital contribution from parent represents the fair value of the employee performance share plan. These shares are granted by the erstwhile parent company "Holcim Limited" to the employees of the Group. The share based payment reserve is used to recognise the value of equity settled Share based payments provided to executives and senior management.

g) Retained earnings

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

Note 26 - Non-current borrowings

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Secured		
Interest free loan from State Government (Refer Notes (a) below)	34.22	43.50
Total	**34.22**	**43.50**

Notes :

a) Represents interest free loan from State Government granted under State investment promotion scheme .This is secured by bank guarantees (majorly backed by pledge of bank fixed deposits). Each loan repayable in single installment, starting from August 2022 to January 2027 of varying amounts ranging from ₹ 3.59 crore to ₹ 13.40 crore.

Note 27 - Lease liabilities

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Lease liabilities (Refer Note 53)	599.73	261.15
Total	**599.73**	**261.15**

Note 28 - Other non-current financial liabilities

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Liability for capital expenditure	-	0.13
Total	**-**	**0.13**

Note 29 - Non-current provisions

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Provision for gratuity and other staff benefit schemes (Refer Note 52)	17.50	7.19
Provision for mines reclamation expenses (Refer Note (a) below)	68.34	58.82
Total	**85.84**	**66.01**

Note:

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

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Opening Balance	58.82	47.28
Add : Provision during the year (net)	5.62	9.44
	64.44	**56.72**
Add: Unwinding of interest	3.90	2.10
Less : Provision utilized during the year	-	-
Closing Balance	**68.34**	**58.82**

Note 30 - Deferred tax liabilities (net)

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

₹ In Crore

Particulars	As at January 01, 2022	Charge / (Credit) to Statement of Profit and Loss	Charge / (Credit) to Other Comprehensive Income	As at March 31, 2023
Deferred tax liabilities, on account of				
Depreciation and amortisation	434.11	16.84	-	450.95
Deferred tax assets, on account of				
Provision for employee benefits	22.70	(5.21)	0.78	18.27
Provision for slow and non moving spares	18.91	(0.82)	-	18.09
Expenditure debited in the Statement of Profit and Loss but allowed for tax purposes in the following years	59.85	(11.92)	-	47.93
Interest provided under section 244 (A) of Income Tax Act, 1961	99.07	22.21		121.28
Other temporary differences	19.92	7.40	-	27.32
	220.45	**11.66**	**0.78**	**232.89**
Deferred tax liabilities / (assets) (net)	**213.66**	**5.18**	**(0.78)**	**218.06**

₹ In Crore

Particulars	As at January 01, 2021	Charge / (Credit) to Statement of Profit and Loss	Charge / (Credit) to Other Comprehensive Income	As at December 31, 2021
Deferred tax liabilities, on account of				
Depreciation and amortisation	399.48	34.63	-	434.11
Deferred tax assets, on account of				
Provision for employee benefits	12.84	11.78	(1.92)	22.70
Provision for slow and non moving spares	13.11	5.80	-	18.91
Expenditure debited in the Statement of Profit and Loss but allowed for tax purposes in the following years	61.35	(1.50)	-	59.85
Interest provided under section 244 (A) of Income Tax Act, 1961	95.17	3.90	-	99.07
Other temporary differences	19.19	0.73	-	19.92
	201.66	**20.71**	**(1.92)**	**220.45**
Deferred tax liabilities / (assets) (net)	**197.82**	**13.92**	**1.92**	**213.66**

Note:

a) The Company has long term capital losses of ₹ Nil (December 31, 2021 - ₹ 3.58 crore) for which no deferred tax assets have been recognised.

Note 31 - Reconciliation of tax expense and the profit multiplied by income tax rate

₹ In Crore

Particulars	For the fifteen months ended March 31, 2023		For the year ended December 31, 2021	
	₹ In Crore	In %	₹ In Crore	In %
Profit before tax	3,055.05		2,787.90	
Tax expenses at statutory income tax rate	768.89	25.17%	701.72	25.17%
Effect of dividend	(141.12)	(4.62%)	(33.81)	(1.21%)
Effect of non deductible expenses	34.84	1.14%	33.52	1.20%
Tax writeback recognised in current year (Refer Note (b) below)	(149.79)	(4.90%)	-	0.00%
Others	(11.26)	(0.37%)	3.28	0.12%
Tax expenses at the effective income tax rate	501.56	16.42%	704.71	25.28%
Tax expense reported in the Statement of Profit and Loss	501.56	16.42%	704.71	25.28%

Notes :

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

b) The Company has re-assessed its tax positions for certain provisions made in earlier years, based on the tax assessments and the related provisions of the Income Tax Act, 1961, and reversed the tax provision of ₹ 149.79 crore and interest of ₹ 30.67 crore (recognized in Other Income).

Note 32 - Other non current liabilities

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Rebate to customers	37.27	36.74
Total	**37.27**	**36.74**

Note 33 - Borrowings

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Current maturities of borrowings (Refer Note 26)	13.49	3.44
Total	**13.49**	**3.44**

Note 34 - Total outstanding dues of micro and small enterprises

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Details of due to Micro and Small Enterprises as defined under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 is based on the information available with the Company regarding the status of the suppliers (Refer Note (a) below).		
a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.		
Principal	30.98	7.47
Interest	0.03	0.10
	31.01	**7.57**
b) The amount of interest paid by the buyer in terms of Section 16 along with the amount of the payment made to the supplier beyond the appointed day during the year		
Principal	43.74	25.79
Interest	0.23	0.13
c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified	0.03	0.03
d) The amount of interest accrued and remaining unpaid at the end of the year	0.08	0.12
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Note:

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

b) Ageing schedule:

(i) Balance as at March 31, 2023

Sr N	Particulars	Outstanding for following periods from the transaction date				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
1	Undisputed - Micro and Small Enterprises	30.95	-	-	0.06	31.01
2	Undisputed - Other than Micro and Small Enterprises	1,300.12	8.29	5.77	225.92	1,540.10
	Total	**1,331.07**	**8.29**	**5.77**	**225.98**	**1,571.11**

(ii) Balance as at December 31, 2021

Sr N	Particulars	Outstanding for following periods from the transaction date				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
1	Undisputed - Micro and Small Enterprises	7.51	-	-	0.06	7.57
2	Undisputed - Other than Micro and Small Enterprises	745.01	127.48	37.99	227.65	1,138.13
	Total	**752.52**	**127.48**	**37.99**	**227.71**	**1,145.70**

Note 35 - Other current financial liabilities

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Financial Liabilities at amortised cost		
Security deposit from dealers	542.23	500.35
Liability for capital expenditure	277.12	268.22
Unpaid dividends (Refer Note (a) below)	25.81	26.25
Unclaimed sale proceeds of the odd lot shares belonging to the shareholders of erstwhile ACRL	2.49	2.50
Others (includes interest on security deposits)	81.21	75.23
Financial Liabilities at fair value		
Foreign currency forward contract	0.78	3.26
Total	**929.64**	**875.81**

Note:

a) Investor Education and Protection Fund (IEPF) - outstanding aggregating of ₹ 5.01 Crore (December 31, 2021 - ₹ 5.04 Crore) is pending to be transferred to the IEPF on account of disputes and legal cases.

Note 36 - Other current liabilities

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Contract liability (Refer Note (a) below)		
Advance from customers	108.58	142.21
Other liabilities		
Statutory dues payable	671.23	627.34
Rebates to customers	518.10	414.37
Other payables	1,046.51	856.42
Total	**2,344.42**	**2,040.34**

Note:

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

Note 37 - Current provisions

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Provision for compensated absences	4.10	9.00
Total	**4.10**	**9.00**

Note 38 - Revenue from operations

₹ In Crore

Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Revenue from contracts with customers		
Sale of manufactured products	18,411.33	13,242.28
Sale of traded products	1,332.92	560.89
	19,744.25	**13,803.17**
Other operating revenues		
Provisions no longer required written back	34.52	11.07
Scrap sales	85.88	73.13
Government grants	14.75	3.19
Miscellaneous income (includes insurance claims and others)	106.03	88.48
	241.18	**175.87**
Total	**19,985.43**	**13,979.04**

Notes :

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

₹ In Crore

Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Revenue as per contract price	22,087.92	15,732.89
Less: Discounts and incentives	2,343.67	1,929.72
Revenue from contract with customers	**19,744.25**	**13,803.17**

b) Remaining performance obligation :

The Company does not have any remaining performance obligation for sale of goods or services which remains unsatisfied as at March 31, 2023 or December 31, 2021. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognised corresponds directly with the value to the customer of the entity's performance completed to date.

c) Disaggregation of revenue:

Refer Note 58 for disaggregated revenue information. The management determines that the segment information reported is sufficient to meet the disclosure objective with respect to disaggregation of revenue under Ind AS 115 "Revenue from contracts with customers".

d) Accrued for the GST refund claim, under various incentive schemes of State and Central Government.

Note 39 - Other income

₹ In Crore

Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Interest income		
Bank deposits	280.52	106.30
Income tax refund	25.65	-
Defined benefit obligation (net) (Refer Note 52)	-	0.09
Others	4.23	2.78
	310.40	**109.17**
Dividend income from non-current investment		
From subsidiary	545.11	131.58
From joint ventures	10.09	2.75
	555.20	**134.33**
Other non operating income		
Gain on sale of current financial assets measured at FVTPL (net)	35.12	8.26
Gain on fair valuation of liquid mutual fund measured at FVTPL (net)	0.08	0.10
Gain on sale of non-current investments (Refer Note 21)	14.00	-
Interest on income tax written back and others	30.67	29.22
Others	6.80	0.10
Total	**952.27**	**281.18**

Note 40 - Cost of materials consumed

₹ In Crore

Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Inventories at the beginning of the year	79.83	61.28
Add : Purchases during the year	1,695.05	1,148.73
	1,774.88	1,210.01
Less : Inventories at the end of the year	110.31	79.83
Cost of materials consumed	**1,664.57**	1,130.18

Note 41 - Purchases of stock-in-trade

₹ In Crore

Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Cement	977.09	331.54
Others	55.73	49.85
Total	**1,032.82**	**381.39**

Note 42 - Change in inventories of finished goods, work-in-progress and stock-in trade

₹ In Crore

Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Inventories at the end of the year		
Work-in-progress	343.31	481.77
Finished goods	127.51	109.00
Stock-in-trade	18.62	2.56
Captive coal	124.42	87.52
	613.86	**680.85**
Inventories at the beginning of the year		
Work-in-progress	481.77	203.98
Finished goods	109.00	71.49
Stock-in-trade	2.56	2.18
Captive coal	87.52	19.87
	680.85	**297.52**
Add : Trial run stocks, at the commencement of commercial production at Marwar plant	**-**	**27.24**
	680.85	**324.76**
(Increase) / decrease in inventories	**66.99**	**(356.09)**

Note 43 - Employee benefits expenses

₹ In Crore

Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Salaries and wages	674.62	583.78
Contribution to provident and other funds	62.63	51.67
Employee stock option expenses (Refer Note 50)	0.16	3.83
Staff welfare expenses	62.75	41.95
Total	**800.16**	**681.23**

Note 44 - Finance costs

₹ In Crore

Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Interest on		
Income tax (net of interest income on refund - ₹ 100.90 crore; previous year - ₹ 15.50 crore)	33.34	24.78
Defined benefit obligation (net) (Refer Note 52)	0.05	-
Borrowings	4.36	3.34
Security deposits from dealers carried at amortised cost	20.06	13.48
Lease liabilities	26.88	15.22
Others	39.38	32.08
	124.07	**88.90**
Other finance costs:-		
Unwinding of discount on site restoration provision (Refer Note 29)	3.90	2.10
Total	**127.97**	**91.00**

Company Overview
Creating Value
Accelerating our value creation
Statutory Reports
Financial Statements

Note 45 - Depreciation and amortisation expense

₹ In Crore

Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Depreciation on property, plant and equipment (Refer Note 4)	740.19	504.01
	740.19	**504.01**
Depreciation on Right-of-use assets (Refer Note 5)	74.63	36.46
Amortisation of intangible assets (Refer Note 7)	17.60	11.27
Total	**832.42**	**551.74**

Note 46 - Freight and forwarding expense

₹ In Crore

Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
On finished products	3,274.55	2,441.80
On internal material transfer	1,108.93	868.11
Total	**4,383.48**	**3,309.91**

Note 47 - Other expenses

₹ In Crore

Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Royalty on minerals	375.10	292.60
Consumption of stores and spare parts	380.98	274.72
Consumption of packing materials	635.00	502.58
Repairs	273.48	187.78
Rent (Refer Note 53)	81.01	62.43
Rates and taxes	112.94	108.19
Insurance	54.06	38.06
Technology and know-how fees*	99.33	131.25
Advertisement	122.51	89.25
Corporate Social Responsibility (Refer Note (a) below)	70.58	64.02
Loss on account of exchange rate difference (net)	26.27	7.97
Miscellaneous expenses (Refer Note (b) below)	600.83	455.85
Total	**2,832.09**	**2,214.70**

*The Company, with effect from September 16, 2022, has terminated its agreement with Holcim Technology Limited for payment of technology and know-how fees @ 1% of eligible net sales.

Notes:

a) Corporate Social Responsibility Expenditure :

i) The Company is required to spend ₹ 45.57 crore (December 31, 2021 ₹ 36.57 crore) towards Corporate Social Responsibility i.e. 2% of the average profits for the last three financial years, calculated as per Section 198 of the Companies Act, 2013. As approved by the Board of Directors, the Company has spent ₹ 73.28 crore (December 31, 2021 ₹ 64.41 crore). ₹ 70.58 crore (December 31, 2021 - ₹ 62.53 crore) is included under head Corporate Social Responsibility in Other Expenses and the balance ₹ 2.70 crore (December 31, 2021 ₹ 1.87 crore) is included under various other heads of the Statement of Profit and Loss.

ii) No amount has been spent on construction / acquisition of an asset of the Company and the entire amount has been spent in cash.

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

₹ In Crore

Balance excess spent as at January 01, 2022	Amount required to be spent during the year	Amount spent during the year	CSR expenses claimed in the current year	Balance excess spent as at March 31, 2023
27.84	45.57	73.28	73.28	27.71

₹ In Crore

Balance excess spent as at January 01, 2021	Amount required to be spent during the year	Amount spent during the year	CSR expenses claimed in the current year	Balance excess spent as at December 31, 2021
-	36.57	64.41	64.41	27.84

iv) Details of CSR spent

₹ In Crore

Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Sustainable livelihood - healthcare and others	35.11	37.31
Education	15.59	14.93
Project planning, design and research	14.91	5.75
Social Inclusion	4.97	4.55
Administrative overheads	2.70	1.87
Total	**73.28**	**64.41**

b) Miscellaneous expenses :

i) Includes payment to auditors (excluding taxes) as under :

₹ In Crore

Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Statutory auditor		
Audit fees (including for quarterly limited reviews, additional work and financial statements for tax filing purposes)	2.57	2.13
Other services	0.05	0.10
Reimbursement of expenses (Refer Note (c) below)	0.11	-
Total	**2.73**	**2.23**

c) Denotes amount less than ₹ 50,000.

Note 48 - Earnings per share (EPS)

	Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
i)	Profit attributable to equity shareholders of the Company for basic and diluted EPS (₹ In Crore)	2,553.49	2,083.19
ii)	Weighted average number of equity shares for basic EPS	1,98,56,45,229	1,98,56,45,229
	Add : Potential equity shares on exercise of rights and warrants kept in abeyance	3,20,919	3,19,824
	Add: Effect of issue of share warrants (Refer Note 62)	5,84,97,421	-
iii)	Weighted average number of shares for diluted EPS	**2,04,44,63,569**	**1,98,59,65,053**
iv)	Earnings per equity share (in ₹)		
	Face value of equity per share	2.00	2.00
	Basic	12.86	10.49
	Diluted	12.49	10.49

Note 49- Contingent liabilities (to the extent not provided for)

₹ In Crore

Particulars	Brief description of contingent liabilities	As at March 31, 2023	As at December 31, 2021
Contingent liabilities and claims against the Company not acknowledged as debts related to various matters (Refer Note (a) below)			
Competition Act, 2002	CCI matters - Refer Note (b) below	2,061.65	1,898.06
Income Tax Act, 1961	Income tax matter related to excise duty incentives - Refer Note (f) below	486.38	486.38
Stamp Duty	Stamp duty on the merger order passed by High court of Delhi of Holcim (India) Private Limited and other matters of stamp duty - Refer Note (e) below	310.34	310.34
Service tax - Finance Act, 1994	Denial of service tax credit on outward transportation of cement - Refer Note (d) below	198.88	198.66
Government incentive	Sales tax incentive - Refer Note (c) below	247.97	247.97
Customs duty - The Customs Act, 1962	Demand of differential customs duty on imported coal	42.22	42.22
Central Excise Act	Denial of modvat credit on "Iron & Steel" used for Manufacture of Capital Goods	16.81	17.82
Sales tax act/ commercial tax of various state	Disallowance of ITC on packing material and fuel, tax demand on damaged stock and others	22.32	25.24
Employees' Provident Funds And Miscellaneous Provisions Act, 1952	Provident fund disputes relating to applicability and determination of dues	79.07	25.42
Common Guidelines for Mine Developer and Operator projects (the MDO Guidelines)	Non compliance of efficiency parameters of CMDPA (Coal Mines Development & Production Agreement)	23.75	23.75
	Entry Tax on stock transfer and related issues	37.50	36.77
	Enhancement of land compensation and land tax related matters	31.07	29.22
Other statutes/ other claims	Cases pertaining to claims related workmen compensation	7.67	8.87
	Various other cases pertaining to claims related to railway dispute, electricity tariff issue.	77.35	82.06
Total		**3,642.99**	**3,432.79**

Notes :

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

b) **Demand from Competition Commission of India**

i) In 2012, the Competition Commission of India (CCI) had imposed a penalty of ₹ 1,163.91 crore on the Company, concerning alleged contravention of the provisions of the Competition Act, 2002. On Company's appeal, Competition Appellate Tribunal (COMPAT), initially stayed the penalty and by its final order dated December 11, 2015, set aside the order of the CCI, remanding the matter back to the CCI for fresh adjudication and for passing a fresh order.

After hearing the matter afresh, the CCI had again, by its order dated August 31, 2016, imposed a penalty of ₹ 1,163.91 crore on the Company. The Company filed an appeal against the said Order before the COMPAT. The COMPAT, vide its interim order dated November 21, 2016 has stayed the penalty with a condition to deposit 10% of the penalty amount, in the form of fixed deposit (the said condition has been complied with) and levy of interest of 12% p.a., in case the appeal is decided against the appellant. Meanwhile, pursuant to the notification issued by Central Government on May 26, 2017, any appeal, application or proceeding before

COMPAT is transferred to National Company Law Appellate Tribunal (NCLAT).

NCLAT, vide its Order dated July 25, 2018 dismissed the Company's appeal and upheld the CCI's order. Against this, the Company appealed to the Hon'ble Supreme Court, which by its order dated October 05, 2018 admitted the appeal and directed to continue the interim order passed by the Tribunal.

ii) In a separate matter, pursuant to a reference filed by the Director, Supplies and Disposals, Government of Haryana, the CCI by its Order dated January 19, 2017 had imposed a penalty of ₹ 29.84 crore on the Company. On Company's appeal, the COMPAT has stayed the operation of CCI's order. The matter is listed before NCLAT and is pending for hearing.

Based on the advice of external legal counsels, the Company believes it has good grounds on merit for a successful appeal in both the aforesaid matters. Accordingly, no provision is considered necessary and the matter has been disclosed as contingent liability along with interest of ₹ 867.90 crore (December 31, 2021 - ₹ 704.31 crore).

c) **Government incentive includes :**

A matter relating to 75% exemption from sales tax, granted by Government of Rajasthan. However, the eligibility of exemption in excess of 25% was contested by the State Government in a similar matter of another Company.

In year 2014, pursuant to the unfavourable decision of the Hon'ble Supreme Court in that similar matter, the sales tax department initiated proceedings for recovery of differential sales tax and interest thereon on the ground that the Company had given an undertaking to deposit the differential amount of sales tax, in case decision of the Hon'ble Supreme Court goes against in this matter.

Against the total demand of ₹ 247.97 crore, including interest of ₹ 134.45 crore (December 31, 2021 - ₹ 247.97 crore, including interest of ₹ 134.45 crore) the Company deposited ₹ 143.52 crore, including interest of ₹ 30.00 crore (December 31, 2021 - ₹ 143.52 crore, including interest of ₹ 30.00 crore) towards sales tax under protest and filed a Special Leave Petition in the Hon'ble Supreme Court with one of the grounds that the tax exemption was availed by virtue of the order passed by the Board for Industrial & Financial Reconstruction (BIFR) during the relevant period. On Company's petition, the Hon'ble Supreme Court has granted an interim stay on the balance interest. Based on the advice of external legal counsel, the Company believes that, it has good grounds for a successful appeal. Accordingly, the amount has been disclosed as contingent liability.

d) **Excise, customs and service tax includes :**

A matter wherein service tax department issued show cause notices for denial of cenvat credit with regard to service tax paid on outward transportation for sale to customers on Freight On Road (F.O.R.) basis. Considering judicial precedents, Central Board of Excise and Customs (CBEC) circular and based on legal opinion, the Company has assessed the matter as possible. Accordingly, ₹ 198.88 crore (December 31, 2021 - ₹ 198.66 crore) has been disclosed as contingent liability.

e) **Stamp duty includes :**

A matter wherein the Collector of Stamps, Delhi vide its order dated August 07, 2014, directed erstwhile Holcim (India) Private Limited (HIPL) (merged with the Company) to pay stamp duty (including penalty) of ₹ 287.88 crore (December 31, 2021 - ₹ 287.88 crore) on the merger order passed by Hon'ble High Court of Delhi. HIPL had filed a writ petition and the Hon'ble High Court of Delhi granted an interim stay. Based on the advice of external legal counsel, the Company believes that it has good grounds for success in writ petition. Accordingly, no provision has been made in the financial statements.

f) **Income tax :**

The Company (ACL) was entitled to excise duty incentives. ACL has been contending that the said incentives are in the nature of capital receipts and hence not liable to income tax. However, the Income tax department had consistently denied the position and considered these incentives as a taxable receipt. Appeals were filed by ACL against the orders of the Assessing Officer which were pending before the ITAT.

In November 2022, the Company received favourable orders from ITAT. However, pending final closure of the matter, the amount of ₹ 372.01 crore (December 31, 2021 - ₹ 372.01 crore) along with interest payable of ₹ 111.18 crore (December 31, 2021 - ₹ 111.18 crore) has been disclosed as contingent liabilities.

Note 50 - Share Based Payment

a) **Description of plan - Holcim Performance Share Plan:**

Holcim Limited, the erstwhile Ultimate Holding Company, set up a performance share plan. Performance shares are granted to executives and senior management for their contribution to the continuing success of the business. These shares will be delivered after three year vesting period following the grant date and are subject to internal performance conditions. Internal performance conditions are attached to the performance shares and are based on Group Earnings per Share (EPS) and Group Return on Invested Capital (ROIC).

b) During the year ₹ Nil (December 31, 2021 - 8,400) performance share at fair value of ₹ Nil (December 31, 2021 - ₹ 4,426) per share were granted and ₹ 0.16 crore (December 31, 2021 – ₹ 3.83 crore) is charged to the Statement of Profit and Loss in respect of equity-based payments transactions with a corresponding credit to the capital contribution from parent under other equity.

c) **Information related to the Performance share plan granted is presented below**

in number

Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Opening Balance	18,600	10,200
Add: Granted during the year	-	8,400
Less : Issued during the year	8,100	-
Less: Forfeited during the year	10,500	-
Closing Balance	**-**	**18,600**

d) Fair value of shares granted is determined based on the estimated achievement of Holcim Limited's Earnings per Share, Return on Invested Capital and Sustainability indicators.

Note 51 - Capital and other commitments

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	699.16	529.21

Note 52 - Employee benefits

a) Defined contribution plans

Amount recognised and included in Note 43 "Contribution to Provident and Other Funds" (including contribution to provident fund trust referred in note (g) below) of the Statement of Profit and Loss ₹ 35.05 crore (December 31, 2021 - ₹ 28.21 crore).

b) Defined benefit plans - as per actuarial valuation

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

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

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

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

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

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

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

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

c) Summary of the components of net benefit / expense recognised in the Statement of Profit and Loss, the funded status and amounts recognised in the Balance Sheet for the respective defined benefits plans is as under :

₹ In Crore

Particulars			2022-23		2021	
			Funded	Non funded	Funded	Non funded
I	**Expense recognised in the Statement of Profit and Loss**					
	1	Current service cost	13.31	0.07	11.61	0.07
	2	Interest cost	12.44	0.07	9.28	0.06
	3	Interest (income) on plan assets	(12.87)	-	(9.66)	-
	4	Amount recognized in the Statement of Profit and Loss	**12.88**	**0.14**	**11.23**	**0.13**
II	**Re-measurements recognised in other comprehensive Income (OCI)**					
	1	Demographic change	-	-	(0.40)	-
	2	Change in financial assumptions	(3.99)	(0.04)	(4.76)	(0.05)
	3	Experience changes	(0.31)	(0.03)	(1.01)	(0.04)
	4	Return on plan assets (excluding interest income)	0.63	-	(1.32)	-
	5	Amount recognised in OCI	**(3.67)**	**(0.07)**	**(7.49)**	**(0.09)**
III	**Net asset / (liability) recognised in the Balance Sheet**					
	1	Present value of defined benefit obligation	147.71	0.94	159.62	0.89
	2	Fair value of plan assets	139.53	-	159.34	-
	3	Funded status [surplus / (deficit)]	(8.18)	(0.94)	(0.28)	(0.89)
	4	Net asset / (liability)	(8.18)	(0.94)	(0.28)	(0.89)
IV	**Change in defined benefit obligation during the year**					
	1	Present value of defined benefit obligation at the beginning of the year	159.62	0.89	157.37	1.03
	2	Current service cost	13.31	0.07	11.61	0.07
	3	Interest cost	12.44	0.07	9.28	0.06
	4	Actuarial (gains) / losses recognised in other comprehensive income				
		- Demographic changes	-	-	(0.40)	-
		- Change in financial assumptions	(3.99)	(0.04)	(4.76)	(0.05)
		- Experience changes	(0.31)	(0.03)	(1.01)	(0.04)
	5	Benefit payments	(32.05)	(0.02)	(12.47)	(0.18)
	7	Net transfer in	(1.31)	-	-	
	Present value of defined benefit obligation at the end of the year (Refer Note (i) below)		147.71	0.94	159.62	0.89
V	**Change in fair value of assets during the year**					
	1	Plan assets at the beginning of the year	159.34	-	155.83	-
	2	Interest income	12.87	-	9.66	-
	3	Contribution by employer	-	-	5.00	-
	4	Actual benefit paid	(32.05)	-	(12.47)	-
	5	Return on plan assets (excluding interest income)	(0.63)	-	1.32	-
	6	Plan assets at the end of the year	139.53	-	159.34	-
VI	**Weighted average duration of defined benefit obligation**		10 years	NA	10 years	NA

₹ In Crore

Particulars		2022-23 Funded	2022-23 Non funded	2021 Funded	2021 Non funded
VII	**Sensitivity analysis for significant assumptions (Refer Note (i) & (ii) below)**				
	Present value of defined benefits obligation at the end of the year (for change in 100 basis points)				
	1 For increase in discount rate by 100 basis points	140.13	0.86	150.85	0.81
	2 For decrease in discount rate by 100 basis points	156.12	1.04	169.41	0.99
	3 For increase in salary rate by 100 basis points	156.05	1.04	169.29	1.04
	4 For decrease in salary rate by 100 basis points	140.05	0.86	150.79	0.81
VIII	**The major categories of plan assets as a percentage of total plan**				
	Insurer managed funds (Refer Note (v) below)	100%	NA	100%	NA

₹ In Crore

Particulars		As at March 31, 2023 Funded	As at March 31, 2023 Non funded	As at December 31, 2021 Funded	As at December 31, 2021 Non funded
IX	**Expected cash flows**				
	1) Expected employer contribution in the next year	14.24	0.04	24.34	0.02
	2) Expected benefit payments				
	Year 1	14.24	0.04	24.34	0.02
	Year 2	15.17	0.04	16.13	0.05
	Year 3	17.50	0.05	17.22	0.04
	Year 4	18.58	0.04	17.38	0.06
	Year 5	18.00	0.03	19.41	0.04
	6 to 10 years	76.49	0.44	78.47	0.40
	Total Expected benefit payments	**159.98**	**0.64**	**172.95**	**0.61**

X Actuarial assumptions

Particulars	As at March 31, 2023	As at December 31, 2021
1) Financial assumptions		
Discount rate (Refer Note (ii) below)	7.20%	6.75%
Salary escalation (Refer Note (iii) below)	7.00%	7.00%
2) Demographic assumptions		
Expected average remaining working lives of employees	8.72	9.70
Disability rate	5% mortality rates	5% mortality rates
Expected rate of return on plan assets (Refer Note (iv) below)	6.80%	6.80%
Retirement age	58 - 60 years	58 - 60 years
Mortality pre-retirement	Indian Assured Lives Mortality (IALM) (2012-14) Ultimate	Indian Assured Lives Mortality (IALM) (2012-14) Ultimate

Notes:

i) Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no changes in market conditions at the reporting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analysis.

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

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

iv) Basis used to determine expected rate of return on assets.
The Company has considered the current level of returns declared by LIC, to develop the expected long-term return on assets for funded plan of gratuity.

v) In the absence of detailed information regarding plan assets which is funded with LIC the composition of each major category of plan assets the percentage or amount for each category to the fair value of plan assets has not been disclosed.

e) Amount recognised as expense in respect of compensated absences is ₹ 7.16 crore (December 31, 2021 - ₹ 7.12 crore).

Particulars	As at March 31, 2023	As at December 31, 2021
1) Financial assumptions		
Discount rate	7.20%	6.75%
Salary escalation	7.00%	7.00%
2) Demographic assumptions		
Expected average remaining working lives of employees	9.70	9.52

f) Provident Fund managed by a trust set up by the Company

Provident Fund for certain eligible employees is managed by the Company through a trust "Ambuja Cements Staff Provident Fund Trust", in line with the Provident Fund and Miscellaneous Provisions Act, 1952. The plan guarantees interest at the rate notified by the Provident Fund Authorities. The contribution by the employer and employee together with the interest accumulated thereon are payable to employees at the time of separation from the Company or retirement, whichever is earlier. The benefits vests immediately on rendering of the services by the employee.

The Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate.

g) Provident Fund managed by a trust - Defined benefit plans as per actuarial valuation

₹ In Crore

	Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
I	**Components of expense recognised in the Statement of Profit and Loss**		
1	Current service cost	5.04	4.80
2	Interest cost	15.01	9.46
3	Interest income	(14.61)	(9.23)
4	**Total**	**5.44**	**5.03**
II	**Amount recognised in the balance sheet**		
1	Present value of defined benefit obligation	144.37	157.91
2	Fair value of plan assets	136.00	151.89
3	Funded status {surplus/(deficit)}	(8.37)	(6.02)
4	Net asset/(liability) as at end of the year ((Refer Note (ii) below)	(8.37)	(6.02)
III	**Present Value of Defined Benefit Obligation**		
1	Present value of defined benefit obligation at beginning of the year	157.91	148.58
2	Current service cost	5.04	4.80
3	Interest cost	15.01	9.46
4	Benefits paid and transfer out	(42.26)	(11.40)
5	Employee contributions	8.47	7.39
6	Transfer in / (Out) Net	1.42	0.69
7	Actuarial (gains) / losses	(1.22)	(1.61)
	Present value of defined benefit obligation at the end of the year	**144.37**	**157.91**

Particulars		For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
IV	**Fair Value of Plan Assets**		
	1 Plan assets at the beginning of the year	151.89	141.78
	2 Return on plan assets including interest income	14.61	9.23
	3 Contributions by employer	9.48	5.79
	4 Contributions by employee	8.47	7.39
	5 Transfer in / (out) Net	1.42	0.69
	6 Asset gain /(loss)	(7.61)	(1.59)
	7 Actual benefits paid	(42.26)	(11.40)
	8 Plan assets at the end of the year	136.00	151.89
V	**Amounts recognised in Other Comprehensive Income**		
	Actuarial (gain) / loss on liability	(1.22)	(1.61)
	Actuarial (gain) / loss on plan assets	7.61	1.59
	Total	**6.39**	**(0.02)**
VI	**Weighted Average duration of defined benefit obligation**	8.72 years	9.30 years
VII	**The major categories of plan assets as a percentage of total plan**		
	1 Special deposits scheme	10%	11%
	2 Government securities	60%	61%
	3 Debentures and bonds	24%	20%
	4 Mutual fund	6%	8%
		100%	**100%**
VIII	**The assumptions used in determining the present value of obligation of the interest rate guarantee under deterministic approach are:**		
	1 Discounting rate	7.20%	6.75%
	2 Guaranteed interest rate	8.10%	8.50%

IX Sensitivity analysis for factors mentioned in actuarial assumptions (Refer Note (i) below)

₹ In Crore

	Particulars	As at March 31, 2023	As at December 31, 2021
1	Discount rate (1% increase)	143.90	157.37
2	Discount rate (1% decrease)	144.92	158.56
3	Interest rate guarantee (1% increase)	150.43	165.16
4	Interest rate guarantee (1% decrease)	141.05	154.13

Notes:

i) The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period which is the same as that applied in calculating the defined benefit obligation recognised in the Balance Sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from previous year.

ii) The Company expects to contribute ₹ 4.50 crore to the trust managed Provident Fund in next year.

Note 53 - Leases

A) Disclosure as per Ind AS 116:

a) Company as lessee

The Company's lease asset classes primarily consist of leases for godowns, flats, land, Plant and equipment, office premises and other premises. The Company also has ships under the leasing arrangement.

b) The movement in lease liabilities is as follows :

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Opening balance	304.05	324.52
Additions during the year	610.03	4.02
Finance cost accrued during the period	26.88	15.22
Lease modification	-	(0.11)
Payment of lease liabilities	(66.07)	(42.68)
Unrealised loss	29.63	3.71
Termination of lease contracts	(2.81)	(0.63)
Closing balance	**901.71**	**304.05**
Current lease liabilities	301.98	42.90
Non-current lease liabilities	599.73	261.15
Total	**901.71**	**304.05**

c) Lease expenses recognised in Statement of Profit and Loss, not included in the measurement of lease liabilities:

₹ In Crore

Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Expense relating to short-term leases and low-value assets	81.01	62.31
Depreciation on Right of use asset	74.63	36.46
Interest expense on lease liabilities	26.88	15.22
Total	**182.52**	**113.99**

d) The maturity analysis of lease liabilities are disclosed in Note 57 (C) - Liquidity risk

Note 54

Disclosure pursuant to SEBI (Listing obligations and disclosure requirements) regulations 2015 and Section 186 (4) of the Companies Act 2013 :

₹ In Crore

Particulars	As at March 31, 2023		As at December 31, 2021	
	Outstanding balance	Maximum balance outstanding during the year	Outstanding balance	Maximum balance outstanding during the year
Unsecured loans to wholly owned subsidiaries :				
a) Chemical Limes Mundwa Private Limited	1.54	1.54	1.43	1.43
(For working capital requirement. Repayment on call basis and carrying interest rate in the range of @ 9% p.a. to 12% p.a)				
b) M.G.T Cements Private limited	0.02	0.02	0.02	0.02
(For working capital requirement. Repayment on call basis and carrying interest rate in the range of @ 9% p.a. to 10.55% p.a.)				

Notes:

i) None of the loanees have made investment in the shares of the Company.

ii) Details of investments made is given in Note 9.

iii) Outstanding loans as disclosed above does not include interest accrued thereon.

Note 55 - Related party disclosure

A) Names of the related parties

Sr	Name	Nature of Relationship
1	Holderind Investments Limited, Mauritius	Holding Company
2	Holcim Limited (Erstwhile LafargeHolcim Limited), Switzerland	Ultimate Holding Company (upto September 15, 2022)
3	Holderfin B.V, Netherlands	Intermediate Holding Company (upto September 15, 2022)

B) Names of the related parties where control/ joint control exists

Sr	Name	Nature of Relationship
1	ACC Limited	Subsidiary
2	M.G.T. Cements Private Limited	Subsidiary
3	Chemical Limes Mundwa Private Limited	Subsidiary
4	Dang Cement Industries Private Limited, Nepal	Subsidiary (Ceased to be subsidiary with effect from June 13, 2022)
5	Ambuja Shipping Services Ltd.	Subsidiary
6	Ambuja Resources Ltd.	Subsidiary
7	OneIndia BSC Private Limited	Subsidiary
8	Wardha Vaalley Coal Field Private Limited	Joint Operation
9	Counto Microfine Products Private Limited	Joint Venture
10	ACC Mineral Resources Limited	Subsidiary of ACC Limited
11	Lucky Minmat Limited	Subsidiary of ACC Limited
12	Singhania Minerals Private Limited	Subsidiary of ACC Limited
13	Bulk Cement Corporation (India) Limited	Subsidiary of ACC Limited
14	Aakaash Manufacturing Company Private Limited	Joint venture of ACC Limited

C) Others, with whom transactions have taken place during the current year and /or previous year or has outstanding balance :

i) Related parties

Sr	Name	Nature of Relationship
1	Holcim Group Services Limited, Switzerland	Fellow Subsidiary (upto September 15, 2022)
2	Holcim Technology Limited, Switzerland	Fellow Subsidiary (upto September 15, 2022)
3	Holcim Services (South Asia) Limited	Fellow Subsidiary (upto September 15, 2022)
4	LafargeHolcim Energy Solutions S.A.S., France	Fellow Subsidiary (upto September 15, 2022)
5	Lafarge Holcim Global Hub Services Private Limited	Fellow Subsidiary (upto September 15, 2022)
6	Holcim Trading Limited, Switzerland (Erstwhile LH Trading Ltd)	Fellow Subsidiary (upto September 15, 2022)
7	Lafarge Zementwerke GMBH	Fellow Subsidiary (upto September 15, 2022)
8	Lafarge SA, France	Fellow Subsidiary (upto September 15, 2022)
9	Lafargeholcim Investment Co Ltd, China	Fellow Subsidiary (upto September 15, 2022)
10	Holcim International Finance Ltd	Fellow Subsidiary (upto September 15, 2022)
11	Adani Ports and Special Economic Zone Limited	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
12	Adani Power Maharashtra Limited	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
13	Adani Enterprises Limited	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
14	MPSEZ Utilities Limited	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
15	Adani Brahma Synergy Private Limited	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)

Sr	Name	Nature of Relationship
16	Adani Wilmar Limited	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
17	Adani Electricity Mumbai Ltd.	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
18	Adani Power (Jharkhand) Limited	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
19	Adani Infra (India) Ltd	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
20	Adani Green Energy Ltd	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
21	Kutch Kopper Ltd	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
22	Mundra Windtech Limited	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
23	Mundra Solar Technology Limited	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
24	Swayam Realtors & Traders LLP	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
25	Raighar Energy Generation Limited	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
26	Mundra Solar PV Ltd	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
27	Adani Petronet (Dahej) Port Pvt Ltd	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
28	Adani Gangavaram Port Ltd.	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
29	Mundra Petrochem Ltd	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
30	Ocean Sparkle Ltd	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
31	Mumbai Travel Retail Pvt Ltd	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
32	Adani Sport Line Pvt Ltd	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
33	Adani Solar Energy Jodhpur Two Ltd	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
34	M/s Kurmitar Iron Ore Mining	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
35	Adani Digital Lab Pvt Ltd	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
36	Adani Cement Industries Ltd	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
37	Adani Cementation Ltd	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
38	Ambuja Cements Limited Staff Provident Fund Trust	Trust (Post-employment benefit plan)
39	Ambuja Cements Limited Employees Gratuity Fund Trust	Trust (Post-employment benefit plan)
40	Ambuja Cement Foundation	Trust (Corporate Social Responsibility Trust)
41	Ambuja Vidya Niketan Trust	Trust (Corporate Social Responsibility Trust)
42	Ambuja Hospital Trust	Trust (Corporate Social Responsibility Trust)

ii) Key Management Personnel (KMP)

In accordance with Ind AS 24 - Related Party Disclosures, following personnels are considered as KMP.

Sr	Name	Nature of Relationship
1	Mr. Gautam S. Adani	Chairman and Non Executive, Non-Independent Director (with effect from September 16, 2022)
2	Mr. Karan Adani	Non-Executive and Non-Independent Director (with effect from September 16, 2022)
3	Mr. Maheshwar Sahu	Independent Director (with effect from September 16, 2022)
4	Mr. Rajnish Kumar	Independent Director (with effect from September 16, 2022)
5	Ms. Purvi Sheth	Independent Director (with effect from September 16, 2022)
6	Mr. Ameet Desai	Independent Director (with effect from September 16, 2022)
7	Mr. M. R. Kumar	Non-Executive, Non-Independent Director (with effect from September 16, 2022)
8	Mr. N.S. Sekhsaria	Principal Founder, Non Executive Chairman, Non Independent Director (upto September 16, 2022)
9	Mr. Jan Jenisch	Vice Chairman, Non Executive, Non Independent Director (upto September 16, 2022)
10	Mr. Martin Kriegner	Non Executive, Non Independent Director (upto September 16, 2022)
11	Mr. Christof Hassig	Non Executive, Non Independent Director (upto September 16, 2022)
12	Mr. Ramanathan Muthu	Non Executive, Non Independent Director (upto September 16, 2022)
13	Ms. Then Hwee Tan	Non Executive, Non Independent Director (upto September 16, 2022)
14	Mr. Ranjit Shahani	Non Executive, Non Independent Director (upto September 16, 2022)
15	Ms. Shikha Sharma	Non Executive, Independent Director (upto September 16, 2022)
16	Mr. Nasser Munjee	Non Executive, Independent Director (upto September 16, 2022)
17	Mr. Rajendra P. Chitale	Non Executive, Independent Director (upto September 16, 2022)
18	Mr. Shailesh Haribhakti	Non Executive, Independent Director (upto September 16, 2022)
19	Dr. Omkar Goswami	Non Executive, Independent Director (upto September 16, 2022)
20	Mr. Mario Gross	Non Executive, Non Independent Director (w.e.f April 30, 2022 upto September 16, 2022)
21	Mr. Arun Kumar Anand	Non Executive, Non Independent Director (w.e.f. March 17, 2022 upto September 15, 2022)
22	Mr. Mahendra Kumar Sharma	Non Executive, Non Independent Director (upto March 29, 2022)
23	Mr. Praveen Kumar Molri	Non Executive, Non Independent Director (upto March 17, 2022)
24	Mr. Neeraj Akhoury	Managing Director & Chief Executive Officer (upto September 16, 2022)
25	Mr. Ajay Kapur	Whole-Time Director and Chief Executive Officer (With effect from September 17, 2022)
26	Ms. Rajani Kesari	Chief Financial Officer (upto September 16, 2022)
27	Mr. Rajiv Gandhi	Company Secretary (upto December 15, 2022)
28	Mr. Vinod Bahety	Chief Financial Officer (with effect from September 17, 2022)

II) Transactions with related party

A) Transactions with subsidiaries

₹ In Crore

	Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
1	**Purchase of goods**		
	ACC Limited	1,161.95	375.72
2	**Purchase of asset**		
	ACC Limited	2.62	0.62
3	**Sale of asset**		
	ACC Limited	0.27	14.77
	Ambuja Shipping Service Limited	195.89	-
4	**Sale of goods**		
	ACC Limited	2,146.16	696.86
5	**Rendering of services**		
	ACC Limited	54.01	27.30

₹ In Crore

	Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
6	**Interest income**		
	ACC Limited	1.07	-
	Chemical Limes Mundwa Private Limited	0.14	0.16
		1.21	**0.16**
7	**Receiving of services**		
	ACC Limited	76.30	40.97
	Ambuja Shipping Service Ltd	37.90	-
		114.20	**40.97**
8	**Dividend received**		
	ACC Limited	545.11	131.58
9	**Other recoveries**		
	ACC Limited	27.48	19.73
	Ambuja Shipping Service Ltd	23.52	-
		51.00	**19.73**
10	**Other payments**		
	ACC Limited	1.75	19.51
	Ambuja Shipping Service Limited	1.69	-
		3.44	**19.51**
11	**Inter corporate deposits and loans - given**		
	Chemical Limes Mundwa Private Limited	0.11	-
	ACC Limited	200.00	-
	M.G.T. Cements Private Limited	0.01	0.01
		200.12	**0.01**
12	**Inter corporate deposits and loans - received back**		
	ACC Limited	200.00	-
		200.00	**-**

B) Outstanding balances with subsidiary Companies

₹ In Crore

	Particulars	As at March 31, 2023	As at December 31, 2021
1	**Loans / inter corporate deposits given outstanding**		
	Unsecured, Considered good		
	Chemical Limes Mundwa Private Limited	1.54	1.43
	M.G.T. Cements Private Limited	0.02	0.02
		1.56	**1.45**
2	**Amount receivable**		
	Unsecured, considered good		
	Chemical Limes Mundwa Private Limited	0.62	0.38
	M.G.T. Cements Private Limited	0.01	-
	ACC Limited	142.17	100.09
	Ambuja Shipping Service Limited	212.74	-
		355.54	**100.47**
3	**Amount payable**		
	ACC Limited	148.00	37.90
	Ambuja Shipping Service Limited	38.57	-
		186.57	**37.90**

C) Transactions with fellow subsidiaries during the year

₹ In Crore

	Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
1	**Purchase of goods**		
	Holcim Trading Limited, Switzerland (Erstwhile LH Trading Ltd)	341.65	199.03
	Adani Enterprises Limited	10.87	-
	Adani Petronet (Dahej) Port Pvt Ltd	0.03	-
		352.55	**199.03**
2	**Sale of Goods**		
	Adani Brahma Synergy Private Limited	0.20	-
	Adani Wilmar Limited	0.64	-
	Adani Power (Jharkhand) Limited	1.97	-
	Adani Ports and Special Economic Zone Limited	0.00	-
	Adani Infra (India) Ltd	0.64	-
	Adani Green Energy Ltd	6.56	-
	Kutch Kopper Ltd	2.48	-
	Mundra Windtech Limited	0.35	-
	Mundra Solar Technology Limited	0.89	-
	Swayam Realtors & Traders LLP	0.51	-
	Raighar Energy Generation Limited	0.35	-
	Mundra Solar PV Ltd	0.18	-
	M/s Kurmitar Iron Ore Mining	0.08	-
		14.84	**-**
3	**Sale of Asset**		
	Holcim Services (South Asia) Limited	0.01	-
4	**Receiving of services**		
	Holcim Services (South Asia) Limited	32.41	30.66
	Holcim Group Services Limited, Switzerland	-	0.17
	Holcim Technology Limited, Switzerland	99.33	131.25
	Lafargeholcim Investment Co Ltd, China	-	0.16
	Lafarge Holcim Global Hub Services Private Limited	14.17	19.00
	Adani Enterprises Limited	13.50	-
	Adani Electricity Mumbai Ltd.	0.32	-
	Lafarge Zementwerke GMBH	-	0.29
	Adani Gangavaram Port Ltd.	1.42	-
	Ocean Sparkle Ltd	3.23	-
	Adani Solar Energy Jodhpur Two Ltd	1.15	-
		165.53	**181.53**
5	**Rendering of services**		
	Holcim Services (South Asia) Limited	2.75	6.26
	Adani Ports and Special Economic Zone Limited	0.05	-
	MPSEZ Utilities Limited	0.02	-
	Adani Power Maharashtra Limited	1.94	-
	Mumbai Travel Retail Pvt Ltd	1.11	-
		5.87	**6.26**
6	**Other recoveries**		
	LafargeHolcim Energy Solutions S.A.S., France	-	0.44
	Holcim Technology Limited, Switzerland	0.06	2.44
	Holcim Trading Limited, Switzerland (Erstwhile LH Trading Ltd)	1.12	-
	Lafarge SA, France	0.08	-
	Adani Power Maharashtra Limited	-	-
	Ocean Sparkle Ltd	0.02	-
	Holcim International Finance Ltd	0.12	-
	Adani Cement Industries Ltd	4.08	-
	Adani Cementation Ltd	0.01	-
		5.49	**2.88**

₹ In Crore

Particulars		For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
7	**Other payments**		
	LafargeHolcim Energy Solutions S.A.S., France	-	0.85
	Holcim Trading Limited, Switzerland (Erstwhile LH Trading Ltd)	2.15	-
	Holcim Technology Limited, Switzerland	0.48	0.08
	Adani Enterprises Limited	1.32	-
	Adani Digital Lab Pvt Ltd	0.40	-
		4.35	**0.93**
8	**Purchase of sponsorship rights**		
	Adani Sport Line Pvt Ltd	46.62	-
		46.62	**-**
9	**Issue of share warrants**		
	Harmonia Trade and Investment Ltd (Refer Note 62)	5,000.03	-
		5,000.03	**-**
10	**Payment under long term supply arrangement**		
	Mundra Petrochem Ltd (Refer Note 13)	925.00	-
		925.00	**-**

D) Outstanding balances with other related parties

₹ In Crore

Particulars		As at March 31, 2023	As at December 31, 2021
1	**Amount payable**		
	Holcim Technology Limited, Switzerland	-	30.28
	Holcim Group Services Limited, Switzerland	-	-
	Holcim Services (South Asia) Limited	-	1.98
	Lafarge Holcim Global Hub Services Private Limited	-	1.75
	Holcim Trading Limited, Switzerland (Erstwhile LH Trading Ltd)	-	7.76
	Adani Enterprises Limited	0.10	-
	Adani Electricity Mumbai Ltd.	0.01	-
	Ocean Sparkle Limited	0.39	-
	Adani Petronet (Dahej) Port Pvt Ltd	0.03	-
	Adani Electricity Mumbai Ltd.	0.01	-
	Swayam Realtors&Traders LLP	0.01	-
	Adani Digital Lab Pvt Ltd	0.40	-
	Adani Solar Energy Jodhpur Two Ltd	1.15	-
		2.10	**41.77**
2	**Amount receivable**		
	Holcim Services (South Asia) Limited	-	3.29
	Adani Ports and Special Economic Zone Limited	0.02	-
	Adani Wilmar Limited	0.10	-
	MPSEZ Utilities Limited	0.01	-
	Adani Power Maharashtra Limited	1.40	-
	Adani Power (Jharkhand) Limited	0.13	-
	Adani Brahma Synergy Private Limited	0.09	-
	Adani Infra (India) Limited	0.39	-
	Mumbai Travel Retail Pvt Ltd	1.31	-
	Adani Green Energy Limited	0.03	-
	Kutch Copper Limited	0.73	-
	Mundra windtech Limited	0.35	-
	Mundra Solar Technology l	0.43	-
	Adani Gangavaram Port Pvt Ltd	0.29	-
	Raighar Energy Generation Limited	0.20	-
	Mundra Solar PV Ltd	0.23	-
	M/s Kurmitar Iron Ore Mining	0.10	-
	Adani Cement Industries Ltd	4.08	-
	Adani Cementation Ltd	0.01	-
		9.90	**3.29**
3	Payment under long term supply arrangement		
	Mundra Petrochem Ltd (Refer Note 13)	925.00	-
		925.00	**-**

E) Transactions with holding company during the year

₹ In Crore

Particulars		For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
1	**Dividend paid**		
	Holderind Investments Limited, Mauritius	**789.49**	**125.32**

F) Transactions with joint ventures during the year

₹ In Crore

Particulars		For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
1	**Rendering of services**		
	Counto Microfine Products Private Limited	3.71	3.07
2	**Sale of Goods**		
	Counto Microfine Products Private Limited	-	0.02
3	**Dividend Received**		
	Counto Microfine Products Private Limited	10.09	2.75

G) Outstanding balances with joint ventures

₹ In Crore

Particulars		For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
1	**Amount receivable**		
	Counto Microfine Products Private Limited	**0.67**	**0.76**

H) Transactions with Key Management Personnel

₹ In Crore

Particulars		For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
1	**Remuneration (Refer Note (a) and (b) below)**		
	Mr. Neeraj Akhoury	22.48	11.54
	Ms. Rajani Kesari	6.81	6.15
	Mr. Rajiv Gandhi	3.21	1.41
	Mr. Ajay Kapur	3.35	-
	Mr. Vinod Bahety	2.53	-
		38.38	**19.10**
2	**Break-up of remuneration**		
	Short term employment benefit	35.15	18.18
	Post employment benefits	2.24	0.52
	Other long term benefits	0.99	0.12
	Employee share based payments	-	0.28
		38.38	**19.10**
3	**Commission, sitting fees and advisory fee**		
	Mr. N.S. Sekhsaria	0.18	0.54
	Mr. Martin Kriegner (Refer Note (g) below)	-	-
	Mr. Christof Hassig	0.17	0.23
	Mr. Nasser Munjee	0.23	0.45
	Mr. Rajendra P. Chitale	0.23	0.55
	Mr. Shailesh Haribhakti	0.22	0.42
	Dr. Omkar Goswami	0.24	0.45
	Mr. Jan Jenisch	0.15	0.23
	Ms. Then Hwee Tan	0.18	0.40
	Mr. Mahendra Kumar Sharma	0.07	0.38
	Ms. Shikha Sharma	0.19	0.41
	Mr. Ranjit Shahani	0.18	0.25
	Mr. Praveen Kumar Molri	0.05	0.23
	Mr. Ramanathan Muthu	0.17	0.23
	Mr. Mario Gross	0.10	-
	Mr. Arun Kumar Anand	0.12	-
	Mr. Maheshwar Sahu	0.18	-
	Mr. Rajnish Kumar	0.18	-
	Ms. Purvi Sheth	0.15	-
	Mr. Ameet Desai	0.17	-
	Mr. M. R. Kumar	0.12	-
		3.26	**4.77**
		41.64	**23.87**

Notes:

a) Does not include provision towards gratuity and leave encashment which is provided based on actuarial valuation on an overall Company basis.

b) Remuneration includes performance incentive paid in respective year which is related to the performance of preceding year except to the extent of performance incentive to Mr. Neeraj Akhoury, MD and CEO being paid every six months as per agreement.

c) During the period ended March 31, 2023, the Company has contributed ₹ 63.62 crore (previous year - ₹ 47.70 crore) to Ambuja Cement Foundation, ₹ 3.75 crore (December 31, 2021 - ₹ 5.98 crore) to Ambuja Vidya Niketan Trust, ₹ 3.81 crore (December 31, 2021 - ₹ 3.70 crore) to Ambuja Hospital Trust towards Corporate social responsibility obligations.

d) Contribution to Ambuja Cements Limited Staff Provident Fund Trust :
The Company is required to contribute a specified percentage of the employee compensation for eligible employees towards provident fund. The Company makes monthly contribution to a trust specified for this purpose. During the fifteen months ended 31st March 2023, the Company has contributed ₹ 9.48 crore (December 31, 2021 - ₹ 5.79 crore). Refer Note - 52 for fair value as at current and previous year end.

e) Contribution to Ambuja Cements Limited Employees Gratuity Fund Trust :
The Company maintains gratuity trust for the purpose of administering the gratuity payment to its employees. During the period ended March 31, 2023, the Company has contributed NIL (December 31, 2021 - ₹ 5.00 crore).Refer Note - 52 for fair value as at current and previous year end.

f) The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length transactions. The Company has not recorded any loss allowances for trade receivables from related parties (December 31, 2021 - Nil).

g) Mr. Martin Kriegner has waived his right to receive Directors' commission and sitting fees.

h) Transaction with related parties disclosed are exclusive of applicable taxes.

i) During the year, on September 26, 2022, the Company had given a non-disposal undertaking ("NDU") for the shares held by it in its subsidiary ACC Limited for certain financial indebtedness of the Promoter/Promoter group Companies. The said NDU was subsequently released on November 23, 2022.

j) Denotes amount less than ₹ 50,000.

k) For undertaking given by Adani Enterprises Limited Refer Note 13

l) Refer Note - 9 for detail of investments in subsidiaries, associates and joint ventures.

Note 56 - Financial instruments

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

A) Classification of financial assets and liabilities*

₹ In Crore

Particulars	As at March 31, 2023		As at December 31, 2021	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
a) Measured at amortised cost				
Cash and cash equivalents	174.54	174.54	3,515.49	3,515.49
Bank balances other than cash and cash equivalents	2,248.43	2,248.43	178.67	178.67
Trade Receivables	564.91	564.91	294.73	294.73
Loans	5.42	5.42	6.30	6.30
Other financial assets	6,904.22	6,904.22	759.35	759.35
	9,897.52	**9,897.52**	**4,754.54**	**4,754.54**
b) Measured at fair value through profit and loss (FVTPL)				
Investments in liquid mutual funds	110.08	110.08	475.08	475.08
Investments in unquoted equity instruments	9.20	9.20	9.20	9.20
	119.28	119.28	484.28	484.28
Total (a + b)	**10,016.80**	**10,016.80**	**5,238.82**	**5,238.82**

₹ In Crore

Particulars	As at March 31, 2023		As at December 31, 2021	
	Carrying value	Fair value	Carrying value	Fair value
Financial liabilities				
a) Measured at amortised cost				
Trade payables	1,571.11	1,571.11	1,145.70	1,145.70
Other financial liabilities	928.86	928.86	872.68	872.68
Brrowings	47.71	47.71	46.94	46.94
	2,547.68	**2,547.68**	**2,065.32**	**2,065.32**
b) Measured at fair value through profit and loss (FVTPL)				
Foreign currency forward contract	0.78	0.78	3.26	3.26
Total (a + b)	**2,548.46**	**2,548.46**	**2,068.58**	**2,068.58**

* other than investment in subsidiaries and joint venture

B) Income and Expenses on Financial Instruments

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

₹ In Crore

Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Income on Financial Instruments		
Financial assets measured at cost		
Gain on sale of non-current investments	14.00	-
Dividend income	555.20	134.33
Financial assets measured at amortised cost		
Interest income	284.75	109.08
Impairment losses on trade receivables (including reversals of impairment losses)	(7.62)	2.48
Financial assets measured at fair value through profit or loss		
Gain on sale of current financial assets (net)	35.12	8.26
Gain on fair valuation of liquid mutual fund (net)	0.08	0.10
Total	**881.53**	**254.25**
Expenses on Financial Instruments		
Financial liabilities measured at amortised cost		
Net exchange losses on revaluation or settlement of items denominated in foreign currency (trade payable)	33.58	2.05
Interest expenses on deposits from dealers	20.06	13.48
Interest expenses on borrowings	4.36	3.34
Interest expense on lease liabilities	26.88	15.22
Other interest expense	36.13	25.27
Financial liabilities measured at fair value through profit or loss		
Net Loss / (gain) on foreign currency forward contracts	(7.31)	5.92
Total	**113.70**	**65.28**
Net Income recognised in the Statement of Profit and Loss	**767.83**	**188.97**

C) Fair value measurements

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

a) Level 1

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

b) Level 2

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

c) Level 3

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

D) Fair value hierarchy

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021	Level	Valuation techniques and key inputs
Financial assets				
a) Measured at fair value through profit and loss (FVTPL)				
Investments in liquid mutual funds	110.08	475.08	1	Investment in liquid and short term mutual funds which are classified as FVTPL are measured using net assets value at the reporting date multiplied by the quantity held.
Investment in unquoted equity instruments (other than subsidiaries and joint ventures)	9.20	9.20	3	Using discounted cash flow method.
Financial liabilities				
a) Measured at fair value through profit and loss (FVTPL)				
Foreign currency forward contract	0.78	3.26	2	The fair value of forward foreign exchange contract is calculated as the present value determined using forward exchange rates at the reporting date.

Note:

a) There was no transfer between level 1 and level 2 fair value measurement.

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

In the Company's opinion the carrying amount of loans, other financial assets, trade receivables, cash and cash equivalents (excluding investments in liquid mutual funds), bank balances other than cash and cash equivalents, other financial liabilities (excluding derivative financial instruments) and trade payable recognised in the financial statement approximate their fair values largely due to the short-term maturities of these instruments.

c) Reconciliation of Level 3 fair value measurement of unquoted equity shares

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Opening Balance	9.20	4.50
Purchases during the year	-	4.70
Gain/(Loss)		
- in Other comprehensive income	-	-
- in profit and loss	-	-
- changes on purchase of equity shares	-	-
Closing Balance	**9.20**	**9.20**

Description of significant unobservable inputs to valuation:

Particular	Valuation techniques	Significant unobservable inputs	Sensitivity of the input to fair value
Investments in unquoted equity shares	Price of recent transaction (PORT)	Transaction price	5% (December 31, 2021: 5%) increase (decrease) in the transaction price would result in increase (decrease) in fair value by Rs. 0.46 crore (December 31, 2021 - Rs. 0.46 crore)

Company Overview
Creating Value
Accelerating our value creation
Statutory Reports
Financial Statements

Note 57 - Financial risk management objectives and policies

The Company has a system-based approach to risk management, established policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks such as market risk, credit risk and liquidity risk that may arise as a consequence of its business operations as well as its investing and financing activities. Accordingly, the Company's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with applicable regulations.

All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Company's policy that no trading in derivatives for speculative purposes shall be undertaken.

The Company's management is supported by a risk management committee that advises on financial risks and the appropriate financial risk governance framework for the Company. The risk management committee provides assurance to the Company's management that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews policies for managing each of these risks.

A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks a) commodity price risk b) currency risk and c) interest rate risk. Financial instruments affected by market risk comprise deposits, investments, trade payables.

The Company's investments are predominantly held in fixed deposits and liquid mutual funds. Mark to market movements in respect of the Company's investments are valued through the Statement of Profit and Loss. Fixed deposits are held with highly rated banks and are not subject to interest rate volatility.

Assumption made in calculating the sensitivity analysis

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. The analysis excludes the impact of movements in market variables on the carrying values of gratuity and other post - retirement obligations and provisions.

a) Commodity risk

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

i) Optimizing the fuel mix, pursue longer term and fixed contracts where considered necessary (Refer Note 20).

ii) Consistent efforts to reduce the cost of power and fuel by using both domestic and international coal and petcoke.

iii) Use of alternative Fuel and Raw Materials (AFR) and enhancing the utilisation of renewable power including its onsite and offsite solar, wind, hydro power and Waste Heat Recovery System (WHRS).

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

b) Foreign currency risk

Foreign currency risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to change in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates primarily relate to import of raw materials, fuels and capital items. Based on sensitivity analysis, the Company has well defined forex exposure threshold limit approved by Board of Directors, beyond which all forex exposure are fully hedged.

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

₹ In Crore

As at March 31, 2023	USD	EUR	SEK	JPY	CHF
Trade and other payables	569.98	7.52	0.06	-	-
Foreign exchange derivative contracts	(154.12)	-	-	-	-
Net exposure to foreign currency risk (liabilities)	415.86	7.52	0.06	-	-

₹ In Crore

As at December 31, 2021	USD	EUR	SEK	JPY	CHF
Trade Payable	347.23	4.86	0.44	1.19	0.22
Foreign exchange derivative contracts	(216.46)	-	-	-	-
Net exposure to foreign currency risk (liabilities)	130.77	4.86	0.44	1.19	0.22

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

Particulars	As at March 31, 2023		As at December 31, 2021	
	5% strengthening of ₹	5% weakening of ₹	5% strengthening of ₹	5% weakening of ₹
USD	20.79	(20.79)	6.54	(6.54)
EUR	0.38	(0.38)	0.24	(0.24)
TOTAL	**21.17**	**(21.17)**	**6.78**	**(6.78)**

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

c) **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 security deposit taken from its dealers.

Interest risk exposure

₹ In Crore

Particulars	Notes	As at March 31, 2023	As at December 31, 2021
Interest bearing			
Security deposit from dealers	35	542.23	500.35
Total		**542.23**	**500.35**

Interest rate sensitivities for unhedged exposure (Refer Note (i) below)

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Security deposit from dealers		
Impact of increase in 100 bps would decrease profit before tax by	5.42	5.00
Impact of decrease in 100 bps would increase profit before tax by	(5.42)	(5.00)

Note:

i) Interest rate sensitivity has been calculated assuming the borrowings outstanding at the reporting date have been outstanding for the entire reporting period.

B) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The Company has no significant concentration of credit risk with any counterparty.

Financial assets for which loss allowance is measured using lifetime Expected Credit Losses (ECL)

₹ In Crore

Particulars	Notes	As at March 31, 2023	As at December 31, 2021
Trade receivables	15	16.28	26.16
Financial assets other than trade receivables			
Loans to joint operation	11	1.16	1.10
Other receivable	19	11.97	12.03
		13.13	**13.14**
Total		**29.41**	**39.30**

Trade receivables

Trade receivables consist 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. The exposure in credit risk arising out of major customers is generally backed either by bank guarantee, letter of credit or security deposits.

The Company's exposure and wherever appropriate the credit ratings of its counterparties are continuously monitored and spread amongst various counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management of the Company.

The Company does not have higher concentration of credit risks since no single customer accounted for 10% or more of the Company's net sales.

Total trade receivable as on March 31, 2021 is ₹ 564.91 crore (December 31, 2021 - ₹ 294.73 crore).

Refer Note 15 for ageing of trade receivables.

Financial assets other than trade receivables

The exposure to the Company arising out of this category consists of balances with banks investments in liquid mutual funds, incentives receivables from government and loans which do not pose any material credit risk. Such exposure is also controlled, reviewed and approved by the management of the Company on routine basis. There are no indications that defaults in payment obligations would occur in respect of these financial assets.

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 credit rating agencies.

Investments of surplus funds are made only with approved financial Institutions. Investments primarily include investment in units of liquid mutual funds and fixed deposits with banks having low credit risk.

Total non-current investments (other than subsidiaries and joint arrangements) and investments in liquid mutual funds as on March 31, 2023 are ₹ 9.20 crore and ₹ 110.08 crore (December 31, 2021 - ₹ 9.20 and ₹ 475.08 crore)

Expected credit loss assessment

The Company has used a practical expedient by computing the expected loss allowance for financial assets based on historical credit loss experience and adjustments for forward looking information. 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.

Movement in expected credit loss allowance of trade receivables

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Balance at the beginning of the year	26.16	23.68
Add: provided during the year	(6.49)	5.68
Less : reversal of provisions	3.39	3.20
Balance at the end of the year	**16.28**	**26.16**

C) Liquidity risk

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

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on undiscounted contractual payments.

₹ In Crore

		Contractual maturities			
Particulars	Carrying amount	Less than 1 year	1 - 5 Years	More than 5 year	Total
As at March 31, 2023					
Borrowings	47.71	14.12	40.50	-	54.62
Lease liabilities	901.71	353.95	528.09	107.06	989.10
Trade payables	1,571.11	1,571.11	-	-	1,571.11
Other financial liabilities (Refer Note (a) below)	929.64	929.64	-	-	929.64
Total	**3,450.17**	**2,868.82**	**568.59**	**107.06**	**3,544.47**
As at December 31, 2021					
Borrowings	46.94	3.59	46.16	8.47	58.22
Lease liabilities	304.05	44.40	182.67	149.49	376.56
Trade payables	1,145.70	1,145.70	-	-	1,145.70
Other financial liabilities (Refer Note (a) below)	875.94	875.81	0.13	-	875.94
Total	**2,372.63**	**2,069.50**	**228.96**	**157.96**	**2,456.42**

Note:

a) Other financial liabilities includes deposits received from customers amounting to ₹ 542.23 crore (December 31, 2021 - ₹ 500.35 crore). These deposits do not have a contractual re-payment term but are repayable on demand. Since, the Company does not have an unconditional right to defer the payment beyond 12 months from reporting date, these deposits have been classified under current financial liabilities. For including these amounts in the above mentioned maturity analysis, the Company has assumed that these deposits including interest thereon, will be repayable at the end of the next reporting period. The actual maturity period for the deposit amount and the interest thereon can differ based on the date on which these deposits are settled to the customers.

Note 58 - Segment reporting

A) The principal business of the Company is manufacturing and sale of cement and cement related products. The Management Committee of the Company, has been identified as the Chief Operating Decision Maker (CODM). The CODM evaluates the Company's performance, allocates resources based on analysis of the various performance indicators of the Company as a single unit. CODM have concluded that there is only one operating reportable segment as defined under IND AS 108 "Operating Segments", i.e. Cement and Cement Related Products.

B) Geographical Information

The Company operates in geographical areas of India (country of domicile) and others (outside India).

₹ In Crore

Particulars	Revenues from customers		Non-current assets (Refer Note (a) below)	
	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021	As at March 31, 2023	As at December 31, 2021
Within India	19,744.25	13,803.17	10,808.47	9,072.51
Outside India	-	-	-	-
Total	**19,744.25**	**13,803.17**	**10,808.47**	**9,072.51**

Note:

a) All the non current assets are located within India.

C) Information about major customers

During the year ended March 31, 2023 and December 31, 2021, no single customer who contributed 10% or more to the Company's revenue.

Note 59 - Financial Ratios

	Ratio	Numerator - Description	Denominator - Description	January 22-March 23	January 21 - December 21	% Variance	Reason for variance
1	Current Ratio (in times)	Current Assets	Current Liabilities	1.75	1.27	38.3%	Increase in current asset is on account cash received against issue of share warrants
2	Return on Equity ratio (in %)*	Profit after tax (excluding other comprehensive income)	Average total equity	8.1%	9.8%	(17.8%)	
3	Inventory Turnover Ratio (in times)*	Cost of goods sold (Refer Note -3)	Average Inventory	5.05	4.85	4.2%	
4	Trade Receivables turnover ratio (in times)*	Sale of Products and Services	Average Trade Receivable	36.75	56.78	(35.3%)	Decrease of ratio is on account of increase in the trade receivables
5	Trade Payables turnover ratio (in times)*	Cost of sales	Average Trade Payable	9.87	10.62	(7.1%)	
6	Net Capital turnover ratio (in times)*	Revenue from operations	Working Capital (Refer Note -1)	3.08	9.41	(67.3%)	Increase in working capital is on account of cash received against issue of share warrants
7	Net Profit ratio (in %)	Profit after tax (excluding other comprehensive income)	Revenue from operations	12.8%	14.9%	(14.3%)	
8	Return on capital employed (in %)*	Profit after tax (excluding other comprehensive income)+Finance cost on borrowings	Total equity+ Current and non current borrowings	8.1%	9.8%	(17.7%)	
9	Debt service coverage ratio (In times)	Profit before exceptional items & tax + interest expenses + depreciation & amortisation	Interest expense + scheduled lease liabilities during the period + repayment of borrowings"	59.90	81.92	(26.9%)	Decrease in ratios on account of new lease liability related to the ships recognised in the current year
10	Return on Investment (in %)"	Interest income + Dividend income + Gain on sale / fair valuation of financial assets	Average Investment + Fixed deposit	4.0%	1.7%	138.3%	Increase in ratio is on account of dividend received from ACC Limited

*Current period ratios have been annualised on a time proportion basis as the financial year is for a fifteen month period (Refer Note 63)

Notes -

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

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

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

Note 60 - Other information

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

2 The Company has following transactions with struck off companies under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 :

₹ In Crore

Name of the Struck off companies	Nature of transactions with struck off Company	Transactions during the year ended March 31, 2023	Balance outstanding as on Mar 2023	Transaction during the year ended December 21, 2021	Balance outstanding as on Dec 2021	Relationship with the Struck off company
Bhp Infrastructure Pvt Ltd	Purchase of goods and services	-	-	0.06	-	Vendor
Narmada Road Carriers (P) Ltd *	Purchase of goods and services	-	-	-	-	Vendor
R V Briggs & Co	Purchase of goods and services	0.01	-	0.01	-	Vendor
Vishwakarma Projects India Pvt Ltd	Purchase of goods and services	0.03	(0.10)	-	(0.13)	Vendor
D R Interior Pvt Ltd	Purchase of goods and services	-	0.03	-	0.03	Vendor
Nero Hospitality Services Pvt Ltd *	Purchase of goods and services	-	-	-	-	Vendor
Param Engineering And Construction Pvt. Ltd.	Purchase of goods and services	-	0.01	-	0.01	Vendor
Amalgamated Wireless Pvt.Ltd. *	Purchase of goods and services	-	-	-	-	Vendor
Kulveer Metal Craft Pvt Ltd	Purchase of goods and services	0.06	-	-	0.22	Vendor
Rooflight Buildcon Pvt Ltd	Purchase of goods and services	-	0.01	-	0.01	Vendor
Vyp Engineering And Construction	Sale of goods and services	-	-	(0.01)	-	Customer
Shri Concrete Technology Pvt. Ltd.*	Sale of goods and services	-	-	-	-	Customer
Krishna Precast (I) Pvt. Ltd.*	Sale of goods and services	-	-	-	-	Customer
Sheth Infrabuild Ltd.	Sale of goods and services	-	-	0.01	-	Customer
Tribhuja Construction Co. Pvt. Ltd.	Sale of goods and services	0.01	-	0.03	-	Customer
Ayaan Ashyiana Private Limited *	Sale of goods and services	-	-	-	-	Customer
Kabir Sahab Formations Private Limited	Sale of goods and services		-	0.29	-	Customer
Realearth Colonisers Pvt Ltd	Sale of goods and services	0.12	-	-	-	Customer
Catalan Infra Pvt. Ltd*	Sale of goods and services	-	-	-	-	Customer

* Represents amount less than ₹ 50,000

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

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

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

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or

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

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

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or

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

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

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

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

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

11 The Company has not given any loans or advances in the nature of loans to promoters, directors, KMPs and/ or related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are repayable on demand, or without specifying any terms or period of repayment other than disclosed in Note 54.

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

Note 61 - Merger of Subsidiary

1) The National Company Law Tribunal of Ahmedabad and Mumbai have approved the scheme of merger of Dirk India Private Limited ("DIPL") (wholly owned subsidiary) with the Company w.e.f. January 01, 2020 (appointed date).

2) The merger have been accounted in the books of account of the Company in accordance with Ind AS 103 'Business Combination' read with Appendix C to Ind AS 103 specified under Section 133 of the Act. Accordingly, the following accounting treatment has been followed to give the effect of the merger:

i) The assets, liabilities and reserves of DIPL have been incorporated in the financial statements at the carrying values as appearing in the financial statement of the Company.

ii) Inter-Company balances and transactions have been eliminated and resultant adjustment has been adjusted in the other equity.

iii) 20,75,383 equity share of ₹ 10 each fully paid in DIPL, held as investment by the Company stands cancelled.

iv) The financial information in the financial statements in respect of prior period have been restated as if business combination had occurred from the beginning of the preceding period in the financial statements.

3) Pursuant to the Scheme, the authorised equity share capital of the Company has been increased by the authorised equity share capital of the erstwhile DIPL.

Note 62 - Money received against Share Warrants

On October 18, 2022, pursuant to the shareholder's approval, the Company has allotted 477,478,249 warrants to Harmonia Trade and Investment Limited (a promoter group entity) by way of preferential issue at a price of ₹ 418.87 each aggregating to ₹ 20,001 crore and has received ₹ 5,000.03 crores (equivalent to 25% of the warrants issue price). These funds have been used for the purposes for which the funds were raised.

Each warrant is convertible into one equity share and the rights attached to warrants can be exercised at any time, within a period of eighteen months from the date of allotment of warrants.

Note 63 - Change in the financial year

The shareholders of the Company at the extra-ordinary general meeting held on 8th October 2022 have approved the change of financial year end from December 31 to March 31. In view of this, the current financial year is for a period of fifteen months i.e., January 01, 2022, to March 31, 2023 and, accordingly, the figures for the fifteen months financial ended March 31, 2023 are not comparable with the figures for the year ended December 31, 2021.

Note 64 - Exceptional items represent a) Special incentive for certain key employees, pursuant to change in the ownership and control b) One-time Information technology transition cost and c) Restructuring cost under voluntary retirement scheme as under:

Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Special Incentive	20.64	
Information technology transition cost	55.92	-
Restructuring cost	80.71	65.59
Total	**157.27**	**65.59**

Note 65 - During the fifteen months ended March 31, 2023, a short seller report was published in which certain allegations were made involving Adani group companies. Writ petitions were filed in the matter with the Hon'ble Supreme Court ("SC"), and during hearing the Securities and Exchange Board of India ("SEBI") has represented to the SC that it is investigating the allegations made in the short seller report for any violations of the various SEBI Regulations. The SC vide its order dated March 2, 2023 has also constituted an expert committee to investigate and also advise into the various aspects of existing laws and regulations, and also directed the SEBI to consider certain additional aspects in its scope. During the fifteen months ended March 31, 2023 and subsequent to March 31, 2023, Adani group companies have provided responses to various queries by the SEBI and the Stock Exchanges. The above-mentioned investigations are in progress as of date.

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

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

The Company had initiated capex plan to enhance its capacity through greenfield and brownfield expansions during the period and gave milestone payment to the EPC Contractor. In cognizance of above, the Company reassessed its strategy for capex program and decided to foreclose the EPC contract and recovered its advance of Rs. 1,815.00 crores (net of GST) without penalty.

Note 66 - In December 2020, the Competition Commission of India ("CCI") initiated an investigation against cement companies in India including the Company regarding alleged anti-competitive behaviour and conducted search and seizure operations against few companies. The Director General (DG) of CCI in January 2021 sought information from the Company and the information sought was provided. In the current year, CCI had sent the investigation report of the DG to the Company and directed the Company to file their suggestions / objections to the report. Company has submitted its responses and the matter is pending for hearing before CCI. The Company is of the firm view that it has acted and continues to act in compliance with competition laws. The Company believes that this does not have any impact on the financial statements.

Note 67 - Code on social Security, 2020

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Company will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Notes to the financial statements

Note 68 - Financial information in respect of joint operations that are not individually material

The Company has interest in a joint operation "Wardha Vaalley Coal Field Private Limited". The Company's interest are accounted on a line-by-line basis by adding together the book value of like items of assets, liabilities, income, expenses and cash flow in the Standalone Financial Statements. Summarised financial information of the joint operation is given below:

Particulars	As at March 31, 2023 % and ₹ In Crore	December 31, 2021 % and ₹ In Crore
Shareholding in %	27.27%	27.27%
Aggregate information of joint operation		
The Company's share of profit / (loss)	(0.11)	(0.11)
The Company's share of total comprehensive income	(0.11)	(0.11)

Note 69 - During the year, the Company has received income tax refund of ₹ 373.15 crores (including interest of ₹ 126.54 crores) on account of order giving effect to ITAT orders for FY 2004-05 to FY 2011-12 and processing of returns u/s 143(1) of the Income Tax Act,1961 for FY 2016-17 and FY 2019-20.

Note 70 - Figures below ₹ 50,000 have not been disclosed.

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per GOVIND AHUJA
Partner
Membership Number : 048966

Mumbai
May 02, 2023

For and on behalf of the Board of Directors of Ambuja Cements Limited

GAUTAM S. ADANI
Chairman
DIN : 00006273

KARAN ADANI
Director
DIN : 03088095

AJAY KAPUR
Wholetime Director & Chief Executive Officer
DIN - 03096416

VINOD BAHETY
Chief Financial Officer
Ahmedabad
May 02, 2023

INDEPENDENT AUDITOR'S REPORT

To the Members of **Ambuja Cements Limited**

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying consolidated financial statements of **Ambuja Cements Limited** (hereinafter referred to as "the Holding Company"), its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") its associates, joint ventures and joint operations comprising of the consolidated Balance sheet as at March 31 2023, the consolidated Statement of Profit and Loss, including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the fifteen months financial year then ended, (Refer Note 69), and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

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

Basis for Qualified Opinion

As stated in Note 71 of the accompanying consolidated financial statements, the Group had obtained an opinion from independent law firm in respect of evaluating relationships with parties having transactions with the Group and referred to in the short seller's report. As also detailed in that note, considering the ongoing proceedings before the Hon'ble Supreme Court and regulatory investigations and adequacy of information in respect of the transaction stated therein, we are unable to comment on the possible consequential effects thereof, if any, on these consolidated financial statements.

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Statements' section of our report. We are independent of the Group, associates, joint ventures and joint operations in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Emphasis of Matter

We draw your attention to Note 51(b) of the accompanying consolidated financial statements which describes the uncertainty related to the outcome of ongoing litigations with the Competition Commission of India. Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the fifteen months financial year ended March 31, 2023. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

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

<table>
<tr><th>Key audit matters</th><th>How our audit addressed the key audit matter</th></tr>
<tr><td colspan="2">Litigation and Claims (as described in Notes 3(L), 3(Z)(I), 51 and 52 of the consolidated financial statements)</td></tr>
<tr><td>The Holding Company and its subsidiary (ACC Limited) has significant ongoing legal proceedings for various complex matters relating to direct tax, indirect tax, government incentive claims and other legal matters under various laws prevailing in India.

Due to the magnitude and complexity involved in these matters, management's judgement regarding recognition and measurement of provisions for these legal proceedings is inherently uncertain and might change over time as the outcome of the legal cases are determined. Accordingly, it has been considered as a key audit matter.</td><td>Our audit procedures included the following:
• Read the Group's accounting policies with respect to contingent liabilities and provisions and assessing its compliance with Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets".
• Obtained understanding of the Holding Company's and the subsidiary's process and controls to identify and monitor all litigations, including Holding Company's / Subsidiary Company's process of assessment of litigations as 'probable', 'possible' and 'remote' and reporting to the board of directors / audit committee.
• Held discussions with the management including the person responsible for legal and compliance to obtain an understanding of the matters involved and development in these matters compared to previous year. For significant direct and indirect tax matters and government incentive claims, we assessed the management conclusion with the support of specialists.
• For other significant legal matters, assessed management conclusion basis the related documentation / correspondence and opinions from external legal experts (where applicable), as provided by the management.
• Obtained direct legal confirmations for significant matters from external law firms handling such matters to corroborate management conclusions.
• Assessed the objectivity and competence of the external legal experts / law firms as referred above.
• Reviewed the disclosures made in the consolidated financial statements.</td></tr>
<tr><td colspan="2">Physical verification of bulk inventories (as described in Notes 3(D), 3(Z)(VII) and 15 of the consolidated financial statements)</td></tr>
<tr><td>Bulk inventory for the Holding Company and its subsidiary (ACC Limited) primarily comprises of coal, petcoke and clinker which are used during the production process at the Holding Company's / Subsidiary Company's plants. Holding Company / Subsidiary Company has laid down a policy for physical verification defining, amongst other things, the frequency, responsibility and tolerance limits for all category of inventories, including bulk inventories. Holding Company / Subsidiary Company also performs regular calibration checks of measuring equipment involved in determining physical quantities of bulk inventories and also engages independent third party to perform physical quantity checks.

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

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

Other Information

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

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

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

Responsibilities of Management for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group including its associates, joint ventures and joint operations in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The respective Board of Directors of the companies included in the Group and of its associates, joint ventures and joint operations are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of their respective companies and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates, joint ventures and joint operations are responsible for assessing the ability of their respective companies to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates, joint ventures and joint operations of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the fifteen months financial year ended March 31, 2023 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements and other financial information, in respect of 9 subsidiaries, and 4 joint operations of a subsidiary and 1 joint operation of the Holding Company, whose financial statements include total assets of ₹ 267.41 crores as at March 31, 2023, and total revenues of ₹ 41.54 crores and net cash inflows of ₹ 5.12 crores for the fifteen months financial year ended on that date. These financial statement and other financial information have been audited by other auditors, which financial statements, other financial information and auditor's reports have been furnished to us by the management. The consolidated financial statements also include the Group's share of net profit of ₹ 28.02 crores for the fifteen months financial year ended March 31, 2023, as considered in the consolidated financial statements, in respect of 2 associates and 2 joint ventures, whose financial statements, other financial information have been audited by other auditors and whose reports have been furnished to us by the Management. Our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures, joint operations and associates, and our report in terms of sub-sections (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint ventures and joint operations and associates, is based solely on the reports of such other auditors.

(b) The consolidated financial statements of the Holding Company for the year ended December 31, 2021, included in these consolidated financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on February 17, 2022.

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

Report on Other Legal and Regulatory Requirements

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

   (a) We/the other auditors whose report we have relied upon have sought and except for the possible effects, if any, of the matter described in the Basis for Qualified Opinion paragraph, we/the other auditors have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;

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

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

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

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

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

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

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

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

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

i. The consolidated financial statements disclose the impact of pending litigations on its consolidated financial position of the Group, its associates, joint ventures and joint operations in its consolidated financial statements – Refer Note 51 and 52 to the consolidated financial statements;

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

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

iv. (a) The respective managements of the Holding Company and its subsidiaries, associates, joint ventures and joint operations which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associates, joint ventures and joint operations respectively that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiaries, associates, joint ventures and joint operations to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the respective Holding Company or any of such subsidiaries, associates, joint ventures and joint operations ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

b) The respective managements of the Holding Company and its subsidiaries, associates, joint ventures and joint operations which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associates, joint ventures and joint operations respectively that, to the best of its knowledge and belief, no funds have been received by the respective Holding Company or any of such subsidiaries, associates, joint ventures and joint operations from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiaries, associates, joint ventures and joint operations shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

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

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

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

As stated in Note 25 to the consolidated financial statements, the respective Board of Directors of the Holding Company, its subsidiary Company and joint venture incorporated in India have proposed final dividend for the fifteen months financial year which is subject to the approval of the members of the respective companies at the respective ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend.

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

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

per Govind Ahuja
Partner
Membership Number: 048966
UDIN: 23048966BGYDPR1949

Place of Signature: Mumbai
Date: May 2, 2023

Annexure '1' referred to in paragraph under the heading "Report on Other Legal and Regulatory Requirements" of our independent auditor's report of even date

Re: Ambuja Cements Limited ("the Holding Company")

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

S. No	Name	CIN	Holding company/ subsidiary/ associate/ joint venture	Clause number of the CARO report which is qualified or is adverse
1	Ambuja Cements Limited	L26942GJ1981PLC004717	Holding Company	(i)(c), (iii)(a), (xi)(a) and (xiii)
2	ACC Limited	L26940MH1936PLC002515	Subsidiary	(i)(c), (iii)(a), (xi)(a) and (xiii)
3	Bulk Cement Corporation (India) Limited	U99999MH1992PLC066679	Subsidiary	vii(a)
4	Singhania Minerals Private Limited	U14109MP1992PTC007264	Subsidiary	(xvii), (xix)
5	Lucky Minmat Limited	U14219RJ1976PLC001697	Subsidiary	(xvii), (xix)

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

per Govind Ahuja
Partner
Membership Number: 048966
UDIN: 23048966BGYDPR1949

Place of Signature: Mumbai
Date: May 2, 2023

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF AMBUJA CEMENTS LIMITED

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

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

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group its associates, joint operations and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal financial control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under section 143(10) of the Act , to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our qualified audit opinion on the Holding Company's internal financial controls with reference to consolidated financial statements.

Meaning of Internal Financial Controls With Reference to Consolidated Financial Statements

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

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

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

Qualified Opinion

According to the information and explanations given to us and based on the report issued by other auditors on internal financial controls with reference to consolidated financial statements in case of its subsidiaries, its associates, joint operations and joint ventures, which are companies incorporated in India, as stated in the 'Basis for Qualified Opinion' paragraph of our audit report, considering the ongoing proceedings before the Hon'ble Supreme Court and regulatory investigations and the consequential impact, if any, it may have on Holding Company's and Subsidiary Company's (ACC Limited) processes and internal controls including procurements (for adequacy of information for transactions referred in Note 71 to the consolidated financial statements), related party transactions and compliance with laws and regulations, to that extent we are unable to comment on whether there exists any material weakness in the Holding Company's and Subsidiary Company's (ACC Limited) internal controls as at March 31, 2023.

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

In our opinion, except for the possible effects of the matter described above on the achievement of the objectives of the control criteria, the companies included in the Group, its associates, joint operations and joint ventures, which are companies incorporated in India, have, maintained in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to these 9 subsidiaries, 2 associates and 2 joint ventures, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

We also have audited, in accordance with the Standards on Auditing issued by the ICAI as specified under section 143(10) of the Act, the consolidated financial statements of the Holding Company, which comprise the Consolidated Balance Sheet as at March 31, 2023, and the Consolidated Statement of Profit and Loss including other comprehensive income, the consolidated Cash Flow Statement and the consolidated Statement of Changes in Equity for the fifteen months financial year then ended, and notes to the consolidated financial statements including a summary of significant accounting policies and other explanatory information. The matter described above was considered in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2023 consolidated financial statements of the Group and this report affect our report dated May 2, 2023, which expressed modified opinion on those financial statements.

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

per Govind Ahuja
Partner
Membership Number: 048966
UDIN: 23048966BGYDPR1949

Place of Signature: Mumbai
Date: May 2, 2023

Consolidated Balance Sheet

₹ In Crore

Particulars			Notes	As at March 31, 2023 (Refer Note -69)	As at December 31, 2021
ASSETS					
1	**Non-current assets**				
	a)	Property, plant and equipments	4	14,729.35	13,661.89
	b)	Right-of-use assets	5	588.15	497.87
	c)	Capital work-in-progress	4	2,525.87	2,167.73
	d)	Goodwill	6	7,869.69	7,869.69
	e)	Other intangible assets	7	364.30	224.11
	f)	Investments in associates and joint ventures	9	186.05	170.51
	g)	Financial assets			
		i) Investments	10	27.60	27.60
		ii) Loans	12	9.89	11.56
		iii) Other financial assets	13	3,133.72	1,471.40
	h)	Non-current tax assets (net)		1,128.08	1,125.86
	i)	Other non-current assets	14	1,909.39	957.95
		Total - Non-current assets		**32,472.09**	**28,186.17**
2	**Current assets**				
	a)	Inventories	15	3,272.79	2,738.04
	b)	Financial assets			
		i) Trade receivables	16	1,154.36	619.07
		ii) Cash and cash equivalents	17	543.87	11,358.49
		iii) Bank balances other than cash and cash equivalents	18	2,417.17	334.49
		iv) Loans	19	8.61	9.91
		v) Other financial assets	20	7,901.58	501.01
	c)	Other current assets	21	3,948.86	1,431.97
				19,247.24	**16,992.98**
	d)	Non-current assets classified as held for sale	22	2.13	25.44
		Total - Current assets		**19,249.37**	**17,018.42**
		TOTAL - ASSETS		**51,721.46**	**45,204.59**
EQUITY AND LIABILITIES					
Equity					
a)	Equity share capital		23	397.13	397.13
b)	Other equity		26	26,301.04	24,956.61
c)	Money received against Share warrants			5,000.03	-
	Equity attributable to owners of the Company			**31,698.20**	**25,353.74**
d)	Non controlling interest			7,058.35	7,145.03
		Total Equity		**38,756.55**	**32,498.77**
Liabilities					
1	**Non-current liabilities**				
	a)	Financial liabilities			
		i) Borrowings	27	34.22	43.50
		ii) Lease liabilities	28	414.50	362.52
		iii) Other financial liabilities	29	-	0.13
	b)	Provisions	30	264.88	281.54
	c)	Deferred tax liabilities (net)	31	700.37	756.19
	d)	Other non-current liabilities	33	37.27	36.74
		Total - Non-current liabilities		**1,451.24**	**1,480.62**
2	**Current liabilities**				
	a)	Financial liabilities			
		i) Borrowings	36	13.49	3.44
		ii) Trade payables			
		Total outstanding dues of micro and small enterprises	34	51.22	34.95
		Total outstanding dues of trade payables other than micro and small enterprises		2,722.69	2,877.87
		iii) Lease liabilities	35	60.52	67.11
		iv) Other financial liabilities	37	2,121.13	2,005.42
	b)	Other current liabilities	38	4,732.70	4,305.87
	c)	Provisions	39	14.64	24.64
	d)	Current tax liabilities (net)		1,797.28	1,905.90
		Total - Current liabilities		**11,513.67**	**11,225.20**
		Total Liabilities		**12,964.91**	**12,705.82**
		TOTAL - EQUITY AND LIABILITIES		**51,721.46**	**45,204.59**

See accompanying notes to the financial statements

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per GOVIND AHUJA
Partner
Membership Number : 048966

Mumbai
May 02, 2023

For and on behalf of the Board of Directors of Ambuja Cements Limited

GAUTAM S. ADANI
Chairman
DIN : 00006273

KARAN ADANI
Director
DIN : 03088095

AJAY KAPUR
Wholetime Director & Chief Executive Officer
DIN - 03096416

VINOD BAHETY
Chief Financial Officer
Ahmedabad
May 02, 2023

Consolidated Statement of Profit and Loss

₹ In Crore

	Particulars		Notes	For the fifteen months ended March 31, 2023 (Refer Note - 69)	For the year ended December 31, 2021
1	**Income**				
	a)	Revenue from operations	40	38,937.03	28,965.46
	b)	Other income	41	737.71	352.44
		Total income		**39,674.74**	**29,317.90**
2	**Expenses**				
	a)	Cost of materials consumed	42	4,749.65	3,183.41
	b)	Purchase of stock-in-trade	43	481.12	309.21
	c)	Changes in inventories of finished goods, work-in progress and stock-in-trade	44	(119.86)	(530.34)
	d)	Employee benefits expense	45	1,856.53	1,529.15
	e)	Finance costs	46	194.90	145.66
	f)	Depreciation and amortisation expense	47	1,644.67	1,152.49
	g	Power and fuel		11,761.90	6,787.52
	h)	Freight and forwarding expense	48	9,523.72	7,132.90
	i)	Other expenses	49	5,608.50	4,387.84
				35,701.13	**24,097.84**
	j)	Captive consumption of cement		**(46.90)**	**(44.63)**
		Total expenses		**35,654.23**	**24,053.21**
3	**Profit before share of profit of joint ventures and associates, exceptional items and tax expense (1-2)**			4,020.51	5,264.69
4	Share of profit in joint ventures and associates			28.02	20.23
5	**Profit before exceptional items and tax (3+4)**			4,048.53	5,284.92
6	Exceptional items		70	319.04	120.45
7	**Profit before tax (5-6)**			3,729.49	5,164.47
8	**Tax expense**		32		
	a)	Current tax (net)		770.60	1,326.98
	b)	Deferred tax		(65.49)	126.45
				705.11	**1,453.43**
9	**Profit after tax (7-8)**			**3,024.38**	**3,711.04**
10	**Other comprehensive income**				
	Items not to be reclassified to profit or loss in subsequent periods				
	a)	Remeasurement gains / (losses) on defined benefit plans		38.61	14.86
	b)	Share of remeasurement gains / (losses) on defined benefit plans of joint ventures and associates		(0.07)	-
				38.54	**14.86**
	Tax expenses on above			(9.67)	(3.75)
		Total other comprehensive income		**28.87**	**11.11**
11	**Total comprehensive income for the year (9+10)**			**3,053.25**	**3,722.15**
12	**Profit for the year attributable to**				
	Owners of the Company			2,583.40	2,780.38
	Non-controlling interest			440.98	930.66
13	**Other comprehensive income attributable to**				
	Owners of the Company			13.41	8.40
	Non-controlling interest			15.46	2.71
14	**Total comprehensive income attributable to**				
	Owners of the Company			2,596.81	2,788.78
	Non-controlling interest			456.44	933.37
15	**Earnings per share of ₹ 2 each - in ₹**		50		
	Basic			13.01	14.00
	Diluted			12.64	14.00

See accompanying notes to the financial statements

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per GOVIND AHUJA
Partner
Membership Number : 048966

Mumbai
May 02, 2023

For and on behalf of the Board of Directors of Ambuja Cements Limited

GAUTAM S. ADANI
Chairman
DIN : 00006273

KARAN ADANI
Director
DIN : 03088095

AJAY KAPUR
Wholetime Director & Chief Executive Officer
DIN - 03096416

VINOD BAHETY
Chief Financial Officer
Ahmedabad
May 02, 2023

Consolidated statement of changes in equity

₹ In Crore

	Particulars	Notes	As at March 31, 2023	As at December 31, 2021
A	**Equity share capital**	23		
	Opening Balance		397.13	397.13
	Changes during the year		-	-
	Closing balance		**397.13**	**397.13**

B Other equity

₹ In Crore

Particulars	Reserves and surplus (Refer Note 26)								Total other equity attributable to owners of the Company	Non controlling interest	Total
	Capital reserve	Securities premium	General reserve	Capital redemption reserve	Capital subsidies	Capital contribution from parent	Tonnage tax reserve	Retained earnings			
Balance as at January 01, 2022	**130.71**	**12,471.16**	**5,814.49**	**9.93**	**5.02**	**9.10**	**-**	**6,516.20**	**24,956.61**	**7,145.03**	**32,101.64**
Profit for the year	-	-	-	-	-	-	-	2,583.40	2,583.40	440.98	3,024.38
Other comprehensive income (net of tax)	-	-	-	-	-	-	-	13.41	13.41	15.46	28.87
Total comprehensive income for the year	-	-	-	-	-	-	-	2,596.81	2,596.81	456.44	3,053.25
Share based payment (Refer Note 66)	-	-	-	-	-	(1.42)	-	-	(1.42)	0.94	(0.48)
Transfer to tonnage tax reserve	-	-	-	-	-	-	4.35	(4.35)	-	-	-
Dividend paid (Refer Note 25)	-	-	-	-	-	-	-	(1,250.96)	(1,250.96)	(544.06)	(1,795.02)
Balance as at March 31, 2023	**130.71**	**12,471.16**	**5,814.49**	**9.93**	**5.02**	**7.68**	**4.35**	**7,857.70**	**26,301.04**	**7,058.35**	**33,359.39**

Consolidated statement of changes in equity

₹ In Crore

Particulars	Reserves and surplus (Refer Note 26)									
	Capital reserve	Securities premium	General reserve	Capital redemption reserve	Capital subsidies	Capital contribution from parent	Retained earnings	Total other equity attributable to owners of the Company	Non controlling interest	Total
Balance as at January 01, 2021	**130.71**	**12,471.16**	**5,814.49**	**9.93**	**5.02**	**3.18**	**3,925.98**	**22,360.47**	**6,340.89**	**28,701.36**
Profit for the year	-	-	-	-	-	-	2,780.38	2,780.38	930.66	3,711.04
Other comprehensive income (net of tax)	-	-	-	-	-	-	8.40	8.40	2.71	11.11
Total comprehensive income for the year	-	-	-	-	-	-	2,788.78	2,788.78	933.37	3,722.15
Share based payment (Refer Note 66)	-	-	-	-	-	5.92	-	5.92	2.09	8.01
Dividend paid (Refer Note 25)	-	-	-	-	-	-	(198.56)	(198.56)	(131.32)	(329.88)
Balance as at December 31, 2021	**130.71**	**12,471.16**	**5,814.49**	**9.93**	**5.02**	**9.10**	**6,516.20**	**24,956.61**	**7,145.03**	**32,101.64**

See accompanying notes to the financial statements
As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per GOVIND AHUJA
Partner
Membership Number : 048966

Mumbai
May 02, 2023

For and on behalf of the Board of Directors of Ambuja Cements Limited

GAUTAM S. ADANI
Chairman
DIN : 00006273

KARAN ADANI
Director
DIN : 03088095

AJAY KAPUR
Wholetime Director &
Chief Executive Officer
DIN - 03096416

VINOD BAHETY
Chief Financial Officer
Ahmedabad
May 02, 2023

Statement of consolidated cash flows

₹ In Crore

	Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
A)	**Cash flows from operating activities**		
	Profit before tax	3,729.49	5,164.47
	Adjustments to reconcile profit before tax to net cash flows		
	Depreciation and amortisation expense	1,644.67	1,152.49
	Provision for restructuring cost	147.13	113.11
	(Gain)/Loss on property, plant and equipment sold, discarded and written off (net)	(96.09)	25.27
	Impairment of goodwill in subsidiary company	-	6.42
	Gain on sale of current financial assets measured at fair value through profit and loss	(52.25)	(17.80)
	Gain on sale of investment in subsidiary company	(16.52)	-
	Net gain on fair valuation of liquid mutual fund measured at fair value through profit and loss	(0.21)	(0.37)
	Finance costs	190.54	142.32
	Interest income	(538.26)	(302.30)
	Provision for slow and non moving store and spares (net)	(2.57)	29.85
	Impairment loss/ (Reversal) on trade receivable (net)	7.22	(8.79)
	Unrealised exchange (gain) / loss (net)	37.44	3.36
	Fair value movement in derivative instruments	(7.31)	5.92
	Provisions no longer required written back	(46.84)	(18.53)
	Compensation expenses under Employees Stock Options Scheme	2.94	8.01
	Provisions / (Reversal) for doubtful advances (net)	-	(0.13)
	Unrealised share of profit in associates and joint ventures	(28.02)	(20.23)
	Other non cash items	(25.04)	5.11
	Operating profit before working capital changes	**4,946.32**	**6,288.18**
	Changes in Working Capital		
	Adjustments for Decrease / (Increase) in operating assets		
	(Increase) / Decrease in inventories	(466.99)	(1,121.71)
	(Increase) / Decrease in trade receivables	(547.07)	(81.99)
	(Increase) / Decrease in other assets	(2,720.44)	(186.04)
	Adjustments for Increase / (Decrease) in operating liabilities		
	Increase / (Decrease) in trade payables	(27.76)	650.38
	Increase / (Decrease) in provisions	(1.76)	11.88
	Increase / (Decrease) in other liabilities	291.11	396.07
		(3,472.91)	**(331.41)**
	Cash generated from operations	1,473.41	5,956.77
	Direct taxes paid (net of refunds) (Refer Note 74)	(738.49)	(647.61)
	Net cash flow from operating activities (A)	**734.92**	**5,309.16**
B)	**Cash flows from investing activities**		
	Purchase of property, plant and equipment, intangibles etc. (including capital work in progress and capital advances)	(4,231.78)	(2,334.10)
	Proceeds from sale of property, plant and equipment	165.85	37.76
	Inter corporate deposits and loans given to joint ventures	(0.05)	(0.02)
	Gain on sale of current financial assets measured at fair value through profit and loss	52.25	17.80
	(Investment) / redemption in bank and margin money deposits (having original maturity for more than 3 months)	(10,914.28)	3.79
	Investment in equity shares	-	(14.90)
	Dividend received from joint venture and associates	12.39	4.31
	Interest received	434.87	278.31
	Net cash used in investing activities (B)	**(14,480.75)**	**(2,007.05)**

Statement of consolidated cash flows

₹ In Crore

Particulars		For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
C)	**Cash flows from financing activities**		
	Repayment of of non-current borrowings	(3.58)	-
	Interest paid	(127.50)	(131.80)
	Addition / (payment) of lease liabilities (including interest)	(142.91)	(54.08)
	Net movement in earmarked balances with banks	0.45	3.54
	Money received against share warrants	5,000.03	-
	Dividend paid on equity shares	(1,251.42)	(202.10)
	Dividend paid to non-controlling Interest	(544.06)	(131.32)
	Net cash from/(used) in financing activities (C)	**2,931.01**	**(515.76)**
	Net increase / (decrease) in cash and cash equivalents (A + B + C)	**(10,814.82)**	**2,786.35**
	Cash and cash equivalents		
	Cash and cash equivalents at the end of the year	543.87	11,358.49
	Cash and cash equivalents related to entity held for sale	-	0.26
	Transfer on sale of investment in subsidiary	0.27	-
	Adjustment for fair value gain on liquid mutual funds measured through profit and loss	(0.21)	(0.37)
		543.93	**11,358.38**
	Cash and cash equivalents at the beginning of the year	11,358.49	8,571.56
	Cash and cash equivalents related to entity held for sale at the beginning of the year	0.26	0.47
		11,358.75	**8,572.03**
	Net increase / (decrease) in cash and cash equivalents	**(10,814.82)**	**2,786.35**

Changes in liabilities arising from financing activities:

₹ In Crore

Particulars	As at December 31, 2021	Cash flow changes: Receipts	Cash flow changes: Payments	Non-cash flow changes: Unwinding charges	Non-cash flow changes: Reclassified from non current to current	As at March 31, 2023
Non-current borrowings (Refer Note 27)	43.50	-	-	4.21	(13.49)	34.22
Current maturities of non-current borrowings (Refer Note 36)	3.44	-	(3.59)	0.15	13.49	13.49
Total	**46.94**	**-**	**(3.59)**	**4.36**	**-**	**47.71**

₹ In Crore

Particulars	As at December 31, 2020	Cash flow changes: Receipts	Cash flow changes: Payments	Non-cash flow changes: Unwinding charges	Non-cash flow changes: Reclassified from non current to current	As at December 31, 2021
Non-current borrowings (Refer Note 27)	43.60	-	-	3.34	(3.44)	43.50
Current maturities of non-current borrowings (Refer Note 36)	-	-	-	-	3.44	3.44
Total	**43.60**	**-**	**-**	**3.34**	**-**	**46.94**

Refer Note 55 for changes in lease liabilities

See accompanying notes to the financial statements

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per GOVIND AHUJA
Partner
Membership Number : 048966

Mumbai
May 02, 2023

For and on behalf of the Board of Directors of Ambuja Cements Limited

GAUTAM S. ADANI
Chairman
DIN : 00006273

KARAN ADANI
Director
DIN : 03088095

AJAY KAPUR
Wholetime Director & Chief Executive Officer
DIN - 03096416

VINOD BAHETY
Chief Financial Officer
Ahmedabad
May 02, 2023

Notes to Consolidated Financial Statements

1. Corporate Information

Ambuja Cements Limited (the Company, parent) is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on National Stock Exchange (NSE) and Bombay Stock Exchange (BSE) in India and its GDRs are listed under the EURO Multilateral Trading Facility (MTF) Platform of Luxembourg Stock Exchange. During the year, the Company has changed its registered office to Adani Corporate House, Shantigram, SG. Highway, Khodiyar, Ahmedabad – 382421, Gujarat from Ambujanagar, Taluka Kodinar, Dist. Gir Somnath, Gujarat.

The consolidated financial statements comprise the financial statements of Ambuja Cements Limited ('the Holding Company' or 'the Company') and its subsidiaries (collectively, 'the Group'), its associates, joint ventures and joint operations

The Group's principal activity is to manufacture and market cement and cement related products.

Information on the Group's structure is provided in Note - 11. Information on related party relationship of the Group is provided in Note - 62.

2. Statement of compliance, Basis of preparation and consolidation

A. Statement of compliance

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

B. Basis of preparation

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

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

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

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

These consolidated financial statements were approved for issue in accordance with the resolution of the Board of Directors on May 2, 2023.

C. Basis of consolidation

I. Details of the Group's subsidiaries at the end of the reporting period considered in the preparation of the consolidated financial statements is presented in note 11.

II. A Company is considered a subsidiary when controlled by the Group. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and can affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

   a. Power over the investee (i.e., existing rights that give it the current ability to direct the relevant activities of the investee),

   b. Exposure, or rights, to variable returns from its involvement with the investee, and

   c. The ability to use its power over the investee to affect its returns.

   The Group re-assesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

III. Generally, there is a presumption that a majority of voting rights results in control. To support this presumption, when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

   a. The contractual arrangement with the other vote holders of the investee,

   b. Rights arising from other contractual arrangements,

   c. The Group's voting rights and potential voting rights,

   d. The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders,

   e. Any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time when decisions need to be made, including voting patterns at previous shareholders' meetings.

IV. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income, and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

V. In cases where the financial year of subsidiaries is different from that of the Company, the financial statements of the subsidiaries have been drawn up so as to be aligned with the financial year of the Company.

VI. Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that of the Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

VII. Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity shareholders of the parent and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.

VIII. Changes in the Group's ownership interests in subsidiaries that do not result in the Group losing control over the subsidiaries are accounted for as equity transactions. The carrying amounts of the Group's interests and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interests are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Group.

IX. If the Group loses control over a subsidiary, it:

a. Derecognises the assets (including goodwill) and liabilities of the subsidiary,

b. Derecognises the carrying amount of any non-controlling interest,

c. Derecognises the cumulative translation differences recorded in equity,

d. Recognises the fair value of the consideration received,

e. Recognises the fair value of any investment retained, or, when applicable, the cost on initial recognition of an investment in an associate or a joint venture,

f. Recognises any surplus or deficit in the consolidated statement of profit and loss,

g. Reclassifies the parent's share of components previously recognised in other comprehensive income (OCI) to the consolidated statement of profit and loss or retained earnings, as appropriate, as would be required if the Group had directly disposed of the related assets or liabilities.

X. Consolidation procedure

a. The consolidated financial statements of the Company and its subsidiaries have been prepared in accordance with the Ind AS 110 "Consolidated Financial Statements", on a line-by-line basis.

b. The carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary is eliminated. Business combination policy explains how any related goodwill is accounted.

c. Intra-group balances and transactions including unrealized gains / loss from such transactions are eliminated in full. Deferred tax is recognized on any temporary difference that arise from the elimination of profits and losses resulting from intra-group transactions

3. Significant accounting policies

A. Property, plant and equipments

I. Measurement and Recognition

a. Property, plant and equipments are stated at their cost of acquisition / installation / construction net of accumulated depreciation, and impairment losses, if any, except freehold non-mining land which is carried at cost less accumulated impairment losses. Subsequent expenditures are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. When significant parts of plant and equipments are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the property, plant and equipments as a replacement if the recognition criteria are satisfied. All other repairs and maintenance are charged to the consolidated statement of profit and loss during the reporting period in which they are incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for provisions are met.

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

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

II. Depreciation on property, plant, and equipments

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

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

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

d. Depreciation on an item of property, plant and equipments sold, discarded, demolished or scrapped, is provided upto the date on which the said asset is sold, discarded, demolished or scrapped.

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

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

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

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

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

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

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

Assets	Useful lives
Land (freehold)	No depreciation except on land with mineral reserves. Cost of mineral reserves embedded in the cost of freehold mining land is depreciated in proportion of actual quantity of minerals extracted to the estimated quantity of extractable mineral reserves
Leasehold mining land	Amortised over the period of lease on straight line basis
Buildings, roads and water works	3 – 60 years
Plant and equipments	8 – 30 years
Railway sidings and locomotives	8 – 15 years
Furniture, office equipments and tools	3 – 10 years
Vehicles	6 – 10 years
Ships	25 years

Notes to Consolidated Financial Statements

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

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

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

III. Derecognition of property plant and equipments

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

B. Intangible assets

I. Recognition and Measurement

a. Intangible assets acquired separately are measured on initial recognition at cost. Cost comprises the purchase price (net of tax / duty credits availed wherever applicable) and any directly attributable cost of bringing the assets to its working condition for its intended use. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

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

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

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

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

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

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

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

II. Derecognition of intangible assets

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

III. Contract based Intangibles

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

Notes to Consolidated Financial Statements

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

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

IV. Amortisation of intangible assets

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

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

C. Impairment of non-financial assets

The carrying amounts of other non-financial assets, other than inventories and deferred tax assets are reviewed at each balance sheet date if there is any indication of impairment based on internal / external factors. An impairment loss, if any, is recognized in the statement of profit and loss wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the higher of the asset's fair value less cost of disposal and value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets of or Group of assets. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the assets. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. A previously recognised impairment loss, if any is reversed when there is an indication of reversal, however, the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation / amortisation if there was no impairment.

D. Inventories

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

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

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

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

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

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

E. Business combination

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

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying

Notes to Consolidated Financial Statements

economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured on the basis indicated below:

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

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

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

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

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred, the amount recognised for non-controlling interests and fair value of any previously held interest in acquiree, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred (bargain purchase), the Group re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in Other Comprehensive Income (OCI) and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

Non-controlling interests that are present ownership interests and entitle their holders to a proportionate share of the entity's net assets in the event of liquidation may be initially measured either at fair value or at the non-controlling interests' proportionate share of the recognised amounts of the acquiree's identifiable net assets. The choice of measurement basis is made on a transaction-by-transaction basis. Other types of non-controlling interests are measured at fair value or, when applicable, on the basis specified in another Ind AS.

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

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

Business combination of entities under common control

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

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

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

III. The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination, however, where the business combination had occurred after that date, the prior period information is restated only from that date.

IV. The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee.

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

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

F. Goodwill

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

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

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

G. Investment in subsidiaries, associates and joint ventures

I. Associates

Associates are all entities over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost less impairment, if any.

II. Joint ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profit or loss and other comprehensive income of the investee in the consolidated statement of profit and loss. An investment in an associate or a joint venture is accounted for using the equity method from the date on which the investee becomes an associate or a joint venture. On acquisition of the investment in an associate or a joint venture, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not tested for impairment. In addition, when there has been a change recognised directly in the equity of the associate or joint venture, the Group recognises its share of any changes, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associate or joint venture are eliminated to the extent of the interest in the associate or joint venture.

Dividends received or receivable from associates and joint ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it

Notes to Consolidated Financial Statements

has incurred obligations or made payments on behalf of the other entity. If the associate or joint venture subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The aggregate of the Group's share of profit or loss of an associate and a joint venture is shown on the face of the consolidated statement of profit and loss.

The financial statements of the associate or joint venture are prepared for the same reporting period as of the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

Unrealised gains on transactions between the Group and its associates or joint ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group.

The carrying amount of equity accounted investments is tested for impairment in accordance with the impairment of non-financial assets policy described in Note 3 (c).

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value and that fair value is regarded as its fair value on initial recognition in accordance with Ind AS 109. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in the consolidated statement of profit and loss. If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in the other comprehensive income are reclassified to the consolidated statement of profit and loss where appropriate.

When a Group entity transacts with an associate or a joint venture of the Group, profits and losses resulting from the transactions with the associate or joint venture are recognised in the Group's consolidated financial statements only to the extent of interests in the associate or joint venture that are not related to the Group.

H. Interest in joint operations

A joint operation is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the assets, and obligations for the liabilities, relating to the arrangement.

If the interest is classified as a joint operation, the Company recognises its share of the assets, liabilities, revenues and expenses in the joint operation in accordance with the relevant Ind AS.

When a Group entity transacts with a joint operation in which a Group entity is a Joint operator (such as a sale or contribution of assets), the Group is considered to be conducting the transaction with the other parties to the joint operation, and gains and losses resulting from the transactions are recognised in the Group's consolidated financial statements only to the extent of other parties' interests in the joint operation.

When a Group entity transacts with a joint operation in which a Group entity is a joint operator (such as a purchase of assets), the Group does not recognise its share of the gains and losses until it resells those assets to a third party.

I. Fair value measurement

The Group measures some of its financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

All assets and liabilities for which fair value is measured as disclosed in the financial statements are categorised within the fair value hierarchy described in Note 57.

J. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through the statement of profit and loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through the statement of profit and loss are recognised immediately in the consolidated statement of profit and loss.

I. Financial assets

a. **Initial recognition and measurement of financial assets**

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

b. **Subsequent measurement of financial assets**

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

i. **Financial assets at amortised cost**

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

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. The EIR amortisation is included in other income in the consolidated statement of profit and loss. The losses arising from impairment, if any are recognised in the statement of profit and loss.

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

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

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

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

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

Debt instrument at FVTPL

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

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

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

Notes to Consolidated Financial Statements

Equity instruments

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

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

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

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

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

c. **Derivative Financial Instruments**

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

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

d. **Derecognition of financial assets**

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

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

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

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

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

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

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

e. Impairment of financial assets

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

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

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

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

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

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

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

II. Financial liabilities and equity instruments

Classification as debt or equity

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

a. Equity instruments

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

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

b. Financial liabilities

i. Initial recognition and measurement

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

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

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

ii. Subsequent measurement of financial liabilities at amortised cost

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

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

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

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

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

iv. Derecognition of financial liabilities

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

v. Embedded derivatives

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

III. Offsetting of financial instruments

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

K. Effective interest method

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

L. Provisions and contingencies

I. Provisions

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

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

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

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

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

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

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

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

II. Contingent liability

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

M. Foreign exchange gains and losses

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

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

Notes to Consolidated Financial Statements

Group companies

On consolidation, the assets and liabilities of foreign operations are translated into at the rate of exchange prevailing at the reporting date and their statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the Group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation for consolidation are recognised in Other Comprehensive Income (OCI). On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in the consolidated statement of profit and loss.

N. Revenue recognition

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

I. Sale of goods

Revenue from the sale of the goods is recognised when delivery has taken place and control of the goods has been transferred to the customer according to the specific delivery term that have been agreed with the customer and when there are no longer any unfulfilled obligations .

Revenue is measured, after deduction of any discounts, price concessions, volume rebates and any taxes or duties collected on behalf of the government such as goods and services tax, etc. Accumulated experience is used to estimate the provision for such discounts, price concessions and rebates.

No element of financing is deemed present as the sales are made with credit terms largely ranging between 30 days and 60 days depending on the specific terms agreed with customers.

Contract balances

Trade Receivables and Contract Assets

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

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

Contract Liabilities

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

II. Rendering of services

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

III. Interest income

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

IV. Dividends

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

O. Retirement and other employee benefits

I. Defined contribution plan

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

II. Defined benefit plan

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

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

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

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

b. The date that the Group recognises related restructuring costs

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

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

b. Net interest expense or income

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

III. Short term employee benefits

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

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

IV. Other long-term employee benefits

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

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

V. Employee share-based payments

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

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

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

VI. Termination benefits

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

a. when the Group can no longer withdraw the offer of those benefits; and

b. when the Group recognises costs for a restructuring that is within the scope of Ind AS 37 and involves the payment of termination benefits.

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

VII. Presentation and disclosure

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

P. Non-current assets held for sale

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

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

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

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

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

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

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

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

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

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

Q. Borrowing Costs

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

R. Taxation

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

I. Current income tax

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

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

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

II. Deferred tax

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

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

a. When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

b. In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised only to the extent that it is probable that sufficient future taxable income will be available against which such deferred tax assets can be realised, except:

a. When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

b. In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets are reviewed at each balance sheet date. The Group writes-down the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient future taxable income will be available against which deferred tax asset can be realised. Any such write-down is reversed to the extent that it becomes reasonably certain that sufficient future taxable income will be available.

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

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

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

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

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

S. Leases

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

I. Group as a lessee:

Right-of-use assets

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

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

Right of use assets	Term (in years)
Buildings	2-30
Leasehold land	5-99
Ships and tugs	2-13
Furniture, vehicle and tools	5
Plant and Equipments	6

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

Lease liabilities

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

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

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

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

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

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

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

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

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

Short-term leases and leases of low-value assets

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

II. Group as a lessor:

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

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

T. Segment reporting

a. Segment Policies

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

b. Identification of segments

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

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

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

c. Allocation of common costs

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

d. Inter-segment transfers

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

e. Unallocated items

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

U. Cash and cash equivalents

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

V. Government grants and subsidies

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

Where the grants relate to an item of expense, they are recognised as income on a systematic basis in the consolidated statement of profit and loss over the periods necessary to match them with the related costs, which they are intended to compensate.

Where the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

Notes to Consolidated Financial Statements

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

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

W. Earnings per share

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

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

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

All the assets and liabilities have been classified as current or non-current as per the Group's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013 and Ind AS 1 "Presentation of financial statements".

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

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

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

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

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

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

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

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

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

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

III. Others

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

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

Y. Exceptional items

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

Z. Use of estimates and judgments

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

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

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

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

I. Classification of legal matters and tax litigations (Refer Note 51)

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

II. Defined benefit obligations (Refer Note 54)

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

III. Useful life of property, plant and equipments (Refer Note 4)

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

IV. Impairment of property, plant and equipments (Refer Note 4)

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

V. Incentives under the State Industrial Policy (Refer Note 13 and 20)

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

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

VI. Discounts / rebate to customers (Refer Note 40)

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

VII. Physical verification of inventory (Refer Note 15)

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

Notes to Consolidated Financial Statements

AA. Standards Issued and Effective.

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

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

AB. Amendments not yet effective:

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

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

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

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

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

(iii) Ind AS 12 – Income Taxes

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

a) right-of-use assets and lease liabilities

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

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

(iv) Ind AS 103 – Common control Business Combination

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

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

Notes to the Financial Statements

Note 4 - Property, plant and equipment

₹ In Crore

Particulars	Gross carrying value				Accumulated depreciation				Accumulated impairment (Refer Note (f) below)			Net carrying value	
	As at January 01, 2022	Additions	Deductions/ Transfers	As at March 31, 2023	As at January 01, 2022	Depreciation charge for the year	Deductions/ Transfers	As at March 31, 2023	As at January 01, 2022	Impairment losses recognised in profit or loss	As at March 31, 2023	As at March 31, 2023	As at December 31, 2021
Freehold non-mining land	568.98	53.04	33.96	588.06	0.10	0.03	-	0.13	-	-	-	587.93	568.88
Freehold mining land	1,216.39	76.51	-	1,292.90	127.77	57.88	-	185.65	-	-	-	1,107.25	1,088.62
Leasehold mining land	201.36	-	-	201.36	7.31	2.57	-	9.88	-	-	-	191.48	194.05
Buildings, roads and water works (Refer Note (a) below)	3,633.24	231.36	1.89	3,862.71	922.63	207.63	0.84	1,129.42	33.38	-	33.38	2,699.91	2,677.23
Plant and equipment (owned) (Refer Note (b) below)	13,808.18	2,195.41	100.59	15,903.00	5,106.91	1,141.40	57.79	6,190.52	127.27	-	127.27	9,585.21	8,574.00
Furniture and fixtures	64.36	12.54	0.33	76.57	37.89	7.60	0.27	45.22	0.30	-	0.30	31.05	26.17
Vehicles	239.53	35.00	6.83	267.70	120.85	40.79	5.64	156.00	10.14	-	10.14	101.56	108.54
Office equipment	170.05	28.97	7.22	191.80	124.85	25.46	6.52	143.79	0.53	-	0.53	47.48	44.67
Marine structures (Refer Note (c) below)	24.37	0.71	0.02	25.06	20.31	3.84	0.02	24.13	-	-	-	0.93	4.06
Railway sidings and locomotives	443.74	41.82	-	485.56	148.54	43.27	-	191.81	1.43	-	1.43	292.32	293.77
Ships	126.52	11.61	-	138.13	44.62	9.28	-	53.90	-	-	-	84.23	81.90
Total	**20,496.72**	**2,686.97**	**150.84**	**23,032.85**	**6,661.78**	**1,539.75**	**71.08**	**8,130.45**	**173.05**	**-**	**173.05**	**14,729.35**	**13,661.89**

₹ In Crore

Particulars	Gross carrying value				Accumulated depreciation				Accumulated impairment			Net carrying value (Refer Note (d) below)
	As at January 01, 2021	Additions	Deductions/ Transfers	As at December 31, 2021	As at January 01, 2021	Depreciation charge for the year	Deductions/ Transfers	As at December 31, 2021	As at January 01, 2021	Impairment losses recognised in profit or loss	As at December 31, 2021	As at December 31, 2021
Freehold non-mining land	563.24	5.74	-	568.98	0.08	0.02	-	0.10	-	-	-	568.88
Freehold mining land	1,137.82	78.57	-	1,216.39	85.88	41.89	-	127.77	-	-	-	1,088.62
Leasehold mining land	201.17	0.19	-	201.36	5.25	2.06	-	7.31	-	-	-	194.05
Buildings, roads and water works (Refer Note (a) below)	3,352.78	288.01	7.55	3,633.24	772.59	154.77	4.73	922.63	29.27	4.11	33.38	2,677.23
Plant and equipment (owned) (Refer Note (b) below)	11,541.82	2,371.42	105.06	13,808.18	4,372.46	782.70	48.25	5,106.91	116.75	10.52	127.27	8,574.00
Furniture and fixtures	59.54	5.18	0.36	64.36	32.72	7.28	2.11	37.89	0.27	0.03	0.30	26.17
Vehicles	228.46	28.08	17.01	239.53	104.81	28.40	12.36	120.85	10.14	-	10.14	108.54
Office equipment	145.90	31.36	7.21	170.05	112.43	19.47	7.05	124.85	0.53	-	0.53	44.67
Marine structures (Refer Note (c) below)	24.37	-	-	24.37	17.31	3.00	-	20.31	-	-	-	4.06
Railway sidings and locomotives	324.42	119.32	-	443.74	121.31	27.23	-	148.54	1.43	-	1.43	293.77
Ships	126.54	-	0.02	126.52	37.47	7.17	0.02	44.62	-	-	-	81.90
Total	**17,706.06**	**2,927.87**	**137.21**	**20,496.72**	**5,662.31**	**1,073.99**	**74.52**	**6,661.78**	**158.39**	**14.66**	**173.05**	**13,661.89**

Notes to Consolidated Financial Statements

Note 4 - Property, plant and equipment (contd.)

Includes :

a) i) Premises in co-operative societies, on ownership basis of ₹ 84.50 crore (December 31, 2021 - ₹ 84.50 crore) and ₹ 11.33 crore (December 31, 2021 - ₹ 9.33 crore) being accumulated depreciation thereon.

ii) ₹ 19.92 crore (December 31, 2021 - ₹ 19.92 crore) being cost of roads constructed by the Group, the ownership of which vests with the government / local authorities and ₹ 17.52 crore (December 31, 2021 - ₹ 17.24 crore) being accumulated depreciation thereon.

iii) Buildings include cost of shares 10,550 (December 31, 2021 - 12,050) in various Co-operative Housing Societies residential flats.

b) ₹ 74.21 crore (December 31, 2021 - ₹ 73.83 crore) being cost of power lines incurred by the Group, the ownership of which vests with the state electricity boards and ₹ 16.38 crore (December 31, 2021 - ₹ 13.47 crore) being accumulated depreciation thereon.

c) Cost incurred by the Group, the ownership of which vests with the state maritime boards.

d) ₹ 0.55 crore (December 31, 2021 - ₹ 0.07 crore) depreciation capitalised during construction for projects (Refer Note 8)

e) Details of immovable properties whose title deeds are not held in the name of the Company :

₹ In Crore

Asset Category	Title Deeds held in the name of	Property held since	Reason for not being transferred in the name of Company/Group	Gross Carrying Value as on March 31, 2023	Gross Carrying Value as on December 31, 2021
Freehold Land	Ambuja Cements Rajasthan Limited	August 08, 2013	The title deeds are in the name of erstwhile Ambuja Cements Rajasthan Limited which was merged with the Company	0.01	0.01
Freehold Land	Chemical Limes Mundwa Pvt. Ltd.	October 20, 2010	The title deeds are in the name of subsidiary company	1.29	1.29
Freehold Land	Dirk MP India Pvt Ltd	December 28, 2022	The title deeds are in the name of Dirk India Private Limited which was merged with the Company (Refer Note 61)	0.62	-
Freehold Land	Dirk India Pvt. Ltd.	December 28, 2022		0.11	-
Building and Roads	Dirk India Pvt. Ltd.	December 28, 2022		8.52	-
Freehold mining land	Karnataka Industrial Area Development Board	June 30, 2015	ACC Limited is in the process of obtaining the title deeds	131.53	131.53
Building	Supertech realtors Pvt Ltd	March 01, 2021	ACC Limited is in the process of obtaining the title deeds	4.45	4.45
Freehold Land	Title deed not available with the subsidiary company, ACC Limited			3.59	1.37
Building	Title deed not available with the subsidiary company, ACC Limited			16.83	16.45

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

Notes to Consolidated Financial Statements

g) Capital work in progress as at March 31, 2023 is ₹ 2,525.87 crore (December 31, 2021 - ₹ 2,167.73 crore) comprises of various projects and expansions spread over all units.

i) Ageing schedule of capital-work-in progress (CWIP):

₹ In Crore

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2023					
Projects in progress	1,381.43	896.66	63.98	181.19	2,523.26
Projects temporarily suspended	0.35	-	0.15	2.11	2.61
Total	**1,381.78**	**896.66**	**64.13**	**183.30**	**2,525.87**
As at December 31, 2021					
Projects in progress	1,340.18	466.70	236.67	121.92	2,165.47
Projects temporarily suspended	-	0.15	-	2.11	2.26
Total	**1,340.18**	**466.85**	**236.67**	**124.03**	**2,167.73**

ii) Movement in capital work in progress

Particulars	Amount ₹ In Crore
Opening balance as on January 01, 2021	2,393.20
Add - Additions during the year	2,724.80
Less - Capitalized during the year	2,950.27
Closing balance as on December 31, 2021	**2,167.73**
Add - Additions during the year	3,111.37
Less - Capitalized during the year	2,753.23
Closing balance as on March 31, 2023	**2,525.87**

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

₹ In Crore

Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2023					
Projects in progress					
Greenfield project at Ametha	1,297.64	-	-	-	1,297.64
As at December 31, 2021					
Projects in progress	-	-	-	-	-

Notes to Consolidated Financial Statements

Note 5 - Right-of-use assets

₹ In Crore

Particulars	Gross carrying value				Accumulated depreciation				Net carrying value	
	As at January 01, 2022	Additions	Deductions/ Transfers	As at March 31, 2023	As at January 01, 2022	Depreciation charge for the year	Deductions/ Transfers	As at March 31, 2023	As at March 31, 2023	As at December 31, 2021
Leasehold land	229.06	123.28	1.02	351.32	32.00	22.52	0.98	53.54	297.78	197.06
Building and installation	11.97	1.57	4.33	9.21	4.01	2.47	2.01	4.47	4.74	7.96
Plant and equipment	55.68	25.01	8.46	72.23	18.71	17.27	3.25	32.73	39.50	36.97
Ships and tugs	317.17	28.71	17.81	328.07	61.41	38.34	17.81	81.94	246.13	255.76
Furniture, vehicle and tools	0.44	-	0.22	0.22	0.32	0.12	0.22	0.22	-	0.12
Total	**614.32**	**178.57**	**31.84**	**761.05**	**116.45**	**80.72**	**24.27**	**172.90**	**588.15**	**497.87**

₹ In Crore

Particulars	Gross carrying value				Accumulated depreciation				Net carrying value
	As at January 01, 2021	Additions	Deductions/ Transfers	As at December 31, 2021	As at January 01, 2021	Depreciation charge for the year	Deductions/ Transfers	As at December 31, 2021	As at December 31, 2021
Leasehold land	197.81	33.43	2.18	229.06	17.19	17.00	2.19	32.00	197.06
Building and installation	12.74	1.18	1.95	11.97	3.03	2.30	1.32	4.01	7.96
Plant and equipment	39.35	20.36	4.03	55.68	10.29	11.41	2.99	18.71	36.97
Ships and tugs	315.64	2.84	1.31	317.17	31.44	31.21	1.24	61.41	255.76
Furniture, vehicle and tools	0.44	-	-	0.44	0.16	0.16	-	0.32	0.12
Total	**565.98**	**57.81**	**9.47**	**614.32**	**62.11**	**62.08**	**7.74**	**116.45**	**497.87**

Note :

Lease deeds not in the name of the Company/Group

Assets category	Title deeds in name of	Reason for not being transferred in the name of Company/Group	Property held since	Gross carrying value as on March 31, 2023	Gross carrying value as on December 31, 2021
Leasehold land	Title deed not available with the subsidiary company, ACC Limited			3.53	2.34

Note 6 - Goodwill

₹ In Crore

Particulars	Gross carrying value				Accumulated amortisation				Net carrying value	
	As at January 01, 2022	Additions	Deductions/ Transfers	As at March 31, 2023	As at January 01, 2022	Amortisation charge for the year	Deductions/ Transfers	As at March 31, 2023	As at March 31, 2023	As at December 31, 2021
Goodwill (Refer Note (a) and (b) below)	8,105.32	-		8,105.32	235.63	-	-	235.63	7,869.69	7,869.69
Total	**8,105.32**	**-**	**-**	**8,105.32**	**235.63**	**-**	**-**	**235.63**	**7,869.69**	**7,869.69**

₹ In Crore

Particulars	Gross carrying value				Accumulated amortisation				Net carrying value
	As at January 01, 2021	Additions	Deductions/ Transfers	As at December 31, 2021	As at January 01, 2021	Amortisation charge for the year	Deductions/ Transfers	As at December 31, 2021	As at December 31, 2021
Goodwill (Refer Note (a) and (b) below)	8,111.74	-	6.42	8,105.32	235.63	-	-	235.63	7,869.69
Total	**8,111.74**	**-**	**6.42**	**8,105.32**	**235.63**	**-**	**-**	**235.63**	**7,869.69**

Notes :

a) Pertains to goodwill on consolidation ₹ 7,869.69 crore (December 31, 2021 - ₹ 7,869.69 crore). (Refer Note 63)

b) The Group has adopted Ind AS w.e.f. 1st January 2017. Under previous generally accepted accounting principles, the Group was amortising goodwill.

Note 7 - Other intangible assets

₹ In Crore

Particulars	Gross carrying value				Accumulated amortisation				Net carrying value	
	As at January 01, 2022	Additions	Deductions/ Transfers	As at March 31, 2023	As at January 01, 2022	Amortisation charge for the year	Deductions/ Transfers	As at March 31, 2023	As at March 31, 2023	As at December 31, 2021
Mining Rights	262.30	60.20	-	322.50	42.55	15.27	-	57.82	264.68	219.75
Water drawing rights	0.33	-	-	0.33	0.15	0.02	-	0.17	0.16	0.18
Computer software	9.09	8.13	0.33	16.89	4.91	3.46	0.04	8.33	8.56	4.18
Sponsorship rights (Refer Note 56)	-	96.90	-	96.90	-	6.00	-	6.00	90.90	-
Total	**271.72**	**165.23**	**0.33**	**436.62**	**47.61**	**24.75**	**0.04**	**72.32**	**364.30**	**224.11**

₹ In Crore

Particulars	Gross carrying value				Accumulated amortisation				Net carrying value
	As at January 01, 2021	Additions	Deductions/ Transfers	As at December 31, 2021	As at January 01, 2021	Amortisation charge for the year	Deductions/ Transfers	As at December 31, 2021	As at December 31, 2021
Mining rights	246.10	18.62	2.42	262.30	27.67	14.88	-	42.55	219.75
Water drawing rights	0.33	-	-	0.33	0.13	0.02	-	0.15	0.18
Computer software	5.34	3.78	0.03	9.09	3.34	1.60	0.03	4.91	4.18
Total	**251.77**	**22.40**	**2.45**	**271.72**	**31.14**	**16.50**	**0.03**	**47.61**	**224.11**

Notes to Consolidated Financial Statements

Note 8 - Capitalisation of expenditure

The Group has capitalised following expenses of revenue nature to the cost of Property, Plant and Equipment / Capital work-in-progress. Consequently, expenses disclosed under the respective notes are net of amounts capitalised.

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Balance at the beginning of the year included in capital work-in-progress	59.29	165.05
Add : Expenditure during construction for projects		
Employee benefits expenses (Refer Note (a) below)	26.31	52.31
Depreciation and amortisation expense (Refer Note 4 (d))	0.55	0.07
Other expenses (Refer Note (b) below)	7.82	108.19
	93.97	**325.62**
Less : Capitalised during the year (Refer Note (c) below)	44.40	266.33
Balance at the end of the year included in capital work-in-progress	**49.57**	**59.29**

Notes:

a) Costs of employee benefits (as defined in Ind AS 19 "Employee Benefits") of project associated departments are arising directly from the construction or acquisition of the item of property, plant and equipment.

b) Other expense are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

c) During the previous year 2021, the Company has started commercial production at its integrated plant at Marwar in Rajasthan with clinker capacity of 3.0 million ton per annum and cement grinding capacity of 1.8 million ton per annum.

Note 9 - Investment in associates and joint ventures

	Particulars	Face Value (in ₹)	As at March 31, 2023		As at December 31, 2021	
			No of shares	₹ In Crore	No of shares	₹ In Crore
A)	**Investments in associates, Unquoted, In fully paid equity shares**					
	Alcon Cement Company Private Limited	10	4,08,001	18.55	4,08,001	18.66
	Add : Share of profit			1.90		0.33
	Less : Dividend received			(0.55)		(0.44)
				19.90		**18.55**
	Asian Concretes and Cements Private Limited	10	81,00,000	102.17	81,00,000	92.92
	Add : Share of profit			9.07		9.25
				111.24		102.17
				131.14		**120.72**
B)	**Investments in joint ventures, Unquoted, In fully paid equity shares**					
	Aakaash Manufacturing Company Private Limited	10	4,401	13.38	4,401	12.57
	Add : Share of profit			4.79		1.94
	Less : Dividend received			(1.75)		(1.13)
				16.42		**13.38**
	Counto Microfine Products Private Limited	10	76,44,045	36.41	76,44,045	30.45
	Add : Share of profit			12.17		8.71
	Less : Shares bought back			-		-
	Less : Dividend received			(10.09)		(2.75)
				38.49		**36.41**
				54.91		49.79
	Total (A + B)			**186.05**		**170.51**

Notes to Consolidated Financial Statements

Note 10 - Non-current investments

	Particulars	Face value (in ₹)	As at March 31, 2023 No of shares / bonds	As at March 31, 2023 ₹ In Crore	As at December 31, 2021 No of shares / bonds	As at December 31, 2021 ₹ In Crore
A)	**Investments carried at amortised cost**					
	Unquoted, In Government and trust securities					
	National savings certificate ₹ 36,500 (December 31, 2021 - ₹ 36,500), deposited with government department as security. (Refer Note (a) below)			-		-
	Unquoted, In Public sector bonds					
	5.13% taxable redeemable bonds Himachal Pradesh Infrastructure Development Bonds	10,00,000	37	3.70	37	3.70
				3.70		**3.70**
B)	**Investments carried at fair value through profit and loss**					
	Unquoted, In fully paid equity shares					
	Kanoria Sugar & General Manufacturing Company Limited (Refer Note (a) below)	10	4	-	4	-
	Gujarat Composites Limited (Refer Note (a) below)	10	60	-	60	-
	Rohtas Industries Limited (Refer Note (a) below)	10	220	-	220	-
	The Jaipur Udyog Limited (Refer Note (a) below)	10	120	-	120	-
	Digvijay Finlease Limited (Refer Note (a) below)	10	90	-	90	-
	The Travancore Cement Company Limited (Refer Note (a) below)	10	100	-	100	-
	Ashoka Cement Limited (Refer Note (a) below)	10	50	-	50	-
	The Sone Valley Portland Cement Company Limited (Refer Note (a) below)	5	100	-	100	-
	Gujarat Goldcoin Ceramics Limited (Refer Note (b) below)	10	10,00,000	1.00	10,00,000	1.00
	Less: Impairment			(1.00)		(1.00)
				-		-
	Avaada MHBuldhana Private Limited (Refer Note (c) below)	10	7,87,500	0.79	7,87,500	0.79
	Solbridge Energy Private Limited (Refer Note (d) below)	10	1,10,99,594	14.11	1,10,99,594	14.11
	Amplus Green Power Private Limited	10	51,57,184	9.00	51,57,184	9.00
				23.90		**23.90**
	Total			**27.60**		**27.60**
	Total (9+10)			**213.65**		**198.11**
	Aggregate carrying value of unquoted investments			**213.65**		**198.11**

Notes:

a) Denotes amount less than ₹ 50,000.

b) This company is under liquidation and the Group has fully provided for the investment value.

c) During the previous year, the Group has subscribed 787,500 equity shares in Avaada MHBuldhana Private Limited (Avaada) representing 0.90% holding for a total consideration of ₹ 0.79 crore. The Avaada has set up a solar power plant in the State of Maharashtra of which the Company's Panvel plant would be one of the consumer.

d) During the previous year, the Company and its subsidiary, ACC Limited (ACC) has subscribed 3,075,791 and 8,023,803 equity shares in Solbridge Energy Private Limited (Solbridge) representing 26.37% holding for a total consideration of ₹ 14.11 crore. The Solbridge has set up a solar power plant in the State of Chhattisgarh of which the Company's Bhatapara plant and ACC's Jamul would be one of the consumer.

Notes to Consolidated Financial Statements

Note 11 - Group information

The consolidated financial statements comprise the financial statements of the members of the Group as under:

Sr	Name of the Company	Principal activities	Country of Incorporation	Proportion of ownership interest (effective holding) As at March 31, 2023	As at December 31, 2021
1	**Direct and Indirect Subsidiaries**				
	M.G.T Cements Private Limited	Cement and cement related products	India	100.00%	100.00%
	Chemical Limes Mundwa Private Limited	Cement and cement related products	India	100.00%	100.00%
	Dang Cement Industries Private Limited (Refer Note 22 (a))	Cement and cement related products	Nepal	0.00%	91.63%
	ACC Limited	Cement and cement related products	India	50.05%	50.05%
	OneIndia BSC Private Limited	Shared Services	India	75.03%	75.03%
	Ambuja Shipping Services Limited (Refer Note (b) below)	Shipping Services	India	100.00%	NA
	Ambuja Resources Limited (Refer Note (b) below)	Cement and cement related products	India	100.00%	NA
2	**Subsidiaries of ACC Limited**				
	Bulk Cement Corporation (India) Limited (BCCI)	Cement and cement related products	India	47.37%	47.37%
	ACC Mineral Resources Limited	Cement and cement related products	India	50.05%	50.05%
	Lucky Minmat Limited (Refer Note 65 (c))	Cement and cement related products	India	50.05%	50.05%
	Singhania Minerals Private Limited	Cement and cement related products	India	50.05%	50.05%
3	**Associates of ACC Limited**				
	Alcon Cement Company Private Limited	Cement and cement related products	India	20.02%	20.02%
	Asian Concretes and Cements Private Limited	Cement and cement related products	India	22.52%	22.52%
4	**Joint Venture**				
	Counto Microfine Products Private Limited	Cement and cement related products	India	50.00%	50.00%
5	**Joint Venture of ACC Limited**				
	Aakaash Manufacturing Company Private Limited	Ready mixed concrete products	India	20.02%	20.02%
6	**Joint Operation**				
	Wardha Vaalley Coal Field Private Limited	Cement and cement related products	India	27.27%	27.27%
7	**Joint Operations of ACC Limited**				
	MP AMRL (Semaria) Coal Company Limited	Cement and cement related products	India	24.52%	24.52%
	MP AMRL (Bicharpur) Coal Company Limited	Cement and cement related products	India	24.52%	24.52%
	MP AMRL (Marki Barka) Coal Company Limited	Cement and cement related products	India	24.52%	24.52%
	MP AMRL (Morga) Coal Company Limited	Cement and cement related products	India	24.52%	24.52%

Notes:

a) The financial statements of the above companies are drawn upto the same reporting date as that of the Company.

b) These subsidiaries have been incorporated in the current year.

Notes to Consolidated Financial Statements

Note 12 - Non-current loans

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Considered good - unsecured		
Loans to employees	5.88	7.60
Other loans (including given to joint venture companies)	4.01	3.96
	9.89	**11.56**
Unsecured loans which have significant increase in credit risk		
Other loans (including given to joint venture companies)	28.15	28.09
Less : Allowances for doubtful loans / deposits	28.15	28.09
	-	-
Total	**9.89**	**11.56**

Note 13 - Other non-current financial assets

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Unsecured, considered good		
Security deposit	272.81	219.30
Government grant receivable (Net)	1,028.78	1,144.37
Bank deposit with remaining maturity of more than 12 months (Refer note (a) below)	1,798.98	74.04
Margin money deposit with more than 12 months maturity (Refer Note (b) below)	27.90	26.72
Others (includes interest accrued on fixed deposits)	5.25	6.97
Total	**3,133.72**	**1,471.40**

Notes:

a) Include fixed deposits of ₹ 33.82 crore (December 31, 2020 - ₹ 31.99 crore) given as security to regulatory authorities.

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

Note 14 - Other non-current assets

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Unsecured, considered good, unless otherwise stated		
Capital advances (Refer Note 71)	480.97	452.04
Payment under long term supply arrangement (Refer Note below)	925.00	-
Deposit against government dues / liabilities	447.88	443.60
Advances recoverable other than in cash	28.12	32.21
Other claims receivable from Government	27.42	30.10
	1,909.39	**957.95**
Unsecured, considered doubtful		
Capital advances	7.63	4.70
Advances recoverable other than in cash	-	0.85
Other claim receivable from Government	40.37	36.05
Deposit against government dues / liabilities	3.33	3.33
	51.33	**44.93**
Less : Allowances for doubtful receivables	51.33	44.93
	-	-
Total	**1,909.39**	**957.95**

Notes:

a) During the fifteen months ended March 31, 2023, the Group has made payments to Mundra Petrochem Limited (MPL) (a wholly owned subsidiary of Adani Enterprise Limited, a related party) for securing rights for raw material / fuel under a long-term supply arrangement, amounting to ₹ 925.00 crores on an exclusive basis for its cement manufacturing unit at Mundra, which is expected to commission in Financial Year 2025-26. MPL is in the process to set up integrated coal to polyvinyl chloride unit and currently expecting to commission its plant around the same time. The Group has right to obtain the refund of the amount for non-performance of the contract,

Notes to Consolidated Financial Statements

backed by an undertaking from Adani Enterprise Limited. The said amounts will be reclassified to contract based intangible asset once requisite activities to perform the contract are concluded by the counter party. The Group has performed a detailed internal assessment of the recoverability of the said amounts and believes that the amount is fully recoverable.

Note 15 - Inventories

At lower of cost and net realisable value

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Raw materials (including in transit - ₹ 6.70 crore; December 31, 2021 - ₹ 9.35 crore)	351.27	245.39
Work-in-progress	765.19	784.73
Finished goods	302.48	238.21
Captive coal	124.42	87.52
Stock-in-trade	56.93	18.70
Stores & spares (including in transit - ₹ 13.09 crore; December 31, 2021 - ₹ 17.76 crore)	565.31	404.48
Coal and fuel (including in transit - ₹ 111.29 crore; December 31, 2021 - ₹ 115.49 crore)	1,035.24	881.94
Packing materials	71.50	76.19
Others	0.45	0.88
Total	**3,272.79**	**2,738.04**

Note:

The Group follows suitable provisioning norms for writing down the value of Inventories towards slow moving, non-moving and surplus inventory. Charge / (reversal) on such provision amounts to ₹ (4.43) crore (December 31, 2021 - ₹ 29.88 crore). Provision for slow and non moving stores and spares as at March 31, 2023 is ₹ 241.20 crore (December 31, 2021 - ₹ 245.37 crore).

Note 16 - Trade receivables

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Secured, considered good	366.73	78.22
Unsecured, considered good	787.63	540.85
Unsecured, Receivables which have significant increase in credit risk	75.39	76.41
	1,229.75	**695.48**
Less : allowance for doubtful trade receivables	**75.39**	**76.41**
Total	**1,154.36**	**619.07**

Notes:

a) Trade receivables ageing schedule is as given below :

Balance as at March 31, 2023

Sr No	Particulars	Outstanding for following periods from the transaction date					Total
		Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
1	Undisputed Trade receivables - Considered good	1,137.24	11.92	0.28	0.04	4.88	1,154.36
2	Undisputed Trade receivables - which have significant increase in risk	2.48	19.39	15.62	7.05	30.85	75.39
	Total	**1,139.72**	**31.31**	**15.90**	**7.09**	**35.73**	**1,229.75**

Balance as at December 31, 2021

Sr N	Particulars	Outstanding for following periods from due date of receipt					Total
		Less than 6 months	6 Months - 1 year	1-2 years	2-3 years	More than 3 years	
1	Undisputed Trade receivables - Considered good	607.60	6.13	0.03	1.38	3.93	619.07
2	Undisputed Trade receivables - which have significant increase in risk	1.30	14.93	24.46	19.45	16.27	76.41
	Total	**608.90**	**21.06**	**24.49**	**20.83**	**20.20**	**695.48**

Notes to Consolidated Financial Statements

Note 17 - Cash and cash equivalents

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Balances with banks		
In current accounts	229.29	208.60
Deposit with original maturity of less than three months	84.36	10,041.35
	313.65	**10,249.95**
Deposit with other than banks with original maturity of upto 3 months	-	250.00
Post office saving accounts	0.01	0.01
	0.01	**250.01**
Investments in liquid mutual funds measured at FVTPL	230.21	858.53
Total	**543.87**	**11,358.49**

Note 18 - Bank balances other than cash and cash equivalents

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Earmarked balances with banks (Refer Note (a) below)	52.29	52.55
Fixed deposit with banks (original maturity more than 3 months and upto 12 months) (Refer Note (b) below)	2,364.88	281.94
Total	**2,417.17**	**334.49**

Notes :

a) These balances represent unpaid dividend liabilities of the Company and unclaimed sale proceeds of the odd lot shares belonging to the shareholders of erstwhile Ambuja Cements Rajasthan Limited (merged with the Company) not available for use by the Company.

b) Including fixed deposit with lien in favour of National Company Law Appellate Tribunal (NCLAT) ₹ 269.59 crore including interest there on (December 31, 2021 - ₹ 265.40 crore), (Refer Note 51(b)(i)) and other deposits amounting ₹ 1.19 crore (December 31, 2021 - ₹ 1.14 crore) given as security against bank guarantees and ₹ 11.00 crore (December 31, 2021 - ₹ 15.22 crore) given as security to regulatory authorities.

Note 19 - Current loans

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Unsecured, considered good (includes loans to employees)	8.61	9.91
Total	**8.61**	**9.91**

Notes to Consolidated Financial Statements

Note 20 - Other current financial assets

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Unsecured, considered good		
Security deposits	114.01	57.74
Incentives receivable under government incentive schemes	469.46	336.63
Interest accrued on fixed deposit, certificate of deposits and others	69.30	4.45
Interest accrued on investment	28.12	13.61
Deposits with banks with original maturity of more than 12 months (Refer Note (a) below)	7,124.29	18.50
Other receivables	96.40	70.08
	7,901.58	**501.01**
Unsecured which have significant increase in credit risk		
Other receivables	17.23	17.07
Less : Allowance for doubtful other receivable	17.23	17.07
	-	-
Total	**7,901.58**	**501.01**

Notes:

a) Deposits of ₹ NIL (December 31, 2021 - ₹ 9.25 crore) given as security to regulatory authorities.

b) Refer Note 58 (B) for information about credit risk of other financials assets.

Note 21 - Other current assets

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Considered Good - Unsecured, unless otherwise stated		
Advances to suppliers (Refer note (a) below)	2,450.10	552.81
Balances with statutory / government authorities	1,384.29	778.40
Prepaid expenses	75.05	77.51
Others	39.42	23.25
	3,948.86	**1,431.97**
Unsecured, which have significant increase in credit risk		
Other receivables	17.88	17.88
Less : allowance for doubtful receivables	17.88	17.88
	-	-
Total	**3,948.86**	**1,431.97**

Note :

a) Include ₹ 1,407 crores (December 31, 2021 – ₹ Nil) to a coal trader for supply of fuel under long term supply agreement at the lower of prevailing market price or the contracted price.

Notes to Consolidated Financial Statements

Note 22 - Non-current assets classified as held for sale

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Investment in subsidiary held for sale (Refer Note (a) below)	-	23.11
Plant and equipment (Refer Note (b) and (c) below)	1.28	1.28
Building (Refer Note (b) and (c) below)	0.85	1.05
Total	**2.13**	**25.44**

Notes :

a) During the fifteen months ended March 31, 2023, pursuant to the share purchase agreement, the Group has sold its investment in Dang Cement Industries Private Limited (DCIPL), a subsidiary and has recognised a gain of ₹ 16.52 crore in Other income. Consequent to this, DCIPL ceased to be a subsidiary of the Group w.e.f. June 13, 2022.

b) The Group intends to dispose off plant and equipment and Building in the next 12 months which it no longer intends to utilise. A selection of potential buyers is underway.

c) During the year, the Group sold a flat for ₹ 9.78 crore (December 31, 2021 - ₹ 4.25 crore) having Book Value ₹ 0.20 crore (December 31, 2021 - ₹ 0.32 crore) which was classified as held for sale. The resultant gain of ₹ 9.58 crore (December 31, 2021 - ₹ 3.93 crore) has been disclosed in the Consolidated Statement of Profit and Loss under Other Income.

Note 23 - Equity share capital

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Authorised		
40,017,500,000 (December 31, 2021 - 40,017,500,000) equity shares of ₹ 2 each	8,003.50	8,003.50
150,000,000 (December 31, 2021 - 150,000,000) preference shares of ₹ 10 each	150.00	150.00
Total	**8,153.50**	**8,153.50**
Issued		
1,985,971,749 (December 31, 2021 - 1,985,971,749) equity shares of ₹ 2 each fully paid-up	**397.19**	397.19
Subscribed and paid-up		
1,985,645,229 (December 31, 2021 - 1,985,645,229) equity shares of ₹ 2 each fully paid-up	**397.13**	397.13

Notes :

a) **Reconciliation of equity shares outstanding**

Particulars	As at March 31, 2023		As at December 31, 2021	
	No of shares	₹ In Crore	No of shares	₹ In Crore
At the beginning of the year	1,98,56,45,229	397.13	1,98,56,45,229	397.13
Changes during the year	-	-	-	-
At the end of the year	1,98,56,45,229	397.13	1,98,56,45,229	397.13

b) **Rights, preferences and restrictions attached to equity shares**

The Company has only one class of equity shares having a par value of ₹ 2 per share. Each shareholder is entitled to one vote per equity share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend.

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

Notes to Consolidated Financial Statements

c) **Equity shares held by holding company / ultimate holding company and / or their subsidiaries**

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Holderind Investments Limited, Mauritius (Holding company)		
1,253,156,361 (December 31, 2021 - 1,253,156,361) Equity shares of ₹ 2 each fully paid-up	**250.63**	**250.63**
Endeavour Trade and Investment Limited (Holding company of Holderind Investments Limited, Mauritius)		
702,442 (December 31, 2021 - NIL) Equity shares of ₹ 2 each fully paid-up	**0.14**	**NA**

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

d) **Details of equity shares held by shareholders holding more than 5% shares in the Company**

	As at March 31, 2023		As at December 31, 2021	
Particulars	No of shares	% holding	No of shares	% holding
Holderind Investments Limited, Mauritius	1,25,31,56,361	63.11%	1,25,31,56,361	63.11%
Life Insurance Corporation of India	12,48,97,263	6.29%	12,28,28,767	6.19%

As per the records of the Company, including its register of shareholders / members and other declarations received from shareholders regarding beneficial interest, the above shareholdings represent both legal and beneficial ownership of shares.

e) **Details of shares held by promoters**

Particulars	Number of shares at the December 31, 2021	Change during the year	Number of shares at the March 31, 2023	% of total share	% of change during the year
Holderind Investments Limited, Mauritius	1,25,31,56,361	-	1,25,31,56,361	63.11%	0.00%
Endeavour Trade and Investment Limited	-	7,02,442	7,02,442	0.04%	100.00%

	Number of shares at the December 31, 2020	Change during the year	Number of shares at the December 31, 2021	% of total share	% of change during the year
Holderind Investments Limited, Mauritius	1,25,31,56,361	-	1,25,31,56,361	63.11%	0.00%

f) **Outstanding tradable warrants and right shares**

Outstanding tradable warrants and right shares are kept in abeyance exercisable into 186,690 (December 31, 2021 - 186,690) and 139,830 (December 31, 2021 - 139,830) equity shares of ₹ 2 each fully paid-up respectively.

g) **Aggregate no. of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date**

Pursuant to the Scheme of amalgamation of Holcim (India) Private Limited (HIPL) with the Company in August 2016, 584,417,928 equity shares were allotted as fully paid up to the equity shareholders of HIPL, without payment being received in cash.

Note 24 - Capital management

a) The Group's objectives when managing capital are to maximise shareholders value through an efficient allocation of capital towards expansion of business, optimisation of working capital requirements and deployment of balance surplus funds on the back of an effective portfolio management of funds within a well defined risk management framework.

b) The management of the Group reviews the capital structure of the Group on regular basis to optimise cost of capital. As part of this review, the Board considers the cost of capital and the risks associated with the movement in the working capital.

Notes to Consolidated Financial Statements

c) The Group generally meets its capital requirement through internal accruals. The borrowings as appearing in the Notes 27 and 36 represents Interest Free Loan from State Government considered as Government grant. The Group is not subject to any externally imposed capital requirements.

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Total debt (including current maturities of borrowings) (Refer Notes 27 and 36)	47.71	46.94
Less : Cash and cash equivalents (Refer Note 17)	543.87	11,358.49
Net debt	(496.16)	(11,311.55)
Total equity	38,756.55	32,498.77
Net Debt to Equity	**NA**	**NA**

Note 25 - Dividend distribution made and proposed

₹ In Crore

Particulars		For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
A)	**Dividend paid on equity shares**		
	i) Final dividend for the year ended December 31, 2021 ₹ 6.30 per share (December 31, 2020 - ₹ 1.00 per share)	1,250.96	198.56
	Total	**1,250.96**	**198.56**
B)	**Dividend proposed on equity shares**		
	Final dividend for the year ended March 31, 2023 ₹ 2.50 per share (December 31, 2021 - ₹ 6.30 per share) (Refer Note (a))	496.41	1,250.96
	Total	**496.41**	**1,250.96**

Notes :

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

b) The dividends proposed by the subsidiaries, associates and joint ventures for the fifteen months financial year ended March 31, 2023 is as given below :-

Name of the Company	Subsidiary/Associate/Joint venture	Proposed dividend per share	Proposed dividend amount ₹ In Crore
ACC Limited	Subsidiary	9.25	173.70
Aakaash Manufacturing Company Private Limited	Joint venture of ACC Limited	5,939	6.53

Note 26 - Other equity

(Refer the Consolidated Statement of Changes in Equity for detailed movement in other equity balances)

₹ In Crore

Particulars		As at March 31, 2023	As at December 31, 2021
a)	Capital reserve	130.71	130.71
b)	Securities premium account	12,471.16	12,471.16
c)	General reserve	5,814.49	5,814.49
d)	Capital redemption reserve	9.93	9.93
e)	Subsidies	5.02	5.02
f)	Capital contribution from parent	7.68	9.10
g)	Tonnage tax reserve	4.35	-
h)	Retained earnings	7,857.70	6,516.20
Total		**26,301.04**	**24,956.61**

Nature and purpose of each reserve :

a) Capital reserve

This reserve has been transferred to the Group in the course of business combinations and can be utilized in accordance with the provisions of the Companies Act, 2013.

b) Securities premium

This reserve represents the premium on issue of shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

c) General reserve

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

d) Capital redemption reserve

Capital redemption reserve was created by transferring from retained earnings. In the year ended 30th June 2005, part of the amount was used for issue of bonus shares. The balance will be utilised in accordance with the provisions of the Companies Act, 2013.

e) Subsidies

These are capital subsidies received from the Government and other authorities.

f) Capital contribution from parent

Capital contribution from parent represents the fair value of the employee performance share plan. These shares are granted by erstwhile parent company "Holcim Limited" to the employees of the Group. The share based payment reserve is used to recognise the value of equity settled share based payments provided to executives and senior management.

g) Tonnage tax reserve

Tonnage tax reserve represents 20% of the book profit derived from shipping operations.

h) Retained earnings

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

Note 27 - Non-current borrowings

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Secured		
Interest free loan from State Government (Refer Note (a) below)	34.22	43.50
Total	**34.22**	**43.50**

Note :

a) Represents interest free loan from State Government granted under State investment promotion scheme. This is secured by bank guarantees (majorly backed by pledge of bank fixed deposits). Each loan repayable in single instalment, starting from August 2022 to January 2027 of varying amounts ranging from ₹ 3.59 crore to ₹ 13.40 crore.

Note 28 - Lease liabilities

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Lease liabilities (Refer Note 55)	414.50	362.52
Total	**414.50**	**362.52**

Note 29 - Other non-current financial liabilities

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Liability for capital expenditure	-	0.13
Total	**-**	**0.13**

Notes to Consolidated Financial Statements

Note 30 - Non-current provisions

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Provision for gratuity and other staff benefit schemes (Refer Note 54)	157.03	178.76
Long service award and other benefit plans	4.39	4.94
Provision for mines reclamation expenses (Refer Note (a) below)	103.46	97.84
Total	**264.88**	**281.54**

Note:

a) 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:

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Opening balance	97.84	87.68
Add : Provision during the year (net)	(1.10)	7.87
	96.74	**95.55**
Add: Unwinding of interest	7.19	3.66
Less : Provision utilized during the year	0.47	1.37
Closing Balance	**103.46**	**97.84**

Note 31 - Deferred tax liabilities (net)

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

₹ In Crore

Particulars	As at 1st January 2022	Charge / (Credit) to the Consolidated Statement of Profit and Loss	Charge / (Credit) to Other Comprehensive Income	As at March 31, 2023
Deferred tax liabilities, on account of				
Depreciation and amortisation	1,057.45	63.41	-	1,120.86
Undistributed profits of subsidiaries, joint venture and associates	164.64	(108.16)	-	56.48
	1,222.09	**(44.75)**	**-**	**1,177.34**
Deferred tax assets, on account of				
Provision for employee benefits	70.47	(4.61)	(9.67)	56.19
Provision for slow and non moving spares	26.03	(0.82)	-	25.21
Expenditure debited in the Consolidated Statement of Profit and Loss but allowed for tax purposes in the following years	122.12	(8.71)	-	113.41
Expected credit loss on incentives receivable from government	32.45	-	-	32.45
Interest provided under section 244 (A) of Income Tax Act, 1961	99.07	22.21		121.28
Others	115.76	12.67	-	128.43
	465.90	**20.74**	**(9.67)**	**476.97**
Deferred tax liabilities / (assets) (net)	**756.19**	**(65.49)**	**9.67**	**700.37**

₹ In Crore

Particulars	As at 1st January 2021	Charge / (Credit) to the Consolidated Statement of Profit and Loss	Charge / (Credit) to Other Comprehensive Income	As at December 31, 2021
Deferred tax liabilities, on account of				
Depreciation and amortisation	1,022.69	34.76	-	1,057.45
Undistributed profits of subsidiaries, joint venture and associates	55.88	108.76	-	164.64
	1,078.57	**143.52**	**-**	**1,222.09**
Deferred tax assets, on account of				
Provision for employee benefits	61.09	13.13	(3.75)	70.47
Provision for slow and non moving spares	20.23	5.80	-	26.03
Expenditure debited in the Consolidated Statement of Profit and Loss but allowed for tax purposes in the following years	132.13	(10.01)	-	122.12
Expected credit loss on incentives receivable from government	32.45	-	-	32.45
Interest provided under section 244 (A) of Income Tax Act, 1961	95.17	3.90		99.07
Others	111.50	4.26	-	115.76
	452.57	**17.08**	**(3.75)**	**465.90**
Deferred tax liabilities / (assets) (net)	**626.00**	**126.44**	**3.75**	**756.19**

Notes:

a) The Group has not recognised deferred tax liability on undistributed earnings in subsidiaries to the extent of ₹ 13,017.19 crore (December 31, 2021 - ₹ 12,731.57 crore) considering its ability to control the timing of the reversal of temporary differences associated with such undistributed earnings and it is probable that such differences will not reverse in the foreseeable future.

b) The Group have long term capital losses and business losses including unabsorbed depreciation of ₹ 5.56 crore (December 31, 2021 - ₹ 37.17 crore) for which no deferred tax assets have been recognised. These losses will expire between financial years 2023-24 to 2029-30.

Note 32 - Reconciliation of tax expense and the profit multiplied by income tax rate

₹ In Crore

Particulars	For the fifteen months ended March 31, 2023		For the year ended December 31, 2021	
	₹ In Crore	In %	₹ In Crore	In %
Profit before share of profit of associates and joint ventures and tax expenses	3,701.47		5,144.24	
Tax expenses at statutory income tax rate	931.59	25.17%	1,295.10	25.17%
Effect of non deductible expenses	54.18	1.46%	49.27	0.96%
Effect of exempt income / tax holidays for tax purpose	(0.58)	(0.02%)	(0.39)	(0.01%)
Tax writeback recognised in current year (Refer note (b) below)	(149.79)	(4.05%)	-	0.00%
Effect of undistributed earnings of subsidiary and joint venture	(113.85)	(3.08%)	105.44	2.05%
Others	(16.44)	(0.43%)	4.01	0.08%
Tax expenses at the effective income tax rate	705.11	19.05%	1,453.43	28.25%
Tax expense reported in the Consolidated Statement Profit and Loss	705.11	19.05%	1,453.43	28.25%

Notes:

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

Notes to Consolidated Financial Statements

b) The Group has re-assessed its tax positions for certain provisions made in earlier years, based on the tax assessments and the related provisions of the Income Tax Act, 1961, and reversed the tax provision of ₹ 149.79 crore and interest of ₹ 30.67 crore (recognized in Other Income).

Note 33 - Other non current liabilities

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Rebate to customers	37.27	36.74
Total	**37.27**	**36.74**

Note 34 - Total outstanding dues of micro and small enterprises

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Details of due to Micro and Small Enterprises as defined under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 is based on the information available with the Group regarding the status of the suppliers (Refer Note (a) below).		
a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.		
Principal	51.22	34.85
Interest	0.53	0.30
	51.75	**35.15**
b) The amount of interest paid by the buyer in terms of Section 16 along with the amount of the payment made to the supplier beyond the appointed day during the year		
Principal	43.74	25.79
Interest	0.23	0.13
c) The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified	0.03	0.03
d) The amount of interest accrued and remaining unpaid at the end of the year	0.08	0.12
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of Micro, Small and Medium Enterprises Development Act, 2006.	-	-

Note:

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

b) Ageing schedule:

(i) Balance as at March 31, 2023

Sr N	Particulars	Outstanding for following periods from the transaction date				Total
		Less than 1 year	1-2 years	2-3 years	More than 3 years	
1	Undisputed - Micro and Small Enterprises	51.16	-	-	0.06	51.22
2	Undisputed - Other than Micro and Small Enterprises	2,344.73	57.57	14.70	305.69	2,722.69
	Total	**2,395.89**	**57.57**	**14.70**	**305.75**	**2,773.91**

Notes to Consolidated Financial Statements

(ii) Balance as at December 31, 2021

Sr N	Particulars	Outstanding for following periods from the transaction date: Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
1	Undisputed - Micro and Small Enterprises	34.58	0.08	0.17	0.12	34.95
2	Undisputed - Other than Micro and Small Enterprises	2,218.46	238.20	86.32	334.89	2,877.87
	Total	**2,253.04**	**238.28**	**86.49**	**335.01**	**2,912.82**

Note 35 - Lease Liability

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Current portion of lease liability (Refer Note 55)	60.52	67.11
Total	**60.52**	**67.11**

Note 36 - Borrowings

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Current maturities of borrowings (Refer Note 27)	13.49	3.44
Total	**13.49**	**3.44**

Note 37 - Other current financial liabilities

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Financial Liabilities at amortised cost		
Security deposit from dealers and retention money	1,502.48	1,293.24
Liability for capital expenditure	337.65	405.03
Unpaid dividends (Refer Note (a) below)	49.80	50.05
Unclaimed sale proceeds of the odd lot shares belonging to the shareholders of erstwhile ACRL	2.49	2.50
Others (includes interest on security deposits)	227.93	251.34
Financial Liabilities at fair value		
Foreign currency forward contract	0.78	3.26
Total	**2,121.13**	**2,005.42**

Note:

a) Investor Education and Protection Fund ('IEPF') - outstanding aggregating of ₹ 5.46 Crore (December 31, 2021 - ₹ 5.40 Crore) ,is pending to be transferred to the 'IEPF'on account of disputes and legal cases.

Notes to Consolidated Financial Statements

Note 38 - Other current liabilities

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Contract liability (Refer Note (a) below)		
Advance received from customers	278.27	394.53
Other liabilities		
Statutory dues	1,461.45	1,302.82
Rebates to customers	1,173.00	1,007.05
Other payables (includes interest on income tax)	1,819.98	1,601.47
Total	**4,732.70**	**4,305.87**

Note:

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

Note 39 - Current provisions

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Provision for gratuity and staff benefit schemes (Refer Note 54)	8.55	11.60
Long service award and other benefit plans	0.67	0.94
Provision for compensated absences	5.42	12.10
Total	**14.64**	**24.64**

Note 40 - Revenue from operations

₹ In Crore

Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Revenue from contracts with customers		
Sale of manufactured products	37,132.64	27,890.95
Sale of traded products	1,253.00	653.79
Income from services rendered	12.37	3.34
	38,398.01	**28,548.08**
Other operating revenues		
Provisions no longer required written back	46.84	18.53
Sale of scrap	158.53	129.60
Incentives and subsidies	221.86	157.93
Miscellaneous income (includes insurance claims and others)	111.79	111.32
Total	**38,937.03**	**28,965.46**

Notes :

a) Reconciliation of revenue as per contract price and as recognised in the Consolidated Statement of Profit and Loss :

₹ In Crore

Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Revenue as per contract price	43,518.17	32,890.14
Less: Discounts and incentives	5,120.16	4,342.06
Revenue as per the Consolidated Statement of Profit and Loss	**38,398.01**	**28,548.08**

b) Remaining performance obligation :

The Company does not have any remaining performance obligation for sale of goods or services which remains unsatisfied as at March 31, 2023 or December 31, 2021. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts where the revenue recognised corresponds directly with the value to the customer of the entity's performance completed to date.

c) Disaggregation of revenue:

Refer Note 59 for disaggregated revenue information. The management determines that the segment information reported is sufficient to meet the disclosure objective with respect to disaggregation of revenue under Ind AS 115 "Revenue from contracts with customers".

d) Accrued for the GST refund claim, under various incentive schemes of State and Central Government.

Note 41 - Other income

₹ In Crore

Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Interest income on		
Bank deposits at effective interest rate method	504.59	284.45
Income tax refund	25.69	12.79
Defined benefit obligation (net) (Refer Note 54)	-	0.15
Others	8.11	7.01
	538.39	**304.40**
Other non operating income		
Gain on sale of current financial assets measured at FVTPL	52.25	17.80
Net gain on fair valuation of liquid mutual fund measured at FVTPL (Refer Note (a) below)	0.21	0.37
Interest income tax write back	30.67	29.22
Gain on sale of investment in subsidiary company (Refer Note 22(a))	16.52	-
Others	99.67	0.65
Total	**737.71**	**352.44**

Note 42 - Cost of materials consumed

₹ In Crore

Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Inventories at the beginning of the year	245.39	178.72
Add : Purchases during the year	4,787.60	3,250.08
	5,032.99	3,428.80
Less : Inventories at the end of the year	283.34	245.39
Cost of materials consumed (Refer Note (a) and (b) below)	**4,749.65**	3,183.41

Note 43 - Purchases of stock-in-trade

₹ In Crore

Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Cement	418.43	249.88
Ready mix concrete	6.96	2.84
Solution and Products	55.73	56.49
Total	**481.12**	**309.21**

Notes to Consolidated Financial Statements

Note 44 - Change in inventories of finished goods, work-in-progress and stock-in trade

₹ In Crore

Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Inventories at the end of the year		
Work-in-progress	765.19	784.73
Finished goods	302.48	238.21
Stock-in-trade	56.93	18.70
Captive coal	124.42	87.52
	1,249.02	**1,129.16**
Inventories at the beginning of the year		
Work-in-progress	784.73	351.76
Finished goods	238.21	183.29
Stock-in-trade	18.70	16.66
Captive coal	87.52	19.87
	1,129.16	**571.58**
Add : Trial run stocks, at the commencement of commercial production at Marwar plant	-	**27.24**
	1,129.16	**598.82**
(Increase) / decrease in inventories	**(119.86)**	**(530.34)**

Note 45 - Employee benefits expenses

₹ In Crore

Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Salaries and wages	1,568.99	1,317.26
Contribution to provident and other funds	142.85	118.13
Employee stock option expenses (Refer Note 66)	2.94	8.01
Staff welfare expenses	141.75	85.75
Total	**1,856.53**	**1,529.15**

Note 46 - Finance costs

₹ In Crore

Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Interest on		
Income tax (net of interest income on refund - ₹ 100.90 crore; December 31, 2021 - ₹ 15.50 crore)	36.50	28.45
Defined benefit obligation (net) (Refer Note 54)	11.58	9.01
Borrowings	4.36	3.34
Security deposits from dealers carried at amortised cost	45.76	29.67
Lease liabilities (Refer Note (a) below)	30.56	24.59
Others	58.95	46.94
	187.71	**142.00**
Other finance costs:-		
Unwinding of discount on site restoration provision	7.19	3.66
Total	**194.90**	**145.66**

Note:

a) On adoption of Ind AS 116 Leases, the Group has recognised Right of use assets and created lease obligation representing present value of future minimum lease payments. The unwinding of such obligation is recognised as interest expense.

Notes to Consolidated Financial Statements

Note 47 - Depreciation and amortisation expense

₹ In Crore

Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Depreciation on property, plant and equipment (Refer Note 4)	1,539.75	1,073.98
Less : Pre-operative charge during the year (Refer Note 8)	0.55	0.07
	1,539.20	**1,073.91**
Depreciation on Right-of-use assets (Refer Note 5)	80.72	62.08
Amortisation of intangible assets (Refer Note 7)	24.75	16.50
Total	**1,644.67**	**1,152.49**

Note 48 - Freight and forwarding expense

₹ In Crore

Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
On finished products	7,561.17	5,680.20
On internal material transfer	1,962.55	1,452.70
Total	**9,523.72**	**7,132.90**

Note 49 - Other expenses

₹ In Crore

Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Royalty on minerals	679.39	557.43
Consumption of stores and spare parts	769.92	552.61
Consumption of packing materials	1,291.37	1,053.39
Repairs	519.19	351.09
Rent (Refer Note 55)	221.50	169.58
Rates and taxes	214.42	206.13
Insurance	105.84	77.41
Technology and know-how fees (Refer Note (c) below)	214.68	285.76
Advertisement	241.14	175.62
Corporate Social Responsibility (Refer Note (a) below)	116.71	99.97
Loss on account of exchange rate difference (net)	26.27	9.88
Impairment losses on financial assets (including reversals of impairment losses)	14.84	(10.87)
Miscellaneous expenses (Refer Note (b) below)	1,193.23	859.84
Total	**5,608.50**	**4,387.84**

Notes:

a) Includes ₹ 45.47 crore (December 31, 2021 ₹ 35.95 crore) expenses incurred by ACC Limited, a subsidiary company.

b) Miscellaneous expenses :

  i) Does not include any item of expenditure with a value of more than 1% of Revenue from operations.

  ii) Includes expenses towards information technology, travelling, consultancy, site restoration, outsource services and others.

c) The Company, with effect from September 16, 2022, has terminated its agreement with Holcim Technology Limited for payment of technology and know-how fees @ 1% of eligible net sales.

Notes to Consolidated Financial Statements

Note 50 - Earnings per share (EPS)

₹ In Crore

	Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
i)	Profit attributable to equity shareholders of the Company for basic and diluted EPS (₹ In Crore)	2,583.40	2,780.38
ii)	Weighted average number of equity shares for basic EPS	1,98,56,45,229	1,98,56,45,229
	Add : Potential equity shares on exercise of rights and warrants kept in abeyance	3,20,919	3,19,824
	Add: Effect of issue of share warrants (Refer Note 68)	5,84,97,421	-
iii)	Weighted average number of shares for diluted EPS	**2,04,44,63,569**	**1,98,59,65,053**
iv)	Earnings per equity share (in ₹)		
	Face value of equity per share	2.00	2.00
	Basic	13.01	14.00
	Diluted	12.64	14.00

Note 51- Contingent liabilities (to the extent not provided for)

₹ In Crore

Particulars	Brief description of contingent liabilities	As at March 31, 2023	As at December 31, 2021
Contingent liabilities and claims against the Company not acknowledged as debts related to various matters (Refer Note (a) below)			
Competition Act, 2002	CCI matters - Refer Note (b) below	4,101.29	3,776.40
Income Tax Act, 1961	Income tax matter related to excise duty incentives - Refer Note (f) below	1,090.82	1,090.82
Stamp Duty	Stamp duty on the merger order passed by High court of Delhi of Holcim (India) Private Limited and other matters of stamp duty - Refer Note (e) below	310.34	310.34
Service tax - Finance Act, 1994	Denial of service tax credit on outward transportation of cement - Refer Note (d) below	281.97	291.00
Government incentive	Sales tax incentive - Refer Note (c) below	320.82	320.82
Customs duty - The Customs Act, 1962	Demand of differential customs duty on imported coal	73.19	73.19
Central Excise Act	Denial of modvat credit on "Iron & Steel" used for Manufacture of Capital Goods	16.81	17.82
	Demand of differential excise duty on clearance of ready mix concrete	25.69	25.69
	Other excise matters	29.09	24.76
Goods and service tax	Denial of transitional credit of clean energy cess	62.67	15.04
Sales tax act/ commercial tax of various state	Disallowance of ITC on packing material and fuel, tax demand on damaged stock and others	71.04	73.96
Employees' Provident Funds And Miscellaneous Provisions Act, 1952	Provident fund disputes relating to applicability and determination of dues	79.07	25.42
Common Guidelines for Mine Developer and Operator projects (the MDO Guidelines)	Non compliance of efficiency parameters of CMDPA (Coal Mines Development & Production Agreement)	23.75	23.75
Mineral Concession Rules	Compensation for use of Government land - Refer Note (g) below	212.22	212.22
Other statutes/ other claims	Entry Tax on stock transfer and related issues	37.50	36.77
	Enhancement of land compensation and land tax related matters	34.47	32.62
	Cases pertaining to claims related workmen compensation and Demand of additional royalty on limestone based on ratio of cement produced vis a vis consumption of limestone	15.60	26.60
	Various other cases pertaining to claims related to railway dispute, electricity tariff issue.	119.36	123.36
	Claims by suppliers regarding supply of raw material and other claim.	35.89	35.89
Total		**6,941.53**	**6,536.48**

Notes to Consolidated Financial Statements

Notes :

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

b) Demand from Competition Commission of India

i) In 2012, the Competition Commission of India (CCI) had imposed a penalty of ₹ 1,163.91 crore on the Company and ₹ 1,147.59 crore on its subsidiary ACC Limited, aggregating to ₹ 2,311.50 crore, concerning alleged contravention of the provisions of the Competition Act, 2002. On appeal by the Company and ACC Limited, the Competition Appellate Tribunal (COMPAT), initially stayed the penalty and by its final order dated December 11, 2015, set aside the order of the CCI, remanding the matter back to the CCI for fresh adjudication and for passing a fresh order.

After hearing the matter afresh, the CCI had again, by its order dated August 31, 2016, imposed penalty of ₹ 1,163.91 crore on the Company and ₹ 1,147.59 crore on ACC Limited, aggregating to ₹ 2,311.50 crore. The Company and ACC Limited filed appeals against the said Order before the COMPAT. The COMPAT, vide its interim order dated November 21, 2016 has stayed the penalty with a condition to deposit 10% of the penalty amount, in the form of fixed deposit (the said condition has been complied with) and levy of interest of 12% p.a., in case the appeal is decided against the appellant. Meanwhile, pursuant to the notification issued by Central Government on May 26, 2017, any appeal, application or proceeding before COMPAT is transferred to National Company Law Appellate Tribunal (NCLAT).

NCLAT, vide Order dated July 25, 2018, dismissed the appeal filed by the Company and ACC Limited and upheld the CCI's order. Against this, the Company and ACC Limited appealed to the Hon'ble Supreme Court, which by its order dated October 05, 2018 admitted the appeal and directed to continue the interim order passed by the Tribunal.

ii) In a separate matter, pursuant to a reference filed by the Director, Supplies and Disposals, Government of Haryana, the CCI by its Order dated January 19, 2017 had imposed penalty of ₹ 29.84 crore on the Company and ₹ 35.32 crore on ACC Limited, aggregating to ₹ 65.16 crore. On appeal by Company and ACC Limited, the COMPAT has stayed the operation of CCI's order. The matter is listed before NCLAT and is pending for hearing.

Based on the advice of external legal counsels, the Company and ACC Limited believe they have good grounds on merit for a successful appeal in both the aforesaid matters. Accordingly, no provision is considered necessary and the matter has been disclosed as contingent liability along with interest of ₹ 1,724.63 crore (December 31, 2021 - ₹ 1,399.74 crore).

c) Government incentive includes :

i) A matter relating to 75% exemption from sales tax granted by Government of Rajasthan. However, the eligibility of exemption in excess of 25% was contested by the State Government in a similar matter of another Company.

In year 2014, pursuant to the unfavourable decision of the Hon'ble Supreme Court in that similar matter, the sales tax department initiated proceedings for recovery of differential sales tax and interest thereon on the ground that the Company had given an undertaking to deposit the differential amount of sales tax, in case decision of the Hon'ble Supreme Court goes against in this matter.

Against the total demand of ₹ 247.97 crore, including interest of ₹ 134.45 crore the Company deposited ₹ 143.52 crore, including interest of ₹ 30 crore, towards sales tax under protest and filed a Special Leave Petition in the Hon'ble Supreme Court with one of the grounds that the tax exemption was availed by virtue of the order passed by the Board for Industrial and Financial Reconstruction (BIFR) during the relevant period. On Company's petition, the Hon'ble Supreme Court has granted an interim stay on the balance interest. Based on the advice of external legal counsel, the Company believes that, it has good grounds for a successful appeal. Accordingly, the amount has been disclosed as Contingent Liability.

ii) ACC Limited, a subsidiary of the Company had availed sales tax incentives in respect of its new 1 MTPA Plant (Gagal II) under the Himachal Pradesh (HP) State Industrial Policy, 1991. ACC Ltd. had accrued sales tax incentives aggregating ₹ 56.30 crore. The Sales tax authorities introduced certain restrictive conditions after commissioning of the unit stipulating that incentive is available only for incremental amount over the base revenue and production of Gagal I prior to the commissioning of Gagal II. ACC Ltd. contends that such restrictions are not applicable to the unit as Gagal II is a new unit, as decided by the HP Hon'ble High Court and confirmed by the Hon'ble Supreme Court while determining the eligibility for transport subsidy. The Department recovered ₹ 64.45 crore (December 31, 2021 - ₹64.45 crore) (tax of ₹ 56.30 crore and interest of ₹ 8.15 crore) which is considered as recoverable.

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

d) **Excise, customs and service tax includes :**

A matter wherein service tax department issued show cause notices for denial of cenvat credit with regard to service tax paid on outward transportation for sale to customers on Freight On Road (F.O.R.) basis. Considering judicial precedents, Central Board of Excise and Customs (CBIC) circular and based on legal opinion, the Group has assessed the matter as possible. Accordingly, ₹ 281.97 crore (December 31, 2021 - ₹ 291.00 crore) has been disclosed as contingent liability.

e) **Stamp duty includes :**

A matter wherein the Collector of Stamps, Delhi vide its order dated August 07, 2014, directed erstwhile Holcim (India) Private Limited (HIPL) (merged with the Company) to pay stamp duty (including penalty) of ₹ 287.88 crore (December 31, 2021 - ₹ 287.88 crore) on the merger order passed by Hon'ble High Court of Delhi. HIPL had filed a writ petition and the Hon'ble High Court of Delhi granted an interim stay. Based on the advice of external legal counsel, the Company believes that it has good grounds for success in writ petition. Accordingly, no provision has been made in the financial statements.

f) **Income tax :**

The Company and its subsidiary, ACC Limited were entitled to excise duty incentives. Both the Companies contended that the said incentives are in the nature of capital receipts and hence not liable to income tax. However, the Income tax department had consistently denied the position and considered these incentives as a taxable receipt. Appeals were filed by both the companies against the orders of the assessing officer which were pending before the Commissioner of Income Tax (Appeals) / Income Tax Appellate Tribunal (ITAT).

In November 2022 / March 2023, the Company and ACC Limited received favourable orders from ITAT with respect to the aforesaid matter.

However, pending final closure of this matter, the Group has disclosed income tax amount of ₹ 872.64 crore (December 31, 2021 - ₹ 872.64 crore) along with interest payable of ₹ 214.99 crore (December 31, 2021 - ₹ 214.99 crore) under contingent liabilities.

g) **Claim for Mining Lease includes :**

ACC Limited, a subsidiary of the Company, has received demand notice from the Government of Tamil Nadu, and an order by the Collector, Coimbatore seeking annual compensation for the period from April 01, 1997 to March 31, 2014 and April 01, 2014 to March 31, 2019, amounting to ₹ 73.46 crore and ₹ 138.76 crore respectively for use of the Government land for mining, which ACC Limited occupies on the basis of the mining leases. ACC Limited has challenged the demands by way of Revision under the Mineral Concession Rules and has filed writ petitions before the Hon'ble High Court of Tamil Nadu at Chennai.

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

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

ACC Limited has assessed the matter as "possible" and has obtained legal opinion for the said matter.

Note 52 - Material demands and disputes relating to assets and liabilities reported by subsidiary as "remote"

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

a) ACC Limited, a subsidiary of the Company (ACC), having cement manufacturing plants located in Himachal Pradesh was eligible, under the State Industrial Policy for deferral of its sales tax liability. The Excise and Taxation department, disputed the eligibility of the ACC to such deferment on the ground that ACC also manufactures an intermediate product, viz. Clinker and such intermediate product was in the negative list. A demand of ₹ 82.37 crore (December 31, 2021 ₹ 82.37 crore) was raised by the department. ACC filed a writ petition before the Hon'ble High Court of Himachal Pradesh against the demand. The case has been admitted and the hearing is in process.

Notes to Consolidated Financial Statements

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

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

The Government of Jharkhand had filed an Special Leave petition (SLP) in the Hon'ble Supreme Court which vide its interim order stayed disbursement of 40% of the amount due. Consequently, as of date, ACC received only ₹ 64.00 crore out of total ₹ 235.00 crore in part disbursement from the Government of Jharkhand. The Group is of the view and has been advised legally, that the merits are strongly in its favour and it expects that the SLP will be rejected upholding the order of the Division bench of the Jharkhand Hon'ble High Court.

The subsidiary has obtained legal opinion for the said matter."

c) ACC Limited, a subsidiary of the Company (ACC), had set up a captive power plant ('Wadi TG 2') in the year 1995-96. This plant was sold to Tata Power Co. Ltd., in the year 1998-99 and was subsequently repurchased from it in the year 2004-05. ACC had purchased another captive power plant ('Wadi TG 3', set up by Tata Power Co. Ltd. in the year 2002-03) in 2004-05. Both these power plants were eligible for tax holiday under the provisions of Section 80-IA of the Income-tax Act, 1961. The Income tax department has disputed the ACC's claim of deduction under Section 80-IA of the Act, on the ground that the conditions prescribed under the section are not fulfilled. In case of Wadi TG 2, in respect of the demand of ₹ 56.66 crore (net of provision) (December 31, 2021 - ₹ 56.66 crore), ACC is in appeal before the ITAT and in case of Wadi TG 3 in respect of the demand of ₹ 115.62 crore (December 31, 2021 - ₹ 115.62 crore), which was set aside by the ITAT, the department is in appeal against the said decision.

d) ACC Limited, a subsidiary of the Company (ACC), is eligible for incentives for one of its cement plants situated in Maharashtra, under a Package Scheme of Incentives of the Government of Maharashtra. The scheme inter alia, includes refund of royalty paid by ACC on extraction or procurement of various raw materials (minerals). The Department of Industries has disputed ACC's claim for refund of royalty basis interpretation of the sanction letter issued to ACC. ACC has accrued an amount of ₹ 133.00 crore (December 31, 2021 - ₹ 133.00 crore) for such incentive. ACC has filed an appeal before the Hon'ble Bombay High Court challenging the stand of the Government, which is admitted and pending before the High Court for hearing on merit. ACC has obtained legal opinion for the said matter.

e) ACC Limited, a subsidiary of the Company (ACC), was contesting the renewal of mining lease in state of Jharkhand for two of its quarries on lease. There was an unfavourable order by the Hon'ble Supreme Court in judgement on Goa Foundation case, restricting the ""deemed renewal"" provision of captive mining leases. ACC received demand from district mining officer for ₹ 881.00 crore as penalty for alleged illegal mining activities carried out by the Company during January 1991 to September 2014.

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

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

ACC has obtained legal opinion for the said matter."

f) Bulk Cement Corporation (India) Limited, a subsidiary company received demand from The Divisional Railway Manager Works office, Central Railways (Railways) by its letter dated February 11, 2022, of ₹ 15.33 Crore towards Land Licence Fee. Based on the subsidiary's own assessment and backed by external legal opinion, the subsidiary believes that it has a strong ground to contest the claim and accordingly has assessed the matter as "remote".

g) One of the contractors of a subsidiary company, ACC Mineral Resources Limited, has filed an Arbitration Petition under section 11 of the Arbitration and Conciliation Act, 1996 wherein the Hon'ble High Court of Mumbai has appointed a sole Arbitrator. The contractor has filed a statement of claims demanding approx. ₹ 407.00 Crores (December 31, 2021 - ₹ 407.00 Crore) from the Company including Rs 354.00 Crores (December 31, 2021 - ₹ 354.00 Crore) on account of loss of profit. The subsidiary company has been legally advised that the claim for loss of profit is not sustainable in terms of the contract/s with the said vendor and the Contract Act, 1872. Further, an amount of ₹ 45.91 Crore (December 31, 2021 - ₹ 45.91 Crore) in view of the demand being legally unjustifiable, has been assessed as "remote". Balance amount of ₹ 7.09 Crore (December 31, 2021 - ₹ 7.09 Crore) has been disclosed as a contingent liability.

Note 53 - Capital and other commitments

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	1,549.77	1,464.98
Total	**1,549.77**	**1,464.98**

Note 54 - Employee benefits

a) Defined contribution plans

Amount recognised and included in Note 45 "contribution to provident and other funds" (including contribution to provident fund trust referred in note (g) below) of the Consolidated Statement of Profit and Loss ₹ 53.47 crore (December 31, 2021 - ₹ 43.48 crore).

b) Defined benefit plans

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

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

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

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

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

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

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

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

Notes to Consolidated Financial Statements

c) Summary of the components of net benefit / expense recognised in the Consolidated Statement of Profit and Loss and the funded status and amounts recognised in the Consolidated Balance Sheet for the respective plans:

₹ In Crore

	Particulars	2022-23		2021	
		Funded	Non funded	Funded	Non funded
I	**Components of expense recognised in the Consolidated Statement of Profit and Loss**				
	1 Current service Cost	32.10	9.97	27.66	9.00
	2 Interest cost	28.72	7.53	22.29	6.22
	3 Interest (income) on plan assets	(28.14)	-	(22.19)	-
	4 Gain on settlements	0.19	-	-	(10.34)
	5 Past service cost	0.19	-	-	-
	Total	**33.06**	**17.50**	**27.76**	**4.88**
II	**Amounts recognised in Other Comprehensive Income**				
	1 Demographic changes	-	-	(0.40)	-
	2 Change in financial assumptions	(9.81)	(3.59)	(12.29)	(3.88)
	3 Experience changes	(2.41)	3.89	(3.02)	2.15
	4 Return on plan assets (excluding interest income)	0.25	-	(1.72)	-
	Total	**(11.97)**	**0.30**	**(17.43)**	**(1.73)**
III	**Net asset / (liability) recognised in the Consolidated Balance Sheet**				
	1 Present value of defined benefit obligation	332.89	98.88	367.56	96.42
	2 Fair value of plan assets	336.10	-	355.26	-
	3 Funded status [surplus / (deficit)]	3.21	(98.88)	(12.30)	(96.42)
	4 Net asset / (liability)	3.21	(98.88)	(12.30)	(96.42)
IV	**Change in defined benefit obligation during the year**				
	1 Present value of defined benefit obligation at the beginning of the year	367.56	96.41	379.27	104.56
	2 Current service cost	32.10	9.97	27.66	9.00
	3 Interest service cost	28.72	7.53	22.29	6.22
	4 Employee Contributions	-	-	-	-
	5 Past service cost	0.19	-	-	-
	6 Gain on settlements	-	-	-	(10.34)
	7 Actuarial (gains)/losses recognised in consolidated other comprehensive income:				
	- Demographic changes	-	-	(0.40)	-
	- Change in financial assumptions	(9.81)	(3.59)	(12.29)	(3.88)
	- Experience Changes	(2.41)	3.89	(3.02)	2.15
	8 Benefit payments	(82.15)	(15.33)	(45.95)	(11.29)
	9 Curtailment	-	-	-	-
	10 Net transfer in on account of business combinations / others	(1.31)	-	-	-
	Present value of defined benefit obligation	**332.89**	**98.88**	**367.56**	**96.42**
V	**Change in fair value of assets during the year**				
	1 Plan assets at the beginning of the year	355.26	-	370.12	-
	2 Interest income	28.14	-	22.19	-
	3 Contribution by employer	-	-	5.00	-
	4 Actual benefit paid	(47.05)	-	(43.77)	-
	5 Return on plan assets (excluding interest income)	(0.25)	-	1.72	-
	6 Plan assets at the end of the year	336.10	-	355.26	-
VI	**Weighted average duration of defined benefit obligation**	10 years	10 to 10.20 years	10 years	10 to 10.20 years

Notes to Consolidated Financial Statements

₹ In Crore

	Particulars	2022-23		2021	
		Funded	Non funded	Funded	Non funded
VII	**Maturity profile of defined benefit obligation**				
	1 Within the next 12 months	30.73	8.54	54.15	11.61
	2 Between 1 and 5 years	166.80	34.02	157.18	33.83
	3 Between 5 and 10 years	183.56	40.65	156.43	36.36
VIII	**Sensitivity analysis for significant assumptions (Refer Note (i) & (ii) below)**				
	Present value of defined benefits obligation at the end of the year (for change in 100 basis points)				
	1 For increase in discount rate by 100 basis points	314.36	90.52	345.13	88.05
	2 For decrease in discount rate by 100 basis points	353.72	105.72	392.94	103.28
	3 For increase in salary rate by 100 basis points	353.56	105.46	392.63	103.02
	4 For decrease in salary rate by 100 basis points	314.16	90.58	344.98	88.17
IX	**The major categories of plan assets as a percentage of total plan**				
	Qualifying insurance policy with Life Insurance Corporation of India (LIC) and HDFC Life Insurance (Refer Note (iv) below)	100%	NA	100%	NA
X	**Expected cash flows**				
	1) Expected employer contribution in the next year	30.73	8.53	54.15	11.58
	2) Expected benefit payments				
	Year 1	30.73	8.53	54.15	11.58
	Year 2	35.23	7.30	39.69	8.30
	Year 3	51.54	9.13	41.15	8.15
	Year 4	41.08	9.52	39.28	8.95
	Year 5	38.95	8.08	37.06	8.41
	6 to 10 years	183.56	40.65	156.43	35.96
	Total Expected benefit payments	**381.09**	**83.21**	**367.76**	**81.35**

XI Actuarial assumptions

	Particulars	2022-23	2021
1)	**Financial Assumptions**		
	Discount rate (Refer Note (ii) below)	7.20%	6.75%
	Salary escalation (Refer Note (iii) below)	7.00%	7.00%
2)	**Demographic Assumptions**		
	Expected average remaining working lives of employees	8.72	9.70
	Disability rate	5% mortality rates	5% mortality rates
	Retirement age	58 - 60 years	58 - 60 years
	Mortality pre-retirement	Indian Assured Lives Mortality (IALM) (2012-14) Ultimate	Indian Assured Lives Mortality (IALM) (2012-14) Ultimate

Notes:

i) Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate, expected salary increase and mortality. These sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no changes in market conditions at the reporting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analysis.

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

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

Notes to Consolidated Financial Statements

iv) Basis used to determine expected rate of return on assets

The Company has considered the current level of returns declared by LIC, to develop the expected long-term return on assets for funded plan of gratuity.

v) In the absence of detailed information regarding plan assets which is funded with LIC and HDFC Life Insurance, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

d) Amount recognised as expense in respect of compensated absences is ₹ 32.02 crore (December 31, 2021 - ₹ 15.69 crore).

	Particulars	As at March 31, 2023	As at December 31, 2021
1)	**Financial Assumptions**		
	Discount rate	7.20%	6.75%
	Salary escalation	7.00%	7.00%
2)	**Demographic Assumptions**		
	Expected average remaining working lives of employees	9-9.7 years	9.52-10 years

e) Provident Fund managed by a trust set up by the Group

Provident Fund for certain eligible employees is managed by the Group through a trust "Ambuja Cements Staff Provident Fund Trust" and "The Provident Fund of ACC Ltd.", in line with the Provident Fund and Miscellaneous Provisions Act, 1952. The plan guarantees interest at the rate notified by the Provident Fund Authorities. The contribution by the employer and employee together with the interest accumulated thereon are payable to employees at the time of separation from the Group or retirement, whichever is earlier. The benefits vests immediately on rendering of the services by the employee.

The Group has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate.

The Group had invested provident fund of ₹ 9.05 crore through a trust "Ambuja Cements Staff Provident Fund Trust" in bonds of IL&FS Financial Services Limited and Diwan Housing Finance Limited and ₹ 49 crore through a trust "ACC Limited (Trust) in perpetual bonds of IL&FS Financial Services Limited. In view of uncertainties regarding recoverability of this investment, during the year ended December 31, 2019 the Group has provided ₹ 58.05 crore being the change in re-measurement of the defined benefit plans, in Other Comprehensive Income towards probable incremental employee benefit liability that may arise on the Group on account of any likely shortfall of the Trust in meeting its obligations.

Provident Fund managed by a trust - Defined benefit plans as per actuarial valuation

		Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
I		**Components of expense recognised in the Consolidated Statement of Profit and Loss**		
	1	Current service cost	44.64	34.27
	2	Interest Cost	84.86	77.56
	3	Interest Income	(81.40)	(75.02)
	4	Total expenses	48.10	36.81
II		**Amount recognised in the Consolidated Balance Sheet**		
	1	Present value of Defined Benefit Obligation	(999.35)	(1,029.35)
	2	Fair value of plan assets	940.85	946.39
	3	Funded status {Surplus/(Deficit)}	(58.50)	(82.96)
	4	Net asset/(liability) as at end of the year ((Refer Note (ii) given below)	(58.50)	(82.96)

Notes to Consolidated Financial Statements

	Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
III	**Present Value of Defined Benefit Obligation**		
	1 Present value of Defined Benefit Obligation at beginning of the year	1,029.35	997.16
	2 Current service cost	44.64	34.27
	3 Interest cost	84.86	77.56
	4 Past Service Cost	(1.82)	-
	5 Benefits paid and transfer out	(247.58)	(134.38)
	6 Employee Contributions	91.29	64.97
	7 Transfer in / (Out) Net	26.34	10.60
	8 Actuarial (gains) / losses	(27.73)	(20.83)
	9 Present value of Defined Benefit Obligation at the end of the year	999.35	1,029.35
IV	**Fair Value of Plan Assets**		
	1 Plan assets at the beginning of the year	946.39	924.05
	2 Return on plan assets including interest income	81.40	75.02
	3 Contributions by Employer	43.56	31.25
	4 Contributions by Employee	91.29	64.97
	5 Transfer in / (Out) Net	26.34	10.60
	6 Asset Gain /(Loss)	(0.55)	(25.12)
	7 Actual benefits paid	(247.58)	(134.38)
	8 Plan assets at the end of the year	940.85	946.39
V	**Amounts recognised in Other Comprehensive Income at period end**		
	Actuarial (Gain) / Loss on Liability	(27.73)	(20.83)
	Actuarial (Gain) / Loss on Plan assets	0.55	25.13
	Total Actuarial (Gain) / Loss included in Other Comprehensive Income	**(27.18)**	**4.30**

g) **Provident Fund managed by a trust set up by the Group**

	Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
VI	**Weighted Average duration of Defined Benefit Obligation**	10 years	10 years
VII	**The major categories of plan assets as a percentage of total plan**		
	1 Special deposits scheme	0%	0%
	2 Government Securities	50%	57%
	3 Debentures and Bonds	22%	13%
	4 Cash and Cash equivalent	15%	12%
	5 Mutual Fund	13%	18%
		100%	**100%**
VIII	**The assumptions used in determining the present value of obligation of the interest rate guarantee under deterministic approach are:**		
	1 Discounting rate	7.20%	6.75%
	2 Guaranteed interest rate	8.10%	8.50%

Notes to Consolidated Financial Statements

IX Sensitivity analysis for factors mentioned in actuarial asumptions (Refer Note (i) below)

₹ In Crore

	Particulars	As at March 31, 2023	As at December 31, 2021
1	Discount rate (1% movement)	997.12	1,024.55
2	Discount rate (1% decrease)	1,001.93	1,035.03
3	Interest rate guarantee (1% movement)	1,042.19	1,094.65
4	Interest rate guarantee (1% decrease)	979.44	995.40

Notes:

i) The sensitivity analysis presented above may not be representative of the actual change in the defined benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same as that applied in calculating the defined benefit obligation recognised in the Consolidated Balance Sheet. There was no change in the methods and assumptions used in preparing the sensitivity analysis from previous year.

ii) The Group expects to contribute ₹ 28.30 crore (December 31, 2021 - ₹ 29.50 crore) to the trust managed Provident Fund in next year.

Note 55 - Leases

A) Disclosure as per Ind AS 116:

a) Group as lessee

The Group's lease asset classes primarily consist of leases for grinding facility, godowns, flats, land, Plant and Equipment, office premises and other premises.

b) The movement in lease liabilities during the year is as follows :

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Opening	429.63	427.00
Additions during the year	139.82	55.39
Finance cost accrued during the period	27.88	24.59
Lease modification	-	(0.11)
Payment of lease liabilities	(142.91)	(78.67)
Unrealised loss	29.63	3.71
Termination of lease contracts	(9.03)	(2.28)
Closing	**475.02**	**429.63**
Current	60.52	67.11
Non-current	414.50	362.52
Total	**475.02**	**429.63**

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

₹ In Crore

Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Expense relating to short-term leases and low-value assets	165.95	127.54
Expense in respect of variable lease payments	55.55	42.03
Depreciation on right-of-use assets	110.66	62.07
Interest expense on lease liabilities	39.84	24.59
Total	**372.00**	**256.23**

d) The maturity analysis of lease liabilities are disclosed in Note 58 (C) - Liquidity risk

Notes to Consolidated Financial Statements

Note 56 - Related party disclosure

I) Name of related parties

A) Names of the related parties

Sr	Name	Nature of Relationship
1	Holcim Limited (Erstwhile LafargeHolcim Limited), Switzerland	Ultimate Holding Company (upto 15th September 2022)
2	Holderfin B.V, Netherlands	Intermediate Holding Company (upto 15th September 2022)
3	Holderind Investments Limited, Mauritius	Holding Company

B) Others, with whom transactions have taken place during the current year and /or previous year or has outstanding balance

i) Related parties

Sr	Name	Nature of Relationship
1	Holcim Group Services Limited, Switzerland	Fellow Subsidiary (upto 15th September 2022)
2	Holcim Technology Limited, Switzerland	Fellow Subsidiary (upto 15th September 2022)
3	Holcim Services (South Asia) Limited	Fellow Subsidiary (upto 15th September 2022)
4	Holcim Trading Pte Limited, Singapore (Erstwhile LafargeHolcim Trading Pte Ltd)	Fellow Subsidiary (upto 15th September 2022)
5	PT Holcim Indonesia Tbk., Indonesia	Fellow Subsidiary (upto 15th September 2022)
6	LafargeHolcim Bangladesh Ltd, Bangladesh	Fellow Subsidiary (upto 15th September 2022)
7	LafargeHolcim Energy Solutions S.A.S., France	Fellow Subsidiary (upto 15th September 2022)
8	Lafarge Holcim Global Hub Services Private Limited	Fellow Subsidiary (upto 15th September 2022)
9	Lafarge SA, France	Fellow Subsidiary (upto 15th September 2022)
10	Lafarge Africa PLC, Nigeria	Fellow Subsidiary (upto 15th September 2022)
11	Lafarge Umiam Mining Private Limited	Fellow Subsidiary (upto 15th September 2022)
12	Lafargeholcim Investment Co Ltd, China	Fellow Subsidiary (upto 15th September 2022)
13	Holcim Philippines, Inc., Philippines	Fellow Subsidiary (upto 15th September 2022)
14	Holcim International Services Singapore Pte Limited, Singapore (Erstwhile Lafarge International Services Singapore Pte Limited)	Fellow Subsidiary (upto 15th September 2022)
15	Holcim Trading Limited, Switzerland (Erstwhile LH Trading Ltd)	Fellow Subsidiary (upto 15th September 2022)
16	Lafarge Zementwerke GMBH	Fellow Subsidiary (upto 15th September 2022)
17	Lafarge Emirates Cement LLC,Fujairah AE	Fellow Subsidiary (upto 15th September 2022)
18	Adani Ports and Special Economic Zone Limited	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
19	Adani Power Maharashtra Limited	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
20	Adani Enterprises Limited	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
21	MPSEZ Utilities Limited	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
22	Adani Brahma Synergy Private Limited	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
23	Adani Wilmar Limited	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
24	Adani Petronet (Dahej) Port Limited	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
25	Adani Power Rajasthan Ltd	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
26	Adani Electricity	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)

Notes to Consolidated Financial Statements

Sr	Name	Nature of Relationship
27	Adani Power (Jharkhand) Limited	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
28	Adani Infra (India) Ltd	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
29	Adani Green Energy Ltd	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
30	Kutch Kopper Ltd	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
31	Mundra Windtech Limited	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
32	Mundrs Solar Technology L	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
33	Swayam Realtors & Traders LLP	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
34	Raighar Energy Generation Limited	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
35	Mundra Solar PV Ltd	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
36	Adani Gangavaram Port	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
37	Mundra Petrochem Ltd	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
38	Ocean Sparkle Ltd	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
39	Mumbai Travel Retail Pvt Ltd	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
40	Adani Sport Line Pvt Ltd	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
41	Belvedere Golf & Country Club Private Limited (BGCCPL)	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
42	Adani Solar Energy Jodhpur Two Ltd	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
43	M/s Kurmitar Iron Ore Mining	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
44	Adani Digital Lab Pvt Ltd	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
45	Adani Cement Industries Ltd	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
46	Adani Cementation Ltd	Entities over which key management personnel/their relatives having control / significant influence (w.e.f. September 16, 2022)
47	Asian Fine Cement Private Limited	Subsidiary of Asian Concretes and Cements Private Limited
48	Counto Microfine Products Private Limited	Joint Venture
49	Aakaash Manufacturing Company Private Limited	Associate of Subsidiary
50	Alcon Cement Company Private Limited	Associate of Subsidiary
51	Asian Concretes and Cements Private Limited	Associate of Subsidiary
52	Ambuja Cements Limited Staff Provident Fund Trust	Trust (Post-employment benefit plan)
53	Ambuja Cements Limited Employees Gratuity Fund Trust	Trust (Post-employment benefit plan)
54	The Provident Fund of ACC Limited	Trust (Post-employment benefit plan)
55	ACC Limited Employees Group Gratuity Scheme	Trust (Post-employment benefit plan)
56	Ambuja Cement Foundation	Trust (Corporate Social Responsibility Trust)
57	Ambuja Vidya Niketan Trust	Trust (Corporate Social Responsibility Trust)
58	Ambuja Hospital Trust	Trust (Corporate Social Responsibility Trust)
59	ACC Trust	Trust (Corporate Social Responsibility Trust)

Notes to Consolidated Financial Statements

ii) Key Management Personnel (KMP)

In accordance with "Ind AS 24 - Related Party Disclosures" and the Companies Act, 2013, following Personnels are considered as KMP.

Sr	Name	Nature of Relationship
1	Mr. Gautam S. Adani	Chairman and Non Executive, Non-Independent Director (with effect from 16th September 2022)
2	Mr. Karan Adani	Non-Executive and Non-Independent Director (with effect from 16th September 2022)
3	Mr. Maheshwar Sahu	Independent Director (with effect from 16th September 2022)
4	Mr. Rajnish Kumar	Independent Director (with effect from 16th September 2022)
5	Ms. Purvi Sheth	Independent Director (with effect from 16th September 2022)
6	Mr. Ameet Desai	Independent Director (with effect from 16th September 2022)
7	Mr. M. R. Kumar	Non-Executive, Non-Independent Director (with effect from 16th September 2022)
8	Mr. N.S. Sekhsaria	Principal Founder, Non Executive Chairman, Non Independent Director (upto 16th September 2022)
9	Mr. Jan Jenisch	Vice Chairman, Non Executive, Non Independent Director (upto 16th September 2022)
10	Mr. Martin Kriegner	Non Executive, Non Independent Director (upto 16th September 2022)
11	Mr. Christof Hassig	Non Executive, Non Independent Director (upto 16th September 2022)
12	Mr. Ramanathan Muthu	Non Executive, Non Independent Director (upto 16th September 2022)
13	Ms. Then Hwee Tan	Non Executive, Non Independent Director (upto 16th September 2022)
14	Mr. Ranjit Shahani	Non Executive, Non Independent Director (upto 16th September 2022)
15	Ms. Shikha Sharma	Non Executive, Independent Director (upto 16th September 2022)
16	Mr. Nasser Munjee	Non Executive, Independent Director (upto 16th September 2022)
17	Mr. Rajendra P. Chitale	Non Executive, Independent Director (upto 16th September 2022)
18	Mr. Shailesh Haribhakti	Non Executive, Independent Director (upto 16th September 2022)
19	Dr. Omkar Goswami	Non Executive, Independent Director (upto 16th September 2022)
20	Mr. Mario Gross	Non Executive, Non Independent Director (upto 16th September 2022)
21	Mr. Arun Kumar Anand	Non Executive, Non Independent Director (upto 16th September 2022)
22	Mr. Mahendra Kumar Sharma	Non Executive, Non Independent Director (upto 29th March 2022)
23	Mr. Praveen Kumar Molri	Non Executive, Non Independent Director (upto 17th March 2022)
24	Mr. Neeraj Akhoury	Managing Director & Chief Executive Officer (upto 16th September 2022)
25	Mr. Ajay Kapur	Whole-Time Director and Chief Executive Officer (With effect from 17th September 2022)
26	Ms. Rajani Kesari	Chief Financial Officer (upto 16th September 2022)
27	Mr. Rajiv Gandhi	Company Secretary (upto 15th December 2022)
28	Mr. Vinod Bahety	Chief Financial Officer (with effect from 17th September 2022)

II) Transactions with related party

A) Details of transactions relating to other related parties

₹ In Crore

Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
1 Purchase of goods		
Holcim Trading Limited, Switzerland (Erstwhile LH Trading Ltd)	770.98	366.04
Adani Enterprises Limited	16.10	-
Adani Power Rajasthan Ltd	0.24	-
Adani Petronet (Dahej) Port Pvt Ltd	0.04	-
Udupi Power Corporation Limited	0.03	-
	787.39	**366.04**

Notes to Consolidated Financial Statements

₹ In Crore

Particulars		For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
2	**Sale of Goods**		
	Adani Brahma Synergy Private Limited	0.20	-
	Adani Wilmar Limited	1.86	-
	Adani Ports and Special Economic Zone Limited	0.00	-
	Adani Power (Jharkhand) Limited	1.97	-
	Adani Infra (India) Ltd	0.87	-
	Adani Green Energy Ltd	7.80	-
	Kutch Kopper Ltd	2.48	-
	Mundra Windtech Limited	0.35	-
	Mundrs Solar Technology L	0.89	-
	Swayam Realtors & Traders LLP	0.51	-
	Raighar Energy Generation Limited	0.35	-
	Mundra Solar PV Ltd	0.18	-
	M/s Kurmitar Iron Ore Mining	0.08	-
	Adani Power Maharashtra Limited	1.46	-
	Udupi Power Corporation Limited	0.16	-
	Raipur Energen Limited	0.86	-
	Adani Estate Management Private Limited	1.39	-
	Adani Infrastructure And Developers	0.78	-
	Esteem Construction Private Limited	1.03	-
	Budhpur Buildcon Pvt Ltd	0.10	-
	Adani Wilmar Limited	0.12	-
	The Dhamra Port Company Limited	0.02	-
		23.45	**-**
3	**Sale of Fixed Asset**		
	Holcim Services (South Asia) Limited	0.01	-
4	**Receiving of services**		
	Holcim Services (South Asia) Limited	78.69	71.66
	Adani Enterprises Limited	30.78	-
	Holcim Technology Limited, Switzerland (Refer Note 49(c))	215.13	286.08
	Adani Electricity Mumbai Ltd.	0.32	-
	Adani Gangavaram Port Ltd.	1.42	-
	Ocean Sparkle Ltd	3.23	
	Adani Solar Energy Jodhpur Two Ltd	1.15	-
	Lafarge Holcim Global Hub Services Private Limited	31.43	42.55
	Adani Green Energy Limited	0.08	-
	Lafarge SA		0.37
	Lafarge Zementwerke GMBH	-	0.29
	Lafargeholcim Investment Co Ltd, China	0.01	0.86
	Holcim Group Services Limited, Switzerland	-	0.17
		362.24	**401.98**
5	**Rendering of services**		
	Holcim Services (South Asia) Limited	5.76	9.74
	Adani Ports and Special Economic Zone Limited	0.05	-
	MPSEZ Utilities Limited	0.02	-
	Adani Power Maharashtra Limited	1.94	-
	Mumbai Travel Retail Pvt Ltd	1.11	-
	Adani Enterprises Limited	2.06	-
		10.94	**9.74**

Notes to Consolidated Financial Statements

₹ In Crore

Particulars		For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
6	**Other recoveries**		
	Holcim Technology Limited, Switzerland	0.07	2.44
	LafargeHolcim Energy Solutions S.A.S., France	-	1.19
	Holcim Trading Limited, Switzerland (Erstwhile LH Trading Ltd)	1.89	0.02
	Lafarge Holcim Global Hub Services Private Limited	-	0.31
	Holcim International Finance Ltd	0.12	-
	Lafarge SA, France	0.08	-
	Adani Power Maharashtra Limited	7.62	-
	Ocean Sparkle Ltd	0.02	-
	Raigarh Energy Generation	0.10	-
	Adani Cement Industries Ltd	4.63	-
	Adani Cementation Ltd	0.01	-
		14.54	**3.96**
7	**Other payments**		
	LafargeHolcim Energy Solutions S.A.S., France	-	1.30
	Holcim Technology Limited, Switzerland	0.48	0.08
	Holcim Trading Limited, Switzerland (Erstwhile LH Trading Ltd)	3.27	-
	Lafarge SA, France	0.06	-
	Holcim International Services Singapore Pte Limited, Singapore (Erstwhile Lafarge International Services Singapore Pte Limited)	0.96	0.38
	Holcim Group Services Limited, Switzerland	-	0.20
	Adani Enterprises Limited	1.32	-
	Belvedere Golf and Country Club Private Limited (BGCCPL)	0.01	-
	Adani Digital Lab Pvt Ltd	0.40	-
	Udupi Power Corporation Limited (Settlement of arbitration matter)	13.14	-
	Adani Tracks Management Services Pv	0.02	-
		19.66	**1.96**
7	**Purchase of sponsorship rights**		
	Adani Sport Line Pvt Ltd	96.90	-
8	**Long term security deposit**		
	Adani Properties Pvt Ltd	32.00	-
	Adani Estate Management Private Limited	36.00	-
		68.00	**-**
9	**Lease premium for leasehold land**		
	Adani Properties Pvt Ltd	14.00	-
	Adani Estate Management Private Limited	15.00	-
		29.00	**-**
10	**Issue of share warrants**		
	Harmonia Trade and Investment Ltd (Refer Note 68)	5,000.03	-
		5,000.03	**-**
11	**Payment under long term supply arrangement**		
	Mundra Petrochem Ltd (Refer Note 14)	925.00	-
		925.00	**-**

Notes to Consolidated Financial Statements

B) Outstanding balances with fellow subsidiaries

₹ In Crore

	Particulars	As at March 31, 2023	As at December 31, 2021
1	**Amount receivable at the year end**		
	Holcim Services (South Asia) Limited	-	5.94
	LafargeHolcim Bangladesh Ltd	-	0.02
	Adani Ports and Special Economic Zone Limited	0.02	-
	Adani Wilmar Limited	0.16	
	MPSEZ Utilities Limited	0.01	-
	Adani Power Maharashtra Limited	7.50	-
	Adani Power (Jharkhand) Limited	0.13	-
	Adani Brahma Synergy Private Limited	0.09	-
	Adani Infra (India) Limited	0.47	-
	Mumbai Travel Retail Pvt Ltd	1.31	-
	Adani Green Energy Limited	1.50	-
	Kutch Copper Limited	0.73	-
	Mundra windtech Limited	0.35	-
	Mundra Solar Technology l	0.43	-
	Adani Gangavaram Port Pvt Ltd	0.29	-
	Raighar Energy Generation Limited	0.20	-
	Mundra Solar PV Ltd	0.23	-
	M/s Kurmitar Iron Ore Mining	0.10	-
	Adani Enterprises Limited	7.18	-
	Adani Power Rajasthan Limited	0.02	-
	Adani Estate Management Private Limited	36.78	-
	Adani Infrastructure And Developers	0.77	-
	Parsa Kente Collieries Ltd.	0.42	-
	Udupi Power Corporation Limited	0.09	-
	Raipur Energen Limited	0.48	-
	Esteem Construction Private Limited	0.05	-
	Adani Petronet (Dahej) Port Limited	0.15	-
	Adani Properties Pvt Ltd	32.00	-
	Budhpur Buildcon Pvt Ltd	0.06	-
	Raigarh Energy Generation	0.13	-
	Adani Cement Industries Ltd	4.63	-
	Adani Cementation Ltd	0.01	-
		96.29	**5.96**
2	**Amount payable at the year end**	-	
	Holcim Technology Limited, Switzerland	-	61.63
	Holcim Services (South Asia) Limited	-	7.49
	Holcim Trading Limited, Switzerland (Erstwhile LH Trading Ltd)	-	137.97
	Holcim Group Services Limited, Switzerland	-	0.02
	LafargeHolcim Energy Solutions S.A.S., France	-	1.21
	Lafarge SA, France	-	0.44
	LafargeHolcim Building Materials (China) Limited, China	-	1.57
	Lafargeholcim Investment Co Ltd, China	-	0.17
	Adani Enterprises Limited	0.10	-
	Adani Electricity Mumbai Ltd.	0.01	-
	Swayam Realtors&Traders LLP	0.01	-
	Ocean Sparkle Limited	0.39	-
	Adani Petronet (Dahej) Port Pvt Ltd	0.03	-
	Adani Electricity Mumbai Ltd.	0.01	-
	Adani Digital Lab Pvt Ltd	0.40	-
	Adani Solar Energy Jodhpur Two Ltd	1.15	-
	Adani Green Energy Limited	0.08	-
	Udupi Power Corporation Limited	13.14	-
	Adani Tracks Management Services Pvt Ltd	0.02	-
	LH Global Hub Services Private Limited	0.07	-
		15.41	**210.50**
3	Payment under long term supply arrangement		
	Mundra Petrochem Ltd (Refer Note 14)	925.00	-
		925.00	**-**

Notes to Consolidated Financial Statements

C) Transactions with holding company

₹ In Crore

Particulars		For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
1	**Dividend paid**		
	Holderind Investments Limited, Mauritius	**838.27**	**137.10**

D) Transactions with associates

₹ In Crore

Particulars		For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
1	**Purchase of goods**		
	Alcon Cement Company Private Limited	70.67	56.56
	Asian Concretes and Cements Private Limited	14.73	8.50
		85.40	**65.06**
2	**Sale of goods**		
	Alcon Cement Company Private Limited	23.73	16.19
	Asian Fine Cement Private Limited	-	0.93
		23.73	**17.12**
3	**Receiving of services**		
	Asian Concretes and Cements Private Limited	66.78	54.40
4	**Other recoveries**		
	Alcon Cement Company Private Limited	16.37	16.23
5	**Other payments**		
	Alcon Cement Company Private Limited	0.25	0.34
6	**Dividend received**		
	Alcon Cement Company Private Limited	0.55	0.43

F) Outstanding balances with associate company

₹ In Crore

Particulars		As at March 31, 2023	As at December 31, 2021
1	**Amount receivable at the year end**		
	Alcon Cement Company Private Limited	5.96	8.74
		5.96	**8.74**
2	**Amount payable at the year end**		
	Alcon Cement Company Private Limited	4.88	7.58
	Asian Concretes and Cements Private Limited	6.17	16.41
	Asian Fine Cement Private Limited	-	0.31
		11.05	**24.30**

Notes to Consolidated Financial Statements

G) Transactions with joint ventures

₹ In Crore

Particulars		For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
1	**Rendering of services**		
	Counto Microfine Products Private Limited	3.71	3.07
2	**Dividend Received**		
	Counto Microfine Products Private Limited	10.09	2.75
	Aakaash Manufacturing Company Private Limited	1.75	1.13
		11.84	**3.88**
3	**Purchase of Goods**		
	Counto Microfine Products Private Limited	1.89	0.55
	Aakaash Manufacturing Company Private Limited	197.09	126.44
		198.98	**126.99**
4	**Sale of goods**		
	Counto Microfine Products Private Limited	-	0.02
	Aakaash Manufacturing Company Private Limited	0.15	1.69
		0.15	**1.71**
5	**Other Payments**		
	Aakaash Manufacturing Company Private Limited	-	0.21
6	**Other Recoveries**		
	Aakaash Manufacturing Company Private Limited	5.79	-

H) Outstanding balances with joint ventures

₹ In Crore

Particulars		As at March 31, 2023	As at December 31, 2021
1	**Amount receivable at the year end**		
	Counto Microfine Products Private Limited	0.67	0.76
	Aakaash Manufacturing Company Private Limited	0.01	0.22
		0.68	**0.98**
2	**Amount payable at the year end**		
	Counto Microfine Products Private Limited	0.28	0.17
	Aakaash Manufacturing Company Private Limited	19.30	36.66
		19.58	**36.83**

I) Transactions with Key Management Personnel

₹ In Crore

Particulars		For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
1	**Remuneration (Refer Note (a) and (b) below)**		
	Mr. Neeraj Akhoury	22.48	11.54
	Ms. Rajani Kesari	6.81	6.15
	Mr. Rajiv Gandhi	3.21	1.41
	Mr. Ajay Kapur	3.35	-
	Mr. Vinod Bahety	2.53	-
		38.38	**19.10**
2	**Break-up of remuneration**		
	Short term employment benefit	35.15	18.18
	Post employment benefits	2.24	0.52
	Other long term benefits	0.99	0.12
	Employee share based payments (Refer Note 66)	-	0.28
		38.38	**19.10**

Notes to Consolidated Financial Statements

₹ In Crore

Particulars		For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
3	**Commission, sitting fees, advisory fees and other reimbursement**		
	Mr. N.S. Sekhsaria	0.18	0.54
	Mr. Martin Kriegner (Refer Note (g) below)	-	-
	Mr. Christof Hassig	0.17	0.23
	Mr. Nasser Munjee	0.23	0.45
	Mr. Rajendra P. Chitale	0.23	0.55
	Mr. Shailesh Haribhakti	0.22	0.42
	Dr. Omkar Goswami	0.24	0.45
	Mr. Jan Jenisch	0.15	0.23
	Ms. Then Hwee Tan	0.18	0.40
	Mr. Mahendra Kumar Sharma	0.07	0.38
	Ms. Shikha Sharma	0.19	0.41
	Mr. Ranjit Shahani	0.18	0.25
	Mr. Praveen Kumar Molri	0.05	0.23
	Mr. Ramanathan Muthu	0.17	0.23
	Mr. Mario Gross	0.10	-
	Mr. Arun Kumar Anand	0.12	-
	Mr. Maheshwar Sahu	0.18	-
	Mr. Rajnish Kumar	0.18	-
	Ms. Purvi Sheth	0.15	-
	Mr. Ameet Desai	0.17	-
	Mr. M. R. Kumar	0.12	-
		3.26	**4.77**
	Total	**41.64**	**23.87**

Notes:

a) Does not include provision towards gratuity and leave encashment which is provided based on actuarial valuation on an overall Company basis.

b) Remuneration includes performance incentive paid in respective year which is related to the performance of preceding year except to the extent of performance incentive to CEO being paid every six months as per agreement.

c) Contribution to Ambuja Cements Limited Staff Provident Fund Trust and The Provident fund of ACC Limited :

The Group is required to contribute a specified percentage of the employee compensation for eligible employees towards provident fund. During the year, the Group contributed ₹ 5.04 crore (December 31, 2021 - ₹ 5.79 crore) to ""Ambuja Cements Limited Staff Provident Fund"" and ₹ 34.08 crore (December 31, 2021 - ₹ 25.46 crore) to ""The Provident fund of ACC Limited""."

d) "Contribution to Ambuja Cements Limited Employees Gratuity Fund Trust and ACC limited Employees Group Gratuity scheme :

The Group maintains gratuity trust for the purpose of administering the gratuity payment to its employees. During the year, the Group has contributed ₹ NIL crore (December 31, 2021 - ₹ 5 crore) towards "Ambuja Cements Limited Employees Gratuity Fund Trust" and Nil (December 31, 2021 - NIL) "ACC limited Employees Group Gratuity scheme".

e) During the year the Company has contributed ₹ 63.62 crore (December 31, 2021 - ₹ 47.70 crore) to Ambuja Cement Foundation, ₹ 3.75 crore (December 31, 2021 - ₹ 5.98 crore) to Ambuja Vidya Niketan Trust, ₹ 3.81 crore (December 31, 2021 - ₹ 3.70 crore) to Ambuja Hospital Trust towards Corporate social responsibility obligations.

ACC Limited, the subsidiary during the year has contributed ₹ 3.00 crore (December 31, 2021 - ₹ 16.00 crore) to ACC Trust towards its Corporate social responsibility obligations.

During the year the Company has contributed ₹ 3.50 Crore (December 31, 2021 - Nil) to Adani Foundation towards Corporate social responsibility obligations.

f) The sales to and purchases from related parties are made on terms equivalent to those that prevail in arm's length

Notes to Consolidated Financial Statements

transactions. The Group has not recorded any loss allowances for trade receivables from related parties (December 31, 2021 - Nil).

g) Mr. Martin Kriegner has waived his right to receive Directors' commission and sitting fees.

h) Transaction with related parties disclosed are exclusive of applicable taxes.

i) During the year, on September 26, 2022, the Company had given a non-disposal undertaking ("NDU") for the shares held by it in its subsidiary, ACC Limited for certain financial indebtedness of the promoter/promoter group companies.The said NDU was subsequently released on November 23, 2022.

j) For undertaking given by Adani Enterprises Limited Refer Note 14

Note 57 - Financial instruments

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

A) Classification of financial assets and liabilities

₹ In Crore

Particulars	As at March 31, 2023		As at December 31, 2021	
	Carrying value	Fair value	Carrying value	Fair value
Financial assets				
a) Measured at amortised cost				
Cash and cash equivalents	313.66	313.66	10,499.96	10,499.96
Bank balances other than cash and cash equivalents	2,417.17	2,417.17	334.49	334.49
Trade Receivables	1,154.36	1,154.36	619.07	619.07
Loans	18.50	18.50	21.47	21.47
Investments in bonds	3.70	3.70	3.70	3.70
Other financial assets	11,035.30	11,035.30	1,972.41	1,972.41
	14,942.69	**14,942.69**	**13,451.10**	**13,451.10**
b) Measured at fair value through profit and loss (FVTPL)				
Investment in liquid mutual funds	230.21	230.21	858.53	858.53
Investment in unquoted equity instruments	23.90	23.90	23.90	23.90
	254.11	**254.11**	**882.43**	**882.43**
Total (a + b)	**15,196.80**	**15,196.80**	**14,333.53**	**14,333.53**
Financial liabilities				
a) Measured at amortised cost				
Trade payables	2,773.91	2,773.91	2,912.82	2,912.82
Other financial liabilities	2,120.35	2,120.35	2,002.29	2,002.29
Borrowings	47.71	47.71	46.94	46.94
	4,941.97	**4,941.97**	**4,962.05**	**4,962.05**
b) Measured at fair value through profit and loss (FVTPL)				
Foreign currency forward contract	0.78	0.78	3.26	3.26
Total (a + b)	**4,942.75**	**4,942.75**	**4,965.31**	**4,965.31**

B) Income and Expenses on Financial Instruments

Notes to Consolidated Financial Statements

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

₹ In Crore

Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Income on Financial Instruments		
Financial assets measured at cost		
Gain on sale of non-current investments	16.52	-
Financial assets measured at amortised cost		
Interest income	512.70	291.46
Impairment (loss)/gain on trade receivables (including reversals of impairment losses)	7.22	(9.52)
Financial assets measured at fair value through profit or loss		
Gain on sale of current financial assets	52.25	17.80
Net gain on fair valuation of liquid mutual fund	0.21	0.37
Total	**588.90**	**300.11**
Expenses on Financial Instruments		
Financial liabilities measured at amortised cost		
Net Exchange losses on revaluation or settlement of items denominated in foreign currency (trade payables)	36.20	5.33
Interest expenses on deposits from dealers	45.76	29.67
Interest expenses on borrowings	4.36	3.34
Interest expense on lease liability	30.56	24.59
Financial liabilities measured at fair value through profit or loss		
Net Loss/(Gain) on foreign currency forward contract	(9.93)	4.55
Total	**106.95**	**67.48**
Net Income recognised in the Consolidated Statement of Profit and Loss	**481.95**	**232.63**

C) Fair value measurements

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

a) Level 1

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

b) Level 2

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

c) Level 3

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

D) Fair value hierarchy

₹ In Crore

Particulars	Notes	As at March 31, 2023	As at December 31, 2021	Level	Valuation techniques and key inputs
Financial assets					
a) Measured at fair value through profit and loss (FVTPL)					
Investments in liquid mutual funds	17	230.21	858.53	1	Investment in liquid and short term mutual funds, which are classified as FVTPL are measured using net assets value at the reporting date multiplied by the quantity held.
Investment in unquoted equity instruments (other than joint ventures and associates)	10	23.90	23.90	3	Using discounted cash flow method.
Financial liabilities					
a) Measured at fair value through profit and loss (FVTPL)					
Foreign currency forward contract	37	0.78	3.26	2	The fair value of forward foreign exchange contract is calculated as the present value determined using forward exchange rates at the reporting date.

Notes:

a) There was no transfer between level 1 and level 2 fair value measurement.

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

In the opinion of Group the carrying amount of loans, other financial assets, trade receivables, cash and cash equivalents (excluding investments in liquid mutual funds), bank balances other than cash and cash equivalents, other financial liabilities (excluding derivative financial instruments) and trade payable recognised in the consolidated financial statement approximate their fair values largely due to the short-term maturities of these instruments.

c) Reconciliation of Level 3 fair value measurement of unquoted equity shares

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Opening Balance	23.90	9.00
Purchases during the year	-	14.90
Gain/(Loss)		
- in Other comprehensive income	-	-
- in profit and loss	-	-
- changes on purchase of equity shares	-	-
Closing Balance	**23.90**	**23.90**

Description of significant unobservable inputs to valuation:

Particular	Valuation techniques	Significant unobservable inputs	Sensitivity of the input to fair value
Investments in unquoted equity shares	Price of recent transaction (PORT)	Transaction price	5% (December 31, 2021: 5%) increase (decrease) in the transaction price would result in increase (decrease) in fair value by ₹ 1.20 crore (December 31, 2021 - ₹ 1.20 crore)

Note 58 - Financial risk management objectives and policies

Notes to Consolidated Financial Statements

The Group has a system-based approach to risk management, established policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks such as market risk, credit risk and liquidity risk that may arise as a consequence of its business operations as well as its investing and financing activities. Accordingly, the Group's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with applicable regulations.

All derivative activities for risk management purposes are carried out by specialist teams that have the appropriate skills, experience and supervision. It is the Group's policy that no trading in derivatives for speculative purposes shall be undertaken.

The Group's management is supported by a risk management committee that advises on financial risks and the appropriate financial risk governance framework for the Group. The risk management committee provides assurance to the Group's management that the Group's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Group's policies and risk objectives. The Board of Directors reviews policies for managing each of these risks.

A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks a) commodity price risk b) currency risk and c) interest rate risk. Financial instruments are affected by market risk comprise deposits, investments, trade payables.

The Group's investments are predominantly held in fixed deposits, liquid mutual funds and certificates of deposit. Mark to market movements in respect of the Group's investments are valued through the Consolidated Statement of Profit and Loss. Fixed deposits are held with highly rated banks, and are not subject to interest rate volatility.

Assumption made in calculating the sensitivity analysis

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. The analysis excludes the impact of movements in market variables on the carrying values of gratuity and other post-retirement obligations and provisions.

a) Commodity price risk

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

i) Optimizing the fuel mix, pursue longer term and fixed contracts where considered necessary (Refer Note 21).

ii) Consistent efforts to reduce the cost of power and fuel by using both domestic and international coal and petcoke.

iii) Use of alternative Fuel and Raw Materials (AFR) and enhancing the utilisation of renewable power including its onsite and offsite solar, wind, hydro power and Waste Heat Recovery System (WHRS).

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

b) Foreign currency risk

Foreign currency risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to change in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates primarily relate to import of raw materials, fuels and capital items. Based on sensitivity analysis, the Group has well defined forex exposure threshold limit approved by Board of Directors, beyond which all forex exposure are fully hedged.

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

₹ In Crore

As at March 31, 2023	USD	EUR	SEK	JPY	GBP	CHF
Trade Payable	599.34	16.17	0.06	-	0.02	0.10
Foreign exchange derivative contracts	(177.71)	(5.46)	-	-	-	-
Net exposure to foreign currency risk (liabilities)	421.63	10.71	0.06	-	0.02	0.10

₹ In Crore

As at December 31, 2021	USD	EUR	SEK	JPY	GBP	CHF
Trade Payable	422.76	9.25	0.44	1.19	0.01	0.25
Foreign exchange derivative contracts	(277.89)	-	-	-	-	-
Net exposure to foreign currency risk (liabilities)	144.87	9.25	0.44	1.19	0.01	0.25

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

	As at March 31, 2023		As at December 31, 2021	
Particulars	5% strengthening of ₹	5% weakening of ₹	5% strengthening of ₹	5% weakening of ₹
USD	21.08	(21.08)	7.24	(7.24)
EUR	0.54	(0.54)	0.46	(0.46)
TOTAL	**21.62**	**(21.62)**	**7.71**	**(7.71)**

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

c) 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 security deposit taken from its dealers.

Interest risk exposure

₹ In Crore

Particulars	Notes	As at March 31, 2023	As at December 31, 2021
Interest bearing			
Security deposit from dealers	37	1,199.75	1,293.24
Total		**1,199.75**	**1,293.24**
Interest rate sensitivities for unhedged exposure (Refer Note (i) below)			
Security deposit from dealers			
Impact of increase in 100 bps would decrease profit before tax by		12.00	12.93
Impact of decrease in 100 bps would increase profit before tax by		(12.00)	(12.93)

Note:

i) Interest rate sensitivity has been calculated assuming the borrowings outstanding at the reporting date have been outstanding for the entire reporting period.

B) Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments. The Group has no significant concentration of credit risk with any counterparty.

Financial assets for which loss allowance is measured using lifetime Expected Credit Losses (ECL)

Notes to Consolidated Financial Statements

₹ In Crore

Particulars	Notes	As at March 31, 2023	As at December 31, 2021
Trade receivables	16	75.39	81.45
Financial assets other than trade receivables			
Receivables which have significant increase in credit risk	12, 20	11.97	39.02
Long-term loans to joint operation	12	1.16	1.10
		13.13	**40.12**
Total		**88.52**	**121.57**

Financial assets other than trade receivables

The exposure to the Group arising out of this category consists of balances with banks, investments in liquid mutual funds (debt markets), incentives receivables from government and loans which do not pose any material credit risk. Such exposure is also controlled, reviewed and approved by the management of the Group on routine basis. There are no indications that defaults in payment obligations would occur in respect of these financial assets.

Credit risk on cash and cash equivalents, 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 credit rating agencies.

Investments of surplus funds are made only with approved financial Institutions. Investments primarily include investment in units of liquid mutual funds (debt market) and fixed deposits with banks having low credit risk.

Total non-current investments (other than subsidiaries and joint arrangements) and investments in liquid mutual funds as on March 31, 2023 are ₹ 27.60 crore and ₹ 230.21 crore (December 31, 2021 - ₹ 27.60 crore and ₹ 858.53 crore).

Balances with banks were not past due or impaired as at year end. Other than the details disclosed below, other financial assets are not past due and not impaired, there were no indications of default in repayment as at year end.

ACC Limited, a subsidiary of the Company (ACC), has manufacturing units in various states; mainly those in Maharashtra and Jharkhand are eligible for incentives under the respective State Industrial Policy. ACC accrued these incentives as refund claims in respect of VAT / GST paid, on the basis that all attaching conditions were fulfilled by the ACC and there was reasonable assurance that the incentive claims will be disbursed by the State Governments.

During the previous year, in view of the ACC's re-assessing the expected recovery period for incentives receivables, a charge of ₹ 128.92 crore due to time value of money computed based on the expected credit loss method is included in Other Expenses.

ACC is confident about the ultimate realization of the dues from the State Governments and there is no risk of default.

Trade receivable

Trade receivables consist 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. The exposure in credit risk arising out of major customers is generally backed either by bank guarantee, letter of credit or security deposits.

The Group's exposure and wherever appropriate, the credit ratings of its counterparties are continuously monitored and spread amongst various counterparties. Credit exposure is controlled by counterparty limits that are reviewed and approved by the management of the Group.

The Group does not have higher concentration of credit risks since no single customer accounted for 10% or more of the Company's net sales.

Total trade receivable as on March 31, 2021 is ₹ 1154.36 crore (December 31, 2021 - ₹ 619.07 crore).

Refer Note 16 for ageing of trade receivables.

Expected credit loss assessment

Notes to Consolidated Financial Statements

The Group has used a practical expedient by computing the expected loss allowance for financial assets based on historical credit loss experience and adjustments for forward looking information. As per simplified approach, the Group 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.

Movement in expected credit loss allowance of trade receivable

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Balance at the beginning of the year	76.41	85.93
Add: provided during the year	8.73	7.20
Less : amounts utilised	5.98	1.13
Less : reversal of provisions	3.77	15.59
Balance at the end of the year	**75.39**	**76.41**

C) Liquidity risk

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

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on undiscounted contractual payments.

₹ In Crore

Particulars	Carrying amount	Contractual maturities			
		Less than 1 year	1 - 5 Years	More than 5 year	Total
As at March 31, 2023					
Borrowings	47.71	14.12	40.50	-	54.62
Lease liability	475.02	97.76	310.31	214.94	623.01
Trade payables	2,773.91	2,773.91	-	-	2,773.91
Other financial liabilities (Refer Note (a) below)	2,121.13	2,121.13	-	-	2,121.13
Total	**5,417.77**	**5,006.92**	**350.81**	**214.94**	**5,572.67**
As at December 31, 2021					
Borrowings	46.94	3.59	46.16	8.47	58.22
Lease liability	429.63	76.98	269.91	203.22	550.11
Trade payables	2,912.82	2,912.82	-	-	2,912.82
Other financial liabilities (Refer Note (a) below)	2,005.55	2,005.42	0.13	-	2,005.55
Total	**5,394.94**	**4,998.81**	**316.20**	**211.69**	**5,526.70**

Note:

a) Other financial liabilities includes deposits received from customers amounting to ₹ 1,199.75 crore (December 31, 2021 - ₹ 1,128.43 crore). These deposits do not have a contractual re-payment term but are repayable on demand. Since, the Group does not have an unconditional right to defer the payment beyond 12 months from reporting date, these deposits have been classified under current financial liabilities. For including these amounts in the above mentioned maturity analysis, the Group has assumed that these deposits, including interest thereon, will be repayable at the end of the next reporting period. The actual maturity period for the deposit amount and the interest thereon can differ based on the date on which these deposits are settled to the customers.

Notes to Consolidated Financial Statements

Note 59 - Segment reporting

A) The principal business of the Group is of manufacturing and sale of cement and cement related products. The Management Committee of the Group, has been identified as the Chief Operating Decision Maker (CODM). The CODM evaluates the Group's performance, allocates resources based on analysis of the various performance indicators of the Group as a single unit. CODM have concluded that there is only one operating reportable segment as defined by IND AS 108 "Operating Segments", i.e. Cement and Cement Related Products.

B) Geographical Information

The Group operates in geographical areas of India (country of domicile) and others (outside India).

₹ In Crore

Particulars	Revenues from customers	
	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Within India	38,398.00	28,545.98
Outside India	0.01	2.10
Total	**38,398.01**	**28,548.08**

Notes:

a) All the non current assets are located within India.

C) Information about major customers

During the year ended March 31, 2023 and December 31, 2021, there is no single customer contributed 10% or more to the Group's revenue.

Note 60 - Financial information in respect of joint ventures and associates that are not individually material

a) Interest in joint ventures

The Group has interest in the following joint ventures which it considers to be individually immaterial. The Group's interest in the following joint ventures are accounted for using the equity method in the consolidated financial statements. Summarised financial information of the joint ventures, based on their financial statements, and reconciliation with the carrying amount of the investment in consolidated financial statements are set out below:

The Group's share in each joint ventures is as follows

Name of Joint Ventures	As at March 31, 2023	As at December 31, 2021
Direct joint venture		
Counto Microfine Products Private Limited	50.00%	50.00%
Joint venture of a subsidiary		
Aakaash Manufacturing Company Private Limited	40.00%	40.00%

Aggregate information of joint ventures that are not individually material

Particulars	As at March 31, 2023	As at December 31, 2021
The Group's share of profit / (loss) from continuing operations	16.98	10.57
The Group's share of other comprehensive income	-	0.08
The Group's share of total comprehensive income	16.98	10.65
The carrying amount of the investment	54.91	49.79

b) Interest in associates

The Group's interest in these associates is accounted for using the equity method in the consolidated financial statements. Summarised financial information of the associates, based on their financial statements, and reconciliation with the carrying amount of the investments in consolidated financial statements are set out below:

Notes to Consolidated Financial Statements

The Group's share in each associate is as follows :

Name of the associates	As at March 31, 2023	As at December 31, 2021
Associates of subsidiary		
Alcon Cement Company Private Limited	40.00%	40.00%
Asian Concretes and Cements Private Limited	45.00%	45.00%

Aggregate information of associates that are not individually material

Particulars	As at March 31, 2023	As at December 31, 2021
The Group's share of profit / (loss) from continuing operations	11.04	9.66
The Group's share of other comprehensive income	(0.07)	(0.08)
The Group's share of total comprehensive income	10.97	9.58
The carrying amount of the investment	131.14	120.72

c) Interest in joint operations

The Group has interest in a joint operation "Wardha Vaalley Coal Field Private Limited". The Group's interest are accounted on a line-by-line basis by adding together the book value of like items of assets, liabilities, income, expenses and cash flow in the Standalone Financial Statements of the Company. Summarised financial information of the joint operation is given below:

Particulars	As at March 31, 2023	As at December 31, 2021
Shareholding in %	27.27%	27.27%
Aggregate information of joint operation		
The Company's share of profit / (loss)	(0.11)	(0.11)
The Company's share of total comprehensive income	(0.11)	(0.11)

Note 61 - Financial information in respect of material partly-owned subsidiary

The Group has concluded that ACC Limited is the only subsidiary with material non-controlling interest. Financial information of ACC Limited is given below:

a) Proportion of equity interest held by non-controlling interest

Name of the Company	Principal place of business	As at March 31, 2023	As at December 31, 2021
ACC Limited	India	49.95%	49.95%

b) Summarised Consolidated financial information of ACC Limited

₹ In Crore

	Particulars	As at March 31, 2023	As at December 31, 2021
i)	**Non-controlling interest in ACC Limited**		
	Total comprehensive income allocated to non-controlling interest	456.32	933.38
	Accumulated balances of non-controlling interest	7,054.75	7,141.05
ii)	**Summarised Balance Sheet of ACC Limited**		
	Non-current assets	12,288.62	10,669.46
	Current assets	8,255.15	10,369.38
		20,543.77	**21,038.84**
	Non-current liabilities	760.81	720.62
	Current liabilities	5,641.01	6,006.04
	Non-controlling interest of ACC Limited	3.48	3.35
		6,405.30	**6,730.01**
	Equity attributable to owners of the parent	**14,138.47**	**14,308.83**
iii)	**Dividends paid to non-controlling interest of the Company in ACC Limited**	**544.02**	**131.32**

Notes to Consolidated Financial Statements

₹ In Crore

	Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
iv)	**Summarised Statement of Profit and Loss of ACC Limited**	22,552.07	16,358.38
	Income		
	Expenses		
	Cost of materials consumed	3,345.96	2,119.57
	Purchase of stock-in-trade	2,300.95	921.19
	Changes in inventories of finished goods, work-in progress and stock-in-trade	(193.19)	(174.25)
	Employee benefits expense	1,036.20	836.16
	Finance costs	77.28	54.62
	Depreciation and amortisation expense	841.32	600.68
	Power and fuel	5,742.72	3,364.77
	Freight and forwarding expense	5,140.24	3,822.99
	Other expenses	2,912.37	2,263.16
	Total expenses	**21,203.85**	**13,808.89**
	Profit before share of profit of associates and joint ventures, exceptional items and tax expenses	1,348.22	2,549.49
	Share of profit of associates and joint venture	16.15	11.65
	Profit before exceptional items and tax expenses	**1,364.37**	**2,561.14**
	Exceptional items	161.77	54.76
	Profit before tax	**1,202.60**	**2,506.38**
	Tax expense	317.39	643.28
	Profit for the year	**885.21**	**1,863.10**
	Other Comprehensive Income	30.96	5.43
	Total comprehensive income	**916.17**	**1,868.53**
	Profit attributable to owners of the company	885.07	1,862.99
	Profit attributable to non-controlling interest	0.14	0.11
	Total comprehensive income attributable to owners of the company	916.03	1,868.42
	Total comprehensive income attributable to non-controlling interest	0.14	0.11
v)	**Summarised Cash Flow Statement of ACC Limited**		
	Cash flow from Operating activities	(1,235.08)	2,835.49
	Cash used in Investing activities	(4,637.30)	(988.01)
	Cash used in Financing activities	(1,237.71)	(330.52)
	Net increase in cash and cash equivalents	**(7,110.09)**	**1,516.96**

Notes to Consolidated Financial Statements

Note 62 - Additional information as required by Paragraph 2 of the General Instructions for the preparation of consolidated financial statements under Division II of Schedule III to the Companies Act, 2013.

Name of the entity	Year	Share in net assets, (total assets minus total liabilities) ₹ In Crore	As % of consolidated net assets	Share in profit and loss ₹ In Crore	As % of consolidated profit or loss	Share in other comprehensive income ₹ In Crore	As % of consolidated other comprehensive income	Share in total comprehensive income ₹ In Crore	As % of consolidated total comprehensive income
Parent									
Ambuja Cements Limited	2022-23	28,505.54	73.44%	2,553.49	85.04%	(2.11)	-7.31%	2,551.38	84.16%
	2021	22,207.26	68.33%	2,080.54	56.06%	5.59	50.32%	2,086.13	56.05%
Subsidiaries - Indian									
ACC Limited	2022-23	14,043.00	36.18%	869.91	28.97%	31.05	107.55%	900.96	29.72%
	2021	14,228.43	43.78%	1,820.27	49.05%	5.44	48.96%	1,825.71	49.05%
M.G.T. Cements Private Limited	2022-23	(0.03)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)	0.00%
	2021	(0.02)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)	0.00%
Chemical Limes Mundwa Private Limited	2022-23	0.43	0.00%	(0.19)	-0.01%	-	0.00%	(0.19)	-0.01%
	2021	0.24	0.00%	(0.24)	-0.01%	-	0.00%	(0.24)	-0.01%
OneIndia BSC Private Limited (Refer Note 11 (b))	2022-23	13.93	0.04%	0.59	0.02%	-	0.00%	0.59	0.02%
	2021	13.34	0.04%	0.25	0.01%	-	0.00%	0.25	0.01%
Ambuja Shipping Services Limited (Refer Note (b))	2022-23	(60.84)	-0.16%	21.75	0.72%	-	0.00%	21.75	0.72%
Ambuja Resources Limited (Refer Note (b))	2022-23	1.00	0.00%	-	0.00%	-	0.00%	-	0.00%
Subsidiaries - Foreign									
Dang Cement Industries Private Limited	2022-23	-	0.00%	(0.34)	-0.01%	-	0.00%	(0.34)	-0.01%
	2021	-	0.00%	(0.83)	-0.02%	-	0.00%	(0.83)	-0.02%
Subsidiaries of Subsidiary - Indian									
Bulk Cement Corporation (India) Limited	2022-23	63.82	0.16%	2.56	0.09%	-	0.00%	2.56	0.08%
	2021	61.26	0.19%	1.94	0.05%	-	0.00%	1.94	0.05%
ACC Mineral Resources Limited	2022-23	90.75	0.23%	4.00	0.13%	-	0.00%	4.00	0.13%
	2021	86.76	0.27%	2.20	0.06%	-	0.00%	2.20	0.06%
Lucky Minmat Limited (Refer Note 65 (c))	2022-23	(3.91)	-0.01%	(0.82)	-0.03%	-	0.00%	(0.82)	-0.03%
	2021	(3.08)	-0.01%	(0.60)	-0.02%	-	0.00%	(0.60)	-0.02%
Singhania Minerals Private Limited	2022-23	(1.14)	0.00%	(0.20)	-0.01%	-	0.00%	(0.20)	-0.01%
	2021	(0.94)	0.00%	0.03	0.00%	-	0.00%	0.03	0.00%
Non-controlling interest in all subsidiaries	2022-23	7,058.35	18.18%	440.98	14.69%	15.46	53.55%	456.44	15.06%
	2021	7,145.03	21.99%	930.66	25.08%	2.71	24.39%	933.37	25.08%

Notes to Consolidated Financial Statements

Name of the entity	Year	Share in net assets, (total assets minus total liabilities) ₹ In Crore	As % of consolidated net assets	Share in profit and loss ₹ In Crore	As % of consolidated profit or loss	Share in other comprehensive income ₹ In Crore	As % of consolidated other comprehensive income	Share in total comprehensive income ₹ In Crore	As % of consolidated total comprehensive income
Joint ventures - Indian (accounted for using equity method)									
Counto Microfine Products Private Limited	2022-23	38.49	0.10%	12.17	0.41%	0.02	0.07%	12.19	0.40%
	2021	36.41	0.11%	8.71	0.23%	0.01	0.09%	8.72	0.23%
Aakaash Manufacturing Company Private Limited	2022-23	16.42	0.04%	4.79	0.16%	-	0.00%	4.79	0.16%
	2021	13.38	0.04%	1.94	0.05%	-	0.00%	1.94	0.05%
Associates of subsidiary - Indian (accounted for using equity method)									
Alcon Cement Company Private Limited	2022-23	19.90	0.05%	1.90	0.06%	-	0.00%	1.90	0.06%
	2021	18.55	0.06%	0.33	0.01%	-	0.00%	0.33	0.01%
Asian Concretes and Cements Private Limited	2022-23	111.24	0.29%	9.07	0.30%	-	0.00%	9.07	0.30%
	2021	102.17	0.31%	9.25	0.25%	-	0.00%	9.25	0.25%
Adjustments on consolidation	2022-23	(11,140.40)	-28.70%	(895.27)	-29.82%	(15.55)	-53.86%	(910.82)	-30.05%
	2021	(11,379.09)	-35.01%	(1,146.06)	-30.88%	(2.72)	-24.48%	(1,148.78)	-30.86%
Total equity	2022-23	38,816.39	100.00%	3,002.63	100.00%	28.87	100.00%	3,031.50	100.00%
	2021	32,498.77	100.00%	3,711.04	100.00%	11.11	100.00%	3,722.15	100.00%

Notes:

a) The above figures are from the Standalone Financial Statements of the respective companies and before eliminating intra group transactions and balances

b) The subsidiaries have been incorporated in the current financial year.

Note 63 - Goodwill on Consolidation

₹ In Crore

Particulars	As at March 31, 2023	As at December 31, 2021
Carrying amount as at beginning of the year	7,869.69	7,876.11
Impairment during the year (Refer Note 65 (c))	-	6.42
Net carrying value as at end of the year	**7,869.69**	**7,869.69**
Goodwill has been generated on account of the following acquisition over the years :		
ACC Limited (including its subsidiaries) (Refer Note (a) below)	7,846.50	7,846.50
Dirk India Private Limited	19.29	19.29
M.G.T. Cements Private Limited	2.72	2.72
Chemical Limes Mundwa Private Limited	1.18	1.18
Total	**7,869.69**	**7,869.69**

Notes:

a) In respect of goodwill of ACC Limited, for the purpose of impairment testing, the recoverable amount is determined based on fair value less cost of disposal as per the requirement of Ind AS 36. The fair value is computed based on market share price of equity share of ACC Limited, quoted on the stock exchange.

b) Based on the Group's assessment there is no further impairment of goodwill.

Note 64 - Coal Block

ACC Mineral Resources Limited (AMRL), through its joint operations had secured development and mining rights for four coal blocks allotted to Madhya Pradesh State Mining Corporation Ltd. These allocations stand cancelled pursuant to the judgment of Supreme Court dated August 25, 2014 read with its order dated September 24, 2014. The Government of India has commenced auctioning process for all such blocks in a phased manner. The auctioning for Bicharpur, being one of the four blocks, was completed, with the block being awarded to the successful bidder vide vesting order dated March 23, 2015. In respect of Bicharpur coal block, AMRL had filed a writ petition with the Delhi High Court against the compensation fixed by Ministry of Coal up to March 31, 2014. The Hon'ble Delhi High Court issued its judgment on March 09, 2017 wherein the court has said that "whatever has transpired after March 31, 2014 and goes towards affecting the quantum of compensation for mine infrastructure, must also be taken into account." Accordingly a fresh claim was filed with Ministry of Coal for re-imbursement of expenses incurred up to the date of vesting order. The decision / valuation of our claim by Ministry of Coal is awaited. In respect of other three blocks, auctioning dates are yet to be announced.

Note 65 - Notes related to Material subsidiary, ACC Limited

a) ACC Limited, a subsidiary of the Company, has arrangements with an associate company whereby it sells clinker and purchases cement manufactured out of such clinker. While the transactions are considered as individual sale / purchase transactions for determination of taxable turnover and tax under GST laws, considering the accounting treatment prescribed under various accounting guidance, revenue for sale (excluding GST) of such clinker of ₹ 23.73 crore (December 31, 2020 ₹ 16.15 crore) has not been recognised as a part of the turnover but has been adjusted against cost of purchase of cement so converted.

b) ACC Limited, a subsidiary of the Company, has arrangement with a joint venture company whereby it purchases Ready Mixed Concrete and sells that to external customers. While the transactions are considered as individual sale / purchase transactions for determination of taxable turnover and tax under GST laws, considering the Joint venture essentially operates as a risk bearing licensed manufacturer of Ready Mix Concrete in relation to the Group's local sales, this arrangement is considered in nature of royalty arrangement and revenue for sale (excluding GST) of such Ready Mix Concrete to customer of ₹ 197.09 crore (December 31, 2020 ₹ 126.19 crore) has not been recognised as a part of the turnover but has been adjusted against cost of purchase of Ready Mix Concrete.

c) The Group had invested ₹ 38.10 crore (December 31, 2021 - ₹ 38.10 crore) in equity shares of Lucky Minmat Limited (LML), a wholly owned subsidiary company. In view of no mining activity being carried out in view of on-going litigation on transfer of lease rights and amendments brought in to the Mines and Minerals (Development and Regulations) Amendment Act, 2021, the Group has reassessed the value of investments and accordingly, during the previous year ended December 31, 2021, goodwill on consolidation of ₹ 6.42 crore has been impaired.

Note 66 - Share Based Payment

a) **Description of plan - Holcim Performance Share Plan:**

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

b) During the year, 900 (December 31, 2021 - 15,000) performance share at fair value of ₹ 3,613 per share (December 31, 2021 - ₹ 4,426 per share) were granted and ₹ (0.48) crore (December 31, 2021 – ₹ 8.01 crore) is charged to the Consolidated Statement of Profit and Loss in respect of equity-based payments transactions with a corresponding credit to the capital contribution from parent under other equity.

Notes to Consolidated Financial Statements

c) Information related to the Performance Share Plan granted is presented below (in number)

₹ In Crore

Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Opening Balance	36,000	26,400
Add: Granted during the year	900	15,000
Add: Allotted during the year	23,933	-
Less: Forfeited during the year	12,967	5,400
Closing balance	**-**	**36,000**

d) Fair value of shares granted is determined based on the estimated achievement of Holcim Limited's (Erstwhile LafargeHolcim Limited) Earnings per Share, Return on Invested Capital and Sustainability indicators.

Note 67 - Merger of a Subsidiary

1) The National Company Law Tribunal of Ahmedabad and Mumbai have approved the scheme of merger of Dirk India Private Limited ("DIPL") (wholly owned subsidiary) with the Company w.e.f. January 01, 2020 (appointed date). The merger does not have any material impact on the consolidated financial statements.
2) Pursuant to the Scheme, the authorised equity share capital of the Group has been increased by the authorised equity share capital of the erstwhile DIPL.

Note 68 - Money received against Share Warrants

On October 18, 2022, pursuant to the shareholder's approval, the Company has allotted 477,478,249 warrants to Harmonia Trade and Investment Limited (a promoter group entity) by way of preferential issue at a price of ₹ 418.87 each aggregating to ₹ 20,001 crore and has received ₹ 5,000.03 crores (equivalent to 25% of the warrants issue price) These funds have been used for the purposes for which the funds were raised.

Each warrant is convertible into one equity share and the rights attached to warrants can be exercised at any time, within a period of eighteen months from the date of allotment of warrants.

Note 69 - Change in the financial year

The shareholders of the Company at the extra-ordinary general meeting held on 8th October 2022 have approved the change of financial year end from December 31 to March 31. In view of this, the current financial year is for a period of fifteen months i.e., January 01, 2022, to March 31, 2023 and, accordingly, the figures for the fifteen months financial ended March 31, 2023 are not comparable with the figures for the year ended December 31, 2021.

Note 70 - Exceptional Items

Exceptional items represent a) Special incentive for certain key employees, pursuant to change in the ownership and control b) One-time Information technology transition cost and c) Restructuring cost under voluntary retirement scheme as under:

₹ In Crore

Particulars	For the fifteen months ended March 31, 2023	For the year ended December 31, 2021
Special Incentive	42.61	-
Information technology transition cost	129.30	-
Restructuring cost	147.13	120.45
Total	**319.04**	**120.45**

Note 71

During the fifteen months ended March 31, 2023, a short seller report was published in which certain allegations were made involving Adani group companies. Writ petitions were filed in the matter with the Hon'ble Supreme Court ("SC"), and during hearing the Securities and Exchange Board of India ("SEBI") has represented to the SC that it is

Notes to Consolidated Financial Statements

investigating the allegations made in the short seller report for any violations of the various SEBI Regulations. The SC vide its order dated March 2, 2023, has also constituted an expert committee to investigate and also advise into the various aspects of existing laws and regulations, and also directed the SEBI to consider certain additional aspects in its scope. During the fifteen months ended March 31, 2023, and subsequent to March 31, 2023, Adani group companies have provided responses to various queries by the SEBI and the Stock Exchanges. The above-mentioned investigations are in progress as of date.

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

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

During the year, the Group had initiated capex plan to enhance its capacity through greenfield and brownfield expansions during the period and gave milestone payment to the EPC Contractor. In cognizance of above, the Group reassessed its strategy for capex program and decided to foreclose the EPC contract and recovered its advance of ₹ 2,003 crores (net of GST) without penalty.

Note 72

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

Note 73 - Code on social Security, 2020

The Code on Social Security, 2020 ('Code') relating to employee benefits during employment and post employment benefits received Presidential assent in September 2020. The Code has been published in the Gazette of India. However, the date on which the Code will come into effect has not been notified and the final rules/interpretation have not yet been issued. The Group will assess the impact of the Code when it comes into effect and will record any related impact in the period the Code becomes effective.

Note 74

During the year, the Group has received income tax refund of ₹ 373.15 crores (including interest of ₹ 126.54 crores) on account of order giving effect to ITAT orders for FY 2004-05 to FY 2011-12 and processing of returns u/s 143(1) of the Income Tax Act,1961 for FY 2016-17 and FY 2019-20.

Note 75

Figures below ₹ 50,000 have not been disclosed.

Note 76 - Other information

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

Notes to Consolidated Financial Statements

2 The Group have following outstanding with struck off companies under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956 :

Name of the Struck off companies	Nature of transactions with struck off Company	Transactions during the year ended March 31, 2023	Balance outstanding as on March 31, 2023	Transaction during the year ended December 31, 2021	Balance outstanding as on December 31, 2021	Relationship with the Struck off company
Bhp Infrastructure Pvt Ltd	Purchase of goods and services	-	-	0.06	-	Vendor
Narmada Road Carriers (P) Ltd *	Purchase of goods and services	-	-	-	-	Vendor
R V Briggs & Co	Purchase of goods and services	0.01	-	0.01	-	Vendor
Vishwakarma Projects India Pvt Ltd	Purchase of goods and services	0.03	(0.10)	-	(0.13)	Vendor
D R Interior Pvt Ltd	Purchase of goods and services	-	0.03	-	0.03	Vendor
Nero Hospitality Services Pvt Ltd *	Purchase of goods and services	-	-	-	-	Vendor
Param Engineering And Construction Pvt. Ltd.	Purchase of goods and services	-	0.01	-	0.01	Vendor
Amalgamated Wireless Pvt.Ltd. *	Purchase of goods and services	-	-	-	-	Vendor
Kulveer Metal Craft Pvt Ltd	Purchase of goods and services	0.06	-	-	0.22	Vendor
Rooflight Buildcon Pvt Ltd	Purchase of goods and services	-	0.01	-	0.01	Vendor
Anugrah madison advertising Pvt Ltd *	Purchase of goods and services	-	-	-	-	Vendor
Rajat hans logistics Pvt Ltd	Purchase of goods and services	-	0.01	-	0.01	Vendor
Tirupati balaji logistics Pvt Ltd	Purchase of goods and services	-	0.02	-	0.02	Vendor
Katashi engineering services Pvt Ltd	Purchase of goods and services	-	0.03	-	0.03	Vendor
Eco grow environmental services Pvt Ltd *	Purchase of goods and services	-	-	-	-	Vendor
Praxis El training & consulting Pvt Ltd *	Purchase of goods and services	-	-	-	-	Vendor
Sm mining machinery & equipment Pvt Ltd	Purchase of goods and services	-	0.02	-	0.02	Vendor
Pushap associates Private Limited*	Purchase of goods and services	-	-	-	-	Vendor
Kanuj envirotech Pvt Ltd *	Purchase of goods and services	-	-	-	-	Vendor
JS techmarine solutions Pvt Ltd	Purchase of goods and services	0.01	-	0.01	0.01	Vendor
Thiruvishnu sabarisha construction Pvt Ltd	Purchase of goods and services	-	0.01	-	-	Vendor
Vyp Engineering And Construction	Sale of goods and services	-	-	(0.01)	-	Customer
Shri Concrete Technology Pvt. Ltd.*	Sale of goods and services	-	-	-	-	Customer
Krishna Precast (I) Pvt. Ltd.*	Sale of goods and services	-	-	-	-	Customer
Sheth Infrabuild Ltd.	Sale of goods and services	-	-	0.01	-	Customer

Notes to Consolidated Financial Statements

Name of the Struck off companies	Nature of transactions with struck off Company	Transactions during the year ended March 31, 2023	Balance outstanding as on March 31, 2023	Transaction during the year ended December 31, 2021	Balance outstanding as on December 31, 2021	Relationship with the Struck off company
Tribhuja Construction Co. Pvt. Ltd.	Sale of goods and services	0.01	-	0.03	-	Customer
Ayaan Ashyiana Private Limited *	Sale of goods and services	-	-	-	-	Customer
Kabir Sahab Formations Private Limited	Sale of goods and services		-	0.29	-	Customer
Realearth Colonisers Pvt Ltd	Sale of goods and services	0.12	-	-	-	Customer
Catalan Infra Pvt. Ltd*	Sale of goods and services	-	-	-	-	Customer
Deep Star Tiles Pvt Ltd.*	Sale of goods and services	-	-	-	-	Customer
Garg Building Material Suppliers Pvt Ltd *	Sale of goods and services	-	-	-	-	Customer
Arnav ecumeneinfra Pvt Ltd *	Sale of goods and services	-	-	-	-	Customer
Kamakshi minakshi Construction Pvt Ltd	Sale of goods and services	-	-	0.01	-	Customer
Seturya infrastructures Pvt Ltd *	Sale of goods and services	-	-	-	-	Customer
Travel tendo Pvt Ltd *	Sale of goods and services	-	-	-	-	Customer
Gharcool building materials pvt Ltd	Sale of goods and services	-	-	0.06	-	Customer
Saibabaji steel and traders Pvt Ltd	Sale of goods and services	-	-	0.03	-	Customer
Glosson surface solutions Pvt Ltd*	Sale of goods and services	-	-	-	-	Customer
J S techmarine solutions Pvt Ltd	Sale of goods and services	-	-	0.03	-	Customer
Springfield forestry Pvt Ltd	Sale of goods and services	-	-	0.03	-	Customer

* Represents amount less than ₹ 50,000

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

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

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

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or

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

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

a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or

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

7 No entity in the Group has any transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

Notes to Consolidated Financial Statements

8 No entity in the Group has not been declared a wilful defaulter by any bank or financial institution or other lender (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the Reserve Bank of India.

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

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

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

As per our report of even date
For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No. 324982E/E300003

per GOVIND AHUJA
Partner
Membership Number : 048966

Mumbai
May 02, 2023

For and on behalf of the Board of Directors of Ambuja Cements Limited

GAUTAM S. ADANI
Chairman
DIN : 00006273

KARAN ADANI
Director
DIN : 03088095

AJAY KAPUR
Wholetime Director &
Chief Executive Officer
DIN - 03096416

VINOD BAHETY
Chief Financial Officer
Ahmedabad
May 02, 2023

PERFORMANCE TABLE

New Addition	Response
General disclosures	
Complaince with environmental laws and regulations	
report the total number of significant instances of non-compliance with laws and regulations during the reporting period, and a breakdown of this total by:	1
i. instances for which fines were incurred;	1
instances for which non-monetary sanctions were incurred;	0
report the total number and the monetary value of fines for instances of noncompliance with laws and regulations that were paid during the reporting period, and a breakdown of this total by:	
fines for instances of non-compliance with laws and regulations that occurred in the current reporting period	25Lakh
fines for instances of non-compliance with laws and regulations that occurred in previous reporting periods;	-
Policy and commitments	
Describe how it embeds each of its policy commitments for responsible business conduct throughout its activities and business relationships.	Installation of wheel washing system at the exit of the fly ash dykes

Employment practices	Units	2018	2019	2020	2021	Jan 2022- Mar 23
Environment						
Environmental Performance						
Number of plants (Cement, Grinding plants)	#	13	13	13	14	14
Plants certified by 3rd party for ISO:14001 EMS	#	13	13	13	13	13
Environmental investments	₹ crores	102	118	31	154	NR
Savings, cost avoidance, income, tax incentives, etc.	₹ crores	153	31	5	21	NR
Number of plants/quarries reporting non-compliance cases	#	Nil	Nil	Nil	Nil	1
Fines or penalties paid for environmental non-compliances	₹	0	0	0	0	25 Lakh
Clinker Production Details						
Clinker Produced	Tonnes	15,675,998	15,316,910	14,158,685	17,400,911	22,046,972
Clinker Consumed	Tonnes	15,808,639	15,529,918	14,377,385	16,308,019	21,150,623
Limestone-Own mines	Tonnes	22,412,489	22,049,486	20,084,455	25,047,566	32,817,918
Limestone Purchased	Tonnes	1,277,131	568,709	681,933	307,131	986,907
Total Limestone	Tonnes	23,689,620	22,618,195	20,766,388	25,354,697	33,804,918
Clay & Shale	Tonnes	534,998	570,698	616,836	736,159	1,091,597
Silica corrective (Sandstone, Silica sand, Bed Material, China Clay)	Tonnes	146,371	84,074	82,335	85,797	23,485
Gypsum used in Kiln Raw Mill (SO3-provider)	Tonnes	12,113	1,272	11,081	37,861	42,992
Iron correctives (Iron ore, Iron scales, Laterite, Blue dust, Mill scales, LD Sludge, Tailing Waste)	Tonnes	212,172	224,672	165,588	205,228	532,000
Alumina correctives (Bauxite, Flyash, Red ocre, Brown ocre, Low silica laterite)	Tonnes	156,880	212,648	196,682	290,624	644932
Bottom/Bed ash	Tonnes	27,293	13,599	18,703	22,807	78545
Cementitious Material produced	Tonnes	24,192,935	23,712,206	22,052,855	26,975,680	34,856,739
Cement Produced	Tonnes	24,325,576	23,925,304	22,271,555	25,882,788	33,960,390
OPC	Tonnes	2,427,930	2,628,100	2,287,536	2,753,041	4,144,238
Blended (PPC and Composite)	Tonnes	21,897,646	21,297,204	19,984,019	23,129,747	29,321,665
Total Gypsum Consumption	Tonnes	1,144,383	1,282,712	1,382,839	1,742,899	2,449,471
Natural Gypsum	Tonnes	709,570	795,359	961,902	1,341,655	1,026,496
Synthetic & Phospho Gypsum	Tonnes	434,813	487,353	420,937	401,311	1,422,975
Flyash/Chemical Additives	Tonnes	6,152,996	6,917,638	6,314,501	7,616,856	9,066,565
Slag	Tonnes	95,343	182,498	281,879	206,015	469,660

Employment practices	Units	2018	2019	2020	2021	Jan 2022- Mar 23
Total Raw Materials Used	Tonnes	55,766,446	54,543,703	50,321,341	61,447,692	79,399,895
Total Recycled Raw Materials used	Tonnes	6,984,154	7,855,910	7,116,411	8,536,826	10,959,199
% of Materials used that are Recycled Input Materials	%	12.52%	14.40%	14.14%	13.89%	13.80%
Alternative Material Rate	%	31.6	31.7	31.5	32	36.45
Clinker factor (average % of clinker in cement)	%	64.99	64.91	64.55	63.01	62.28
Share of Sustainable Products	%	90%	89%	90%	89%	86%
Revenue from Sustainable Products	%	92	89	89.5		88.10%
Sustainable Solutions Provided						
Instant Mix Proportion	No. of sites	36,647	43,433	14,721	14,824	24,578
Modular Curing System	No. of sites	9,078	7,714	2,391	1,994	3,283
Rain Water Harvesting System	No. of sites	282	893	253	100	106
Water Saved (Credit) at Customer Sites	m3	238,200	222,760	68,598	49,600	78,000
CO_2 emissions						
"Total Scope 1 Direct emissions (Absolute gross: cement & onsite power generation)"	Tonnes of CO_2	14,849,220	14,523,738	13,405,629	16,180,247	20,000,839
Total Scope 2 Indirect Emissions from Imported Electricity	Tonnes of CO_2	539,597	551,219	537,403	601,907	715,005
Total Scope 3 emissions	Tonnes of CO_2	1,932,218	1,973,623	1,755,911	1,938,531	3616818*
Number of Plants included in Scope-3 emissions	Tonnes of CO_2	13of13	16of16	16of16	16of16	16of16
CO_2 from Alternate Fossil Fuel						
Biomass (kiln & non-kiln fuels)	Tonnes of CO_2	176,348	156,599	126,038	180,010	227,458
Other Alternate Fossil Fuels	Tonnes of CO_2	152,876	167,498	142,687	161,658	251,051
Specific Net emissions (Scope-1)	(kg CO_2/t cementitious material)	614	613	608	600	573.8
Specific CO_2 from CPP	(kg CO_2/t cementitious material)	77.9	74.8	71.6	65	54
Specific Gross CO_2 emissions (Scope-1)	(kg CO_2/t cementitious material)	536	538	536	534.8	519.7
Specific Net CO_2 emissions (Scope-1)	(kg CO_2/t cementitious material)	530	531	531	528.8	512.6
Reduction in Net CO_2 per tonne of cementitious product (Scope-1) relative to base year 1990	%	31.40%	31.30%	31.20%	31.50%	33.60%
Specific CO_2 emissions (Scope-2)	(kg CO_2/t cementitious material)	22	23	24	22	21
Other atmospheric emissions						
Number of kilns reporting		9	9	9	10	10
Coverage rate of CEMS (for dust, NOx, SOx)		98	99	99	99	99
SOx emissions	Tonnes	1,029	1,031	974	1,966	3,372
NOx emissions	Tonnes	26,886	20,150	17,888	16,073	18,251
Dust emissions	Tonnes	530	371	507	466	505
Average Mercury (Hg) emissions	Tonnes	0.014	0.014	0.019	0.009	BDL
Average SOx specific concentration	g/tonne cementitious material	42.5	43	44	72.9	96.7

Employment practices	Units	2018	2019	2020	2021	Jan 2022- Mar 23
Average NOx specific concentration	g/tonne cementitious material	1,111.30	850	811	595.8	523.6
Average Dust specific concentration	g/tonne cementitious material	21.9	16	23	17.3	14.5
Energy						
Direct /Thermal Energy Consumption						
Kiln Fuel Consumption						
Coal	TJ	14,439	15,869	18,261	37,652	36,300
Petrol coke	TJ	32,534	30,741	25,323	13,765	27,422
Diesel oil	TJ	81	83	78	92	113
Alternative fossil and mixed fuels	TJ	1,904	2,032	1,494	2,071	3,190
Biomass fuels	TJ	895	613	406	714	1,085
Non-Kiln Fuel Consumption						
Coal	TJ	13,395	14,823	14,402	14,781	14,894
Petrol coke	TJ	3,296	1,658	1,295	750	3,033
(Ultra) heavy fuel, bitumen	TJ	40	35	82	15	16
Diesel oil	TJ	713	678	611	12	53
Alternative biomass fuels	TJ	748	834	917	893	978
Total Energy consumption from Fossil and other fuels	TJ	68,044	67,368	62,869	70,745	87,083
	MWh	18,901,043	18,713,323	17,463,736	19,651,445	24,189,722
Direct Energy Consumed from Wind & Solar Power Generation	Crore Units (Kwh)	0.94	0.97	1.76	1.99	3.30
	MWh	9,400	9,700	17,581	19,910	33000
	TJ	34	35	63	72	119
Electricity Purchased/Imported (Indirect Energy) (excl. Corp & mktg offices)	Crore Units (Kwh)	59	60	58	66	101
	MWh	585,278	599,151	584,167	661,437	1,005,633
	TJ	2,107	2,157	2,103	2,381	3,620
Total Direct & Indirect Energy Consumption from all sources	TJ	70,185	69,560	65,036	73,198	90,822
	MWh	19,495,721	19,322,174	18,065,485	20,332,792	25,750,000
Total Power Generation	MWh	1,328,759	1,292,962	1,172,722	1,330,346	2,588,731
WHR Power	MWh	31,461	35,317	35,538	44,125	124,000
Renewable Energy Generation	MWh	9,432	9,888	16,611	35,264	33,100
RE Certificates Purchased	MWh	0	65,506	0	189,910	76,719
Total RE Consumed (Purchased or Generated)	MWh	9,432	75,394	16,611	225,174	109,819
% of RE in total power generation	%	0.70%	0.80%	1.40%	2.70%	7.04%
% RE in total energy consumed	%	0.00%	0.40%	0.10%	1.10%	4.24%
Total installed RE capacity	MWh	29.39	29.39	34.53	34.53	34.53
Power and fuel expenses	₹ crore	2,549.69	2,586.42	2,251.91	3,421.01	6,012.91
Thermal energy efficiency	MJ/ton clinker	3,180	3,221	3,218	3,122	3,102
	KCal/Kg of Clinker	760	769.9	769.1	746.2	741.3
Electrical energy efficiency	Kwh/ton cement	76.63	77	77	74	72
Energy intensity based on Turnover	MWh/ thousand Cr	1,776	1,702	1,617	1,474	1,304
LDO consumption	Ltr/T of Clinker	0.13	0.141	0.136	0.141	0.158

Employment practices	Units	2018	2019	2020	2021	Jan 2022- Mar 23
Co-processed Waste (AF used)	Tonnes in lakhs	2.9	3.1	2.8	3.7	5.4
Thermal Substitution Rate (% thermal energy from alternative fuels)	%	5.61	5.36	4.17	5.13	6.36
		1864068889	1842248408	1714909735	1915326312	2459751056
Biodiversity and resources conservation						
Total number of quarries		10	10	10	14	21
Total land disturbed	Ha	1,607	1,618	1,719	1,966	1,609
Total rehabilitated area	Ha	154	164	169	200	135
Total land disturbed but not yet rehabilitated as presently used for working	Ha	832	716	1,550	1,732	1,472
Approved mining plans of local authorities (% sites)	%	100	100	100	100	100
% of sites with quarry rehabilitation plans in place	%	100	100	100	100	100
Biodiversity (#)						
Number of biodiversitysensitive sites		2	2	2	2	2
Number of biodiversitysensitive sites with Biodiversity Action Plans in place		2	2	2	2	2
Number of IUCN Red List species		1	1	1	1	1
		1	1	1	1	1
		3	4	4	8	8
		4	21	23	24	24
		175	175	175	222	222
Water						
Water Withdrawal						
From groundwater	m3	2,308,324	2,133,706	1,759,402	1,739,842	1,952,472
From surface water	m3	1,780,853	1,922,975	1,961,615	1,961,067	2,060,074
From harvested rainwater	m3	1,464,778	1,828,799	1,493,686	1,958,135	2,619,155
3rd party purchase/municipal water	m3	702,667	627,449	599,880	453,977	545,430
Total Water Withdrawn	m3	6,256,622	6,512,930	5,814,583	6,113,021	7,177,130
Recycled Water (from STP/ ETP/ RO Reject etc.)	m3	920,043	974,101	864,554	942,165	1,278,565
% of sites with water recycling	%	100	100	100	100	100
% of water recycled	%	15%	15%	15%	15%	18%
Total water discharge	m3	51,872	63,939	48,831	24,168	35,288
Total Net Freshwater Consumption	m3	4,739,972	4,620,191	4,272,066	4,130,718	4,522,687
Water Balance Index		6	8	8	8	8
Specific Operational Fresh Water withdrawal	lit/t cement	63	68	77	58	48.69
% of sites in water stressed area	%	23	30.7	39	39	39
Outbound Logistics / Dispatches						
Sea (Bulk Cement Ships)	Mil. Tonnes	3	3	3	3.1	3.9
Railways (railway/Rake)	Mil. Tonnes	6	6	5	6	7.4
Road (Trucks & Bulkers)	Mil. Tonnes	15	15	15	17	26
Total	Mil. Tonnes	24	24	22.2	26	34
Sea	%	12%	13%	12%	12%	12%
Rail	%	25%	24%	23%	23%	22%
Road	%	63%	63%	66%	65%	78%
Road Direct Dispatch	%	57%	55%	60%	57%	68%
Lead Distance	Kms	283	276	278	248	301

Employment practices	Units	2018	2019	2020	2021	Jan 2022- Mar 23
Waste management and recycling						
Hazardous waste generated	Tonnes	511	646	326	382	412
Non-hazardous waste generated	Tonnes	383,200	414,287	342,071	392,501	13,712
Total Waste disposed	Tonnes	73	45	24	54	37
Waste reused/recycled/sold		383,638	414,888	342,374	392,829	14,161
Waste Mgmt System Data Coverage (%)		100	100	100	100	100
Co-processed Waste (AF used)	Tonnes in lakh	2.9	3.1	2.8	3.7	5.4
Plastic Wastes Co-processed	Tonnes	69,082	94,570	83,138	126,095	205,823
HDPE Plastic bags used for cement packaging	Tonnes	32,008	34,839	33,368	35,677	31,319
Plastic Negative Index = Plastic Wastes Coprocessed/Plastic packaging bags	Tonnes	2.2	2.7	2.5	3.5	6.6
Total Waste Derived Resource consumed (Flyash, slag, AF,AR,Syn/phospho gypsum)	million tonnes	7.9	8.7	8.2	8.6	13

Employment practices	Units	2018	2019	2020	2021	Jan 2022- Mar 23
Social						
Number of Permanent Employees		5,058	5,068	4,923	4,723	4,361
Management staff		3,536	3,562	3,416	3,370	2,989
Non-Management staff		1,522	1,506	1,507	1,469	1,372
Male		4,940	4,943	4,798	4,586	4,252
Under 30 years of age		452	415	414	329	295
30-50 years of age		3,486	3,248	2,968	2,971	2,728
>50 years of age		1,002	1,280	1,416	1,286	1,229
Female		118	125	125	137	109
Under 30 years of age		36	36	39	47	42
30-50 years of age		72	78	73	77	54
>50 years of age		10	11	13	13	13
Female-Top management level		2	3	3	3	2
Female-Senior management level		3	1	1	3	64
Female-Middle management level		22	21	22	26	38
Number of temporary/ contractual/casual Employees		5,995	6,392	6,057	6,177	5,995
Male		5,972	6,364	6,030	6,151	5,972
Female		23	28	27	26	23
Number of Employees with Disability		21	6	11	10	11
New employee hires		376	555	142	342	654
Male < 30 years		189	243	48	125	250
Male 30-50 years		159	265	72	176	338
Male >50 years		11	13	9	9	30
Female < 30 years		13	19	7	23	31
Female 30-50 years		4	15	6	8	4
Female >50 years		0	0	0	1	1
Employee turnover (%)		12.36	10.8	6.36	8.76	14.58%
Notice given for operational changes		1 month	1 month	1 month	1 month	1 month
Employee Engagement Score		NA	NA	NA	NA	NA
Employee grievance procedures in place		Yes	Yes	Yes	Yes	Yes
Anonymous grievances submission		Yes	Yes	Yes	Yes	Yes
No. of training programs conducted (Total)		12,096	457	702	676	16787
Top Management Level		68	16	30	29	96
Senior Management Level		956	105	150	151	12,872

Employment practices	Units	2018	2019	2020	2021	Jan 2022- Mar 23
Middle Management Level		5457	164	238	236	3,809
Other org. levels (FML & Wage Board)		5615	172	284	260	10
Hours of training per employee	hrs / employee	18.05	6.3	11	8	13
Top Management Level	hrs / employee	2.68	7	5	4	4
Senior Management Level	hrs / employee	5.44	14	13	8	24
Middle Management Level	hrs / employee	4.28	17	13	9	6
Other organisational levels (FML & Wage Board)	hrs / employee	5.65	4	11	11	3
Ratio of % increase in annual total compensation for the highest-paid individual to the median % increase in annual total compensation for all employees		17.85	-1.36	0	1.2	NA
Ratio of Management level salary (Base) (Female:Male)			1.01	1.17	1.36	0.87

Environment Indicators	Units	2021	2020	2019	2018	Jan 22- Mar 23	
						Male	Female
Parental Leave							
No of people entitled	No		NR			4,252	109
"No. of employees who opted parental leave"	No	7	8	7	3	12	7
"No. of employees who resumed office after parental leave"	No	6	6	6	2	12	6
No. of employees who are still	No	1	2	1	1	0	0
Return to work rate	%					100%	86%
No. of people who continued to work 12 months post leave	No		NR			11	4
Retention rate	%					92%	57%

Employment practices	Units	2018	2019	2020	2021	Jan 2022- Mar 23
Health and Safety						
% of workforce represented by committees.	%	100	100	100	100	100
% Plants with joint health and safety committees	%	100	100	100	100	100
Plants certified with OHSAS 18000		All	All	All	All	All
Safety training Hours (Total)	Hours		93,409	71,726	78,976	18,731
Directly Employed (own and subcontractors)	Hours		9,657	9,482	18,322	17,143
Indirectly employed (3rd party service providers)	Hours		11,506	19,168	27,484	1,588
Drivers	Hours		72,246	43,076	33,170	NR
Total Fatalities		5	4	0	1	0
Employee Onsite		0	1	0	0	0
Employee Offsite		0	1	0	0	0
Contractor Onsite		2	0	0	1	0
Contractor Offsite		2	1	0	0	0
Third parties		1	1	0	0	0
Lost-time injury frequency rate (LTIFR)	#/million Hrs.	0.58	0.4	0.28	0.21	0.56
LTIFR Employee	#/million Hrs.	0.64	0.52	0.33	0.08	0.33
LTIFR Contractor Onsite	#/million Hrs.	0.54	0.34	0.25	0.26	0.62

Employment practices	Units	2018	2019	2020	2021	Jan 2022- Mar 23
Directly employed (Own & subcontractors onsite)		0.64	0.52	0.33	0.08	0.33
Indirectly employed (3rd party service providers on site)		0.54	0.34	0.25	0.26	0.63
Lost-time Incident Severity Rate (LTISR)		44.09	13.21	10.75	14.43	37.70
LTI & MTI		56	36	26		45
Occupational Diseased	Nos.	0	0	0	0	0
Occupational Illness Frequency Rate(OIFR)	number/ million work hrs.	0	0	0	0	0
Community involvement						
Community investments (Benefit to communities)	₹ Crore	53.46	62.57	53.97	64.41	73.28
Net New Direct Beneficiaries in the year	Number	307,997	166,967	113,301		26,534
Total number of beneficiaries in the year	Millions	2.4	2.6	2.7	2.8	2.5
Stakeholder engagement at local level:-Stakeholder dialogues, Need assessment. Stakeholder involvement in CSR planning, Community advisory panels, Community engagement plan.	% of sites	100	100	100	100	100
Employee Volunteering						
Total Hours	Hrs	1,832	1,044	229	2,826	NR
Paid Working Hours	Hrs	1,035	788	181	2,826	NR
Monetary value of Paid Working Hours	₹ million	0.29	0.22	0.05		NR

Economic Performance & Value Creation	Units	2018	2019	2020	2021	Jan 2022- Mar 23
Governance & Economic						
Net Sales	₹ crores	10,977	11,353	11,175	13,794	19,744
Direct Economic value generated	₹ crores	11,602	12,094	11744	14,185	12,098
Payments to providers of capital	₹ crores	380	381	3,657	1,342	1,251
Payments / Benefit to governments (taxes)	₹ crores	473	81	465	1,092	8,876
Direct economic value distributed	₹ crores	10,403	10,894	13,448	13,210	10,127
Economic Value Retained (=Economic Value generated - Economic value distributed)	₹ crores	1,199	1,200	-1,704	975	1,971
Operating costs	₹ crores	9,465	9,519	8,725	10,757	16,765
Suppliers						
Number of Suppliers		7,874	8,359	7,681	8,312	9,545
Number of local (Indian) suppliers		7,792	8,260	7,597	8,243	9,469
Number of foreign suppliers		82	99	84	69	76
% of suppliers identified as High Risk (for sustainability criteria aligned with Supplier Code of Conduct)		7%	6%	7%	5%	2%
Number of Suppliers screened through Self Assessment Questionnaire (social, environmental aspects)		553	518	518	441	NA
Total suppliers assessed during the year		767	1,548	1,547	1,095	250
No. of Suppliers with non compliance			96	116	165	5
No. of suppliers with action plan			72	62	81	15

Economic Performance & Value Creation	Units	2018	2019	2020	2021	Jan 2022- Mar 23
No. of suppliers showed performance improvement			58	56	47	25
Monetary value of payments made to suppliers	₹ crores	9,395	9,479	8,708	11,975	18,678
Proportion of spending on local suppliers		96	98	92	92	94
Expenditure on Raw Materials	₹ Crores					1664.57
Imported	%	3%	6%	3%	0%	2%
Indian	%	97%	94%	97%	100%	98%
Expenditure on Spares	₹ Crores					380.98
Imported	%	11%	18%	32%	10.40%	8%
Indian	%	89%	82%	68%	89.60%	92%
Government relations						
Political contribution	₹ crores	Nil	Nil	Nil	Nil	Nil
Total monetary value of financial assistance received from governments (grants, tax, reliefs and other finance benefits)	₹ crores	234	205	48	3	14.75
Customer Satisfaction						
Overall Net Promoter Score (NPS)	%	54%	59%	79%	81%	NR
Data coverage (e.g. as % of revenues, customers, etc.):	%	NA	30%	65%	63%	NR
Public Policy						
Contribution/spending to trade/ commerce/industry associations and initiatives	₹ million	1.9	1.1	0.73	8.7	NR

GRI INDEX

Statement of Use	Ambuja has reported in accordance with the GRI Standards for the period between January 01, 2022 - March 31, 2023
GRI 1 used	GRI 1: Foundation 2021
Applicable GRI Setor Standard(s)	None

GRI Standard No.	Disclosure	LOCATION Section	LOCATION Page No.
General Disclosures			
The organization and its reporting practices	2-1 Organizational details	About the Company	12
	2-2 Entities included in the organization's sustainability reporting	About the Report	2
	2-3 Reporting period, frequency and contact point		
	2-5 External assurance	About the Report	2
Activities and workers	2-6 Activities, value chain and other business relationships	About the Company	12
	2-7 Employees	Performance table	381
	2-8 Workers who are not employees		
Governance	2-9 Governance structure and composition	Governance Framework	90
	2-10 Nomination and selection of the highest governance body	Corporate Governance Report	150
	2-15 Conflicts of interest	Governance Framework	91
Strategy, policies and practices	2-22 Statement on sustainable development strategy	CEO's Message	11
	2-27 Compliance with laws and regulations	Governance Framework	90
Stakeholder engagement	2-29 Approach to stakeholder engagement	Stakeholder Enagagement	28-29
Material Topics			
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Materiality Assessment	30-31
	3-2 List of material topics		
Economic Performance			
GRI 201: Economic Performance 2016	3-3 Management of material topics	Financial Capital	36
	201-1 Direct economic value generated and distributed	Performance table	383
GRI 203: Indirect Economic Impacts 2016	3-3 Management of material topics	Social Capital	60
	203-1 Infrastructure investments and services supported	Performance table	383
GRI 204: Procurement Practices 2016	3-3 Management of material topics	Relationship Capital	74
	204-1 Proportion of spending on local suppliers	Performance table	383-384
GRI 205: Anti-corruption 2016	3-3 Management of material topics	Governance Framework	91
	205-3 Confirmed incidents of corruption and actions taken		
Environmental Performance			
GRI 302: Energy 2016	3-3 Management of material topics	Natural Capital	84-85
	302-1 Energy consumption within the organization	Performance table	379
	302-3 Energy intensity		
GRI 303: Water and Effluents 2018	3-3 Management of material topics	Natural Capital	86
	303-3 Water withdrawal	Performance table	379
	303-4 Water discharge		
	303-5 Water consumption		
GRI 304: Biodiversity 2016	3-3 Management of material topics	Natural Capital	87
	304-3 Habitats protected or restored		

GRI Standard No.	Disclosure	LOCATION Section	Page No.
GRI 305: Emissions 2016	3-3 Management of material topics	Natural Capital	82
	305-1 Direct (Scope 1) GHG emissions	Performance table	378
	305-2 Energy indirect (Scope 2) GHG emissions		
	305-3 Other indirect (Scope 3) GHG emissions		
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions		
GRI 306: Waste 2020	3-3 Management of material topics	Natural capital	88
	306-3 Waste generated	Performance table	381
	306-4 Waste diverted from disposal		
Social Performance			
GRI 401: Employment 2016	3-3 Management of material topics	Human capital	50
	401-1 New employee hires and employee turnover	Performance table	381-382
	401-3 Parental leave		
GRI 403: Occupational Health and Safety 2018	3-3 Management of material topics	Human capital	54
	403-1 Occupational health and safety management system	Human capital	54-56
	403-9 Work-related injuries	Performance table	382-383
GRI 404: Training and Education 2016	3-3 Management of material topics	Human capital	51
	404-1 Average hours of training per year per employee	Performance table	381-382
GRI 406: Non-discrimination 2016	3-3 Management of material topics	Human capital	50
	406-1 Incidents of discrimination and corrective actions taken	Business Responsibility and Sustainability Report	187
GRI 408: Child Labor 2016	3-3 Management of material topics	Business Responsibility and Sustainability Report	186-187
	408-1 Operations and suppliers at significant risk for incidents of child labor		187
GRI 409: Forced or Compulsory Labor 2016	3-3 Management of material topics	Business Responsibility and Sustainability Report	186-187
	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor		187
GRI 410: Security Practices 2016	3-3 Management of material topics	Business Responsibility and Sustainability Report	186-187
	410-1 Security personnel trained in human rights policies or procedures		187
GRI 413: Local Communities 2016	3-3 Management of material topics	Social Capital	60
	413-1 Operations with local community engagement, impact assessments, and development programs	Performance table	383

INDEPENDENT ASSURANCE STATEMENT

Independent Assurance Statement

The Directors and Management,
Ambuja Cements Limited
Adani Corporate House
Shantigram, S. G. Highway, Khodiyar, Ahmedabad - 382 421, Gujarat, India

Ambuja Cements Limited (hereafter 'ACL') commissioned TUV India Private Limited (TUVI) to conduct independent external assurance of non-financial information disclosed in ACL's Integrated Report (hereinafter 'the Report') based on the principles of the IIRC Integrated Reporting Framework and Global Reporting Initiative (GRI) standards. The reporting period runs from January 1, 2022, to March 31, 2023. This engagement comprised "limited assurance" of ACL's sustainability information following the ISAE 3000 (Revised) standard applied for assurance of the Report.

Management's Responsibility

ACL has developed the <IR> Report content and is responsible for identifying materiality, and related sustainability issues, establishing, reporting performance management, data management, and quality. The management of ACL is responsible for the information provided in the <IR> Report and the process of collecting, analysing, and reporting the information presented in web-based and printed Reports, including website maintenance and its integrity. The ACL's management is responsible for accurately preparing the <IR> Report following the applied criteria so that it is free of intended or unintended material misstatements. ACL will be responsible for archiving and reproducing the disclosed data for the stakeholders upon request.

Scope and Boundary

In particular, the assurance engagement included the following:

1. *Verification of the application of the Report content, and principles as mentioned in the Global Reporting Initiative (GRI) Standards, and the quality of information presented in the Report over the reporting period;*
2. *Review of the policies, initiatives, practices and performance described in the Report;*
3. *Review of the non-financial disclosures made in the Report against the requirements of the GRI Standards*
4. *Verification of the reliability of the GRI Standards Disclosure on environmental and social topics*
5. *Specified information was selected based on the materiality determination and needs to be meaningful to the intended users;*
6. *Confirmation of the fulfilment of the GRI Standards and IIRC framework*

TUVI has verified the below-mentioned disclosures given in the Report as per GRI Std 2021:

Topic	Indicator	GRI Disclosure
Governance	Governance structure and composition	2-9
Materiality	Disclosures on material topics	3-1 to 3-3
Economic	Procurement Practices	204-1
Water	Water withdrawal	303-3
	Water discharge	303-4
	Water consumption	303-5
Waste	Waste generated	306-3
	Waste diverted from disposal	306-4
Emissions	Direct (Scope 1) GHG emissions	305-1
	Energy indirect (Scope 2) GHG emissions	305-2
	Other indirect (Scope 3) GHG emissions	305-3
	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	305-7
Energy	Energy consumption within the organization	302-1
	Energy intensity	302-3
Employment	Employee hires and turnover	401-1
	Parental leave	401-3
Occupational health and safety	Work related injuries	403-9
	Occupational health and safety management system	403-1

Topic	Indicator	GRI Disclosure
Training and education	Training hours	404-1
Communities	Operations with local community engagement, impact assessments, and development programs	413-1

Onsite Assessment was performed for at one Integrated Cement Plant followed by remote verification (via Microsoft teams) for corporate function as below

1) *Integrated Cement Plants, Bhatapara, Chhattisgarh (date: 05 and 06 June 2023, onsite)*
2) *Corporate Sustainability Team, Ahmedabad, (date: 12 and 14/06/2023, remote)*

The reporting aspect boundaries are set out in the Report covering the sustainability performance of the ACL encompassing below sites.

Integrated Cement Plants with limestone mines: *1. Ambujanagar (Gujarat) 2. Darlaghat (Himachal Pradesh) 3. Maratha Cement Works (Maharashtra) 4. Rabriyawas (Rajasthan) 5. Bhatapara (Chhattisgarh) 6. Marwar (Rajasthan)*

Grinding Stations: *1. Roopnagar (Ropar) (Punjab) 2. Bathinda (Punjab) 3. Sankrail (West Bengal) 4. Roorkee (Uttarakhand) 5. Farakka (West Bengal) 6. Dadri (Uttar Pradesh) 7. Nalagarh (Himachal Pradesh) 8. Magdalla (Surat) (Gujarat).*

Limitations

TUVI did not perform any assurance procedures on the prospective information disclosed in the Report, including targets, expectations, and ambitions. Consequently, TUVI draws no conclusion from the prospective information. During the assurance process, TUVI did not come across any limitations to the agreed scope of the assurance engagement. TUVI is contracted by the ACL and answerable to the ACL's management only. TUVI verified the data on a sample basis; the responsibility for the authenticity of the data entirely lies with ACL. TUVI expressly disclaims any liability or co-responsibility in the case of erroneous data reported or for any decision a person or entity would make based on this assurance statement.

Our Responsibility

TUVI's responsibility in relation to this engagement is to perform assurance and to express a conclusion based on the work performed. Our engagement did not include an assessment of the adequacy or effectiveness of ACL's strategy, management of ESG-related issues, or sufficiency of the Report against the principles of the GRI Standards, and ISAE 3000 (Revised) standard, other than those mentioned in the scope of the assurance. TUVI's responsibility regarding this verification is in reference to the agreed scope of work, which includes non-financial quantitative and qualitative information (KPIs) disclosed by ACL. The intended users of this assurance statement are the management of 'ACL'. This assurance engagement is based on the assumption that the data and information provided to TUVI by ACL are complete and true.

Verification Methodology

During the assurance engagement, TUVI adopted a risk-based approach, focusing on verification efforts with respect to disclosed KPI's. TUVI has verified the KPIs and assessed the robustness of the underlying data management system, information flows, and controls. In doing so:

1. *TUVI examined and reviewed the documents, data, and other information made available by ACL for all disclosed KPIs (non-financial disclosures).*
2. *TUVI conducted interviews with key representatives, including data owners and decision-makers from different functions of the ACL, during the onsite verification.*
3. *Review the level of adherence to the principles of the GRI standards.*

Opportunities for Improvement

The following are the opportunities for improvement reported to ACL; however, they are generally consistent with the management's objectives and programme

i. An internal audit of ESG data can be conducted.
ii. ACL may consider embracing next-generation digital technologies such as the Internet of Things (IoT), blockchain, and artificial intelligence (AI) to automate and streamline plant maintenance and supply chain operations, resulting in increased efficiency and effectiveness;
iii. Internal carbon pricing can be established and utilized as instrument to appraise the renewable and less GHG intensive projects.

Our Conclusion

In our opinion, based on the scope of this assurance engagement, the "disclosures on ESG performance" and reference information provide a fair representation of the material topics and meet the general content and quality requirements of the GRI Standards.

Disclosures: TUVI is of the opinion that the reported disclosures generally meet the GRI Standards reporting requirements. ACL refers to universal disclosure to report contextual information, while the 'Management Approach' is discussed to report the management approach for each material topic.

Universal Standard: ACL followed GRI 1: Foundation 2021: Requirements and principles for using the GRI Standards; GRI 2: General Disclosures 2021: Disclosures about the reporting organisation. General Disclosures were followed when reporting information about an organisation's reporting practices, activities and workers, governance, strategy, policies, practices, and stakeholder engagement. GRI 3: Material Topics 2021: Disclosures and Guidance about the Organisation's Material Topics GRI3 was selected for the determination of material topics and the disclosure of the material topics.

Topic Specific Standard: 300 series (Environmental topics) and 400 series (Social topics); these Topic-specific Standards were used to report information on the organization's impacts related to environmental and social topics. TUVI is of the opinion that the reported material topics and Topic-specific Standards that ACL used to prepare its <IR> Report are appropriately identified and addressed.

Assurance Conclusion: Based on the procedures we have performed; nothing has come to our attention that causes us to believe that the information subject to the limited assurance engagement was not prepared in all material respects. In the context of Assurance, the following contemporary principles have been observed:

TUVI confirms that ACL has transparently reported major material information pertaining to all its six capitals in line with the <IR> framework, as below:

Financial Capital: net worth, capex, investment spent, the economic value generated, gross revenue, etc.

Manufactured Capital: Manufacturing facilities, R & D centres, new and improved products launched, new plants, buildings, infrastructure, etc.

Intellectual Capital: Knowledge-based intangibles, including intellectual property, R & D activities, patents, designs, registered new product development, etc.

Human Capital: ACL's Engineers, technicians, skilling and re-skilling of employees to enhance their competencies, safety performance, capabilities, experience, motivations to innovate, etc.

Social and Relationship Capital: ACL's relationship with stakeholders such as customers, business partners, regulators, suppliers, business partners, communities, legislators, policy-makers, and benefits associated with brand and reputation, along with ACL's ability to share information to enhance wellbeing.

Natural Capital: Sourcing responsibilities for most renewable and non-renewable environmental resources and processes that provide goods or services. Reporting of circular economy, emissions, water consumption, waste disposal, etc.

Independence: TUVI follows IESBA (International Ethics Standards Board for Accountants) Code which, adopts a threats and safeguards approach to independence. It is confirmed that the assurance team is selected to avoid situations of self-interest, self-review, advocacy and familiarity. The assessment team was safeguarded from any type of intimidation.

Quality control: The assurance team complies with the code of ethics for professional accountants issued by the IESBA, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. In accordance with International Standard on Quality Control, TUVI maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Assurance Team and Independence

TUVI is an independent, neutral third party providing sustainability services with qualified environmentaland social specialists. TUVI states its independence and impartiality and confirms that there is "no conflict of interest" with regards to this assurance engagement. In the reporting year, TUVI did not workwith ACL on any engagement that could compromise the independence or impartiality of our findings, conclusions, and recommendations. TUVI was not involved in the preparation of any content or data included in the Report, with the exception of this assurance statement. TUVI maintains complete impartiality towards any individuals interviewed during the assurance engagement.

For and on behalf of TUV India Private Limited

Manojkumar Borekar
Project Manager and Reviewer
Head – Sustainability Assurance Service

Date: 21-06-2023
Place: Mumbai, India
Project Reference No: 8121626560
www.tuv-nord.com/in

ACRONYM TABLE

Acronym	Meaning
ACL	Ambuja Cements Limited
AFR	Alternative fuels and raw materials
AMK	Ambuja Manovikas Kendra
B2B	Business to Business
B2B2C	Business to Business to Consumer
BOD	Board of Directors
BRM	Board risk management
CAPEX	Capital Expenditure
CCR	Central Control Room
CEO	Chief Executive Officer
CHRO	Chief Human Resources Officer
CO2	Carbon Dioxide
CPP	Captive power plant
Cr	Crore
CSMO	Chief Sales & Marketing Officer
CSO	Customer Service Officer
CSR	Corporate Social Responsibility
Cum	Cubic Meter
EBITDA	Earnings before interest, taxes, depreciation, and amortization
ESG	Environmental, Social and Governance
FPO	Farmer Producer Organisation
FRP	Fibre Reinforced Plastic
FY	Financial Year
GBC	Green Building Centre
GDP	Gross Domestic Product
GIS	Geographic information system
GPS	Global Positioning System
GRI	Global Reporting Initiative
GST	Goods and Services Tax
H&S	Health & Safety
IHB	Individual home builder
IT	Information technology
Kg	Kilogram
Kg/t	Kilogram/tonne
KPI	Key performance indicators
KVK	Krishi Vigyan Kendra
LTIFR	Lost time injury frequency rate

Acronym	Meaning
MANCOM	Management Committee
MCM	Million Cubic Meters
Mn	Million
MS	Management Staff
MSA	Master Supply Agreement
MT	Million Tonnes
MTPA	Million Tonnes Per Annum
N.A.	Not Applicable
NMS	Non Management Staff
No.	Number
NR	Not Reported
NOx	Nitrogen oxides
OT	Operational technology
Pg	Page
PMAY	Prime Minister Awas Yojana
R&D	Research & Development
RDF	Refuse Derived Fuel
RMX	Ready Mix Concrete
RRWHS	Rooftop Rainwater Harvesting Systems
SAIL	Super Assisted Intelligent Learning
SBTi	Science Based Targets initiative
SCARF	Status, Certainty, Autonomy, Relatedness, and Fairness
SD	Sustainable Development
SEDI	Skill & Entrepreneurship Development Institutes
SDGs	Sustainable Development Goals
SIEM	Security information and event management
SOC	Security operations centre
SOx	Sulphur oxides
TJ	Terajoule
TSR	Thermal substitution rate
VFS	Variable Frequency Drive
WDR	Waste Derived Resources
WASH	Water, sanitation and hygiene
WBCSD	World Business Council for Sustainable Development
WHRS	Waste Heat Recovery Systems
WTD	Whole Time Director

Notes

Notes

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