



24<sup>th</sup> July, 2022

BSE Limited  
Corporate Relationship Department  
Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai 400 001.  
**Scrip Code: 532538**

The Manager  
Listing Department  
The National Stock Exchange of India Limited  
"Exchange Plaza", Bandra-Kurla Complex,  
Bandra (East), Mumbai 400 051.  
**Scrip Code: ULTRACEMCO**

Dear Sirs,

**Sub: Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015  
Notice of Annual General Meeting and Annual Report for the year ended 31<sup>st</sup> March, 2022**

In terms of Regulation 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith the Notice of the 22<sup>nd</sup> Annual General Meeting of the Company along with the Annual Report for the financial year ended 31<sup>st</sup> March, 2022.

The aforesaid documents are being dispatched electronically to those Members whose email IDs are registered with the Company / KFin Technologies Limited, Registrar and Transfer Agents of the Company and the Depositories.

The Annual Report and AGM Notice is also uploaded on the Company's website and can be accessed at [www.ultratechcement.com](http://www.ultratechcement.com)

This is for your information and records please.

Thanking You,

Yours faithfully,

Sanjeeb Kumar Chatterjee  
Company Secretary

Encl: as above

Cc:

Luxembourg Stock Exchange  
BP 165 / L – 2011 Luxembourg  
Scrip Code:  
US90403E1038 and US90403E2028

Singapore Exchange  
11 North Buona Vista Drive, #06-07  
The Metropolis Tower 2, Singapore 138589  
ISIN Code:  
US90403YAA73 and USY9048BAA18



**UltraTech Cement Limited**

ADITYA BIRLA



UltraTech

## UltraTech Cement Limited

**Registered Office:** 'B' Wing, Ahura Centre, 2<sup>nd</sup> Floor, Mahakali Caves Road, Andheri (East), Mumbai 400 093  
**Tel No.:** 022-6691 7800 / 2926 7800, **Fax No.:** 022-6692 8109, **website :** [www.ultratechcement.com](http://www.ultratechcement.com)  
**CIN:** L26940MH2000PLC128420

### NOTICE

**NOTICE** is hereby given that the Twenty-Second Annual General Meeting of **UltraTech Cement Limited** will be held on Wednesday, 17<sup>th</sup> August, 2022 at 3:00 p.m. (IST) through video conferencing ("VC") / other audio-visual means ("OAVM"), to transact the items of business mentioned below:

#### **ORDINARY BUSINESS**

##### **Item no. 1:**

##### **Adoption of Audited Financial Statements**

To receive, consider and adopt:

- the Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2022 and the Reports of Directors' and Auditors' thereon.
- the Audited Consolidated Financial Statements for the financial year ended 31<sup>st</sup> March, 2022 and the Reports of Auditors' thereon.

##### **Item no. 2:**

##### **Declaration of Dividend**

To declare dividend on equity shares for the year ended 31<sup>st</sup> March, 2022.

##### **Item no. 3:**

##### **Appointment of Director**

To appoint a Director in place of Mr. Krishna Kishore Maheshwari (DIN: 00017572), who retires by rotation and being eligible, offers himself for re-appointment.

#### **SPECIAL BUSINESS**

##### **Item no. 4:**

**Ratification of the remuneration of the Cost Auditors viz. M/s. D. C. Dave & Co., Cost Accountants, Mumbai and**

##### **M/s. N. D. Birla & Co., Cost Accountants, Ahmedabad for the financial year ending 31<sup>st</sup> March, 2023**

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

**"RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Cost Auditors viz. M/s. D. C. Dave & Co., Cost Accountants, Mumbai and M/s. N. D. Birla & Co., Cost Accountants, Ahmedabad appointed by the Board of Directors of the Company to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2023 be paid the remuneration as set out below:

- M/s. D. C. Dave & Co., Cost Accountants, Mumbai – ₹ 17,50,000/- (rupees seventeen lakhs fifty thousand only)
- M/s. N. D. Birla & Co., Cost Accountants, Ahmedabad – ₹ 19,00,000/- (rupees nineteen lakhs only)

plus tax as applicable and reimbursement of out-of-pocket expenses.

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

**Item no. 5:**

**Re-appointment of Mr. Kailash Chandra Jhanwar (DIN: 01743559), Managing Director**

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

“**RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 and 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and other applicable Rules, if any, (“the Act”), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and other applicable provisions, if any, (including any statutory amendment or modification or re-enactment thereof for the time being in force), the relevant provisions of the Articles of Association of the Company and all applicable guidelines issued by the Central Government from time to time and subject to such other approvals, as may be necessary, consent of the Members be and is hereby accorded to the re-appointment of Mr. Kailash Chandra Jhanwar (DIN: 01743559) as Managing Director of the Company, for the period and upon the following terms and conditions including remuneration, with further liberty to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any Committee constituted / to be constituted by the Board) from time to time to alter the said terms and conditions of re-appointment and remuneration of Mr. Jhanwar in the best interests of the Company and as may be permissible at law, viz.:

**A. Period**

2 years w.e.f. 1<sup>st</sup> January, 2023 with the liberty to either party to terminate the appointment on three months’ notice in writing to the other.

**B. Remuneration**

- i. Basic Salary: ₹ 21,05,417/- (rupees twenty-one lakhs five thousand four hundred and seventeen only) per month with such increments as the Board may decide from time to time, subject however to a ceiling of ₹ 33,33,333/- (rupees thirty-three lakhs thirty-three thousand three hundred and thirty-three only) per month as Basic Salary.
- ii. Special Allowance: ₹ 21,78,428/- (rupees twenty-one lakhs seventy-eight thousand four hundred and twenty-eight only) per month with such increments as the Board may decide from time to time, subject however to a ceiling of ₹ 33,33,333/- (rupees thirty-

three lakhs thirty-three thousand three hundred and thirty-three only) per month. This allowance however, will not be taken into account for calculation of benefits such as Provident Fund, Gratuity, Superannuation and Leave encashment.

- iii. Annual Incentive Pay: Performance Bonus linked to the achievement of targets, as may be decided by the Board from time to time, subject to a maximum of ₹ 8,00,00,000/ (rupees eight crores only) per annum.
- iv. Long-term Incentive Compensation (LTIC) including Employee Stock Option, Restricted Stock Units, Performance Stock Units, Stock Appreciation Rights, Phantom Restricted Stock Units as per the Scheme applicable to the Executive Directors and / or Senior Executives of the Company and / or its Subsidiaries and / or any other Incentive applicable to Senior Executives of the Company / Aditya Birla Group, in such manner and with such provisions as may be decided by the Board.

**C. Perquisites**

- i. Housing: Company provided (furnished / unfurnished) accommodation and / or HRA in lieu of Company provided accommodation as per the Company’s Policy.
- ii. House Maintenance: Reimbursement of expenses at actuals pertaining to electricity, gas, water, telephone and other reasonable expenses for the upkeep and maintenance in respect of such accommodation as per the Company’s Policy.
- iii. Medical Expenses Reimbursement: Reimbursement of all expenses incurred for self and family (including domiciliary and medical expenses and insurance premium for medical and hospitalisation policy as applicable), as per the Company’s policy.
- iv. Life Insurance: Life Insurance cover as per the Company’s policy.
- v. Accidental Insurance: Accidental insurance cover as per the Company’s policy.
- vi. Leave Travel Expenses: Leave Travel Expenses for self and family in accordance with the Company’s policy.
- vii. Car: Two cars for use of Company’s Business as per the Company’s policy.
- viii. Other expenses: Entertainment, travelling and all other expenses incurred for the business of the Company as per the Company’s policy.

- ix. Contribution towards Provident Fund and Superannuation Fund and / or National Pension Scheme or Annuity Fund - as per the Company's policy.
  - x. Gratuity and / or contribution to the Gratuity Fund of the Company - as per the Company's policy.
  - xi. Club fees: Fees of One Corporate Club in India (including admission and annual membership fee).
  - xii. Other Benefits: Leave and related benefits as per the Company's policy.
  - xiii. Other Allowances / benefits, perquisites - any other allowances, benefits and perquisites as per the Rules applicable to the Senior Executives of the Company and / or which may become applicable in the future and / or any other allowance, perquisites as the Board may from time to time decide.
  - xiv. Any other one time / periodic retirement allowances / benefits as may be decided by the Board at the time of retirement.
  - xv. In case Mr. Kailash Chandra Jhanwar is elevated to the next higher level of the Company, the allowances, perquisites and benefits applicable to that level, will also apply to him.
  - xvi. Annual remuneration review is effective 1<sup>st</sup> July, as per the Company's policy.
- Any revision / change in allowance / perquisites relating to Company provided – furnished / unfurnished accommodation and /or HRA in lieu of Company provided accommodation / car or other allowances / perquisites, will be adjusted from the existing special allowance, subject to the ceiling as approved by the shareholders and as per the Company's policy.
- D. Subject as aforesaid, Mr. Jhanwar shall be governed by such other Rules as are applicable to the Senior Executives of the Company from time to time.
  - E. For the purposes of Gratuity, Provident Fund, Superannuation and other like benefits, if any, the service of Mr. Jhanwar, will be considered as continuous service with the Company from the date of his joining the Aditya Birla Group.
  - F. The aggregate of the remuneration and perquisites as aforesaid in any financial year shall not exceed the limit from time to time under Section 197, 198 and other applicable provisions of the Act read with Schedule V of

the Act or any statutory modifications or re-enactments thereof for the time being in force, or otherwise as may be permissible at law.

- G. When in any financial year, the Company has no profits or its profits are inadequate, the remuneration including the perquisites as aforesaid will be paid to Mr. Jhanwar in accordance with the applicable provisions of the Act read with Schedule V of the Act.
- H. The Nomination, Remuneration and Compensation Committee will review and recommend the remuneration payable to Mr. Jhanwar during the tenure of his appointment.
- I. Though considering the provisions of Section 188 of the Act and the applicable Schedule of the Act, Mr. Jhanwar would not be holding any office or place of profit by his being a mere director of the Company's subsidiaries / Joint Ventures, approval be and is hereby granted by way of abundant caution for him to accept the sitting fees / commission paid / payable to other directors for attending meetings of Board(s) of Directors / Committee(s) of subsidiaries / Joint Ventures of the Company or companies promoted by the Aditya Birla Group.
- J. Mr. Jhanwar shall not be subject to retirement by rotation during his tenure as the Managing Director of the Company. So long as Mr. Jhanwar functions as the Managing Director, he shall not be paid any fees for attending the meetings of the Board or any Committees thereof of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as may be deemed necessary in this regard."

**Item no. 6:**

**Adoption of the UltraTech Cement Limited Employee Stock Option and Performance Stock Unit Scheme 2022**

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

**"RESOLVED THAT** pursuant to applicable provisions of the Companies Act, 2013 (" the Act") and rules made thereunder; Regulation 6 and other applicable provisions, if any, of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB & SE Regulations"); the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; any rules, guidelines and

regulations issued by the Reserve Bank of India and such other laws, rules and regulations (including any statutory amendment(s) or modification(s) or re-enactment(s) thereof for the time being in force) as may be applicable (collectively, the “Applicable Laws”), the relevant provisions of the Articles of Association of the Company and further subject to such other approvals, consents, permissions and sanctions as may be necessary from the appropriate authorities or bodies and subject to such conditions and modifications as may be prescribed or imposed by the above authorities and which may be agreed to and accepted by the Board of Directors (hereinafter referred to as the “Board” which term shall be deemed to include any duly constituted committee, including the Nomination, Remuneration and Compensation Committee to exercise its powers conferred by this Resolution), consent of the Members be and is hereby granted for adoption of the ‘UltraTech Cement Limited Employee Stock Option and Performance Stock Unit Scheme 2022’ (“the Scheme 2022”), the salient features of which are furnished in the explanatory statement to the Notice and the same be implemented through the UltraTech Employees Welfare Trust (“the Trust”).

**RESOLVED FURTHER THAT** consent be and is hereby granted to the Board to create, grant, offer and issue in one or more tranches under the Scheme 2022, at any time to or for the benefit of the employees of the Company, whether working in India or outside India, including any managing or whole-time directors of the Company, its Group Company (ies) as defined in the SEBI SBEB & SE Regulations, including holding / subsidiary or associate company (ies), such number of stock options (comprising of options and / or performance stock units, as the case may be) (the “Stock Options”) exercisable into not more than 974,000 equity shares of ₹ 10/- each (“Equity Shares”) being 0.34% of the paid-up equity share capital of the Company as on 31<sup>st</sup> March, 2022 (or such other number adjusted in terms of the Scheme 2022 as per Applicable Laws), at such price, in one or more tranches and on such terms and conditions as may be fixed or determined by the Board in accordance with the SEBI SBEB & SE Regulations or other provisions of law as may be prevailing at that time.

**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issue, bonus issue, merger and sale of division or other reorganisation of capital structure of the Company, as applicable from time to time, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion and as permitted under Applicable Laws, so as to ensure a fair and reasonable adjustment to the Stock Options granted

earlier. Further, the above ceiling of 0.34% i.e. 974,000 Equity Shares shall be deemed to be increased to the extent of such additional equity shares issued.

**RESOLVED FURTHER THAT** in case the equity shares are either sub-divided or consolidated, then the number of Equity Shares to be transferred on exercise of Stock Options and the exercise price of Stock Options shall automatically stand augmented or reduced, as the case may be, in the same proportion as the present face value of ₹ 10/- per equity share bears to the revised face value of the equity shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the employees who have been granted Stock Options under the Scheme 2022.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to formulate, evolve, decide upon and implement the Scheme 2022 and determine the detailed terms and conditions of the aforementioned Scheme 2022 including but not limited to the quantum of Stock Options to be granted per employee in each tranche, the exercise period, the vesting period, the vesting conditions, instances where such Stock Options shall lapse and to grant such number of Stock Options, to such employees and directors of the Company and its group companies, including holding / subsidiary and associate company(ies), at such time and on such terms and conditions as set out in the Scheme 2022 and as the Board may in its absolute discretion think fit, subject to Applicable Laws.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient or proper and to settle all questions, difficulties or doubts that may arise in relation to formulation and implementation of the Scheme 2022 at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to make any modification(s), change(s), variation(s), alteration(s) or revision(s) in the Scheme 2022, as it may deem fit, from time to time or to suspend, withdraw or revive the Scheme 2022 from time to time in conformity with the provisions of the Act and rules made thereunder, the SEBI SBEB & SE Regulations and other Applicable Laws, provided such variation(s), amendment(s), modification(s) or alteration(s) is not detrimental to the interest of the employees who have been granted Stock Options under the Scheme 2022.”

**Item no. 7:**

**To approve extending the benefits of the UltraTech Cement Limited Employee Stock Option and Performance Stock Unit Scheme 2022 to the employees of the group companies, including holding, subsidiary and associate companies of the Company**

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

**“RESOLVED THAT** pursuant to applicable provisions of the Companies Act, 2013 (“the Act”) and rules made thereunder; Regulation 6 and other applicable provisions, if any, of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“SEBI SBEB & SE Regulations”); the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; any rules, guidelines and regulations issued by the Reserve Bank of India and such other laws, rules and regulations (including any statutory amendment(s) or modification(s) or re-enactment(s) thereof for the time being in force) as may be applicable (collectively, the “Applicable Laws”), the relevant provisions of the Articles of Association of the Company and further subject to such other approvals, consents, permissions and sanctions as may be necessary from the appropriate authorities or bodies and subject to such conditions and modifications as may be prescribed or imposed by the above authorities and which may be agreed to and accepted by the Board of Directors (hereinafter referred to as the “Board” which term shall be deemed to include any duly constituted committee, including the Nomination, Remuneration and Compensation Committee to exercise its powers conferred by this Resolution), consent of the Members be and is hereby accorded to the Board to extend the benefits and coverage of the Scheme 2022 (referred to in the resolution under item no. 6 of this Notice) to such persons who are in employment of any present and future group company of the Company including holding, associate and subsidiary company (ies) of the Company who is working in India or outside India, including any managing or whole-time director(s) (selected on the basis of criteria decided by the Board) under the Scheme 2022 in the manner mentioned in the resolution under item no. 6 of this Notice on such terms and conditions as may be fixed or determined by the Board in accordance with the SEBI SBEB & SE Regulations or other provisions of law as may be prevailing at that time.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its

absolute discretion, deem necessary, expedient or proper to settle any questions, difficulties or doubts that may arise in this regard.”

**Item No. 8:**

**To approve (a) the use of the trust route for the implementation of the UltraTech Cement Limited Employee Stock Option and Performance Stock Unit Scheme 2022 (“the Scheme 2022”); (b) secondary acquisition of the equity shares of the Company by the trust; and (c) grant of financial assistance / provision of money by the Company to the trust to fund the acquisition of its equity shares, in terms of the Scheme 2022**

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

**“RESOLVED THAT** pursuant to the provisions of Section 67 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and rules made thereunder and other applicable provisions, if any, of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“SEBI SBEB & SE Regulations”); the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; any rules, guidelines and regulations issued by the Reserve Bank of India and such other laws, rules and regulations (including any statutory amendment(s) or modification(s) or re-enactment(s) thereof for the time being in force) as may be applicable (collectively, the “Applicable Laws”), the relevant provisions of the Articles of Association of the Company and further subject to such other approvals, consents, permissions and sanctions as may be necessary from the appropriate authorities or bodies and subject to such conditions and modifications as may be prescribed or imposed by the above authorities and which may be agreed to and accepted by the Board of Directors (hereinafter referred to as the “Board” which term shall be deemed to include any duly constituted committee, including the Nomination, Remuneration and Compensation Committee to exercise its powers conferred by this Resolution), consent of the Members be and is hereby accorded to the Board to:

- (a) implement the UltraTech Cement Limited Employee Stock Option and Performance Stock Unit Scheme 2022 (the “Scheme 2022”) through the UltraTech Employees Welfare Trust (“the Trust”) in accordance with the SEBI SBEB & SE Regulations.
- (b) acquire, hold and deal in such number of equity shares of the Company, from the secondary market through the

Trust, not exceeding 974,000 fully paid-up equity shares of the Company of face value of ₹ 10/- each ("Equity Shares"), being below the ceiling of 5% of the paid-up equity share capital of the Company as on 31<sup>st</sup> March, 2022, as prescribed under the Applicable Laws.

- (c) extend an interest free financial assistance / provision of money to the Trust not exceeding an amount of ₹ 714 crores (rupees seven hundred and fourteen crores only) in accordance with the Applicable Laws, in one or more tranches, for acquisition of up to 974,000 Equity Shares of the Company from the secondary market through the stock exchanges, representing 0.34% of the paid-up equity share capital of the Company as on 31<sup>st</sup> March, 2022, for the purpose of implementation of the Scheme 2022, in accordance with the provisions of the Act and rules made thereunder and the SEBI SBEB & SE Regulations.

**RESOLVED FURTHER THAT** the Equity Shares that can be acquired from the secondary market in any financial year by the Trust shall not exceed 2% of the paid-up equity share capital (or such other limit as may be prescribed under the SEBI SBEB & SE Regulations from time to time) as at the end of the financial year preceding the date of the intended acquisition.

**RESOLVED FURTHER THAT** in case of any corporate action(s) such as rights issue, bonus issue, merger and sale of division or other reorganisation of capital structure of the Company, the number of Equity Shares of the Company to be acquired from the secondary market by the Trust shall be appropriately adjusted and to give effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may deem fit in its absolute discretion and as permitted under applicable laws, so as to ensure a

fair and reasonable adjustment to the Stock Options granted earlier. Further, the above ceiling of 0.34% equity shares shall be deemed to be increased to the extent of such additional Equity Shares issued.

**RESOLVED FURTHER THAT** the financial assistance / money provided by the Company to the Trust shall be repayable to and recoverable by the Company from time to time during the term of the Scheme 2022 subject to exercise price being paid by the employees on exercise of stock options and performance stock units under the Scheme 2022.

**RESOLVED FURTHER THAT** the trustees of the Trust shall ensure compliance of the provisions of the SEBI SBEB & SE Regulations, the Act and all other applicable laws at all times in connection with dealing with the equity shares of the Company including but not limited to maintenance of proper books of account, records and documents as prescribed.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to delegate all or any powers conferred herein, to any committee of directors, with power to further delegate such powers to any executives / officers of the Company to do all such acts, deeds, matters and things as also to execute such documents, writings, etc. as may be necessary in this regard."

By Order of the Board



Sanjeeb Kumar Chatterjee  
Company Secretary  
Membership No.: F4533

Place: Mumbai

Date: 22<sup>nd</sup> July, 2022

## NOTES:

- 1. An Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“the Act”) in respect of Item nos. 4 to 8 of the Notice set out above, is annexed hereto. The Board of Directors have considered and decided to include item nos. 4 to 8 as Special Business as they are unavoidable in nature. The relevant details as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (“Listing Regulations”) of persons seeking appointment / re-appointment as Directors is also annexed.**
2. Pursuant to General Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021 and 02/2022 dated 8<sup>th</sup> April, 2020, 13<sup>th</sup> April, 2020, 5<sup>th</sup> May, 2020, 13<sup>th</sup> January, 2021 and 5<sup>th</sup> May, 2022 respectively issued by the Ministry of Corporate Affairs (“MCA”) (collectively referred to as “MCA Circulars”) read with Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79, SEBI/HO/CFD/CMD2/CIR/P/2021/11 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 12<sup>th</sup> May, 2020, 15<sup>th</sup> January, 2021 and 13<sup>th</sup> May, 2022 respectively issued by the Securities and Exchange Board of India (collectively referred to as “SEBI Circulars”) companies are allowed to hold Annual General Meeting (“AGM”) through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC / OAVM.
3. The attendance of the Members attending the AGM through VC / OAVM will be counted for the purposes of reckoning the quorum under Section 103 of the Act.
4. The proceedings of the AGM shall be deemed to be conducted at the Registered Office of the Company i.e. ‘B’ Wing, Ahura Centre, 2<sup>nd</sup> Floor, Mahakali Caves Road, Andheri (East), Mumbai 400 093 which shall be the deemed venue of the AGM. The route map for the venue of the AGM is therefore not attached.
5. KFin Technologies Limited, (“KFin”), the Company’s Registrar and Transfer Agent will provide the facility for voting through remote e-voting; for participating at the AGM through VC / OAVM and for e-voting during the AGM.
6. Generally, a Member entitled to attend and vote at a meeting is entitled to appoint a proxy to attend and vote

on a poll instead of himself and the proxy need not be a Member of the Company. Since the AGM is being held through VC / OAVM, physical attendance of Members is dispensed with and consequently, the facility for appointment of proxies is not applicable. Hence proxy forms and attendance slips are not annexed to this Notice.

7. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, certificate from the Company’s Secretarial Auditors certifying that the Company’s ESOS Schemes are being implemented in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, will be available for inspection by the Members through electronic mode during the AGM.

The aforesaid documents along with documents referred to in the AGM Notice will also be available electronically for inspection by the Members, without payment of any fees, from the date of circulation of this Notice up to the date of AGM, i.e. Wednesday, 17<sup>th</sup> August, 2022. Members seeking inspection of the aforementioned documents can send an email to [agmutcl22@adityabirla.com](mailto:agmutcl22@adityabirla.com) with the subject line “**UltraTech Cement Limited 22<sup>nd</sup> AGM**”.

8. Corporate Members intending to authorise their representatives to attend the meeting pursuant to Section 113 of the Act, are requested to email certified copy of the Board / governing body resolution / authorisation etc. authorising their representatives to attend and vote on their behalf. The documents should be emailed to [narasimhan.b8@gmail.com](mailto:narasimhan.b8@gmail.com) and a copy marked to [evoting@kfintech.com](mailto:evoting@kfintech.com) with the subject line “**UltraTech Cement Limited 22<sup>nd</sup> AGM**”.
9. Members of the Company had approved the re-appointment of M/s. BSR & Co. LLP, Chartered Accountants, Mumbai (Registration No.:101248W/W-100022), and of M/s. KKC & Associates LLP (formerly Khimji Kunverji & Co. LLP), Chartered Accountants, Mumbai (Registration No.: 105146W/W100621) as the Statutory Auditors of the Company. In accordance with the provisions of the Act, the appointment of Statutory Auditors is not required to be ratified at every AGM.



## **DISPATCH OF ANNUAL REPORT, PROCESS FOR REGISTRATION OF EMAIL ID FOR OBTAINING COPY OF NOTICE AND ANNUAL REPORT:**

10. In accordance with the provisions of the MCA and SEBI circulars, the AGM Notice along with the Annual Report are being sent through email only to Members whose email IDs are registered with KFin; National Securities Depository Limited (“NSDL”) and / or Central Depository Services (India) Limited (“CDSL”) (collectively referred to as “Depositories” or “NSDL / CDSL”).
11. The AGM Notice and the Annual Report are available on the following weblink <https://www.ultratechcement.com/investors/financials>, the website of KFin <https://evoting.kfintech.com> and also on those of the BSE Limited [www.bseindia.com](http://www.bseindia.com) and the National Stock Exchange of India Limited [www.nseindia.com](http://www.nseindia.com).
12. Members who have still not registered their email IDs are requested to do so at the earliest.
  - Members holding shares in electronic mode can get their email ID registered by contacting their respective Depository Participant(s) (“DPs”).
  - Members holding shares in physical mode are requested to register their email ID with the Company or KFin, for receiving the AGM Notice and Annual Report. Requests can be emailed to [agmutcl22@adityabirla.com](mailto:agmutcl22@adityabirla.com) or [ultratech.ris@kfintech.com](mailto:ultratech.ris@kfintech.com) or [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) or by logging into <https://ris.kfintech.com/clientservices/mobileereg/mobileemailreg.aspx>.

We urge Members to support this Green Initiative effort of the Company and get their email ID registered.

## **PROCEDURE FOR JOINING THE AGM THROUGH VC / OAVM:**

13. Members will be able to attend the AGM through VC / OAVM or view the live webcast of the AGM at <https://emeetings.kfintech.com/> by using their remote e-voting login credentials and selecting the ‘Event’ for Company’s AGM.

Members who do not have the User ID and Password for e-voting or have forgotten the User ID and Password may retrieve the same by following the remote e-voting instructions mentioned in this Notice. Further, Members can also use the OTP based login for logging into the e-voting system.

14. Members may join the AGM through laptops, smartphones, tablets or ipads for better experience. Further, Members will be required to use internet with a good speed to avoid any disturbance during the AGM. Members will need the latest version of Chrome, Safari, MS Edge or Mozilla Firefox.

Please note that participants connecting from mobile devices or tablets or through laptops connecting via mobile hotspot may experience audio / video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any glitches.

Members will be required to grant access to the web-cam to enable two-way video conferencing.

15. Facility of joining the AGM through VC / OAVM shall open 30 minutes before the time scheduled for the AGM and shall be kept open throughout the AGM. Members will be able to participate in the AGM through VC / OAVM on a first-come-first-serve basis.

Large Members (i.e. Members holding 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, the Chairpersons of the Audit Committee, Nomination Remuneration and Compensation Committee and Stakeholders’ Relationship Committee, Auditors, etc. will not be subject to the aforesaid restriction of first-come-first-serve basis.

16. Institutional Members are encouraged to participate at the AGM through VC / OAVM and vote thereat.
17. Members, holding shares as on the cut-off date i.e. Wednesday, 10<sup>th</sup> August, 2022 and who would like to speak or express their views or ask questions during the AGM may register themselves as speakers at <https://emeetings.kfintech.com> and clicking on “Speaker Registration” during the period from Saturday, 13<sup>th</sup> August, 2022 (9.00 a.m. IST) upto Monday, 15<sup>th</sup> August, 2022 (3.00 p.m. IST). Those Members who have registered themselves as a speaker will only be allowed to speak / express their views / ask questions during the AGM. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate for smooth conduct of the AGM.

Alternatively, Members holding shares as on the cut-off date may also visit <https://emeetings.kfintech.com> and click on the tab ‘Post Your Queries’ and post their

queries / views / questions in the window provided, by mentioning their name, demat account number / folio number, email ID and mobile number. The window will open from Saturday, 13<sup>th</sup> August, 2022 (9:00 a.m. IST) up to Monday, 15<sup>th</sup> August, 2022 (3:00 p.m. IST).

18. Members who need assistance before or during the AGM, relating to use of technology, can contact KFin at 1800 309 4001 or write to them at [evoting@kfintech.com](mailto:evoting@kfintech.com).






#### **PROCEDURE FOR REMOTE E-VOTING AND VOTING DURING THE AGM:**

19. Members are requested to attend and participate at the ensuing AGM through VC / OAVM and cast their vote either through remote e-voting facility or through e-voting facility to be provided during AGM.
20. The facility of e-voting during the AGM will be available to those Members who have not cast their vote by remote e-voting. Members, who cast their vote by remote e-voting, may attend the AGM through VC / OAVM, but will not be entitled to cast their vote once again on the resolutions. If a Member casts votes by both modes i.e. voting at AGM and remote e-voting, voting done through remote e-voting shall prevail and vote at the AGM shall be treated as invalid.
21. In case of any query and / or assistance required, relating to attending the AGM through VC / OAVM mode, Members may refer to the Help & Frequently Asked Questions (“FAQs”) and ‘AGM VC / OAVM’ user manual available at the download Section of <https://evoting.kfintech.com> or contact Mr. S. V. Raju, Deputy Vice President - Corporate Registry or Mr. Satish Poojary, Senior Manager - Corporate Registry, KFin at the email ID [evoting@kfintech.com](mailto:evoting@kfintech.com) or call KFin’s toll free No.: 1800 309 4001 for any further clarifications / technical assistance that may be required.
22. In compliance with the provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the Listing Regulations read with SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9<sup>th</sup> December, 2020 relating to ‘e-voting Facility Provided by Listed Entities’ (“SEBI e-voting Circular”), the Company is pleased to provide to Members facility to exercise their right to vote on resolutions proposed to be considered at the AGM by electronic means

through e-voting services arranged by KFin. Members may cast their votes using an electronic voting system from a place other than the venue of the AGM (“remote e-voting”).

23. The remote e-voting period commences on Saturday, 13<sup>th</sup> August, 2022 (9:00 a.m. IST) and ends on Tuesday, 16<sup>th</sup> August, 2022 (5:00 p.m. IST). During this period, Members of the Company holding shares either in physical form or in demat form, as on the cut-off date i.e. Wednesday, 10<sup>th</sup> August, 2022 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by KFin for voting thereafter. Once the vote on a resolution is cast by a Member, the Member shall not be allowed to change it subsequently.
24. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
25. Any person holding shares in physical form and non-individual shareholders holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@kfintech.com](mailto:evoting@kfintech.com). In case they are already registered with KFin for remote e-voting, they can use their existing User ID and password for voting.
26. In terms of SEBI e-voting Circular, e-voting process has been enabled for all ‘individual demat account holders’, by way of a single login credential, through their demat accounts / websites of Depositories / DPs.
27. Individual Members having demat account(s) would be able to cast their vote without having to register again with the e-voting service provider (“ESP”) i.e. KFin, thereby not only facilitating seamless authentication but also ease and convenience of participating in the e-voting process. Members are advised to update their mobile number and e-mail ID with their DPs to access the e-voting facility.
28. The process and manner for remote e-voting and joining and voting at the AGM are explained below:
- A. Access to Depositories e-voting system in case of individual Members holding shares in demat mode.
  - B. Access to KFin e-voting system in case of Members holding shares in physical and non-individual Members in demat mode.
  - C. Access to join the AGM on KFin system and to participate and vote thereat.

**A. Access to Depositories e-voting system in case of individual Members holding shares in demat mode.**

Type of Member	Login Method
Individual Members holding securities in demat mode with NSDL	<b>1. Existing Internet-based Demat Account Statement (“IDeAS”) facility Users:</b>
	i. Visit the e-services website of NSDL <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a personal computer or on a mobile.
	ii. On the e-services home page click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. Thereafter enter the existing user id and password.
	iii. After successful authentication, Members will be able to see e-voting services under ‘Value Added Services’. Please click on “Access to e-voting” under e-voting services, after which the e-voting page will be displayed.
	iv. Click on company name i.e. ‘UltraTech Cement Limited’ or ESP i.e. KFin.
	v. Members will be re-directed to KFin’s website for casting their vote during the remote e-voting period and voting during the AGM.
	<b>2. Those not registered under IDeAS:</b>
	i. Visit <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> for registering.
	ii. Select “Register Online for IDeAS Portal” or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a> .
	iii. Visit the e-voting website of NSDL <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> .
	iv. Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholder / Member’ section. A new screen will open.
	v. Members will have to enter their User ID (i.e. the sixteen digit demat account number held with NSDL), password / OTP and a verification code as shown on the screen.
	vi. After successful authentication, Members will be redirected to NSDL Depository site wherein they can see e-voting page.
	vii. Click on company name i.e UltraTech Cement Limited or ESP name i.e KFin after which the Member will be redirected to ESP website for casting their vote during the remote e-voting period and voting during the AGM.
viii. Members can also download the NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience.	
	 <p style="text-align: center;">NSDL Mobile App is available on   App Store     Google Play      </p>
Individual Members holding securities in demat mode with CDSL	<b>1. Existing user who have opted for Electronic Access To Securities Information (“Easi / Easiest”) facility:</b>
	i. Visit <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a>
	ii. Click on New System Myeasi.
	iii. Login to Myeasi option under quick login.
	iv. Login with the registered user ID and password.
	v. Members will be able to view the e-voting Menu.
	vi. The Menu will have links of KFin e-voting portal and will be redirected to the e-voting page of KFin to cast their vote without any further authentication.
	<b>2. User not registered for Easi / Easiest</b>
	i. Visit <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a> for registering.
	ii. Proceed to complete registration using the DP ID, Client ID (BO ID), etc. iii. After successful registration, please follow the steps given in point no. 1 above to cast your vote.

	<b>3. Alternatively, by directly accessing the e-voting website of CDSL</b>
	i. Visit <a href="http://www.cdslindia.com">www.cdslindia.com</a>
	ii. Provide demat account number and PAN
	iii. System will authenticate user by sending OTP on registered mobile and email as recorded in the demat account.
	iv. After successful authentication, please enter the e-voting module of CDSL. Click on the e-voting link available against the name of the Company, viz. 'UltraTech Cement Limited' or select KFin.
	v. Members will be re-directed to the e-voting page of KFin to cast their vote without any further authentication.
Individual Members login through their demat accounts / Website of DP	i. Members can also login using the login credentials of their demat account through their DP registered with the Depositories for e-voting facility.
	ii. Once logged-in, Members will be able to view e-voting option.
	iii. Upon clicking on e-voting option, Members will be redirected to the NSDL / CDSL website after successful authentication, wherein they will be able to view the e-voting feature.
	iv. Click on options available against UltraTech Cement Limited or KFin.
	v. Members will be redirected to e-voting website of KFin for casting their vote during the remote e-voting period without any further authentication.

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

**Helpdesk for Individual Members holding securities in demat mode for any technical issues related to login through NSDL / CDSL:**

Login type	Helpdesk details
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: <b>1800 1020 990</b> and <b>1800 22 44 30</b>
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at <b>022- 23058738</b> or <b>022-23058542-43</b>

**B. Access to KFin e-voting system in case of Members holding shares in physical and non-individual Members in demat mode**

(1) Members whose email IDs are registered with the Company / DPs, will receive an email from KFin which will include details of e-voting Event Number ("EVEN"), USER ID and password.

They will have to follow the following process:

- i. Launch internet browser by typing the URL: <https://evoting.kfintech.com/>
- ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN xxxx, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if a Member is registered with KFin for e-voting, they can use their existing User ID and password for casting the vote.

- iii. After entering these details appropriately, click on "LOGIN".
- iv. Members will now reach password change Menu wherein they are required to mandatorily change the password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). The system will prompt the Member to change their password and update their contact details viz. mobile number, email ID etc. on first login. Members may also enter a secret question and answer of their choice to retrieve their password in case they forget it. It is strongly recommended that Members do not share their password with any other person and that they take utmost care to keep their password confidential.
- v. Members would need to login again with the new credentials.

- vi. On successful login, the system will prompt the Member to select the “EVENT” i.e., ‘UltraTech Cement - AGM” and click on “Submit”
  - vii. On the voting page, enter the number of shares (which represents the number of votes) as on the cut-off date under “FOR/AGAINST” or alternatively, a Member may partially enter any number in “FOR” and partially “AGAINST” but the total number in “FOR/AGAINST” taken together shall not exceed the total shareholding as mentioned herein above. A Member may also choose the option ABSTAIN. If a Member does not indicate either “FOR” or “AGAINST” it will be treated as “ABSTAIN” and the shares held will not be counted under either head.
  - viii. Members holding multiple folios / demat accounts shall choose the voting process separately for each folio / demat account.
  - ix. Voting has to be done for each item of the Notice separately. In case Members do not desire to cast their vote on any specific item, it will be treated as abstained.
  - x. A Member may then cast their vote by selecting an appropriate option and click on “Submit”.
  - xi. A confirmation box will be displayed. Click “OK” to confirm else “CANCEL” to modify. Once a Member has voted on the resolution(s), they will not be allowed to modify their vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- (2) Members whose email IDs are not registered with the Company/ DPs, and consequently the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, will have to follow the following process:
- i. Members who have not registered their email address, thereby not being in receipt of the Annual Report, Notice of AGM and e-voting instructions, may temporarily get their email address and mobile number submitted with KFin, by accessing the link: <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx>.
  - ii. Members are requested to follow the process as guided to capture the email address and mobile number for receiving the soft copy of the AGM Notice and e-voting instructions along with the User ID and Password. In case of any queries, Members may write to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).
  - iii. Alternatively, Members may send an email request at the email ID [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) along with scanned copy of the request letter, duly signed, providing their email address, mobile number, self-attested PAN card copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual Report, Notice of AGM and the e-voting instructions.
- After receiving the e-voting instructions, please follow all the above steps to cast your vote by electronic means.
- C. Access to join the AGM on KFin system and to participate and vote thereat.**
- i. Members will be able to attend the AGM through VC / OAVM platform provided by KFin. Members may access the same at <https://emeetings.kfintech.com/> by using the e-voting login credentials provided in the email received from the Company / KFin.
  - ii. After logging in, click on the Video Conference tab and select the EVEN of the Company.
  - iii. Click on the video symbol and accept the meeting etiquettes to join the meeting. Please note that Members who do not have the user id and password for e-voting or have forgotten the same may retrieve them by following the remote e-voting instructions mentioned above.
- Other Instructions:**
- I. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM.
  - II. Any person who acquires shares of the Company and becomes a Member of the Company after dispatch of the Notice of AGM and holding shares as of the cut-off date i.e Wednesday, 10<sup>th</sup> August, 2022 may obtain the User ID and Password in the manner as mentioned below:
    - a. If the mobile number of the Member is registered against Folio No. / DP ID Client ID, the Member may send SMS: MYEPWD<space>E-voting Event Number + Folio No. or DP ID Client ID to +91 9212993399

Example for NSDL: MYEPWD<SPACE>IN12345612345678

Example for CDSL: MYEPWD<SPACE>  
1402345612345678

Example for Physical: MYEPWD<SPACE>  
XXXX1234567890

- b. If email ID of the Member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.kfintech.com>, the Member may click 'Forgot password' and enter Folio No. or DP ID Client ID and PAN to generate a password.
  - c. Members may call KFin toll free number 1800 309 4001.
  - d. Members may send an email request to: [evoting@kfintech.com](mailto:evoting@kfintech.com). If the Member is already registered with the KFin e-voting platform then such Member can use his / her existing User ID and password for casting the vote through remote e-voting.
- III. The Board of Directors has appointed Mr. B. Narasimhan, Proprietor, BN & Associates, Company Secretaries or failing him, Mr. Anish Gupta, Partner, VKMG & Associates LLP, as a Scrutinizer to scrutinize the remote e-voting process and e-voting at the AGM in a fair and transparent manner.
- IV. The procedure for e-voting during the AGM is same as the instructions mentioned above for remote e-voting since the AGM is being held through VC / OAVM. The e-voting window shall be activated upon instructions of the Chairman of the AGM during the AGM. E-voting during the AGM is integrated with the VC / OAVM platform and no separate login is required for the same.
- V. The results declared along with the Scrutinizer's report will be forwarded to BSE Limited and National Stock Exchange of India Limited; be displayed at the Registered Office of the Company and simultaneously uploaded on the Company's website viz. [www.ultratechcement.com](http://www.ultratechcement.com) and that of KFin viz. <https://evoting.kfintech.com>.
- VI. KPRISM- Mobile service application by KFin:
- Members are requested to note that KFin has launched a mobile application - KPRISM and website <https://kprism.kfintech.com/app/> for online service to Members. Members can download the mobile application, register themselves (one time) for availing host of services viz., consolidated portfolio view serviced by KFin, dividend status and send requests for change of address, change / update bank mandate. Through the mobile application, Members can download annual reports, standard

forms and keep track of upcoming general meetings and dividend disbursements. The mobile application is available for download from Android Play Store.

#### **BOOK CLOSURE:**

29. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 4<sup>th</sup> August, 2022 to Wednesday, 17<sup>th</sup> August, 2022 (both days inclusive) for the purpose of payment of dividend, if any, approved by the Members.

#### **PAYMENT OF DIVIDEND:**

30. The dividend, as recommended by the Board of Directors, if approved at the AGM, will be paid on or after Thursday, 18<sup>th</sup> August, 2022 to those Members, whose names are registered in the Company's Register of Members:
- a) as Beneficial Owners as at the end of business on Wednesday, 3<sup>rd</sup> August, 2022 as per the lists to be furnished by NSDL and CDSL in respect of the shares held in electronic form, and
  - b) whose names appear as Members in the Register of Members of the Company in physical form which are maintained with KFin having their address at Selenium Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500032 on Wednesday, 3<sup>rd</sup> August, 2022.

The Company shall make the payment of dividend to those Members directly in their bank accounts whose bank account details are available with the Company and those who have given their mandate for receiving dividends directly in their bank accounts through the National Electronic Clearing Service ("NECS").

In case, the Company is unable to electronically transfer the dividend to any Member due to non-availability of their bank account details, the Company shall dispatch the dividend warrant to them by post.

Equity shares that may be allotted upon exercise of stock options granted under the Employee Stock Option Scheme - 2013 before the book closure date shall rank *pari passu* with the existing equity shares and shall also be entitled to receive the dividend, if approved at the AGM.

31. In order to be able to receive the dividend amount expeditiously and also eliminate the risks associated with fraudulent encashment of warrants, Members are

advised to avail of the facility for receipt of dividend through NECS.

In order to receive the dividend without any delay, Members holding shares in physical form are requested to submit particulars of their bank accounts in 'Form ISR - 1' along with the original cancelled cheque bearing the name of the Member to KFin / Company to update their bank account details. The Form ISR-1 can be downloaded from the Company's website at <https://www.ultratechcement.com/investors/useful-information#forms>.

Members holding shares in electronic form are requested to contact their respective DPs for availing NECS facility.

Members who hold shares in electronic form and want to change / correct the bank account details should send the same immediately to their concerned DP and not to the Company. Members are also requested to give the MICR Code of their bank to their DPs. The Company will not entertain any direct request from such Members for change of address, transposition of names, deletion of name of deceased joint holder and change in the bank account details. The said details will be considered, as will be furnished by the Depositories to the Company.

32. The Listing Regulations specifies companies to use any of the approved electronic payment facility such as NECS or RTGS etc. for making payments to Members. The Company or KFin is required to maintain bank details of the Members as follows:
- for Members holding securities in dematerialised form, the Company shall seek relevant bank details from the Depositories.
  - for Members holding securities in physical mode, the Company shall maintain updated bank details from their end.

#### **DEDUCTION OF TAX AT SOURCE ON DIVIDEND:**

33. In terms of the provisions of the Income Tax Act, 1961, dividend shall be taxed in the hands of Members at applicable rates of tax, if the amount of dividend exceeds ₹ 5,000.
34. A copy of the intimation about the deduction of tax at source on dividend, which has been emailed to the Members on 27<sup>th</sup> May, 2022 is available on the following weblink <https://www.ultratechcement.com/investors/corporate-governance>. Members are requested to refer to the same for further details.

#### **UNPAID DIVIDEND AND TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND ("IEPF") ACCOUNT:**

35. Pursuant to the provisions of Section 124 of the Act, the unpaid / unclaimed dividend for the financial year 2013-2014 has been transferred by the Company to the IEPF.
36. In compliance with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), the Company has already transferred equity shares pertaining to the financial year 2013-14 to the IEPF Suspense Account, after providing necessary intimations to the relevant Members.
37. Details of unpaid / unclaimed dividend and equity shares for the financial year 2013-14 are uploaded on the website of the Company as well as that of the MCA. No claim shall lie against the Company in respect of unclaimed dividend amount and equity shares transferred to the IEPF and IEPF Suspense Account, respectively, pursuant to the IEPF Rules. Members can however claim both the unclaimed dividend amount and the equity shares from the IEPF Authority by making applications in the manner provided in the IEPF Rules.
38. In terms of the provisions of Section 124(5) of the Act, dividend for the Financial Year 2014-15 and the dividends for the subsequent years, which remain unpaid or unclaimed for a period of seven consecutive years will be transferred to IEPF.
- Further, in terms of the provisions of the IEPF Rules, equity shares in respect of which dividend has not been paid or claimed for seven consecutive years or more from the date of declaration will also be transferred to an account viz. IEPF Suspense Account, which is operated by the IEPF Authority in terms of the IEPF Rules.
39. Members who have so far not encashed their dividend relating to the financial year 2014-15 are requested to do so by 31<sup>st</sup> July, 2022 by writing to the Secretarial Department at the Registered Office of the Company or to KFin, failing which the dividend and the equity shares relating thereto will be transferred to the IEPF and the IEPF Suspense Account respectively.

#### **GENERAL:**

40. Members are requested to notify immediately any change of address:
- i. to their DPs in respect of the shares held in electronic form, and

- ii. to the Company or KFin, in respect of the shares held in physical form together with a proof of address viz. Electricity Bill, Telephone Bill, Ration Card, Voter ID Card, Passport etc.
41. Non-resident Indian Members are requested to inform the Company or KFin or to the concerned DPs, as the case may be, immediately:
- i. the change in the residential status on return to India for permanent settlement.
  - ii. the particulars of the NRE Account with a Bank in India, if not furnished earlier.
  - iii. Members are requested to make all correspondence in connection with shares held by them by addressing letters directly to the Company or KFin quoting their Folio number or their Client ID number with DP ID number, as the case may be.
42. Members who are holding shares in identical order of names in more than one folio are requested to consider consolidating the different folios into one. Post consolidation, the number of shares would remain the same.

To enable the Company, consolidate the folios, kindly send the following, under a covering letter, addressed to KFin:

- share certificate(s)
- copy of Pan Card(s) of all the Members
- Member's email id and mobile number

Upon receipt of the above documents, the Company will consolidate the holdings and return the Letter of Confirmation. The Member's email ID, mobile number and bank account will be updated in the Company's record. This will not only facilitate speedy communication but also result in faster disbursement of future dividend. Moreover, the possibility of loss / misplacement of dividend warrants will also be eliminated.

As a subsequent step, it is also recommended that Members consider migrating their shareholding to the electronic mode.

#### 43. Depository System

The Company has entered into agreements with the Depositories. The Depository System envisages the

elimination of several problems involved in the scrip-based system such as bad deliveries, fraudulent transfers, fake certificates, thefts in postal transit, delay in transfers, mutilation of share certificates, elimination of concept of market lot, elimination of bad deliveries, reduction in transaction costs, improved liquidity, etc.

44. As per the provisions of Section 72 of the Act, facility for making nominations is now available to INDIVIDUALS holding shares in the Company. Members holding shares in physical form may obtain the Nomination Form from the Company's Secretarial Department at its Registered Office or KFin or can download the form from the following weblink <https://www.ultratechcement.com/investors/useful-information#csn>. Members holding shares in electronic form have to approach their DPs for completing the nomination formalities.
45. The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated 3<sup>rd</sup> November, 2021. The aforesaid communication is also intimated to the stock exchanges and available on the website of the Company. Members holding shares in physical form are requested to go through the said communication at the following weblink <https://www.ultratechcement.com/investors/useful-information#csn>.
46. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2022/8 dated 25<sup>th</sup> January, 2022 has mandated the listed companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/ Exchange of securities certificate; Endorsement; Sub-division/ Splitting of securities certificate; Consolidation of securities certificates/folios; Transmission and Transposition. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the following weblink at <https://www.ultratechcement.com/investors/useful-information#csn>.
47. The annual accounts of the Company's subsidiary companies and the related information shall be made available to Members of the holding and subsidiary companies seeking such information at any point of time.



## ANNEXURE TO THE NOTICE

### Explanatory Statement Pursuant to Section 102 of the Companies Act, 2013:

#### Item no. 4:

#### **Ratification of the remuneration of the Cost Auditors viz. M/s. D. C. Dave & Co., Cost Accountants, Mumbai and M/s. N. D. Birla & Co., Cost Accountants, Ahmedabad for the financial year ending 31<sup>st</sup> March, 2023**

The Board of Directors of the Company, on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. D. C. Dave & Co., Cost Accountants, Mumbai and M/s. N. D. Birla & Co., Cost Accountants, Ahmedabad, Cost Auditors, to conduct the audit of the cost records of the Company for the financial year ending 31<sup>st</sup> March, 2023 as per the following details:

- M/s. D. C. Dave & Co., Cost Accountants, Mumbai – ₹ 17,50,000/- (rupees seventeen lakhs fifty thousand only)
- M/s. N. D. Birla & Co., Cost Accountants, Ahmedabad – ₹ 19,00,000/- (rupees nineteen lakhs only)

plus tax as applicable and reimbursement of out-of-pocket expenses.

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

Accordingly, consent of the Members is being sought for passing the resolution as set out in item no. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31<sup>st</sup> March, 2023.

None of the Directors, Key Managerial Personnel and their relatives thereof are, in any way, concerned or interested in the said resolution.

The Board accordingly recommends the resolution set out at item no. 4 of this Notice for your approval.

#### Item no. 5:

#### **Re-appointment of Mr. Kailash Chandra Jhanwar (DIN: 01743559), Managing Director**

Based on the recommendation of the Nomination, Remuneration and Compensation Committee ("NRC Committee"), Mr. K.C. Jhanwar (DIN: 01743559) was appointed as Managing Director of the Company with effect from 1<sup>st</sup> January, 2020.

The appointment was also approved by the shareholders at the Annual General Meeting held on 12<sup>th</sup> August, 2020.

The Board of Directors, based on the recommendation of the NRC Committee, at its meeting held on 22<sup>nd</sup> July, 2022 and taking into account the contributions made by Mr. Jhanwar, including his vast experience and knowledge, has approved the re-appointment of Mr. Jhanwar as Managing Director of the Company with effect from 1<sup>st</sup> January, 2023 for a period of 2 years, subject to the approval of the Members. He will also continue to be a Key Managerial Personnel of the Company.

A brief profile of Mr. Jhanwar is given below:

Mr. K. C. Jhanwar, Managing Director of your Company from 1<sup>st</sup> January, 2020 is a Chartered Accountant with over 40 years' experience, of which 39 years' have been with the Aditya Birla Group ("the Group"). He has held various roles in Finance, Operations and General Management across the Cement and Chemicals Business of the Group, including greenfield and brownfield projects. He also has significant experience in acquisitions and integration. He has been exceptional in his networking and relationship building skills with customers and other stakeholders and has built a strong franchise for the business. He is a capable team builder and has strong people skills.

The remuneration and other terms and conditions of Mr. Jhanwar's re-appointment as Managing Director as set out in the resolution is subject to your approval.

Mr. Jhanwar is a member of the Company's Stakeholders' Relationship Committee and Risk Management and Sustainability Committee. Other details required to be disclosed in terms of the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS 2) are provided in the Annexure to the Notice.

Mr. Jhanwar is not related to any other Director and Key Managerial Personnel of the Company.

None of the Directors, Key Managerial Personnel and their relatives other than Mr. Jhanwar and his relatives are, in any way, concerned or interested in the said resolution.

The Board accordingly recommends the resolution set out at item no. 5 of this Notice for your approval.

#### Item nos. 6, 7 and 8:

#### **Adoption of the UltraTech Cement Limited Employee Stock Option and Performance Stock Unit Scheme 2022 ("the Scheme 2022"); extending the benefits of the Scheme**

**2022 to employees of the group companies including holding, associate, and subsidiary companies of the Company; approval for implementing the Scheme 2022 through the trust route, secondary acquisition of the equity shares of the Company by the Trust and extending financial assistance / provision of money by the Company to the Trust to fund the acquisition of its equity shares, in terms of the Scheme 2022**

The Board of Directors (“Board”) of the Company at its meeting held on 22<sup>nd</sup> July, 2022, based upon the recommendation of the Nomination, Remuneration and Compensation Committee (“NRC Committee”) approved adoption of the ‘UltraTech Cement Limited Employee Stock Option and Performance Stock Unit Scheme 2022’ (“the Scheme-2022”) for the benefit of eligible employees of the Company, its group company(ies) including subsidiary company(ies), associate company(ies) and holding company [as defined under the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (“SEBI SBEB & SE Regulations”) and the Companies Act, 2013 (“the Act”) ], which entitles them to the equity shares of the Company, subject to the approval of the Members by way of a special resolution.

The Company aims to provide competitive remuneration opportunities to its employees, including through annual incentive plans and long-term incentive plans. The Company believes that the presence of a long-term incentive plan and the resulting employee ownership can facilitate a performance driven culture and contribute to the success of the Company. The Company views stock options and units as long-term incentive instruments to enable the employees to share the value they create for the Company in the years to come. Accordingly, the main objectives of the Scheme 2022 are:

- (i) to achieve sustained growth of the Company and create stakeholder value by aligning the interests of the employees with the long term interests of the Company;
- (ii) to attract and retain talent and as well as to motivate the employees to contribute to its growth and profitability;
- (iii) to recognise and reward the efforts of employees and their continued association with the Company and its group company(ies) including associate company(ies) and subsidiary company(ies) and holding company; and
- (iv) to promote the culture of employee ownership, to enable the employees to have greater involvement in the existing plans of the Company and provide them an opportunity to share in the future growth and profitability of the Company, which should lead to improved employee engagement, motivation and retention.

The Board has nominated the NRC Committee to be designated as the Compensation Committee for the administration and superintendence of the Scheme 2022 in accordance with the SEBI SBEB & SE Regulations. Approval of the Members is being sought for grant of employee stock options (“Options”) and / or performance stock units (“PSUs”) (collectively “Stock Options”) to the eligible employees as may be determined by the NRC Committee.

The Scheme 2022 shall be implemented through the UltraTech Employees Welfare Trust (“the Trust”). The Trust will acquire equity shares of the Company through secondary acquisition such that the secondary acquisition in a financial year shall not exceed 2% of the paid-up equity share capital of the Company as at the end of the previous financial year. Further, in terms of the SEBI SBEB & SE Regulations, the total equity shares to be held by the Trust shall not exceed 5% of the paid-up equity share capital as at the end of the financial year immediately prior to the year in which the shareholder approval is obtained. As at 31<sup>st</sup> March, 2022, 5% of the paid-up equity share capital of the Company comprises of 1,44,33,542 (one crore forty-four lakhs thirty-three thousand five hundred forty-two) equity shares.

In accordance with the SEBI SBEB & SE Regulations, approval of Members by way of special resolution is required to be passed, for adoption of the Scheme 2022 which is being implemented through a trust, extending the benefits of the Scheme 2022 to eligible employees of the group company(ies) including subsidiary company(ies), associate company(ies) and holding company and for provision of financial assistance / provision of money for secondary acquisition of equity shares of the Company by the Trust. Accordingly, separate resolutions are being passed for the above.

Upon approval of the Members and after complying with the procedural and statutory formalities, the Trust is empowered to acquire in one or more tranches, upto 974,000 Equity Shares of the Company from the secondary market through the stock exchanges, representing 0.34% of the paid-up equity share capital of the Company as on 31<sup>st</sup> March, 2022, for the implementation of the Scheme 2022.

The Company will provide financial assistance / provision of money to the Trust upto an amount not exceeding ₹ 714 crores (rupees seven hundred and fourteen crores only) in one or more tranches. The financial assistance / provision of money shall be interest free and will be utilised for implementation of the Scheme 2022. As and when the exercise price is recovered from the employees upon exercise of options, the Trust shall repay the money to the Company.

The relevant disclosures, as required, under Section 67 read with Rule 16 of the Companies (Share Capital and Debentures) Rules, 2014 and under the SBEB & SE Regulations and other applicable laws are as follows:

No.	Particular	Detail
(a)	A brief description of the scheme	The Company aims to provide competitive remuneration opportunities to its employees, including through annual incentive plans and long-term incentive plans. The Company believes that the presence of a long-term incentive plan and the resulting employee ownership can facilitate a performance driven culture and contribute to the success of the Company. The Scheme 2022 is being implemented through the UltraTech Employees Welfare Trust ("the Trust").
(b)	The total number of Stock Options to be granted	<p>The aggregate number of Stock Options proposed to be granted under the Scheme 2022, shall not be exercisable into more than 974,000 equity shares equivalent to 0.34% of the overall ceiling of Equity Shares to be issued under the Scheme 2022 (which number shall be adjusted in lieu of adjustments/ re-organisation of capital structure of the Company from time to time). Upon exercise, each Stock Option entitles the relevant grantee to one Equity Share (i.e. one Option will entitle the grantee to one Equity Share and one PSU will entitle the grantee to one Equity Share).</p> <p>In case of any corporate action(s) such as rights issue, bonus issue, merger and sale of division, split or consolidation and others, a fair and reasonable adjustment needs to be made to the Stock Options granted. Accordingly, if any additional equity shares are issued by the Company to the grantees, for making such fair and reasonable adjustment, the ceiling of 974,000 equity shares shall be deemed to be increased to the extent of such additional equity shares issued. Stock Options not vested due to non-fulfilment of the vesting conditions, vested Stock Options which the grantees expressly refuse to exercise, Stock Options (vested and not exercised and unvested) which have been surrendered and any Stock Options granted but not vested or exercised within the stipulated time due to any reasons, shall lapse and these Stock Options or the underlying Equity Shares will be available for grant under the present Scheme 2022 or under a new scheme, subject to compliance with Applicable Laws.</p>
(c)	Identification of classes of employees entitled to participate and be beneficiaries in the Scheme 2022 and money is being provided for purchase of shares	<p>(a) An employee as designated by the Company, who is exclusively working in India or outside India; or</p> <p>(b) A director of the Company, whether a whole-time director or not, including a non-executive director who is not a promoter or member of the promoter group, but excluding an independent director; or</p> <p>(c) An employee as defined in sub-clauses (a) or (b) above, of a group company including subsidiary company or its associate company, in India or outside India, or of a holding company of the Company,</p> <p>but does not include—</p> <p>(1) an employee who is a promoter or belongs to the promoter group;</p> <p>(2) a director who either by himself or through his relatives or through any body corporate, directly or indirectly holds more than 10% of the outstanding equity shares of the Company.</p>
(d)	Requirements of vesting and period of vesting	The Board or the NRC Committee may, at its discretion, lay down certain criteria including, but not limited to, the performance metrics which would include profitability, revenue, ESG metric or any other strategic metrics as may be decided, on the achievement of which the granted Options would vest and which may be specified in the respective grant letters or the vesting letters to be issued in this regard.

		<p>The Board or the NRC Committee shall lay down certain criteria including, but not limited to, the performance metrics which would include profitability, revenue, ESG metric or any other strategic metrics as may be decided, on the achievement of which the granted PSUs would vest and which may be specified in the respective grant letters or the vesting letters to be issued in this regard.</p> <p>Vesting of Stock Options shall be subject to, amongst other things:</p> <p>(A) the condition that a minimum of one year has completed from the grant date, except in case of death or permanent incapacity of the grantee, in which case the Stock Options, as the case may be, shall vest immediately, and</p> <p>(B) the condition that the grantee is:</p> <p>(i) in continuous employment with the Company or group company(ies) including subsidiary company (ies) or associate company(ies) or holding company;</p> <p>(ii) is not serving any notice of resignation / termination on the date of such vesting [except in case of (a) death of employee; (b) permanent incapacity suffered by the grantee; (c) retirement; or (d) transfer or deputation to a group company, including holding company, subsidiary company, or an associate company]; and</p> <p>(iii) is not subject to any pending disciplinary proceeding.</p> <p>In case of cessation of employment due to retirement or superannuation, Stock Options granted to such employees would continue to vest in accordance with the respective Vesting Schedules even after retirement or superannuation, subject to the discretion of the NRC Committee, and in accordance with the Company's policies, and Applicable Laws.</p> <p>Vesting Period for Stock Options: The Stock Options granted shall vest not earlier than one year in one or more tranche and not later than four years from the date of grant for Stock Options or such other period as may be determined by the NRC Committee. The vesting schedule (i.e. exact proportion in which and the exact period over which the Stock Options would vest) would be determined by the NRC Committee, subject to the minimum vesting period of one year from the date of grant of Stock Options (except in case of death and permanent incapacity).</p>
(e)	The maximum period within which the Stock Options shall be vested	Four years.
(f)	Exercise price	<p>Exercise price for Options: The Equity Shares to be transferred pursuant to the exercise of the Options would be transferred at the market price of the equity shares at the time of grant of Options or at such other price as may be decided by the NRC Committee from time to time in compliance with the SEBI SBEB &amp; SE Regulations. Provided that the exercise price per Option shall not be less than the face value of the equity share of the Company.</p> <p>Exercise price for PSUs: Upon exercise of the PSUs the Equity Shares may be transferred at face value of the equity share of the Company or at such price as may be determined by the Board or the NRC Committee provided that the exercise price per PSU shall not be less than the face value of the equity share of the Company.</p>
(g)	Exercise period and process of exercise	The exercise period shall not be more than a period of five years from the date of vesting of Stock Options or such other period as may be determined by the NRC Committee, subject to Applicable Law. The Stock Options will be exercisable by the employees through a written application to the Company / Trust accompanied by payment of the exercise price in such manner and on execution of such documents,

		as may be prescribed by the NRC Committee from time to time. The Stock Options will lapse if not exercised within the specified exercise period.																									
(h)	The appraisal process for determining the eligibility of employees for the scheme	The appraisal process for determining the eligibility criteria of the employees will be specified by the NRC Committee, and will be based on criteria such as role/level of the employee, past performance record, future potential of the employee, and/or such other criteria that may be determined by the NRC Committee at its sole discretion.																									
(i)	The maximum number of options to be issued per employee and in aggregate	The maximum number of Options and PSUs that can be granted to a single Employee under the Scheme 2022 shall not exceed 1% of the paid-up equity share capital of the Company at the time of grant. The maximum number of Options and PSUs that can be granted in aggregate is 974,000 equity shares, being 0.34% of the paid-up equity share capital of the Company as on 31 <sup>st</sup> March, 2022.																									
(j)	The maximum quantum of benefits to be provided per employee under a scheme	Apart from grant of Options and PSUs as stated above in item (i), no monetary benefits are contemplated under the Scheme 2022.																									
(k)	Whether the scheme(s) is to be implemented and administered directly by the company or through a trust	The Scheme 2022 will be implemented through the UltraTech Employees Welfare Trust.																									
(l)	The particulars of the trustee in whose favour such shares are to be registered	Same as (m) below																									
(m)	The particulars of trust and name, address, occupation and nationality of trustees and their relationship with the promoters, directors and key managerial personnel	<p>(1) Name: UltraTech Employees Welfare Trust</p> <p>(2) Address of the Trust: C/o UltraTech Cement Limited B Wing, Ahura Centre, 2<sup>nd</sup> Floor, Mahakali Caves Road, Andheri (East), Mumbai – 400 093.</p> <p>(3) Trustees:</p> <table border="1"> <thead> <tr> <th>Sr. No.</th> <th>Name</th> <th>Address</th> <th>Occupation</th> <th>Nationality</th> </tr> </thead> <tbody> <tr> <td>1.</td> <td>Mr. Anil Malik</td> <td>Birla Centurion, Pandurang Budhkar Road, Worli, Mumbai – 400 030</td> <td>Service</td> <td>Indian</td> </tr> <tr> <td>2.</td> <td>Mr. Sushil Pareek</td> <td>Birla Centurion, Pandurang Budhkar Road, Worli, Mumbai – 400 030</td> <td>Service</td> <td>Indian</td> </tr> <tr> <td>3.</td> <td>Mr. Samik Basu</td> <td>Birla Centurion, Pandurang Budhkar Road, Worli, Mumbai – 400 030</td> <td>Service</td> <td>Indian</td> </tr> <tr> <td>4.</td> <td>Mr. Indrajit Pathak</td> <td>Birla Centurion, Pandurang Budhkar Road, Worli, Mumbai – 400 030</td> <td>Service</td> <td>Indian</td> </tr> </tbody> </table> <p>None of the above Trustees and their respective relatives are related to Promoters, Directors and Key Managerial Personnel of the Company. Subject to the compliance of the provisions of applicable law, the aforesaid Trustees may be changed at any time. In accordance with the SEBI SBEB &amp; SE Regulations, none of the Trustees hold 10% or more beneficial interest in the Company.</p>	Sr. No.	Name	Address	Occupation	Nationality	1.	Mr. Anil Malik	Birla Centurion, Pandurang Budhkar Road, Worli, Mumbai – 400 030	Service	Indian	2.	Mr. Sushil Pareek	Birla Centurion, Pandurang Budhkar Road, Worli, Mumbai – 400 030	Service	Indian	3.	Mr. Samik Basu	Birla Centurion, Pandurang Budhkar Road, Worli, Mumbai – 400 030	Service	Indian	4.	Mr. Indrajit Pathak	Birla Centurion, Pandurang Budhkar Road, Worli, Mumbai – 400 030	Service	Indian
Sr. No.	Name	Address	Occupation	Nationality																							
1.	Mr. Anil Malik	Birla Centurion, Pandurang Budhkar Road, Worli, Mumbai – 400 030	Service	Indian																							
2.	Mr. Sushil Pareek	Birla Centurion, Pandurang Budhkar Road, Worli, Mumbai – 400 030	Service	Indian																							
3.	Mr. Samik Basu	Birla Centurion, Pandurang Budhkar Road, Worli, Mumbai – 400 030	Service	Indian																							
4.	Mr. Indrajit Pathak	Birla Centurion, Pandurang Budhkar Road, Worli, Mumbai – 400 030	Service	Indian																							

(n)	Whether the scheme(s) involves new issue of shares by the company or secondary acquisition by the trust or both	The Scheme 2022 will only involve secondary acquisition of equity shares by the Trust through the recognised stock exchanges. The secondary acquisition of equity shares will be undertaken in compliance with the SEBI SBEB & SE Regulations and other applicable laws.
(o)	The amount of loan to be provided for implementation of the scheme(s) by the company to the trust, its tenure, utilization, repayment terms, etc.	The Company shall make interest free financial assistance / provision of money upto an amount not exceeding ₹ 714 crores (rupees seven hundred and fourteen crores only) in one or more tranches to fund the acquisition of equity shares by the Trust from the stock exchanges through secondary acquisition, in terms of the Scheme 2022. The exercise price received from the employees upon exercise of Stock Options shall be used for the purposes of repayment to the Company.
(p)	The maximum percentage of secondary acquisition (subject to limits specified under the regulations) that can be made by the Trust for the purposes of the scheme(s)	The Trust may acquire equity shares through secondary acquisition such that secondary acquisition in a financial year shall not exceed 2% of the paid-up equity share capital of the Company as at the end of the previous financial year.
(q)	A statement to the effect that the company shall conform to the accounting policies specified in Regulation 15 of the SEBI SBEB & SE Regulations	The Company shall follow the accounting policies specified in Regulation 15 of the SEBI SBEB & SE Regulations. In addition, the Company shall disclose such details as required under the Applicable Laws.
(r)	The method which the company shall use to value its options	To calculate the employee compensation cost, the Company shall use the Fair Value Method for valuation of the Stock Options granted or such valuation method as may be prescribed from time to time in accordance with Applicable Laws.
(s)	Transferability of Stock Options	The Stock Options granted to an employee will not be transferable to any person and shall not be pledged, hypothecated, mortgaged or otherwise alienated in any manner.
(t)	Any interest of the key managerial personnel, directors or promoters in the Scheme 2022 or Trust and effect thereof	The Promoters and Promoter Group are not interested in the Scheme 2022 or the Trust. Directors and Key Managerial Personnel may be deemed to be interested to the extent of Stock Options as may be offered to them under the Scheme 2022.
(u)	The detailed particulars of benefits which will accrue to the employees from the implementation of the Scheme 2022	The employees can exercise Stock Options granted to them to get equity shares.
(v)	Details about who would exercise and how the voting rights in respect of the shares to be acquired under the Scheme 2022 would be exercised	The Trustees shall not exercise voting rights in respect of the Equity Shares held by the Trust pursuant to the Scheme 2022. The SEBI SBEB & SE Regulations provide that the Trustees of the Trust, which is governed under the SEBI SBEB & SE Regulations, shall not vote in respect of the shares held by such Trust, so as to avoid any misuse arising out of exercising such voting rights.

Pursuant to Section 102 of the Act, the Board of Directors of the Company do hereby confirm that none of its Directors or Key Managerial Personnel and their immediate relatives is concerned or interested, financially or otherwise, except to the extent that the Stock Options may be granted to them pursuant to the Scheme 2022.

The Board accordingly recommends the resolutions set out at item nos. 6, 7 and 8 of this Notice for your approval.

By Order of the Board



Sanjeeb Kumar Chatterjee  
Company Secretary  
Membership No.: F4533

Place: Mumbai  
Date: 22<sup>nd</sup> July, 2022

**Disclosure relating to Directors pursuant to Regulation 36(3) of Listing Regulations and Secretarial Standard on General Meetings (SS-2):**

<b>Name of Director</b>	<b>Mr. Krishna Kishore Maheshwari</b>
<b>Brief Resume</b>	Mr. K. K. Maheshwari is a proven leader with expertise in strategy and finance, a passion for building outstanding teams and a disciplined focus on innovation and excellence in operations. In a distinguished career spanning four decades, of which 38 years have been with the Aditya Birla Group, Mr. Maheshwari has held several key leadership roles, including that of steering the Group's chemicals, international trading, pulp and fibre, textiles and cement business. Mr. Maheshwari is credited with steering the growth of each of the businesses towards a more competitive and sustainable model and has overseen various greenfield and brownfield expansions as well as strategic acquisitions globally. Mr. Maheshwari holds a master's degree in commerce (business administration) and is a Fellow Member of the Institute of Chartered Accountants of India.
<b>Date of Birth / Age</b>	1 <sup>st</sup> March, 1955 / 67 years
<b>Date of First Appointment</b>	1 <sup>st</sup> April, 2016
<b>Expertise in specific functional area</b>	Company Executive
<b>Qualification</b>	Chartered Accountant
<b>Shareholding in the Company</b>	9,600
<b>Relationship with other Directors, Manager and other Key Managerial Personnel of the Company</b>	-
<b>No. of Board meetings attended during FY22</b>	4
<b>Names of other public limited companies in which directorships held</b>	1. Aditya Birla Sun Life Insurance Company Limited 2. Vodafone Idea Limited
<b>Chairman / Member of the Committee of Directors of other public limited companies in which he / she is a Director</b>	
<b>a) Audit Committee</b>	1. Vodafone Idea Limited - Member
<b>b) Stakeholders' Relationship Committee</b>	1. Vodafone Idea Limited – Chairman

Note: 1) Pursuant to Regulation 26 of the Listing Regulations, only two Committees viz. Audit Committee and Stakeholders' Relationship Committee have been considered.

<b>Name of Director</b>	<b>Mr. Kailash Chandra Jhanwar</b>
<b>Brief Resume</b>	Mr. K. C. Jhanwar is a chartered accountant with over 42 years' experience, 41 of them with the Group. He has held various roles in finance, operations and general management across the cement and chemicals business of the Aditya Birla Group, including greenfield and brownfield projects. He also has significant experience in acquisitions and integration. He has been exceptional in his networking and relationship building skills with customers and other stakeholders and has built a strong franchise for the business. He is a capable team builder and has strong people skills.
<b>Date of Birth / Age</b>	30 <sup>th</sup> June, 1957 / 65 years
<b>Date of First Appointment</b>	19 <sup>th</sup> October, 2018
<b>Expertise in specific functional area</b>	Company Executive
<b>Qualification</b>	Chartered Accountant
<b>Shareholding in the Company</b>	14,665
<b>Relationship with other Directors, Manager and other Key Managerial Personnel of the Company</b>	Nil
<b>No. of Board meetings attended during FY22</b>	5
<b>Names of other public limited companies in which directorships held</b>	1. Merit Plaza Limited 2. Swiss Merchandise Infrastructure Limited 3. UltraTech Nathdwara Cement Limited
<b>Chairman / Member of the Committee of Directors of other public limited companies in which he / she is a Director</b>	
<b>a) Audit Committee</b>	1. UltraTech Nathdwara Cement Limited - Member
<b>b) Stakeholders' Relationship Committee</b>	Nil

Note: 1) Pursuant to Regulation 26 of the Listing Regulations, only two Committees viz. Audit Committee and Stakeholders' Relationship Committee have been considered.



For ease of participation by Members, provided below are some key details regarding the AGM for your reference:

Sr. No	Particulars	Details of access
1	Link for live webcast of the AGM and for participation through VC / OAVM	<a href="https://emeetings.kfintech.com">https://emeetings.kfintech.com</a> by using e-voting credentials and click on video conference
2	Link for posting AGM queries and speaker registration and period of registration	<a href="https://emeetings.kfintech.com">https://emeetings.kfintech.com</a> by using e-voting credentials and click on “post your queries” / “Speaker registration” as the case may be. Period of registration: Saturday, 13 <sup>th</sup> August, 2022 (9.00 a.m. IST) upto Monday, 15 <sup>th</sup> August, 2022 (3.00 p.m. IST).
3	Link for remote e-voting	<a href="https://evoting.kfintech.com">https://evoting.kfintech.com</a>
4	Username and password for VC	Members may attend the AGM through VC by accessing the link <a href="https://emeetings.kfintech.com">https://emeetings.kfintech.com</a> by using the remote e-voting credentials. Please refer the instructions provided in this Notice for further information.
5	Helpline number for VC participation and e-voting	Contact KFin Technologies Limited at 1800 309 4001 or write to them at <a href="mailto:emeetings@kfintech.com">emeetings@kfintech.com</a> Contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30 Contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43
6	Cut-off date for e-voting	Wednesday, 10 <sup>th</sup> August, 2022
7	Time period for remote e-voting	Commences on Saturday, 13 <sup>th</sup> August, 2022 (9.00 a.m. IST) and ends on Tuesday, 16 <sup>th</sup> August, 2022 (5.00 p.m. IST)
8	Book closure dates	Thursday, 4 <sup>th</sup> August, 2022 to Wednesday, 17 <sup>th</sup> August, 2022 (both days inclusive)
9	Link for Members to update e-mail address	<a href="https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx">https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx</a>
10	Last date for publishing results of the e-voting	19 <sup>th</sup> August, 2022
11	Registrar and Transfer Agent contact details	KFin Technologies Limited Selenium Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032 Tel: 1800 309 4001 Website: <a href="http://www.kfintech.com">www.kfintech.com</a>
12	UltraTech Cement Limited – contact details	B Wing, Ahura Centre, 2 <sup>nd</sup> Floor Mahakali Caves Road, Andheri (East), Mumbai – 400 093 Tel.: 022 - 66917800 Email: <a href="mailto:agmutcl22@adityabirla.com">agmutcl22@adityabirla.com</a>

**NEW AGE.  
NEW PARADIGMS.  
NEW IDEAS.**



INTEGRATED ANNUAL REPORT  
**2021-22**

UltraTech Cement Limited

**BIG IN YOUR LIFE**



Mr. Aditya Vikram Birla

**We live by his values.**

**Integrity, Commitment, Passion,  
Seamlessness and Speed.**

## Chairman's letter to shareholders



### **Dear Shareholders,**

For many years, we have been talking about increasing volatility and unpredictability. The events of the last 24 months have heralded a new era of uncertainty where both the amplitude and frequency of shifts have vastly exceeded anything we have seen in recent decades. The unprecedented pandemic was followed by supply chain whiplash, and further disruption was brought on by the Russia-Ukraine war. We are now staring at the spectre of a high-interest rate and high-inflation regime globally.

Over the years, corporations have tried to find a balance between efficiency and resilience, with successive decades of growth having swung the pendulum in the direction of efficiency. The events of the last two years have again taught us all the virtues of reserves and resilience.

This era of disruption also presents a unique opportunity for renewal. The exigencies of this disruption has pushed the boundaries of innovation. A world where traditional rules didn't apply, freed thinking from its conventional shackles. And we are clearly staring at a **new age**, with **new paradigms** and **new ideas**.

### **Global economy: The storm before the calm?**

The Global economy recovered from the pandemic shock in 2022 on the back of supportive fiscal and monetary policies and mass vaccination programmes. However, at the end of FY22, the war in Ukraine and the subsequent economic sanctions on Russia posed a large shock. It disrupted energy markets and supply chains and added to the already evolving inflationary pressures and concerns over consumer demand. Consequently, growth forecasts have been slashed. The International Monetary Fund (IMF) now expects the world economy to grow by

On the positive side, economic activity in India has witnessed a sharp recovery to pre-pandemic levels on the back of a rapid and widespread rollout of the vaccination programme.....

.....India, therefore, is poised to be the fastest-growing major economy in the world and an engine of global growth.

3.6% in CY22, which is 0.8 percentage points lower than its pre-war projections.

Many economies have experienced a sharp surge in inflation recently, particularly in food and fuel prices, taking their inflation rates to multi-decade highs. Central banks have been forced to respond to surging prices with aggressive rate hikes. The pace of monetary tightening is turning out to be quite swift as central bankers attempt to catch up with the rising inflation from their ultra-accommodative stance during the pandemic.

As the stance of monetary policy shifts, there is greater turbulence in currency markets. The dollar has strengthened, while emerging economies have witnessed downward pressure on their currencies. At the same time, energy and commodity markets have witnessed heightened volatility. Global supply chain disruptions due to pandemic-induced lockdowns have been replaced by new disruptions caused by the war in Ukraine and the economic sanctions.

While the global economic backdrop remains challenging, there are reasons to remain optimistic. First, despite the slowdown, IMF's projection of world GDP growth in CY22 is still tracking the pre-pandemic average. Second, fiscal support in developed economies remains above the pre-pandemic trend, even if somewhat diluted, versus past years. Third, mega-trends around sustainability, green investments, digitisation, and disintermediation remain well-entrenched and will support growth and productivity enhancement in the medium term.

Thus, while businesses will need to remain on guard regarding financial market volatility and cost pressures this year, one could expect the medium-term growth recovery to remain on track.

### India: An engine of global growth

The Indian economy has not remained unscathed by these global developments. Partly on account of the elevated commodity prices in global markets, India's inflation has pushed higher than the target of the Reserve Bank of India (RBI). To control inflationary risks, and reduce the pressure on the rupee, RBI has been selling reserves and unwinding the extraordinary liquidity support provided by it during the pandemic.

On the positive side, economic activity in India has witnessed a sharp recovery to pre-pandemic levels on the back of a rapid and widespread rollout of the vaccination programme. A strong digital ecosystem, fiscal and monetary policy and various government schemes helped small and medium enterprises and the worst affected sections of the population to survive while reviving demand and bringing the economy back on track.

Even as the global headwinds are being felt, India's growth recovery is progressing well, and most estimates peg economic growth during FY23 around the 7% range. India, therefore, is poised to be the fastest-growing major economy in the world and an engine of global growth.

India's exports are exhibiting a strong buoyancy, and economic sentiment has been supported by a robust pipeline of infrastructure projects as well as the government's pragmatic policies, such as the production-linked incentives schemes. Many industries have witnessed fresh project investment announcements. Foreign direct investment flows have remained strong. The burden of non-performing assets in the banking sector seems to have peaked out and is easing. Dynamism in India's digital ecosystem, diversification of global supply chains away from China and the greater emphasis of investors on sustainable finance offer new opportunities for India.

The above trends lend confidence to a robust economic narrative for India in the medium term, which augurs well for the corporate sector as well.

Our employees value and appreciate the One ABG culture, which is profoundly embedded across the organisation. This culture gives the ultimate competitive edge in a world where business models are easily upended.

### Aditya Birla Group: Dynamism and resilience at play

The Aditya Birla Group's pace of activity, range of businesses, and depth of global presence provide a useful compass to navigate this age of disruption. Against the backdrop of our long history as a group, dynamism leaps out as a common theme. Over the years, we have witnessed multiple business cycles. Across businesses and markets, our evolution is a story of continuous renewal and regeneration, as we aggressively invested in growth and created long-term value for all stakeholders.

This institutional dynamism and resilience helped us navigate an unprecedented business environment in FY22.

The pandemic inordinately impacted the future of work, workforce, and workplace. We have moved with the new work ethic by focusing on a holistic employee experience that puts equal emphasis on growth, engagement, and wellbeing. Our employees value and appreciate the One ABG culture, which is profoundly embedded across the organisation. This culture gives the ultimate competitive edge in a world where business models are easily upended.

It has been a matter of great pride for us that our employee engagement has continued to be strong despite the stresses of the pandemic. 87% of our employees stated in a survey that they have a colleague/friend at work to lean on during difficult times. 96% of our employees experienced considerate behaviour from their managers during this period.


### We are only as strong as our people.

The Group's continued focus and investment in its people processes in good times have helped us build and sustain a robust and agile workforce that is able to be nimble and responsive at all times. When corporates across the world are facing a rather unusual phenomenon – *The Great Resignation*, our employee survey score for 'intent to stay' remained strong. It is higher than the Global High Performing organisations and almost similar to pre-COVID levels. This strong affinity is a testimony to our relentless commitment to delivering a world of opportunities with care to our employees.

Internal employee movements of over 5,000 (within the businesses) were up 18% from the average of the last two fiscals. We also focussed on bringing in young talent, with 73% of new hires being under 35 years of age. Last year, over 9,000 new employees joined the Group refreshing our competence base.

Building an aspirational workplace for a diverse workforce was identified as one of the important aspects of our new HR strategy. Enhancing the diversity of our Group is a journey, and it is getting strengthened with targeted efforts over time. Our commitment to gender diversity is evident through the appointment of seven women to senior leadership roles. 21% of all new hires were women, and we had 102 women engineering graduates join us at plant locations.

The Aditya Birla Group's pace of activity, range of businesses, and depth of global presence provide a useful compass to navigate this age of disruption. Against the backdrop of our long history as a group, dynamism leaps out as a common theme. Over the years, we have witnessed multiple business cycles. Across businesses and markets, our evolution is a story of continuous renewal and regeneration, as we aggressively invested in growth and created long-term value for all stakeholders.

 Our approach of integrating sustainability across the value chain of our operations has served us well. In many ways, it has contributed to the resilience demonstrated by the business in navigating the challenges posed by the pandemic.

We have always looked for opportunities to showcase the power of our women leadership. This year, our cement business, UltraTech launched India's first 'all-women' operated Ready-Mix Concrete (RMC) manufacturing plant at Bhugaon, Pune. Our list of firsts includes Aditya Birla AMC's all-women Mutual Fund branch in Bhilai, Chhattisgarh and Aditya Birla Fashion and Retail's Madura manufacturing plants in the south zone, which has 85% women employees.

Our learning strategy evolved continually to adapt in response to the dynamic external environment. This was achieved by re-designing innovative learning properties and methodologies focussing on building contemporary and contextual skills. We shifted gears across digital, blended, and now hybrid learning, making it easier to shift across modes of learning for different sets of learners. We strategically increased the adoption and penetration of our digital learning platform (Gyanodaya Virtual Campus) to cover 94% of our employees in the management cadre. Leveraging the power of internal and external networks, 500+ high-quality digital content modules were created on various themes and topics across ABG.

The spirit of ABG's resilience and dynamism was displayed at an individual, team, and business level. This has been reflected in the business results for FY22. This year also saw the launch of new businesses, units, capacity, products, and brands. This happened seamlessly, presenting a unique human story of innovation and grit, and bringing alive our Group values of commitment and passion. We have together navigated an unprecedented period

of disruption and emerged stronger and sharper — demonstrating that care, empathy, and results are mutually compatible. And especially so in periods of turmoil.

### Your Company's performance

During FY22, your Company recorded net revenues of US\$ 7.1 billion (₹ 52,599 crores) and an EBITDA of US\$ 1.6 billion (₹ 12,022 crores).

The Indian cement industry will add 80-100 million tonnes capacity by FY25, driven by increased spending on housing and infrastructure. As India's building solutions champion, your Company is committed to meeting the nation's future needs for housing, roads and other infrastructure.

### Expansion

Your Company commissioned cement capacity of 3.2 mtpa at Patliputra Cement Works, Bihar; Dankuni Cement Works, West Bengal and Line II of Bara Grinding Unit, Uttar Pradesh. This is the first phase of the 19.5 mtpa capacity expansion announced in December 2020 and will help your Company service the fast-growing cement demand in the Eastern and Central regions of India.

Your Company has also commenced operations from the bulk terminal at Kalamboli, Navi Mumbai, which is your Company's 7<sup>th</sup> bulk terminal.

In addition, your Company's Board of Directors has recently approved a fresh capex of ₹ 12,886 crores towards increasing capacity by 22.6 mtpa with a mix of brownfield and greenfield expansion. The additional capacity would be created across the country and achieved by setting-up integrated and grinding units as well as bulk terminals. Commercial production from these new capacities is expected to go on stream in a phased manner by FY25.

Upon completion of the latest round of expansion, your Company's capacity will grow to 159.25 mtpa, reinforcing its position as the third largest cement company in the world, outside of China.

### Sustainability

Sustainability is at the core of our business and continues to guide our strategic choices. For your Company, sustainable growth is of utmost priority.

Our approach of integrating sustainability across the value chain of our operations has served us well. In many ways, it has contributed to the resilience demonstrated by the business in navigating the challenges posed by the pandemic.

Your Company's strong commitment to sustainable growth is visible in its actions. UltraTech has aligned itself with the climate goals set in the Paris agreement. UltraTech's GHG emission reduction targets are validated by the Science Based Targets Initiative (SBTi). This is yet another marker of your Company's commitment to building sustainable infrastructure.

Your Company has also adopted the recommendation of the Task Force on Climate-Related Financial Disclosure (TCFD), and has integrated its findings into risk management, business planning and strategy. It has always been your Company's endeavour to enhance its environment conservation measures and remain sensitive towards societal wellbeing.

As per the S&P's Dow Jones Sustainability Index (DJSI), your Company's performance has improved by 11 points to 79, a 16% increase from the previous year. Your Company is now ranked 7<sup>th</sup> globally on the DJSI in the Construction Materials category. This disclosure has helped your Company to benchmark itself against the world's best companies in sustainability performance.

### Digitalisation

Your Company is embracing digitalisation as a key driver of business value. Digital tools are being leveraged to improve productivity and efficiency. Being a customer-centric organisation, your Company is designing digital solutions that keep customers at the core of innovation and achieve a connected and smart ecosystem. With a deep understanding of customers, the teams learn fast, pivot rapidly, and leverage the best possible technologies to craft state-of-the-art digital solutions. These solutions enhance customer experience by empowering internal stakeholders and partners, improving efficiencies and driving collaboration.

### Conclusion

The forces of change engulfing the world are creating a whole new set of exciting possibilities and unbelievable opportunities. Many that didn't even exist yesterday. We are uniquely privileged in a way that we are not passive recipients of changing circumstances but can actively shape our destiny. And this tomorrow is for us to discover and build.

Across businesses, we are at the cusp of a transformational growth cycle. As a business house, we have always made investment decisions based on long-term fundamental drivers like market opportunity, demography, technology etc. Our strong leadership position across key businesses has come on the back of bold but calibrated long-term bets. Given the inherent strengths of your Company, we are again at a moment where we are uniquely positioned to invest for long-term growth and explore new paradigms. An exciting journey beckons.

**Kumar Mangalam Birla**  
Chairman

# Cementing progress with an integrated approach

## FINANCIAL

Consistent growth efforts



**₹ 52,599 crores**

17% ↑  
Net Revenue

**₹ 12,022 crores**

2.3% ↓  
EBITDA

**₹ 196**

2.2% ↑  
Earnings per share  
(Normalised)

**14.9%**

40 bps ↑  
Return on Capital  
employed

**₹ 2,816 crores**

Reduction in Net Debt

**₹ 38 per share**

2.7% ↑  
Dividend

## OPERATIONAL

Growth with better utilisation



**90.36 MMT**

9.2% ↑  
Grey cement  
production

**77%**

700 bps ↑  
Grey cement average  
capacity utilisation

**1.46 MMT**

13.3% ↑  
White cement and wall  
care putty production

**96%**

1,122 bps ↑  
White cement and wall  
care putty average  
capacity utilisation

## SUSTAINABILITY

Balancing growth with preservation and care



**24.1 MMT**

Alternative fuel and recycled  
materials used for cement  
production

**436 MW**

Green power capacity (WHRS +  
renewable energy) that contributes  
to 17.64% of total energy  
consumption

**3.8 times  
water positive**

Returning almost 3.8 times the  
amount of water consumed to  
nature

**73 million+ m<sup>3</sup>**

Water harvested, recharged,  
recycled and reused across our  
manufacturing locations in FY22

**16 States and  
507 villages**

Covered through our  
CSR efforts across India

**96.40 crores**

Invested through  
community development  
efforts

**1.6 million**

benefited through our  
community development  
programs

**Increased by 16%**

Our S&P's Dow Jones Sustainability  
Index (DJSI)

## OUR COMMITMENTS



**Net Zero Concrete  
by 2050**

**RE100 targeting to meet  
100% electricity requirement  
from renewable sources  
by 2050**

**Science-Based Targets  
initiative (SBTi) validated our  
target to reduce 27% of GHG  
emission intensity by 2032  
from 2017 baseline**

**EP100 committed to  
double energy productivity  
by 2035 from baseline 2010**

**TCFD recommendations-  
based assessment conducted  
for financial risks and  
opportunities associated with  
climate change**

# Contents

## Corporate Overview

- 9 — New Age. New Paradigms. New Ideas.
- 10 — Thriving in the New Age
- 12 — Upholding New Paradigms
- 14 — Embracing New Ideas
- 16 — Approach to reporting
- 18 — Corporate identity
- 20 — Market presence
- 22 — Product range
- 24 — Five-year performance



## Our performance

- 46 — Financial Capital
- 50 — Manufactured Capital
- 52 — Intellectual Capital
- 54 — Natural Capital
- 58 — Human Capital
- 62 — Social and Relationship Capital
- 66 — Awards



## Value creation approach

- 26 — Governance
- 28 — Value creation story
- 30 — Stakeholder engagement
- 34 — Material topics
- 36 — Operating context
- 38 — Risk management
- 40 — Our strategy
- 42 — Business model
- 44 — Targets and achievements

## Statutory Reports

- 68 — Financial Highlights
- 70 — Directors' Report and Management Discussion and Analysis
- 118 — Report on Corporate Governance
- 142 — Shareholder Information
- 154 — Social Report
- 158 — Business Responsibility & Sustainability Report

## Financial Statements

- 180 — Independent Auditors' Report
- 196 — Standalone Balance Sheet
- 197 — Standalone Statement of Profit and Loss
- 200 — Standalone Statement of Cash Flow
- 202 — Notes to Standalone Financial Statements
- 272 — Consolidated Financial Statements



# New Age. New Paradigms. New Ideas.

In today's world of hyper-awareness and social connectedness, customers seek businesses that they can root for. Businesses that are working towards making the world a better place. As India's largest cement manufacturer, UltraTech is steadily transforming into a building solutions provider. Having embarked on a new journey, and in a sense, shifting gears to achieve new paradigms of growth – from innovation in the way we work, the impact we create and the products we offer.

Our strategies and future plans are built upon the belief that a new age brings new challenges and new opportunities for new ideas.



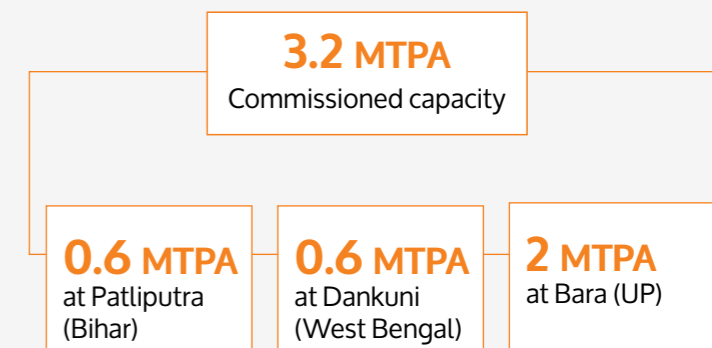
# THRIVING IN THE NEW AGE



Over the last two years, the world has witnessed tremendous changes in all spheres of life catalysed by the pandemic. For large organisations, it is important to readjust to the new normal, discard traditional approaches, introduce mindful behaviours, and rethink strategy, operations, people practices to continue to stay relevant. At UltraTech, we are on a transformative path as we set sight on a world of opportunities driven by India's concerted focus on infrastructure and urbanisation. We have designed our systems, policies and culture to meet future demand, while creating sustainable and tangible value for stakeholders and promoting inclusive development and growth.

## MEETING DEMAND - FY22

### Grey Cement



### White Cement

**Focus on modernisation**





# UPHOLDING NEW PARADIGMS

We believe that progress is driven by embedding the best environment, people and governance practices. They propel us towards sustainable progress while also ensuring that we create positive impact.

We continue to remain committed to building a low-carbon future and increasing contribution to a circular economy. We have adopted ambitious targets in line with the Paris agreement to reduce our environmental footprint and raised US\$ 400 million through our sustainability-linked bonds. Across our operations, we are calibrating our product mix and increasing the usage of alternative material and clean energy.

## ESG performance: Dow Jones Sustainability Indices (DJSI)

Improved score  
by **11 points**

Overall improvement  
**427%**  
in 4 years

Global Rank  
**7<sup>th</sup>**  
in construction  
material sector

## INDUSTRY-LEADING SUSTAINABILITY INITIATIVES

### Target

- Produce carbon neutral concrete by 2050
- Turning five times water positive by 2024

We have a rich legacy of contributing to India's socio-economic development through our meaningful interventions across our key impact areas - Education and Capacity Building, Healthcare, Sustainable Livelihoods, Infrastructure Development, and Social Reform.

We are investing in the development of the communities we operate in with a focus on sanitation, infrastructure and healthcare. Through skill building initiatives, we are also focussed on generating livelihood opportunities for these societies.

Our employees work relentlessly to deliver superior quality to clients, and we believe that we owe our success to their efforts. Their safety and growth are of paramount importance as we strive to create a healthy work environment and introduce various initiatives for their skill development. We support diversity and inclusion within our business, and extend it across our value chain. In a major step forward, we set up a women-run first-of-its-kind ready mix concrete plant. We had set up an all-women control rooms at several of our Units last year.

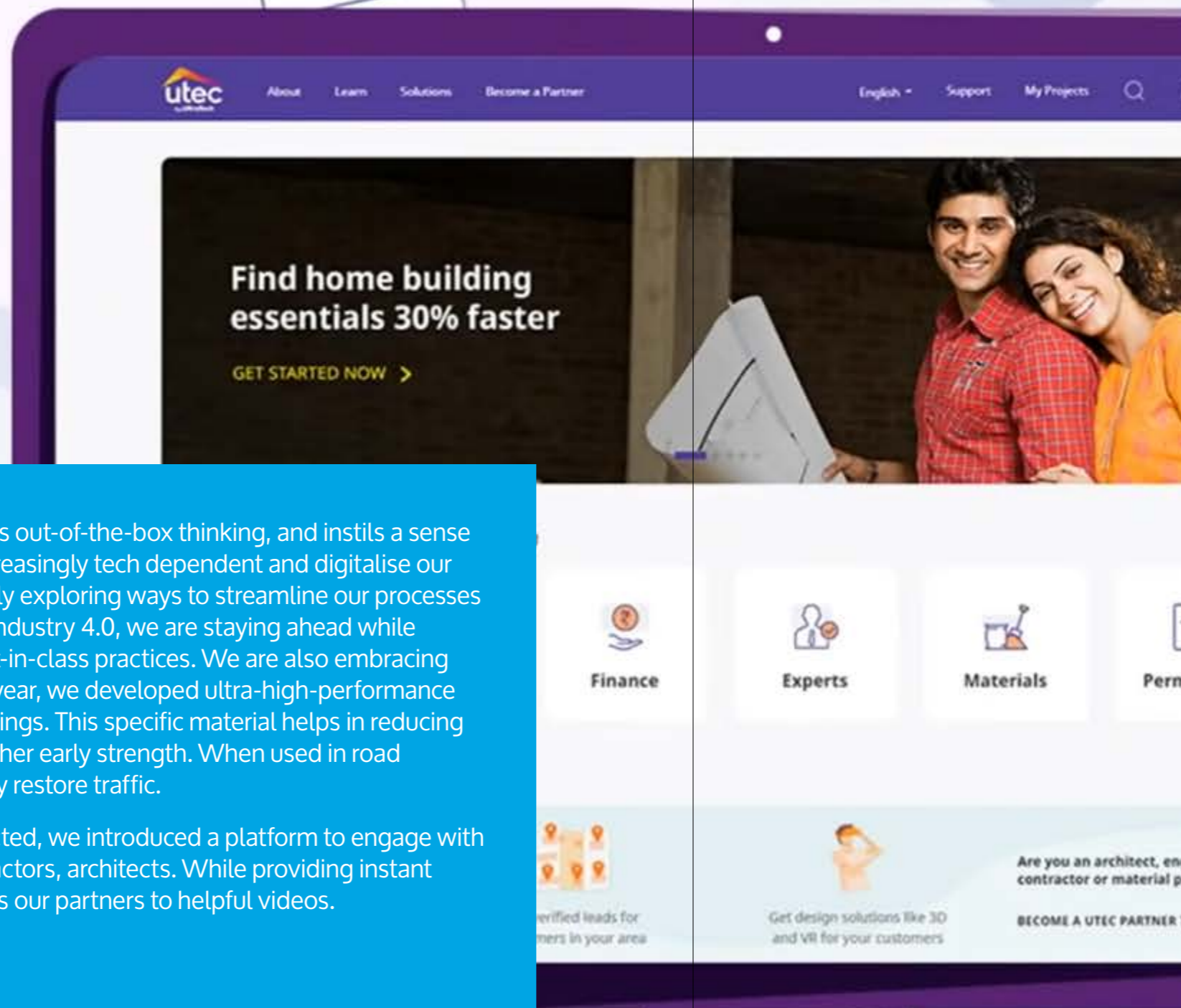
### Awards

- FICCI Indian Circular Economy Award, 2021.
- Ready-Mix Concrete (RMC) Division won four awards in the MSME category at the National Safety Awards 2021.
- Frost & Sullivan and TERI Sustainability 4.0 Award

# EMBRACING NEW IDEAS

An open work culture encourages out-of-the-box thinking, and instils a sense of belonging. As we become increasingly tech dependent and digitalise our way of working, we are constantly exploring ways to streamline our processes and optimise cost. By adopting Industry 4.0, we are staying ahead while also ensuring that we adopt best-in-class practices. We are also embracing innovation in our products. This year, we developed ultra-high-performance concrete for use in high rise buildings. This specific material helps in reducing the column size and provides higher early strength. When used in road applications, this can help quickly restore traffic.

In an effort to be digitally connected, we introduced a platform to engage with dealers, retailers, masons, contractors, architects. While providing instant access to information, it also links our partners to helpful videos.



## Digital initiatives

**One UltraTech:** Easy ordering and real-time tracking, single view of data across various parameters

**UltraTech Prashikshan Pahal:** To provide basic knowledge about construction procedures, materials and tools for all especially for masons

**Utec:** Access to all home building information regarding planning, designing, construction and finishing homes

**Utec Partners:** Enables partners to connect with home builders to expand their business

We further introduced several initiatives through the year, such as Ideathon, to motivate employees to share their suggestions, observations and ideas, which are then evaluated and implemented, several of them aimed to improve efficiency.

# Approach to reporting

## Reporting period

This report covers our performance for the period from 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022, maintaining an annual reporting cycle.

## Scope and boundary

The report scope and boundary cover all operations of UltraTech Cement Limited including manufacturing plants, subsidiaries, and bulk terminals across India, Sri Lanka, and the Middle East. The ready-mix concrete (RMC) plants operated by the Company for specific customers, on their premises on a temporary basis, have not been included. More than 75% of our operations are covered under environment and social reporting. There have been no changes in the organisation and its supply chain from previous year.

## Subsidiaries covered in the report

- UltraTech Nathdwara Cement Limited
- Harish Cement Limited
- Gotan Lime Stone Khanij Udyog Private Limited
- Bhagwati Lime Stone Company Private Limited
- UltraTech Cement Lanka (Pvt.) Limited
- UltraTech Cement Middle East Investments Limited
- PT UltraTech Mining Indonesia
- PT UltraTech Investments Indonesia

## Frameworks

The Report has been prepared in accordance with the International <IR> Framework published by the Value Reporting Foundation erstwhile International Integrated Reporting Council (IIRC). Also, the report has been prepared in accordance with the GRI Standards: Comprehensive option. GRI content Index is available in the sustainability report, link of which is <https://www.ultratechcement.com/about-us/sustainability/sustainability>

The Report aligns with the principles and guidelines of:

- The Companies Act, 2013 (and the Rules made thereunder)
- Indian Accounting Standards
- Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
- Secretarial Standards issued by the Institute of Company Secretaries of India
- National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVG-SEE)
- Task Force on Climate-related Financial Disclosures (TCFD)

## Precautionary approach

We follow a precautionary approach towards minimising our operational impact on the environment. We have implemented best-in-class technology for cement manufacturing and mining to limit our ecological footprint, and we continue to enhance our efforts towards the same. At all our plants, we have implemented Environment, Health and Safety (EHS) management systems to monitor and address any concerns.

## Assurance

The enclosed standalone and consolidated Financial Statements of the Company, forming part of the Integrated Annual Report have been audited by the Independent Auditors, B S R & Co. LLP, Chartered Accountants and Khimji Kunverji & Co LLP, Chartered Accountants.

The Company has obtained certificate from Khimji Kunverji & Co LLP, Chartered Accountants confirming the compliance of conditions of Corporate Governance as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as

amended (Listing Regulations) and certificate from Makarand M. Joshi & Co., Practising Company Secretaries confirming compliance with the Companies Act, 2013 (the Act), applicable Rules made under the Act, Listing Regulations issued by the Securities and Exchange Board of India (SEBI). The certificates form part of this Integrated Annual Report. The Company's Sustainability Report (non-financial reporting), referred to in this Integrated Annual Report has been assured by an independent assurance provider, Ernst and Young Associates LLP.

The Company's senior management comprising key managerial personnel has also reviewed the report for consistency, clarity and veracity of messaging.

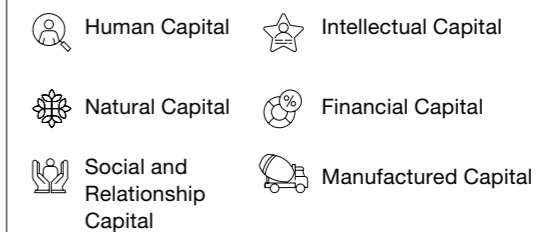


## Navigation

### UNSDGs impacted



### Capitals impacted



### Feedback

Your feedback, enquiries and suggestions on any aspect of our sustainability performance are welcome.

Email: [utcl.sustainability@adityabirla.com](mailto:utcl.sustainability@adityabirla.com)

Address: UltraTech Cement Limited  
B Wing, Ahura Centre, 2<sup>nd</sup> Floor  
Mahakali Caves Road, Andheri (East),  
Mumbai, Maharashtra, India

Phone: +91 22 6691 7800  
Website: [www.ultratechcement.com](http://www.ultratechcement.com)

# UltraTech Cement

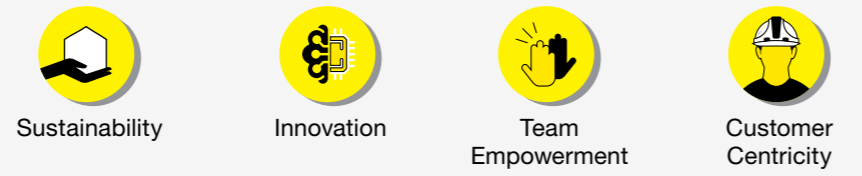
As part of the globally renowned Aditya Birla Group, UltraTech has grown to become India's largest cement manufacturer. We are also the second-largest cement manufacturer worldwide contributing to over 7% of the global capacity in grey cement, white cement and RMC, and offer a wide array of building solutions to cater to the construction needs of the modern world. Our operations are spread across India, UAE, Bahrain and Sri Lanka to meet the demand in the Indian subcontinent and the Middle East.

## VISION

To be The Leader in building solutions

## MISSION

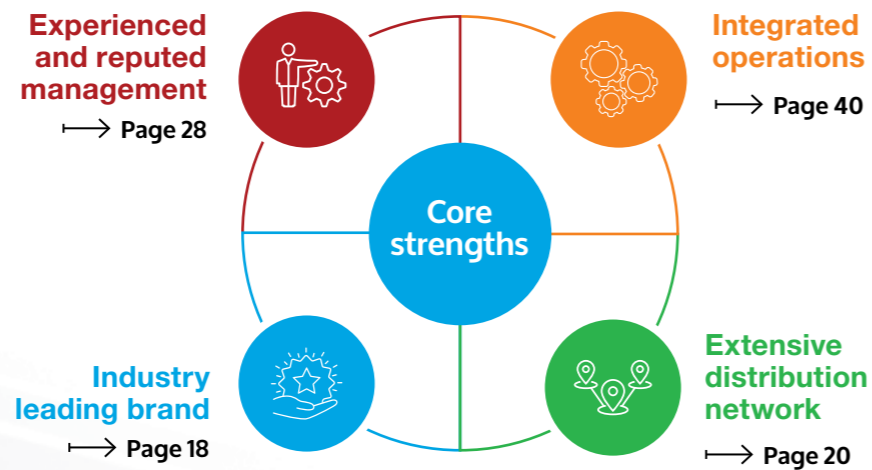
To deliver superior value to our stakeholders on the four pillars of



## MARKET POSITION

**₹ 1,90,589 crores\***  
Highest market capitalisation in India's cement industry

**1.9 billion**  
Bags of cement produced every year



\* As on 31<sup>st</sup> March, 2022

## SCALE

<b>120 MTPA</b> Grey cement capacity	<b>23*</b> World-class integrated manufacturing units	<b>27**</b> Grinding units and one clinkerisation unit	<b>8#</b> Bulk packaging terminals (Sea + Rail)
<b>1.5 MTPA</b> White Cement (one unit) and Wall Care (one unit) capacity	<b>175+</b> Ready Mix Concrete (RMC) plants across in 41 cities	<b>1,188 MW</b> Captive power capacity	<b>436 MW</b> Renewable power capacity (WHRS <sup>^</sup> +Wind Mill+Solar)

\*22 in India and 1 international | \*\* 23 in India and 4 international | #7 in India and 1 in Sri Lanka | <sup>^</sup> WHRS Waste Heat Recovery System



# Bringing cement closer to customers

Servicing the cement requirements in the Indian subcontinent and the Middle East, UltraTech has established a strong manufacturing and distributor presence. Our operations extend across 23 manufacturing units, 27 grinding units and 8 bulk packaging terminals. In the Ready-Mix Concrete (RMC) category, we have over 175 RMC plants across the country. This strong manufacturing presence is facilitated by our corporate office, sales offices and technology support centres that allow us to deliver quality products and a seamless customer experience.

## PAN-INDIA PRESENCE

	Capacity	Proportion of total capacity	Revenue share in FY22
North	23.80 MTPA	21%	23%
Central	25.30 MTPA	22%	19%
East	17.35 MTPA	15%	17%
West	27.65 MTPA	24%	22%
South	20.45 MTPA	18%	19%

## GLOBAL CAPACITIES

Bahrain	1 MTPA	5.4 MTPA Total capacity
Sri Lanka	1.5 MTPA	
UAE	4.4 MTPA	4% Revenue share in FY22

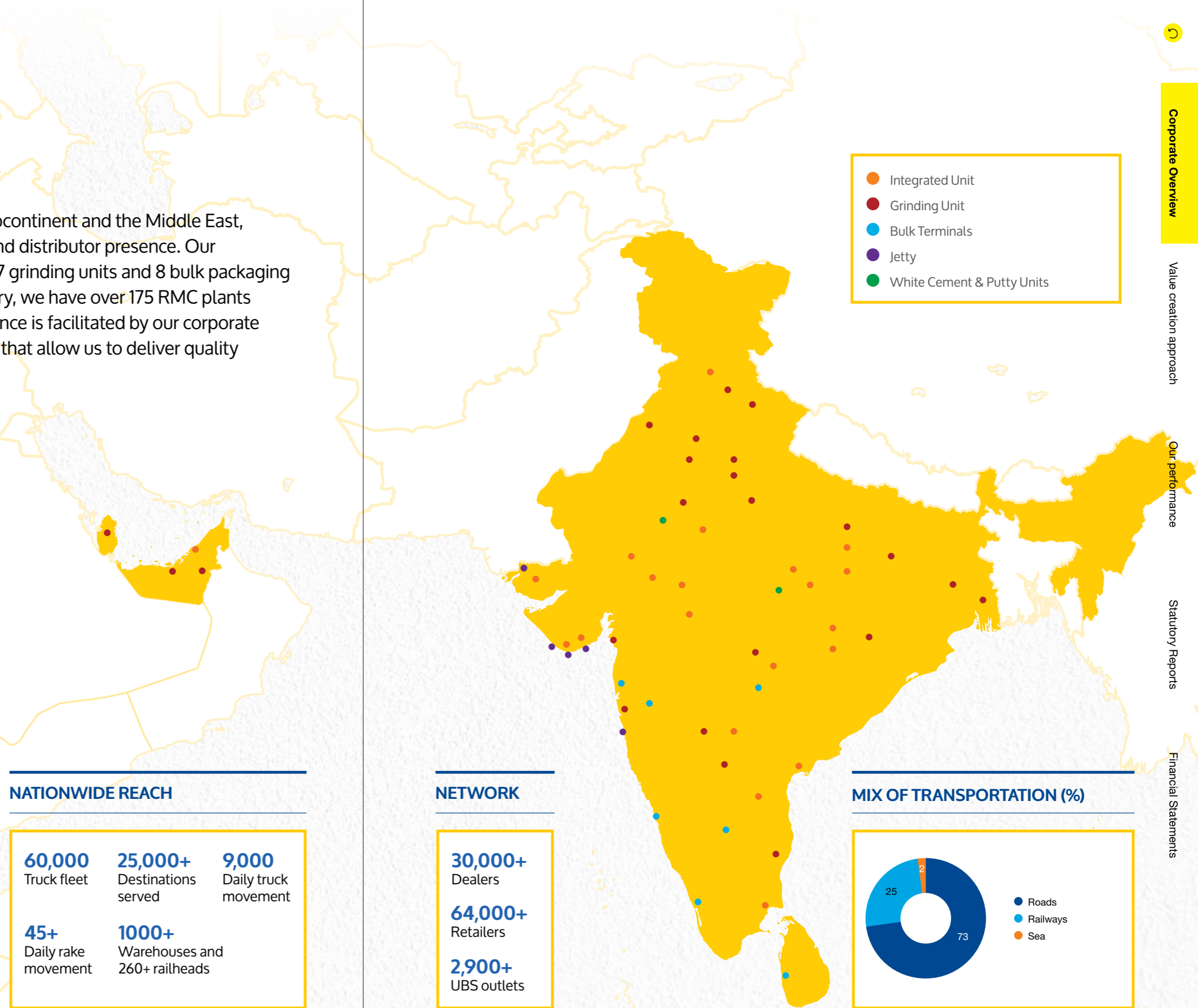
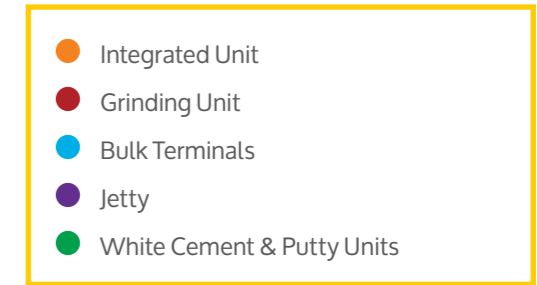
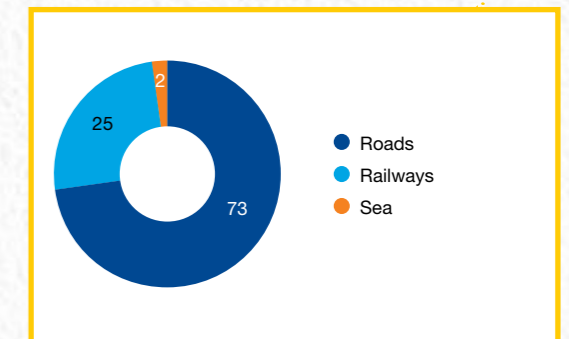
## NATIONWIDE REACH

60,000 Truck fleet	25,000+ Destinations served	9,000 Daily truck movement
45+ Daily rake movement	1000+ Warehouses and 260+ railheads	

## NETWORK

30,000+ Dealers
64,000+ Retailers
2,900+ UBS outlets

## MIX OF TRANSPORTATION (%)



# Built to suit consumer preferences

Over the past decades, our experience has led us to develop an ingrained understanding of the consumers even as we remain agile to the evolving preferences and market dynamics in India. We have leveraged this insight, and backed with a strong technical expertise, we have developed unique products that are well-suited to meet the emerging demands of the Indian construction industry. We offer a slew of speciality concretes and solutions that meet specific needs of discerning customers.

We have launched several new products, including a variant of supplementary cementitious and a specialised concrete mix design for 3D printable applications and an ultra-light weight floating concrete variety for special and niche applications. We continue to uphold innovation and technology as an important part of our sustainable approach to meet customer requirements.



## CONVENTIONAL



**India's largest cement selling brand**

**Grey cement products**

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



**#1 in white cement and cement-based Putty**

**White cement products**

- White cement
- Wall care putty
- White cement-based product



**#1 RMC player in India with >175 plants**

**Ready mix concrete solutions**

- Tailor-made concrete solutions with 35 speciality concretes, based on application

## CONTEMPORARY



**First and the largest single branded retail chain across India**

**Addressing diverse requirements**

- One-stop building solution for different stages of construction life cycle, catering to the retail customer with 2,900 plus outlets in 21 states
- Over 70% of outlets in rural and Tier 3 geographies
- Partners leading brands to provide quality construction products for individual home builders



**Re-engineered products from the house of UltraTech**

**Building products**

- Wide portfolio of building solution products such as:

**Dry mix mortars**

- Plasters mortars
- Adhesives and sealants
- Flooring
- Repair and rehabilitation

**Waterproofing**

- Liquid Waterproofing
- Cementitious Waterproofing

**Delivering sustainability, safety and wellbeing**

- **Environmental:** The M-sand component in our product conserves sand beds and also drives less water consumption in curing.
- **Society:** Our products are aligned with IS&EN standards and drive faster construction, enabling material and cost savings. We support community development through skill imparting and also focus on upskilling masons and contractors. Our workplaces are safe and we encourage people to reach their true potential.
- **Certified green:** As per Indian Green Building Council standards, we received Green Pro certification for our cement products.

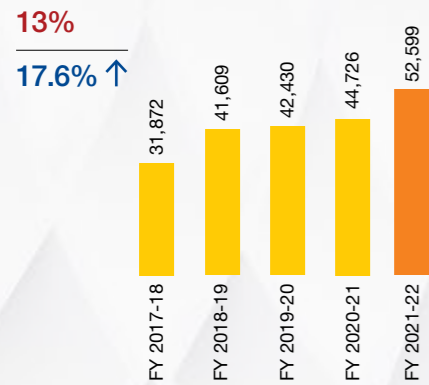


# Responsible and profitable

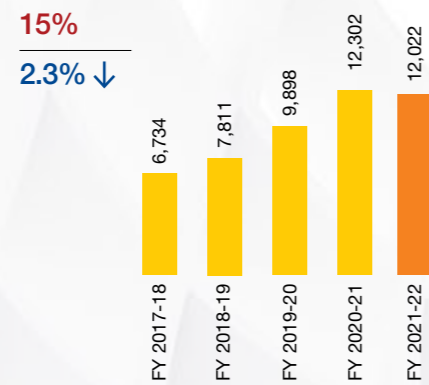
UltraTech has evolved from a cement manufacturing company to a building solutions provider over the years. With our steadfast endeavour to create value for all our stakeholders, we focussed on integrating sustainable business practices across our operations and processes and continued to expand our presence with stronger distribution network and customer engagement. This multi-pronged approach centred on consumers, sustainability and steady expansion has translated into a robust financial performance for us over the last five years.

## PROFIT AND LOSS

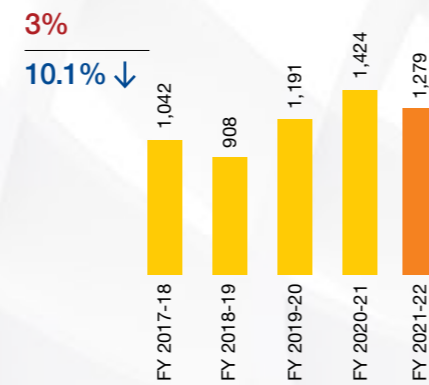
Net Revenue (₹ in crores)



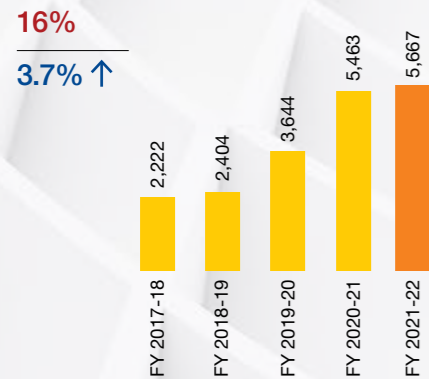
EBITDA (₹ in crores)



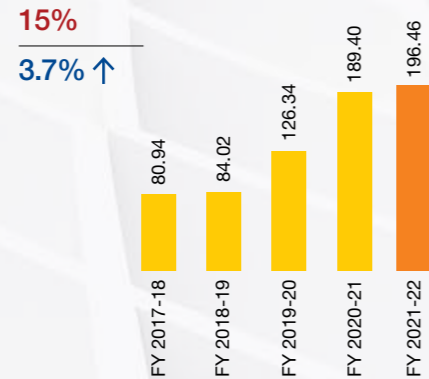
EBITDA per tonne (₹)



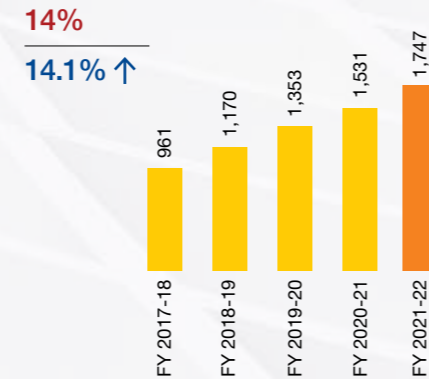
PAT after minority interest-normalised (₹ in crores)



Nominalised EPS (₹)



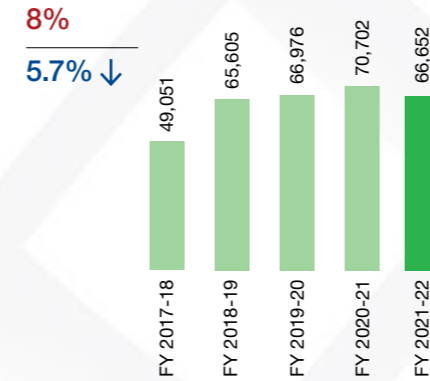
Book Value (₹)



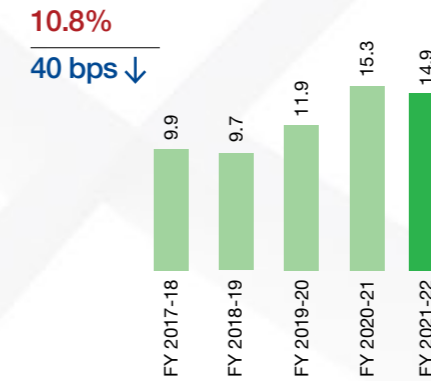
■ 5 - year CAGR    ↑ YoY

## BALANCE SHEET

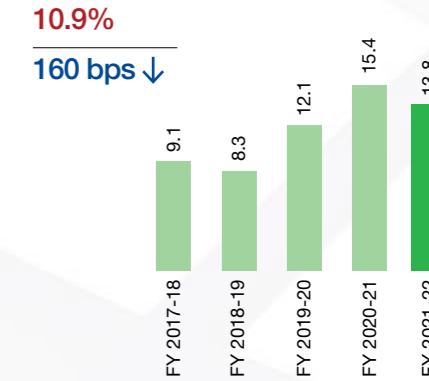
Capital employed (₹ in crores)



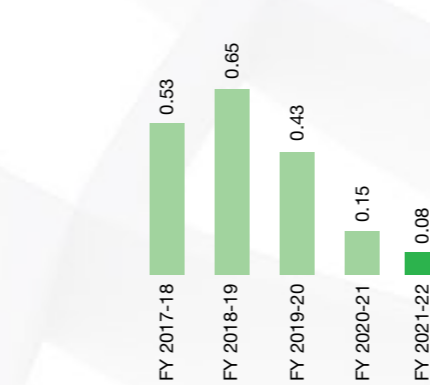
ROCE (Excluding Goodwill) (%)



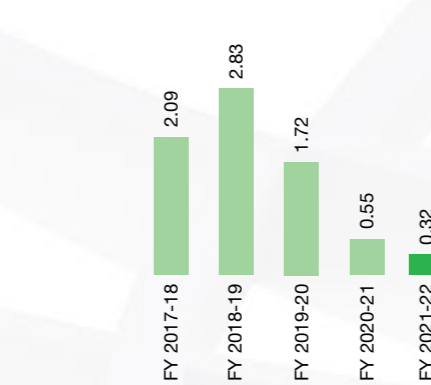
ROE (Excluding Goodwill) (%)



Net debt equity (times)



Net Debt/EBITDA (times)

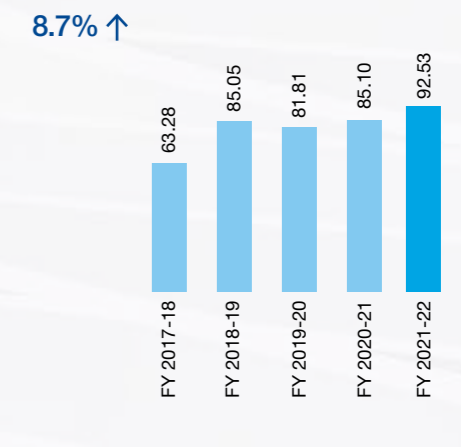


## OPERATIONAL

Production - Grey Cement (MMT)



Sales Volume - Grey Cement (MMT)



■ Cement    ■ Clinker

# Board of Directors



**Mr. Kumar Mangalam Birla**  
Chairman, UltraTech Cement Limited



**Mrs. Rajashree Birla**  
Non-Executive Director



**Mr. Arun Adhikari**  
Independent Director



**Mrs. Alka Bharucha**  
Independent Director



**Mr. Sunil Duggal**  
Independent Director



**Mrs. Sukanya Kripalu**  
Independent Director



**Mr. S B Mathur**  
Independent Director



**Mr. K. K. Maheshwari**  
Vice Chairman and  
Non-Executive Director



**Mr. K. C. Jhanwar**  
Managing Director



**Mr. Atul Daga**  
Whole-time Director and  
Chief Financial Officer

**UltraTech Cement Board Committees**

- (A) Audit Committee
- (C) Corporate Social Responsibility Committee
- (F) Finance Committee
- (N) Nomination, Remuneration and Compensation Committee
- (R) Risk Management and Sustainability Committee
- (S) Stakeholders Relationship Committee

● Chairman ○ Member

# Senior Management

**Vivek Agarwal**  
Chief Marketing Officer

**E R Raj Narayanan**  
Chief Manufacturing Officer

**Pramod Rajgaria**  
CEO Overseas

**Ashish Dwiwedi**  
CEO – Birla White

**Ramesh Mitragotri**  
Chief Human  
Resource Officer

**Sujeet Jain**  
Chief Legal Officer

**Company Secretary**  
Sanjeeb Kumar Chatterjee

## Corporate governance approach

We, at UltraTech, believe that strong governance standards of fairness, transparency, sustainability, accountability and responsibility are important for the growth of any company, industry and economy. We are bound to serve our stakeholders equitably upholding their trust and commitment. Corporate governance is not just about maintaining strong balance sheet but also about creating organisational excellence.

Our Board comprises Executive, Non-Executive and Independent Directors who guide us in all areas of operation, resource utilisation, maintaining sustainability standards in alignment with the vision, mission and values of our business. The Managing Director heads the management team and is responsible for achieving the targets set by the Board.

Integrity, Commitment, Passion, Seamlessness and Speed – These are the values we always uphold as we strive to achieve excellence in corporate governance.

## Code of conduct

Our policies towards code of conduct help our employees, management, suppliers and various stakeholders to foster a healthy work culture and make it a better place to work. They are aligned to ensure fair, transparent and uniform implementation of organisational policies.

## Board diversity

A diverse Board helps the Company to bring in different perspectives to the business. We consider several aspects like gender, education, skills, experience and knowledge while developing the Board composition.

## Governance Framework

**50%**  
Independent Directors,  
of which two are women

**3**  
Non-Executive Directors

**2**  
Executive Directors

**~9 years**  
Average tenure of the  
Directors on our Board

**30%**  
Women Directors

**>95%**  
Board attendance

**100%**  
Committee attendance



# Value creation story

Today, the world we live in is more aware and more conscious of the long-term consequences of actions. As sustainable practices and behaviour become part of everyday life, businesses are adapting their priorities and strategies. At UltraTech, we are committed to lead this change. We believe in creating positive impact and this long-term value creation 'to deliver superior value to our customers, shareholders, employees and society at large' is well embedded in our mission.



## Financial Capital



A strong balance sheet is what every company aims for and so do we. We are committed to optimise our asset utilisation while maintaining free cash flows. Our aim is to keep minimising costs in order to create higher value for our stakeholders.

→ Read more on page 46

## Manufactured Capital



Our equipment is backed by latest technology, which helps us maximise output at optimised costs. This in turn matches our stakeholder expectations. We also ensure maximum safety standards are met when our employees handle this machinery. We emphasise on training and employee health and safety above all else.

→ Read more on page 50

## Intellectual Capital



Innovative solutions not only benefit our customers but the entire industry. Our eco-friendly portfolio of building materials is supported by state-of-the-art technology. We continuously endeavour to create awareness regarding our sustainability initiatives.

→ Read more on page 52

## Natural Capital



Our fundamental source of raw material that is minerals is a key natural resource.

We are conscious about its sustainable usage. While cement is an energy intensive sector, more and more importance is being given to the use of alternative fuels at our operations. By doing so, we intend to minimise our carbon footprint. Water is the second most crucial resource. We aim to recycle water at all our facilities.

→ Read more on page 54

## Human Capital



Our people are our strength and valued at the core in UltraTech.

We employ people of varied skills in technical and management functions. Talent in the Company is nurtured by giving them multiple exposure, opportunity to learn and grow in a culture that encourages diversity and inclusion.

→ Read more on page 58

## Social and Relationship Capital



Our stakeholders belong to a diverse group and we are proud to strengthen our partnership through close engagement. We work with our shareholders, suppliers, lenders, contractors, government, communities and civil society by considering their wellbeing in our growth journey.

→ Read more on page 62

# Responding to concerns

Stakeholder engagement forms a key pillar of the Aditya Birla Group's Sustainability Framework. Our horizons are always expanding, as we continuously engage with our network partners, employees, international organisations, customers, regulators, investors and the communities we serve. We connect, we listen and we work on their concerns in order to meet their expectations. For us, this is a continuous process and forms an integral part of our business.

## Our expanding horizon

Our stakeholder prioritisation is defined by the impact our stakeholders have on our business, directly or indirectly and vice versa. We constantly communicate and take stock of our stakeholders' perspectives and suggestions through various mechanisms.



### UltraTech's approach to stakeholder engagement

Six fundamental elements of our approach to stakeholder engagement:



#### Informative

Disclose key information honestly and in a timely manner



#### Descriptive

Communicate comprehensively to provide a holistic picture



#### Interactive

Identify stakeholder concerns through regular feedback to get multi-lateral viewpoints



#### Collaborative

Encourage active collaborations with stakeholders and set the priorities accordingly



#### Proactive

Identify and address concerns before they escalate



#### Inclusive

Ensure that every stakeholder consider themselves to be part of the Company's progress

## STAKEHOLDER ENGAGEMENT



### Industry Associations, CEO-led Organisations, International Commitments

Our long-standing relationships with industry associations and CEO-led organisations enable us to participate in cutting-edge research, adopt and share best practices, participate in advocacy for sustainability-led thinking, among others. It is in this spirit that we commit to international targets for sustainability.

#### Key engagements

- GCCA global and GCCA India meeting
- Confederation of Indian Industry
- Indian Green Building Council
- Bureau of Energy Efficiency
- WBCSD

#### Engagement platforms

- Meetings
- Participation in governance bodies
- Website



### Shareholders, Lenders and Investors

We engage closely and regularly with our shareholders, lenders, and investors. It helps us to enrich our business conduct by understanding their priorities and addressing their queries and concerns.

#### Key engagements

- Investors Roadshow on ESG
- Investor presentations
- Investor meetings

#### Engagement platforms

- Annual Report and regulatory filings
- General Meetings
- Carbon Disclosure Project Report
- Sustainability Report
- Business Responsibility & Sustainability Report
- Dow Jones Sustainability Index (DJSI) disclosure
- Grievance redressal
- One-on-one meetings, investor conferences, investor calls



### Government and Regulatory Authorities

As a responsible corporate citizen, good governance is of paramount importance to us. We take care to remain fully compliant with all applicable laws of the land, wherever we are present. Our commitment to transparency drives our stakeholder engagement efforts across the Board, both internally and externally, generating trust in brand UltraTech.

#### Key engagements

- Meetings on government directives and policy development
- Routine meetings
- Facility inspections

#### Engagement platforms

- Annual Report and regulatory filings
- Meetings and conferences

STAKEHOLDER ENGAGEMENT



**Employees**

Employee engagement is core to achieve high performance and continuous improvement. Programmes that enable listening to employees, extensive two-way communication, involvement and participation are institutionalised through Listening Day, DISHA, Daily Gate meeting, Coffee with Leader, Kaizen, Suggestion Scheme, Ideathon, and 'I Love My UltraTech' among many other platforms. Voice of the employee is heard through formal channels like biennial Vibes (Employee Survey – covered 8,947 employees in 2021), Culture Survey and Focussed Group Discussions.

**Key engagements**

- Disha
- CXO connect
- Performance appraisal

**Engagement platforms**

- Employee health check-ups and monitoring
- Yoga
- Ultrathon and sporting events



**Customers**

We take great care to ensure that brand UltraTech spells quality, for our consumers/customers. We have various modes and channels of engaging with them and our key motivation is to educate them towards getting the best out of our products and availing themselves to best-in-class solutions suited to their needs.

**Key engagements**

Dealer meets and customer engagements

**Engagement platforms**

- Website
- Product campaigns
- Satisfaction surveys
- Grievance redressal
- Customer oriented initiatives
- Feedback surveys



**Suppliers and Contractors**

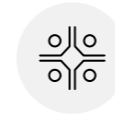
Our engagement with our suppliers and contractors is based on one key pillar: responsibility. We adhere to our supply chain code of conduct in all aspects and make sure our associates do the same. This is our condition for developing long-term business relationships.

**Key engagements**

Supplier and vendor meets

**Engagement platforms**

- Contract procedures and project timelines
- Facility inspections
- Review meetings
- Vendor interaction meets
- Feedback forms
- Annual performance report
- Annual stakeholder meets
- Supplier grievance mechanism
- Supplier assessment



**Community**

Local communities around our manufacturing facilities are an important stakeholder group for us. Our aim is to help benefit people both directly – through livelihood opportunities at our facilities, and indirectly – through various CSR initiatives at UltraTech. For the latter, we work in partnership with the local communities, leading with need assessments and following up with development and finally, a handover of the projects.

**Key engagements**

- Community need assessments
- Community development interventions
- Disaster management workshops
- Mason trainings

**Engagement platforms**

- Community need assessments
- Disaster management workshops
- Community visits
- Satisfaction surveys
- Meetings with community representatives
- Impact Assessment studies
- Grievance redressal



**Media and NGOs**

Media and NGOs is a key influencer category for us. We engage with them to understand their perspective on various aspects of the business as well as industry performance and priorities. We also highlight key issues of discussion to them, putting forth our management's perspective to guide healthy dialogue.

**Key engagements**

- CDP
- SBTi

**Engagement platforms**

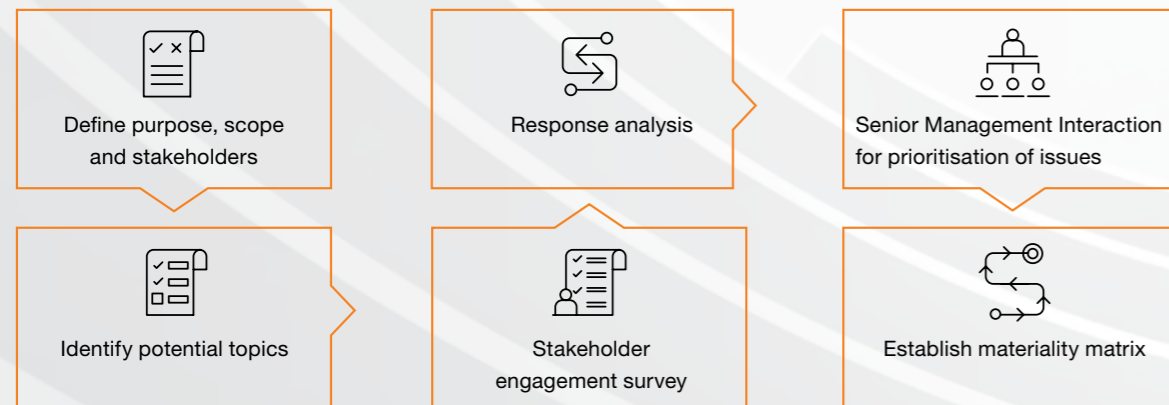
- One-on-one interactions
- Direct contact during activities
- Social surveys



# Understanding what matters to our stakeholders

We regularly undertake materiality assessments to identify stakeholders' concerns and environment, social and governance issues that impact the business and its ability to create value. In FY22, a comprehensive materiality assessment exercise was carried out involving multiple internal and external stakeholders. The resultant list of material issues will help us make increased decisions and shape our sustainability strategy and reporting objectives.

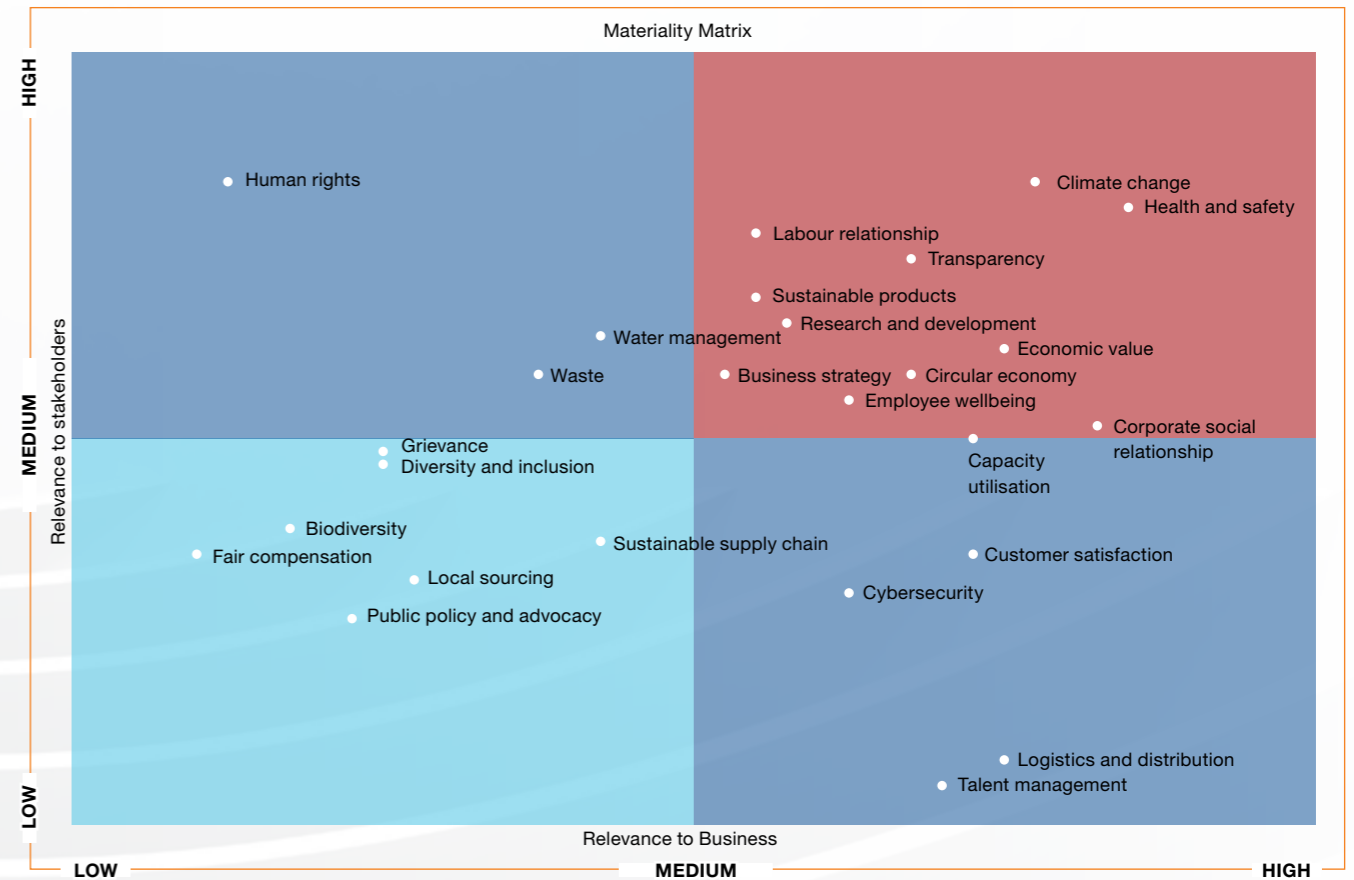
## Materiality assessment process



## What the assessment covered

<b>External stakeholders' views</b>	<b>Internal stakeholders' views</b>	<b>Global frameworks and ESG Rating Agencies</b>	<b>Industry mega trends</b>
<p><b>External stakeholder engagement surveys (online/offline)</b> involving customers and dealers, suppliers and vendors, local community and NGOs, government and associations, investors, market specialists and agencies</p> <p><b>Investor priorities</b> identified through desk-based research</p>	<p><b>Senior management interviews</b> to understand the Company's priorities</p> <p><b>Employee engagement surveys:</b> online surveys across all management levels</p>	<p><b>Global reporting frameworks</b> GRI Standards, &lt;IR&gt; Framework, VRF - SASB Material topics</p> <p><b>ESG Rating Agencies</b> DJSI material topics, MSCI materiality map, Sustainalytics material topics</p>	<p><b>Peer benchmarking</b> in the cement industry including both Indian and international cement companies</p>

## MATERIAL TOPICS



- | High                            | Medium                       | Low                          |
|---------------------------------|------------------------------|------------------------------|
| ● Health and safety             | ● Water management           | ● Biodiversity               |
| ● Climate change                | ● Waste                      | ● Sustainable supply chain   |
| ● Circular economy              | ● Grievance                  | ● Public policy and advocacy |
| ● Economic value                | ● Diversity and inclusion    | ● Local sourcing             |
| ● Capacity utilisation          | ● Customer satisfaction      | ● Fair compensation          |
| ● Employee wellbeing            | ● Logistics and distribution |                              |
| ● Corporate social relationship | ● Cybersecurity              |                              |
| ● Labour relationship           | ● Human rights               |                              |
| ● Research and development      | ● Talent management          |                              |
| ● Sustainable products          |                              |                              |
| ● Business strategy             |                              |                              |
| ● Transparency                  |                              |                              |
- Environment ● Social ● Governance

# Well positioned to drive the India story

The Indian cement industry is the second largest in the world and it is estimated to add 80-100 million tonnes capacity by FY25. Moreover, the per capita consumption is expected to witness significant boost, driven by increased spending on housing and infrastructure.

UltraTech's strong position and capabilities allow it to leverage opportunities in the world's fastest growing economy.

Despite the lingering challenges posed by the pandemic, India's long-term growth potential is intact, and we are favourably positioned to deliver building solutions for a nation on the march. Forecasts indicate that there are three main demand drivers for cement industry: infrastructure upgrade, rural housing and urbanisation. Investment projects across roads, railways, metro, airports and ports will further support the Prime Minister's nation building vision. In line with this, there has been a higher allocation

for infrastructure – US\$ 24.80 billion in roads and US\$ 18.08 billion in railways in the union budget of FY23, which is likely to accelerate demand for cement.

We have navigated industry cycles and economic headwinds over decades to emerge stronger. This can be attributed to the strength and strategy of our business model as well as the pace of transformation in line with the evolving macro trends and customer aspirations.



## Infrastructure creation

Infrastructure development remains key to strengthening India's competitiveness globally. The Government of India launched the National Infrastructure Pipeline (NIP) for FY25 to facilitate the creation of world-class infrastructure projects that not only boost the economy, but also generate large-scale employment opportunities. With a projected investment of ₹ 151 lakh crores, the NIP bodes well for the energy, roads, urban infrastructure, railways sectors, among others.

**₹ 151 lakh crores**

Proposed investments in infrastructure through National Infrastructure Pipeline (NIP) for the period 2020-2025



**250 lakh**

Additional affordable housing units needed by 2030

## Housing sector

By 2030, more than ~40% of the Indian population will live in urban India, as against ~35% today. This is likely to create demand for urban housing.

The Government of India (GoI) through the Pradhan Mantri Awas Yojana-Urban (PMAY-U) has been rapidly moving towards achieving the vision for providing a pucca house to every household by 2022. It has so far approved more than 123 lakh houses, of which over 102 lakh houses have been grounded for construction. More than 61 lakh houses have been completed and delivered. The GoI has made additional outlay of ₹ 28,000 crores for FY21 through budgetary allocation.

# Practising prudence and agility

The key element of futureproofing is the ability to maintain a thorough understanding of risks faced by the business and the organisation, at all times. Our risk management strategy is geared to identify risks/threats to our business promptly and respond to emergencies in a timely and calculated manner.

Governance at UltraTech leads the task of risk management and mitigation, which is under the Risk Management and Sustainability Committee of the Board.

### Process and Culture

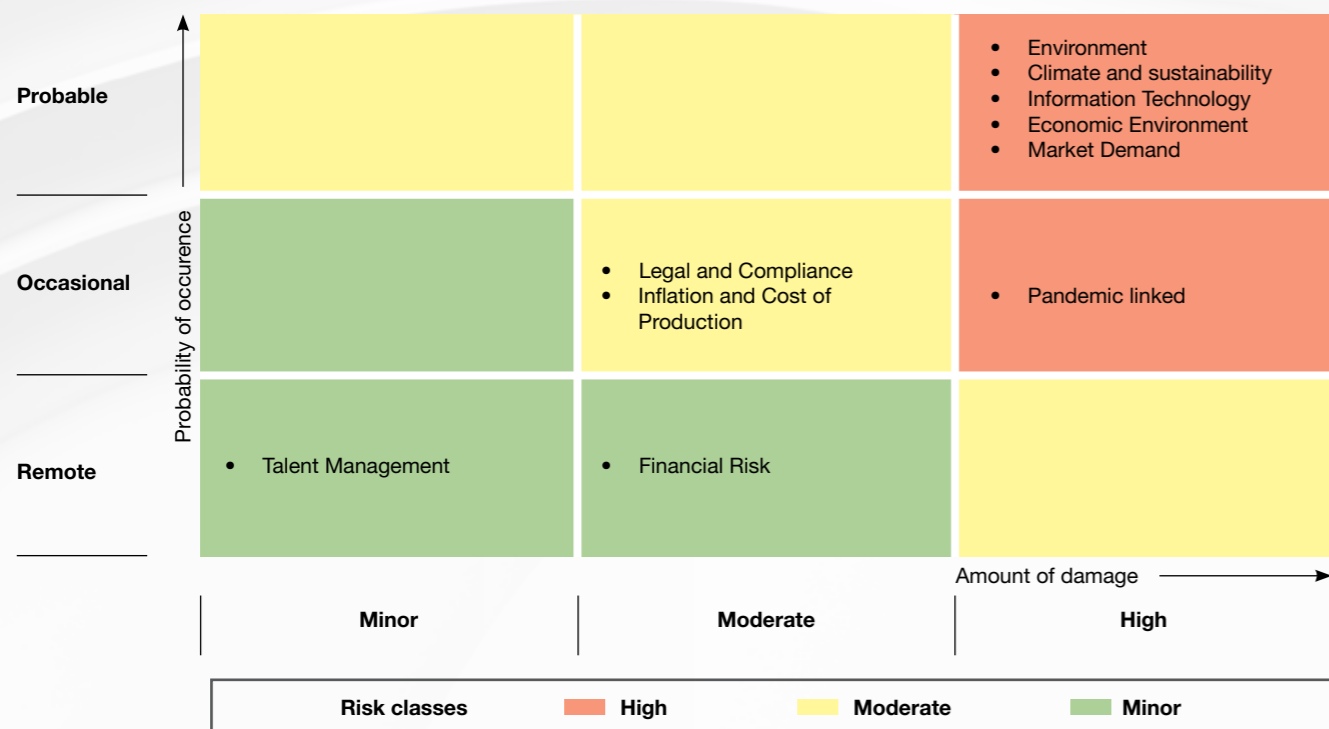
We have a robust risk management strategy to help us identify the various risks and opportunities across our operations. It comprises various steps from risk identification to mitigation, action plan and review. Periodic reviews are conducted and the summary is presented to the Board committee. It oversees the processes and mitigation actions wherever necessary. The risk horizon considered includes long-term strategic risks, short to medium-term risks as well as single events.

Senior executives work to achieve KPI and targets, including financial and non-financial performance of the Company, to mitigate the associated risks. Their performance and compensation are evaluated based on these.

### Identification and mitigation training

Various online and classroom training programmes are conducted to create awareness among employees about risk identification and mitigation. Some of the aspects include Code of Conduct, Health & Safety, Logistics safety, Cybersecurity, Environmental, Legal and more.

## KEY BUSINESS-LEVEL RISKS IDENTIFIED



### Analysis

We keep ourselves aware of the ever-changing dynamics of the risk umbrella. We undertook a comprehensive and holistic risk analysis and created 50 impact cards containing externalities and factors that could pose a risk to our business.

The externalities spanned a wide range of departmental risks. Each one of these impact cards were then expanded to identify the risks they pose to the business. They were rated in terms of likelihood of the risk, and its consequence was decided across factors like EBITDA, reputation and license to operate, impact on staff, business operations, injury/safety, business objectives, regulatory and legal action.

Regular awareness and training sessions are conducted where all the departmental heads deliberate on the impact and decide upon the corresponding mitigation plan. The risks are rated based on the likelihood of occurrence and consequence on the business.

### Future scenarios

Every few years, new risks emerge with changing scenarios. These have the potential to impact the Company's operations. With this view, we regularly identify the emerging risks for the next 3-5 years and make plans to mitigate them. We have identified two emerging risks including global regulations on curbing GHG Emissions and pandemic/epidemic-linked disruptions.

### Global regulations on curbing GHG Emissions

The nature of our business is such that it is carbon intensive. We have to increase our production capacity to meet India's infrastructural demands as a developing country. This increased consumption of limestone and fossil fuels with a corresponding rise in carbon emissions due to the calcination and combustion processes, make us vulnerable to external risks, such as compliance with policy changes.

In the coming years, the cost of conventional sources of energy critical to our industry, like coal, and the associated emissions linked to our production process, will escalate, with the increase in production capacity. In this situation, we anticipate risks arising from carbon limiting regulations

such as introduction of Carbon tax and/or Emission Trading Scheme in the Indian market, and the global climate change goal of below 1.5 degree. This will lead to higher production cost of cement, higher compliance costs and need for an optimised fuel mix, to ensure both—transition to a low carbon technology as well as manufacturing of low carbon products in the coming years.

### Efforts to mitigate our impact

We are focusing on different options to reduce our carbon footprint and other emissions, such as replacing traditional fuels with alternative fuels, improving the energy efficiency and using clinker additives. Optimising our fuel mix helps ensure both, transition to a low carbon technology and manufacturing low carbon products. We have proposed long-term investments for reducing our carbon footprint. Some of the investment decisions taken are i) WHRS installations at various locations and increasing energy efficiency, ii) increasing the fly ash absorption rate and AFR usage and iii) adoption of higher usage of renewable energy. All these will help us in achieving our SBTi target of reducing our Scope 1 GHG emissions by 27% per tonne of cementitious material by FY32 from a FY17 base year and also reducing our Scope 2 GHG emissions by 69% per tonne of cementitious material within the same time frame.

At UltraTech, we are constantly working to reduce our reliance on fossil fuels by increasing our use of renewable energy. Green energy accounts for 17.64% of the Company's overall power usage (renewable energy + waste heat recovery). UltraTech has more than doubled its renewable energy capacity in the last two years. We have also increased our use of biomass as a source of alternative energy. We have adopted means of sustainable transportation across 15+ locations by adopting CNG-based vehicles as an alternative means of transport for the road dispatches. On par with the concept of using 'Green Mobility' for its product dispatch, UltraTech is among the first cement companies in India to introduce CNG-based trucks for the dispatch of cement. CNG-based vehicles contribute to a 10-15% reduction in carbon emission as compared to conventional diesel-based trucks.

# Pathway to a better tomorrow





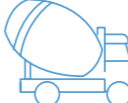

Aligned with our vision, we have developed a robust growth strategy to deliver superior value to all our stakeholders based on the four pillars of Sustainability, Innovation, Customer Centricity, and Team Empowerment.



## KEY ELEMENTS OF STRATEGY

Strategic objectives	Enhance balance sheet strength	Low-cost expansion	Without endangering the environment
<b>Key elements</b>	<ul style="list-style-type: none"> <li>Funding through internal accruals</li> <li>Prioritise plants having substantial locational advantage to reduce lead time and increase profitability</li> <li>Ideal clinker locations and their grinding units</li> <li>Strengthening overall ROCE</li> </ul>	<ul style="list-style-type: none"> <li>Largely brownfield expansion</li> <li>Targeted average capex cost of <b>&lt; US\$ 76 per tonne</b> for new expansion</li> <li>Targeted capex outflow of <b>~ US\$ 1.7 billion</b> for the expansion</li> </ul>	<ul style="list-style-type: none"> <li>Waste Heat Recovery System (WHRS) to address <b>40%</b> power requirement</li> <li>Higher blended percentage as majority of capacity expansion to cater to East and Central demand</li> <li>Conversion ratio to improve</li> </ul>
<b>Progress in FY22</b>	<ul style="list-style-type: none"> <li>ROCE remained at same level as FY21 and net debt/EBITDA reduced from <b>0.55 times</b> in FY21 to <b>0.32 times</b> in FY22</li> </ul>	<ul style="list-style-type: none"> <li>Timely expansion, despite substantial increase in commodity prices, the adverse COVID-19 impact and the Russia-Ukraine conflict impacting fuel cost</li> </ul>	<ul style="list-style-type: none"> <li>WHRS capacity has grown by <b>42 MW</b> from 125 MW in FY21 to <b>167 MW</b> in FY22</li> </ul>
<b>KPIs</b>	<p><b>ROCE</b></p> <ul style="list-style-type: none"> <li>FY20: <b>11.9%</b></li> <li>FY21: <b>15.3%</b></li> <li>FY22: <b>14.9%</b></li> </ul>	<ul style="list-style-type: none"> <li>Cement capacity will be <b>131.3 million tonnes</b> at the end of FY23</li> </ul>	<ul style="list-style-type: none"> <li><b>34%</b> power requirement to be met through WHRS and renewable power by FY24</li> </ul>
<b>Goals/Priorities going forward</b>	<ul style="list-style-type: none"> <li>Further prioritise plants which have locational advantage</li> <li>Improvement in ROCE</li> <li>Improvement in customer reach by building BT and GU near market</li> </ul>	<ul style="list-style-type: none"> <li>New capex is well within <b>US\$ 80/t</b> despite increase in commodity prices.</li> </ul>	<ul style="list-style-type: none"> <li>WHRS in all new plants</li> <li>Focus on products which require less clinker</li> <li>Clinker ratio to further improve</li> <li>Investments in own dedicated rakes for cement and clinker movements, to reduce dependence on road and hence, minimise carbon footprints</li> </ul>
<b>Capitals impacted</b>	Financial Capital	Manufactured Capital	Natural Capital
<b>Material topics</b>	<p><b>Improved:</b></p> <ul style="list-style-type: none"> <li>Net Debt Equity Ratio</li> <li>Net Debt/EBITDA Ratio</li> </ul>	<p><b>Improved</b></p> <ul style="list-style-type: none"> <li>Capacity utilisation</li> </ul>	<ul style="list-style-type: none"> <li>Lower fossil fuel utilisation</li> <li>Increasing share of green energy</li> <li>Improved water positivity</li> </ul>




# Long-term value for all

INDICATOR AND KEY INPUTS OF FY22						
<p><b>2,535</b> Total Employee Salary, Wages and Expense (₹ crores)</p> <p><b>21,921</b> Total Employees (Number)</p> <p><b>2,73,035</b> Total Training Hours</p> <p><b>4,50,641</b> Safety Training Hours (Employees and Contractors)</p>	<p><b>5,540</b> Net Capex (₹ crores)</p> <p><b>56,451</b> Net Fixed Assets (including CWIP and Capital advances) (₹ crores)</p> <p><b>(1,564)</b> Net working Capital (₹ crores)</p> <p><b>19,234</b> Cost of Raw Materials and Fuel (₹ crores)</p>	<p><b>103</b> Amount spend on CSR projects (₹ crores)</p> <p><b>54,479</b> CSR Voluntary Hours</p>	<p><b>20.23</b> Total Capital Spent on R&amp;D (₹ crores)</p> <p><b>4</b> Product Stewardship and LCA (Number of initiatives)</p>	<p><b>119.95 MMT</b> Total production capacity (Million metric tonne per annum of grey cement)</p> <p><b>23 Integrated Units &amp; 27 Grinding Units</b> Physical Assets (Total number of plants by type)</p>	<p><b>2,836.45</b> Energy from WHRS (TJ)</p> <p><b>766.27</b> Renewable Energy (TJ)</p> <p><b>717.68</b> Specific Energy consumption (Kcal/Kg of clinker)</p> <p><b>54.88</b> Water Consumption (L/Tonnes of cementitious production)</p>	
 <p><b>Human Capital</b></p>	 <p><b>Financial Capital</b></p>	 <p><b>Social and Relationship Capital</b></p>	 <p><b>Intellectual Capital</b></p>	 <p><b>Manufacturing Capital</b></p>	 <p><b>Natural Capital</b></p>	
<p><b>4,060</b> Employee Productivity (tonnes/FTE)</p> <p><b>9.21%</b> Attrition Rate (%)</p> <p><b>0.19</b> Lost Time Injury Rate (per million man hours)</p> <p><b>2</b> Number of fatalities (direct)</p> <p><b>5</b> Number of fatalities (Indirect)</p>	<p><b>196</b> Normalised Earnings per Share (in ₹)</p> <p><b>52,599</b> Net Revenue (₹ crores)</p> <p><b>12,022</b> EBITDA (₹ crores)</p> <p><b>5,667</b> Normalised Profit after Tax (₹ crores)</p>	<p><b>72</b> Customer Satisfaction Index</p> <p><b>1.6</b> People benefiting from our community development programmes (Number in millions)</p>	<p><b>3 new products</b> developed in Building Products.</p> <ul style="list-style-type: none"> <li>VAC+ portfolio of RMC – UltraTech Firesafe</li> <li>UHPC (Ultra High-Performance Concrete)</li> <li>UltraTech FAST (High Early Strength Product)</li> </ul> <p><b>Volume of augmented products in cement further increased</b></p> <ul style="list-style-type: none"> <li>UltraTech Super</li> <li>UltraTech Premium</li> <li>UltraTech Weather Plus</li> </ul>	<p><b>77.2%</b> Capacity Utilisation (%) of Installed Capacity</p>	<p><b>4.6%</b> Thermal substitution rate</p> <p><b>19.12%</b> Alternative Raw Material Rate (% of total raw material)</p> <p><b>11.03%</b> Water Recycled</p> <p><b>Scope 1 - 582</b> <b>Scope 2 – 11.12</b> Specific GHG emission (Kg CO<sub>2</sub> per tonne cementitious material) (Includes Scope 1 and 2)</p> <p><b>252.08</b> Environmental Expenditure (₹ crores)</p> <p><b>185.27</b> Environmental Savings, Cost avoidance, Income, Tax incentives (₹ crores)</p>	
VALUE CREATED. VALUE SHARED.						



# Sustainability targets

Our sustainability targets are validated by Science-Based Targets initiative (SBTi) and we have set ourselves a clear roadmap to achieve these targets. In FY22, we made substantial progress against each of these goals, which is reflected in these numbers.

Material issues	Long-term targets	Achievements FY22
 <p><b>Climate change, energy and emissions</b></p>	<p><b>27% reduction of CO<sub>2</sub></b> emissions/tonne cementitious material by 2032 compared to 2017, validated by SBTi</p>	<p><b>9.1% reduction</b> of our carbon emissions from 2017</p>
	<p><b>34% electricity</b> to be met through combination of RE+WHRS</p>	<p><b>17.64%</b> of electrical consumption met through green energy – a combination of RE and WHRS</p>
 <p><b>Water management</b></p>	<p><b>5 times</b> water positive by 2024</p>	<p><b>3.8 times</b> water positive this year</p>
 <p><b>Biodiversity</b></p>	<p><b>Completing Biodiversity assessment</b> at all our sites by 2024</p>	<p><b>Completed baseline assessment</b> as part of EIA for all our Units</p>
	<p><b>No Net Loss</b> by 2050</p>	<p>We have undertaken comprehensive assessments at <b>10 integrated Units</b></p>



Material issues	Long-term targets	Achievements FY22
 <p><b>Health &amp; Safety</b></p>	<p><b>&lt;0.25</b> Lost Time Injury Frequency Rate (LTIFR)</p>	<p><b>0.19</b> Lost Time Injury Frequency Rate (LTIFR)</p>
 <p><b>Transparency, Corporate Governance and ethics in business</b></p>	<p><b>New suppliers</b> to be screened for ESG criteria every year</p>	<p><b>New suppliers</b> are screened on ESG criteria</p>
	<p><b>Assessment</b> of critical suppliers by 2025</p>	<p><b>100%</b> of critical supplier assessment complete</p>
	<p><b>Cover of 25% Tier 1 suppliers</b> through sustainable supply chain awareness sessions by 2025</p>	<p><b>Achieved 6%</b> of the target of Tier 1 supplier awareness</p>
 <p><b>Product stewardship</b></p>	<p><b>Complete IGBC GreenPro certification</b> of all blended cements</p>	<p><b>Received GreenPro certification</b> for five cement products</p>
	<p><b>Complete Life Cycle Assessment studies</b></p>	<p><b>Completed Life Cycle Assessment</b> for 4 types of cement</p>
		<p><b>Environment product declaration (EPD)</b> conducted for 4 types of cement</p>

# Financial Capital

## FOCUS AREAS

### Business strategy



### Innovation



### Economic value



We take great pride in managing our finances in a way that it delivers long-term growth and profitability. A strong balance sheet through cost optimisation and a diverse pool of cost-effective funding has allowed us to explore multiple opportunities in an ever-changing operating landscape. To achieve improved productivity and yields, our operational KPIs are compared to internal and external standards. Our unique marketing activities and multiple ongoing digital programmes improve consumer contact and reach. Because of our operational efficiency, we are able to produce positive cash flows from operations. We have a robust financial planning process in place that examines the financial requirement for long-term operations as well as investments in current and future business sustainability and development prospects.

## KEY PERFORMANCE INDICATORS

**₹ 5,540 crores**  
Capital expenditure

**₹ 12,022 crores**  
EBITDA  
2% ↓

**₹ 52,599 crores**  
Net Revenue  
18% ↑

**₹ 196**  
Normalised Earnings  
per share  
3.7% ↑

**93.99 MnT**  
Volume  
9% ↑

**3.2 MTPA**  
Cement Capacity Addition

**17% increase**  
Operating Costs/Mt

### Growth and margins

During the year, we recorded a revenue growth of ₹ 52,599 crores, up 18% YoY. The Company showed a lower EBITDA compared to the previous year by 2% due to challenges faced during the second and third waves of the pandemic; however, we had a positive growth during the Q4 FY22 showing a turnaround that propelled further growth. Our Normalised Profit After Tax (PAT) was ₹ 5,667 crores showing a yearly growth of 3.7%. In spite of devoting ₹ 5,540 crores of capex for expansions and new projects, we have been able to deleverage our balance sheet by a further ₹ 2,816 crores and now ended the year with a 0.32x net debt to EBITDA.

### Expansions

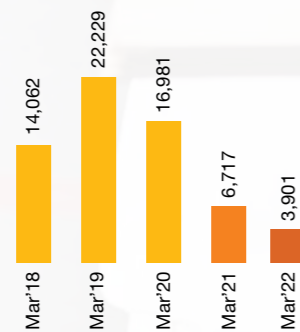
The Company's ongoing expansion is on track and is expected to be completed by end of FY23.



**Divestment from non-core assets**

We have completed the divestment of the non-core assets acquired as part of the resolution plan of Binani Cement Limited.

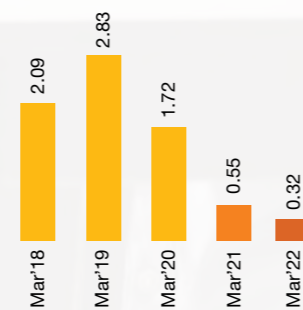
Net Debt (₹ in crores)



**Net debt reduction**

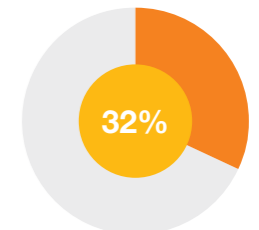
We have been consistently reducing net debt. Consolidated Net Debt/ EBITDA as on March 22: 0.32x.

Net Debt/EBITDA (in times)



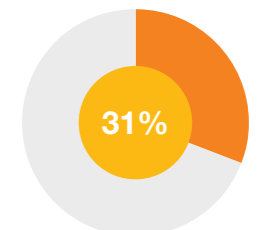
**KEY COST INDICATORS**

**Logistic cost**



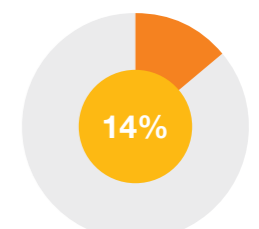
5% ↑ YoY to ₹ 1,214/t  
Diesel prices higher by ~20%

**Energy cost**



30% ↑ YoY to ₹ 1,240/t  
Increase in fuel prices

**Raw Material cost**



5% ↑ YoY to ₹ 531/t  
Increase in input cost and diesel prices

# Manufactured Capital

Manufacturing output faced disruptions owing to the second COVID-19 wave. However, we managed to address them with our productivity enhancements, energy efficiency improvements and cost optimisation measures. The cost optimisation measures included the adoption of digital technology for process optimisation, energy efficiency and reliability; implementation of energy saving capex, substituting fossil fuels with WHRS and renewable power; and feeding more industrial and municipal waste to kiln.

## FOCUS AREAS

### Capacity utilisation



### Innovation



### Cybersecurity



### Business strategy



### Logistics and distribution



### Customer satisfaction



## ONGOING CAPACITY EXPANSION PROJECTS

**269 MWp**  
Solar installations operational

**108 MWp**  
Capacity addition in FY23

**166.7 MWp**  
WHRs installed and operational

**3.2 MTPA**  
Expansion projects to be commissioned in FY23



## Smart manufacturing

UltraTech has been on the forefront of transformation with rapid adoption of newer technology coupled with analytics-based processes, which would help optimise our plant output. The aim is to improve management of assets and reduce production costs, which would result in improved productivity and efficiency. Predictive maintenance will drive cost savings by effectively managing energy consumption per tonne of cement. We are integrating Industry 4.0 technology that involves installing a data cloud. Through such new-age initiatives in the pipeline, we are on the path to witness improvement in productivity, safety and reliability across plants and mines.

## Digital investments carried out

- Reliability:** AI models on clouds to provide early fault alert at plant locations
- Safety:** Use of drones to reduce human intervention in confined spaces like tunnels and other remote areas
- Productivity:** Sensor-based analytics for mining equipment
- Energy optimisation:** AI algorithm-based recommendations to improve key process parameter and process stability

**77%**

Capacity utilisation in FY22

## Production quality

We have implemented a standardised quality control plan to ensure intermediate and final product quality is maintained. It is supported by frequent quality control discussions among various internal stakeholders for a secured service experience.

### Initiatives

- Market insights through surveys, periodical benchmarking of product quality with competitors
- Upgradation of quality control facilities, the inclusion of automated robotic laboratory at Plants
- Implemented Quality Control Certification programme for up-gradation of skill of quality control Managers
- New generation chemicals and admixtures to improve durability

### Case Study

## Predictive maintenance powered by AI assistant

We installed IoT vibration sensors to enable cloud-based AI models for early fault detection in the gearbox and motor of a 2MTPA grinding unit high-pressure roller press. In January 2022, system raised the first alert notifying increase in acceleration reading of Gearbox input stage bearing. Algorithm continued to monitor the situation and raised an alert in early March 2022 to take immediate action. The spare was arranged in time for planned replacement, thus preventing 3-4 days of unplanned shutdown and avoiding loss in production and dispatches. Almost 250 such incidences have been prevented across the Company.

Safe and sustainable operations continue to remain our priority. Strengthening safety protocols to ensure zero harm while increasing the use of waste material to achieve circular economy goals is what we are working towards. Digitalisation, timely completion of projects and more investment in R&D are objectives for operational excellence.

# Intellectual Capital

## FOCUS AREAS

### Innovation



### Sustainable products



Innovation and research are at the forefront that make us the industry leader. We continuously harness technology to explore newer cement and concrete alternatives to our existing portfolio. Customer satisfaction and sustainable products are the fundamental principles followed by the researchers at UltraTech R&D.

## Key highlights of UltraTech R&D

1. Development of supplementary cementitious material, corrosion resistant cement/concrete, fragrant putty
2. Develop concretes with various supplementary cementitious material for durable and low-carbon concrete
3. Specialised concrete mix design for 3D printable applications
4. Ultra-light weight floating concrete varieties for niche application
5. Concrete admixture formulations to provide tailor-made flow properties

We also spend a good amount of effort in incorporating smart materials in cement applications that include wall cooling in hotter environment, colour changing photochromic additives and UV reflective coats. Being a member of Global Cement and Concrete Association (GCCA), we help in accelerating global collaboration in identifying innovative ideas that are an important part of climate action strategy and have signed a partnership for trials to reduce the CO<sub>2</sub> footprint. We are also focussed on identifying low-carbon initiatives for the Indian cement market by actively participating with other partners to track new trends and updates on carbon footprint reduction techniques.

- Carbon capture and usage technologies
- Alternative calcination technologies in cement manufacturing process
- Carbon use in the construction supply chain
- Improved recycling of concrete utilisation
- Developing alternative SCMs

## Technology as enabler

Logistics control tower serves as a one-stop information hub for faster decision-making and real-time collaboration. It has provided transit visibility to customers through track and trace technologies like GPS, SIM Based Tracking etc. We have moved from a paper-based bill submission to a digital acknowledgment of delivery. It has helped us to reduce the payment cycle.

## Vendor evaluation

We have undertaken awareness campaigns about safety and sustainability practices with our supply chain partners like transporters, drivers, handling agents etc. We have been working with our transport partners to reduce empty miles and maximise back hauling. Deployment of environment-friendly CNG and electric vehicles for suppliers has been initiated in alignment with our emission reduction target by 2030.

### Case Study

#### Implementing e-bidding to digitise order allocation process among transporters

We developed an e-bidding platform for our transporters while encouraging more transporters to participate and improve competition. The awareness and training programmes conducted for transporters has helped UltraTech as well as our partners. The new simplified order allocation process has been well-received by transporters.

# Natural Capital

## FOCUS AREAS

### Climate change



### Circular economy



### Biodiversity



### Water management

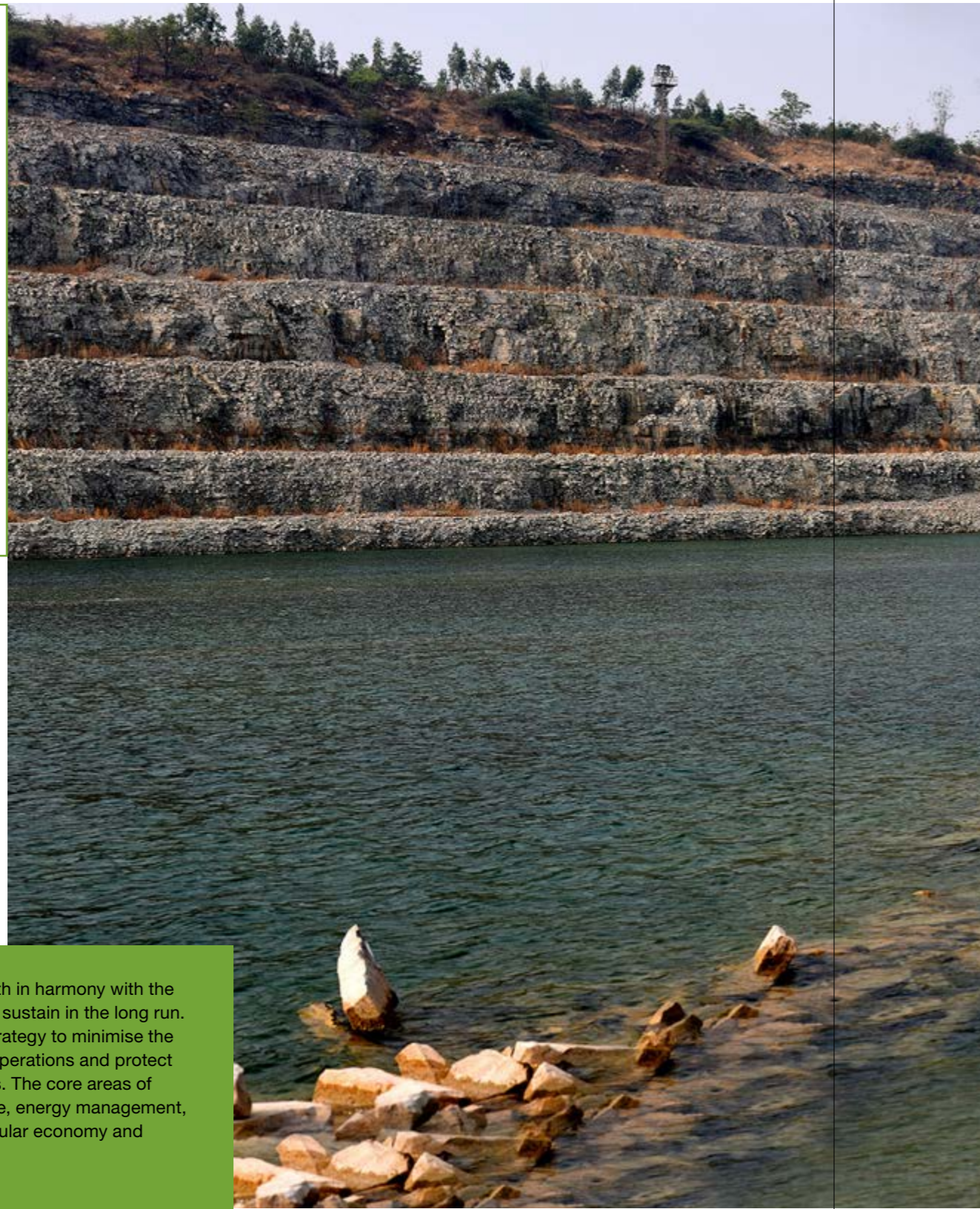


### Waste



**17.64%**  
share of green energy

We believe driving growth in harmony with the environment will help us sustain in the long run. We have developed a strategy to minimise the negative impact of our operations and protect our natural surroundings. The core areas of focus are climate change, energy management, water management, circular economy and biodiversity.



## Climate change

We believe that we are responsible for the impact of our operations on the natural environment. As part of our commitment, we joined the growing list of companies getting their targets validated by Science-Based Target initiative (SBTi). Our targets will inspire us to work towards aligning with the Paris Agreement of the United Nations Framework Convention on Climate Change.

We are a signatory to the Task Force on Climate-Related Financial Disclosures (TCFD) and have undertaken a climate change risk and opportunities assessment study in accordance with TCFD recommendations. Our sustainability and roadmap for climate action clearly defines the targets aligned with the prioritised strategic areas to build a low-carbon future and high resiliency to climate change.

Key climate change related targets and metrics used to measure and manage climate-related risks and opportunities:



### Climate change, energy and emissions

- Carbon offset projects in community
- Internal carbon pricing
- Increasing share of renewable energy



### Water Management

- Water recycling
- Groundwater recycling
- Rainwater harvesting
- Water efficient technologies
- Zero water discharge



### Circular Economy

- Waste management
- Industrial waste to blended cements
- Industrial waste as alternative fuel
- Concrete recycling
- Municipal solid waste as alternative fuel



### Climate change, energy and emissions

- Environmental Impact Assessments
- No Net Loss

## Climate change, energy and emissions

We have developed a strategic roadmap to reduce our carbon footprints to achieve sustainable growth. We have introduced several initiatives to strengthen our commitment:

- Internal Carbon Price (ICP) – A mechanism to evaluate our carbon emission with a shadow price of US\$ 10 for a tonne of CO<sub>2</sub>
- Waste heat recovery system which uses the heat generated at the operation plants to generate electricity. We have an installed heat recovery system of 167 MW
- Reduction in Scope 1 CO<sub>2</sub> intensity by 27% over FY32 validated by SBTi
- As a part of RE100 commitment, we aim to meet 100% of our energy requirements through renewable sources by 2050

We measure and monitor emissions, including dust, NOx and SOx, at all our cement manufacturing facilities on a real-time basis.

### Case Study

## Assessing climate change risks and opportunities on our operations as per TCFD

As a responsible corporate, we have analysed climate change related risks on our operations including the physical and transition risks it entails, aligned with the Task force on Climate related Financial Disclosure(TCFD) Framework. An elaborate financial risk management mechanism has been put in place, which works through adoption of tools like sensitivity analysis and stress testing. These tools are used to measure the impact of various climate risks on the financial health of the Company.

Our Sustainability and Climate Change roadmap clearly defines the targets to build a low-carbon future and high resiliency to climate change.



Natural Capital

### Water management

Water recycling, rainwater harvesting, and groundwater recharging are the main practises that we have adopted for the responsible use of water. We are 3.8 times water positive in FY22 and aim to be 5x water positive by 2024 which means we will replenish five times the amount of water we consume. Currently 42 out of our 58 sites are water positive, which is an important step towards mitigating any risks associated with water management.

We analyse all our water risks with Indian Water Tool (IWT) which combines data from multiple sources including WRI and Indian government bodies to help us assess any future risks and take necessary proactive measures to mitigate them. We also undertake independent studies on watershed mapping, aquifer quality and groundwater recharge across our plants along with implementation of watershed management projects.

**73 million m<sup>3</sup>**

Water harvested, recharged and recycled in FY22



### Circular economy

About 4.6% of our fuel requirements are met by the use of alternate fuels. We have used 23.6 million tonnes of Alternate Raw Material (ARM) as part of our production operations in this year. We continue to reinforce our commitments towards being a more sustainable cement manufacturer.

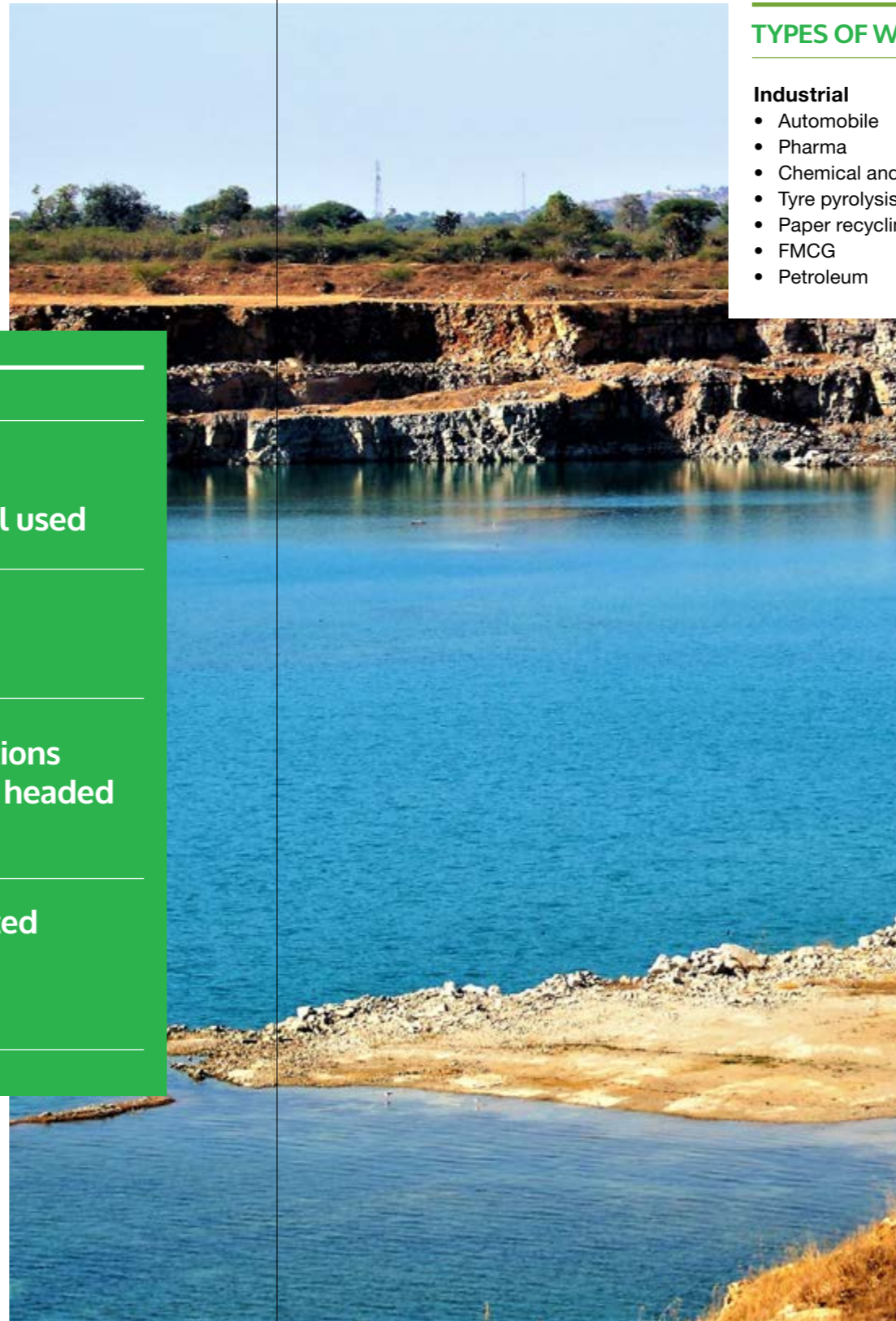
#### KEY HIGHLIGHTS

**23.6 million tonnes of alternative raw material used**

**5.36 lakh tonnes of alternative fuel**

**80+ municipal corporations served to reduce waste headed for landfill**

**100% of fly ash generated is utilised for cement manufacturing**



### TYPES OF WASTE UTILISED

#### Industrial

- Automobile
- Pharma
- Chemical and Textile
- Tyre pyrolysis
- Paper recycling
- FMCG
- Petroleum

#### Municipal

- Sorted and shredded waste from city corporations
- Waste from factory's township

#### Other

- Agricultural residue
- Old furniture
- Wooden chips

#### Case Study

#### Increasing use of agricultural waste

We mapped areas near our manufacturing plants where surplus agro waste was available. A planned supply chain logistic approach was established amongst various cross functional teams to utilise this waste across the states of Karnataka, Andhra Pradesh, Rajasthan and Madhya Pradesh. This initiative was implemented right before the start of the crop season.

#### Biodiversity

Like every year, we continue to scale up our efforts to conserve nature and biodiversity. We also work with our conservation partners to enhance our performance in biodiversity conservation. We have worked to create biodiversity maps, biodiversity index and ecosystem services review across our plant locations and other Ecologically Sensitive Areas (ESAs). On their recommendations and findings, we implement biodiversity management plans; thereby, highlighting our commitment towards conserving nature and wildlife. Currently, 10 out of 23 of our Units have biodiversity management plans in place and we expect to cover the rest by 2024.

# Human Capital



Our people form the backbone of our organisation and are our pride. They are the force behind our ability to continuously deliver value to our customers and shareholders. We dedicate good resources to enable continuous learning and development of our people.

## FOCUS AREAS

### Education and Capacity Building



### Healthcare



### Infrastructure Development



### Social Reform



### Sustainable Livelihoods



**₹ 2,535 crores**

Employee salary, wages and expense

**2,73,035**

Total training hours

**21,921**

Total number of permanent employees

**4,50,641**

Safety training hours

## Employee performance and engagement

Robust organisational system that helps us to identify and hire talent, rapidly orient them to settle down and deliver high performance, set stretched goals and manage performance to continuously deliver on promise to all our stakeholders. We do this while providing regular intervention for learning and development and enabling and encouraging workplace culture lead us to deliver excellent results.

## Ideathon

Employees were encouraged to brainstorm and share out-of-the-box ideas during a 50-hour ideathon challenge.

**46,000+**

Ideas submitted

## Suggestion Mela

On Engineers' Day, an initiative was launched to inspire the contribution of ideas.

Suggestion Mela is held every year on 'Engineers' Day' under the title of 'I adore my UltraTech,' when workers and contract labourers provide proposals to add value to day-to-day procedures using their shopfloor skills. Breaking hierarchical boundaries, this initiative made people feel appreciated, instilling a feeling of corporate ownership. Moreover, these ideas are then evaluated and implemented to improve efficiency.

**8,470**

Suggestions from workers and contract labourers

## Learning and Development

At UltraTech, we believe that learning is lifelong. Multiple training programs are designed for our employees across skill levels to enhance their knowledge, skills and behaviour. In-house talent identified through our institutionalised process of Talent Management embark on a planned development journey and learning is structured using the 70-20-10 model that emphasises heavily on practical and experiential learning. Accelerated Learning Programmes develop Talent for next higher role in various functions.

## PraGaTi (Potential-Guidance-Talent) and Margdarshan

The learning and development activity cuts across all levels in the organisation. PraGaTi is a workmen development programme through structured approach of assessment and focused development that has been helping in the continuous development of workmen. This initiative was recognised as a Best Practice by National HRD Network in 2021.

Margdarshan a program that enables a novice to work alongside an expert and learn the skills has been benefiting newer employees immensely as well to those who build themselves to be multiskilled.

### Case Study

#### Empowering our women employees

Our 'Springboard' programme is creating a diverse leadership pipeline for us since 2016. It is a learning intervention conceptualised exclusively for women leaders in middle management and facilitates retention of 'high potential' women employees.

Under our management trainee programmes 'UltraTechies' and 'Ulchemies', we have been recruiting women from various campuses who after a well-rounded training of one year, have been taking up roles in manufacturing plants and markets.







# Celebrating diversity with a difference

This first-of-its-kind 'all-women' RMC plant in India, operated by UltraTech, is located in Bhugaon village, in the outskirts of Pune, Maharashtra. The plant is managed by a 22-member women team taking care of all the operations.

UltraTech commenced the operations of this RMC plant in December 2016. The journey to becoming an all-women operated RMC plant started few years ago with women employees taking on more and more diverse roles in the RMC operations of the Company, from chemists in the Quality Department to engineers in the more physically intensive departments such as Electrical and Batching Plant Operations. The operationalisation of an 'all-women RMC unit' is representative of UltraTech's efforts to build a diverse workforce and is in line with the philosophy of nurturing an inclusive work culture.

# Social & Relationship Capital

For a sustained business, it is imperative to build a trusted relationship with our partners, communities and suppliers. It helps the organisation navigate through economic and business cycles.



## Education and capacity building

In line with SDG 4 'Providing inclusive and equitable quality education and promote lifelong learning opportunities to all' we provide support to Balwadis and elementary schools and also initiate vocational training for communities. Along with that, we also promote girl child education and provide mid-day meals and transport to children to encourage them to attend school.



## Healthcare

Over 5 lakh people recourse to healthcare initiatives. Through the mobile health camps, your Company has reached out to 157,178 patients.

Your Company's 23 ambulances attend to the village populace. Alongside, your Company tends to patients at its 14 hospitals and dispensaries.

Eye camps, dental checkups, blood donation, homoeopathy, thalassemia, haemoglobin testing and general health counselling benefited 6,288 families.

## Infrastructure development

We focus on improving community infrastructure through improved sanitation, drinking water and road conditions. We are engaged in repairing of internal roads, installation of solar lights cement benches, construction of water tanks and installation of piped water supply, which have impacted the lives of 3 lakh people.

### FOCUS AREAS

#### Education and Capacity Building



#### Healthcare



#### Infrastructure Development



#### Social Reform



#### Sustainable Livelihoods



### CSR IMPACT

**507**  
Villages reached

**16 lakh**  
Benefited from our various programmes

**Social & Relationship Capital**



**Women empowerment**

In the 353 of the 840 self-help groups totaling 3,757 women, each one of them has been on a transformative journey.

The Company's self-help groups tailored 2.13 lakh face masks. Yet another group of SHGs learnt to make umbrellas. They made it a self-sustaining business.

At the "Ulhas Utsav" special festival, in Maharashtra's Chandrapur district, women teams played against each other. They were cheered by their families and the District Officials along with CSR teams. As they played games in the open grounds in a competitive spirit, they felt empowered and their self-esteem increased phenomenally. The programme is now replicated at Units in Madhya Pradesh and Karnataka. Over 2,310 women have taken part in the sports event.

**Model villages**

A healthy village economy is important for the growth of Indian economy. The concept of a model village was born out of the idea of making villages self-reliant. A model village is one where people have access to education, water, sanitation, healthcare and livelihood opportunities. We are working towards such

village transformations at all our plant sites. We are enabling several such initiatives in consultation with existing government schemes to elevate these villages and the quality of life of its inhabitants.

**Our suppliers**

A year into the pandemic, the supply chain remains partially paralysed due to isolated lockdowns and global political volatility. Our risk management played a crucial role in ensuring business continuity at UltraTech. We have become digital and tech-dependent to streamline our supply chain logistics.

**25,000** Primary fleet drivers vaccinated  
**7,000** Workmen and drivers vaccinated

**Highlights for FY22**

- Rise in fuel prices was mitigated by optimising low-cost sources and higher use of rail transport
- Deployment of 190+ CNG vehicles to reduce CO<sub>2</sub> emissions
- Started operations of Bulk terminal at Kalamboli, Navi Mumbai to help mitigate impact of Tauktae cyclone at our sea terminals
- UltraTech logistic teams adopted digital platforms to connect with stakeholders to improve efficiencies

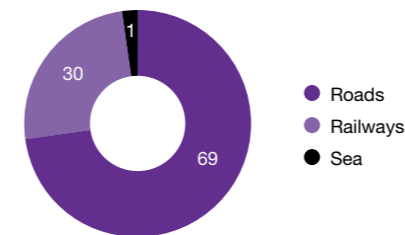


**Logistics**

At UltraTech, we transport 4.6 million bags daily across 25,000 destinations via rail, road and sea routes. We make the use of captive jetties to serve coastal demand.

**60,000** Truck Fleet  
**25,000+** Destinations  
**9,000** Daily truck movement

**Net Debt** (₹ in crores)



**Measures undertaken to manage logistics-related costs:**

- Increase in railway dispatches
- Higher utilisation of grinding units and bulk terminals
- Sensitisation and collaborative discussions between direct dispatches and sales team
- Reduce road freight cost through increase in backhaul opportunities
- Faster loading/unloading of captive bulk rakes at terminals

**Road safety**

To promote safe driving practices among our drivers, we undertake training and road safety campaigns at all our plant locations.

We have an 8-point check list highlighting vehicle safety compliance and we identify high risk routes and install monitoring devices like GPS tagging, speed control and night driving. In addition, we introduced an initiative to develop 'Model Truck Parking Yard' as per UltraTech parking guidelines which are developed by Driver Management Centre.

**Case Study**

**Deployment of eco-friendly vehicles to reduce our CO<sub>2</sub> emissions by 25% by 2030**

About 69% of our transport movement is conducted through roadways. CNG is known to be a cleaner form of fuel, and we have been promoting the switch from diesel to CNG run vehicles by all our primary and secondary logistics service providers. Our plant teams work with the transporters to create CNG awareness and improved deployment of CNG trucks at primary and secondary locations.

This has led to a movement of 190+ CNG vehicles running at our locations. We have adopted a target to increase environment-friendly vehicles by 25-30% in line with our commitment to achieve sustainable transportation. Our ultimate aim is to reduce our carbon emissions.

# Awards



# Financial Highlights

Particulars	Units	2021-22	2020-21	2019-20
<b>PRODUCTION (Quantity)</b>				
- Clinker	MMT	61.00	55.18	56.14
- Cement	MMT	82.59	75.76	72.86
<b>SALES (Quantity)</b>				
	MMT	88.02	81.25	77.46
<b>PROFIT &amp; LOSS ACCOUNT</b>				
Revenue Net of Excise Duty (Including Operating Income)	₹ Crs	50,663	43,188	40,649
Operating Expenses	₹ Crs	39,727	32,224	31,997
Operating Profit	₹ Crs	10,936	10,965	8,652
Other Income	₹ Crs	612	789	727
<b>EBITDA</b>	₹ Crs	<b>11,548</b>	<b>11,754</b>	<b>9,379</b>
Depreciation / Amortisation	₹ Crs	2,457	2,434	2,455
<b>EBIT</b>	₹ Crs	<b>9,091</b>	<b>9,319</b>	<b>6,924</b>
Interest	₹ Crs	798	1,259	1,704
<b>Profit Before Tax</b>	₹ Crs	<b>8,293</b>	<b>8,060</b>	<b>5,220</b>
Exceptional items Gain / (Loss)	₹ Crs	-	(164)	-
<b>Profit after Exceptional items</b>	₹ Crs	<b>8,293</b>	<b>7,896</b>	<b>5,220</b>
Tax Expenses <sup>^</sup>	₹ Crs	1,227	2,554	(236)
<b>Net Profit<sup>^</sup></b>	₹ Crs	<b>7,067</b>	<b>5,342</b>	<b>5,456</b>
<b>Cash Profit</b>	₹ Crs	<b>9,536</b>	<b>9,079</b>	<b>6,759</b>
Proposed Dividend (incl. Dividend distribution tax)	₹ Crs	1,097	1,068	375
<b>BALANCE SHEET</b>				
Net Fixed Assets including ROU, CWIP & Capital Advances	₹ Crs	52,604	49,144	49,486
Investments in Subsidiaries, Associates and Others	₹ Crs	8,177	6,330	5,990
Liquid Investments	₹ Crs	6,115	13,582	5,882
Net Working Capital	₹ Crs	(1,618)	(2,170)	190
<b>Capital Employed</b>	₹ Crs	<b>65,276</b>	<b>66,886</b>	<b>61,548</b>
<b>Net Worth represented by:-</b>				
Equity Share Capital	₹ Crs	289	289	289
Reserves & Surplus	₹ Crs	48,982	43,064	38,008
<b>Net Worth</b>	₹ Crs	<b>49,271</b>	<b>43,353</b>	<b>38,296</b>
<b>Loan Funds*</b>	₹ Crs	<b>9,891</b>	<b>17,319</b>	<b>18,282</b>
Lease Liability (Current + Non-Current)	₹ Crs	885	996	893
Deferred Tax Liabilities	₹ Crs	5,230	5,219	4,077
<b>Capital Employed</b>	₹ Crs	<b>65,276</b>	<b>66,886</b>	<b>61,548</b>
<b>RATIOS &amp; STATISTICS</b>				
Operating EBITDA Margin	%	22%	26%	22%
Normalised Net Margin	%	11%	13%	9%
Interest Cover [(Net Profit for the period + Finance Costs + Depreciation and Amortisation Expense + Loss/(Gain) on Sale of Fixed Assets)/Gross Interest]	Times	12.72	7.20	5.85
ROCE (EBIT/Average Capital Employed)	%	14%	14%	12%
Current Ratio (Current Assets/ Current Liabilities excl. Short Term Borrowings)	Times	1.30	1.77	1.46
Debt Equity Ratio (Net)	Times	0.07	0.08	0.32
Net Debt/ EBITDA	Times	0.33	0.32	1.32
Dividend per share	₹ / Share	38.00	37.00	13.00
Dividend Payout on Net Profit (Normalized)	%	20%	20%	10%
EPS -Normalised	₹ / Share	192.38	185.20	126.56
Cash EPS	₹ / Share	330.63	314.77	234.36
Book Value per share	₹ / Share	1707	1502	1327
No. of Equity Shares	Nos. Crs	28.87	28.87	28.86

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

\* Incl. Long term Borrowings (incl. current maturities of long term debts) and Short Term Borrowings.

# Financial figures are as per IGAAP

<sup>^</sup> (a) FY20 tax expenses include gain of ₹ 1805 Crores for reversal of deferred tax liability due to change in income tax rate. Normalised Net Profit for the year 2019-20 is ₹ 3650 Crores.

(b) FY22 tax expenses include gain of ₹ 1518 Crores pursuant to completion of prior year tax assessments in CY. Normalised Net Profit for the year 2021-22 is ₹ 5549 Crores.

2018-19 \$ Restated	2017-18	2016-17	2015-16	2014-15 #	2013-14 #	2012-13 #
59.57	45.41	37.10	37.07	35.69	31.52	31.75
76.59	57.23	47.91	47.56	43.88	40.79	40.13
80.78	59.33	48.87	47.96	44.85	41.46	40.66
39,999	29,358	23,891	23,709	22,927	20,280	20,180
32,920	23,475	18,922	19,082	18,732	16,462	15,504
7,079	5,883	4,969	4,627	4,195	3,818	4,675
497	600	660	481	372	329	305
<b>7,576</b>	<b>6,483</b>	<b>5,629</b>	<b>5,107</b>	<b>4,567</b>	<b>4,147</b>	<b>4,980</b>
2,321	1,764	1,268	1,297	1,133	1,052	945
5,255	4,719	4,361	3,810	3,434	3,095	4,035
1,648	1,191	571	512	547	319	210
<b>3,606</b>	<b>3,528</b>	<b>3,790</b>	<b>3,299</b>	<b>2,887</b>	<b>2,776</b>	<b>3,825</b>
(114)	(226)	(14)	-	-	-	-
<b>3,492</b>	<b>3,302</b>	<b>3,776</b>	<b>3,299</b>	<b>2,887</b>	<b>2,776</b>	<b>3,825</b>
1,080	1,071	1,148	928	872	631	1,170
<b>2,412</b>	<b>2,231</b>	<b>2,628</b>	<b>2,370</b>	<b>2,015</b>	<b>2,144</b>	<b>2,655</b>
<b>5,214</b>	<b>4,580</b>	<b>4,251</b>	<b>3,972</b>	<b>3,523</b>	<b>3,269</b>	<b>3,765</b>
381	348	330	314	297	289	289
49,568	40,782	24,387	24,499	23,632	18,650	17,415
5,988	751	746	725	806	627	497
3,224	5,412	8,663	7,069	4,403	4,764	4,612
401	(428)	(841)	21	223	551	25
<b>59,181</b>	<b>46,517</b>	<b>32,955</b>	<b>32,313</b>	<b>29,064</b>	<b>24,593</b>	<b>22,549</b>
275	275	275	274	274	274	274
33,023	25,648	23,667	21,357	18,583	16,823	14,961
<b>33,297</b>	<b>25,923</b>	<b>23,941</b>	<b>21,632</b>	<b>18,858</b>	<b>17,098</b>	<b>15,235</b>
<b>20,637</b>	<b>17,420</b>	<b>6,240</b>	<b>8,250</b>	<b>7,414</b>	<b>5,199</b>	<b>5,409</b>
-	-	-	-	-	-	-
5,247	3,174	2,774	2,432	2,792	2,296	1,906
<b>59,181</b>	<b>46,517</b>	<b>32,955</b>	<b>32,313</b>	<b>29,064</b>	<b>24,593</b>	<b>22,549</b>
18%	20%	21%	20%	19%	19%	23%
6%	8%	11%	10%	9%	11%	13%
3.88	4.37	7.80	7.93	6.28	8.85	11.55
10%	9%	13%	12%	12%	13%	20%
1.28	1.41	2.07	1.70	1.06	2.02	1.69
0.52	0.46	(0.10)	0.05	0.16	0.02	0.05
2.30	1.85	(0.43)	0.23	0.64	0.09	0.14
11.50	10.50	10.00	9.50	9.00	9.00	9.00
16%	16%	13%	13%	15%	14%	11%
84.33	81.27	95.74	86.37	73.44	78.21	96.87
182.25	166.81	154.88	144.74	128.41	119.22	137.36
1212	944	872	788	687	623	556
27.46	27.46	27.45	27.44	27.44	27.42	27.42

# Directors' Report and Management Discussion and Analysis

**The Indian cement industry will add 80-100 million tonnes capacity by FY25, driven by increased spending on housing and infrastructure. With the Union Budget 2022-23 providing higher allocation for infrastructure, affordable housing and road projects, the cement industry is poised for a volume surge.**

Dear Shareholders,

Your Directors present the 22<sup>nd</sup> Annual Report together with the audited accounts of your Company for the year ended 31<sup>st</sup> March, 2022.

## OVERVIEW AND THE STATE OF YOUR COMPANY'S AFFAIRS

The International Monetary Fund ("IMF") lowered its global growth forecast by 0.8 percentage points to 3.6%, as inflation rises and supply chains continue to be in disarray. With ongoing supply chain disruptions and high energy prices continuing in 2022, inflation is expected to remain elevated for an extended period of time, and is likely to come down only gradually as supply - demand imbalances wane and the effects of monetary policy responses in major economies kick in.

Towards the end of FY22, the war in Ukraine and subsequent sanctions that disrupted global commodity markets and supply chains further aggravated the situation. Further more, the frequent and wide-ranging lockdowns in China - including in key manufacturing hubs - have also had a far reaching impact on global supply chains. Other global risks may crystallise as geopolitical tensions remain high.

India is expected to remain the fastest growing major economy over 2021-24, according to the World Bank, the IMF and the Asian Development Bank. The country recorded GDP of 8.7% for FY22, with the industrial sector staging a sharp rebound from a contraction of 7% in FY21. The services sector expanded by 8.2%, owing to the rapid

growth in software and IT-enabled services exports while agriculture and allied sectors grew by 3.9%, with food grain production for the kharif season at a record level of 150.5 million tonnes.

The recent times have put to test the resilience of health systems, economies, governments across the globe in face of the pandemic. With the pandemic continuing to evolve, the need for an effective global health strategy has never been so pronounced. Worldwide access to vaccines, tests, and treatments is essential to reduce the risk from other COVID-19 variants.

Since the onset of the COVID-19 pandemic in March 2020, monetary policies have been geared towards mitigating the adverse impact of the unprecedented demand and supply-side shocks inflicted on the economy. This, in turn, led to an overall stable economic environment. Several high frequency indicators, such as electricity consumption, PMI manufacturing, exports, and e-way bill creation, GST collections reflect this. This bodes well for the Indian economy in 2022-23, barring any geopolitical and economic surprises.

### Cement Industry FY22

The first half of FY22 witnessed a sharp recovery in demand, supported by the low base of the pandemic-hit H1FY21. However, H2FY22 was impacted as the demand for cement declined due to unexpected rains in different parts of the country, ban on construction activities in the National Capital Region ("NCR") and shortages of labour and sand in the eastern region.

Although the macroeconomic factors around India's cement industry remain positive and will be driven by a revival in demand, the sector is facing headwinds from a surge in costs. The key cost constituents - coal, pet coke and diesel, have seen a significant escalation in prices. The increase in diesel prices resulted in an increase in transport and logistics costs, putting further pressure on businesses. These commodity prices are not under the control of any constituent and there is little that the efficiency improvement programs can do to cushion the impact of rising costs.

As per a recent report by a credit rating agency, the Indian cement industry will add 80-100 million tonnes capacity by FY25, driven by increased spending on housing and infrastructure. With the Union Budget 2022-23 providing higher allocation for infrastructure, affordable housing and road projects, the cement industry is poised for a volume surge. Further, the Union Government's thrust on developing and improving public infrastructure (roads, highways, metros and railways, airports, ports, logistics) through projects like PM GatiShakti, National Infrastructure Pipeline ("NIP"), Urban Rejuvenation Mission: AMRUT and Smart Cities Mission is likely to boost cement demand. Demand for affordable houses, with ticket size <₹ 40-50 lakhs, is expected to rise in Tier 2 and 3 cities. The affordable rental housing scheme, which is a sub-scheme under the Pradhan Mantri Awas Yojana ("PMAY"), is also likely to drive demand for cement in low-cost housing.

Given its PAN India presence, your Company has the advantage to cater to demand across the country. This coupled with its focus on controlling costs, conserving cash, advancing employee well-being and sustainability, makes your Company well placed to tide over the

uncertainties arising out of the pandemic and deliver a robust performance.

## BUSINESS PERFORMANCE

### Production and capacity utilisation (grey cement)

Particulars	FY22	FY21	% change
Installed capacity in India (MTPA)	114.55	111.35	2.87
Production (MMT)	86.98	79.70	9.13
Capacity Utilisation	77%	71%	6

MTPA - Million Metric Tonnes Per Annum;  
MMT- Million Metric Tonnes

Cement production in FY22 was higher by 9% at 86.98 million tonnes as compared to FY21 while capacity utilisation was at 77% as against 71%.

### Sales volume

(Figures in MMT)

Particulars	FY22	FY21	% change
Grey Cement - India	87.25	80.18	8.8
Grey Cement - Overseas	4.93	4.90	4.8
White Cement	1.46	1.32	11.2
Others	0.35	-	-
<b>Total Sales Volume</b>	<b>93.99</b>	<b>86.42</b>	<b>8.8</b>

Domestic sales volume registered a growth of 9% in FY22. Cement consumption started improving on the back of consistent rural demand and pick-up in infrastructure activities.



**FINANCIAL PERFORMANCE**

(₹ in crores)

	Standalone		Consolidated	
	FY22	FY21	FY22	FY21
Net Turnover	49,729	42,677	51,708	44,239
Domestic	49,479	42,363	49,528	42,264
Exports	250	314	2,180	1,975
Other Income	1,546	1,300	1,399	1,221
<b>Total Expenditure</b>	<b>39,727</b>	<b>32,224</b>	<b>41,084</b>	<b>33,158</b>
<b>Profit before Interest, Depreciation and Tax (PBIDT)</b>	<b>11,548</b>	<b>11,754</b>	<b>12,022</b>	<b>12,302</b>
Depreciation	2,457	2,434	2,715	2,700
<b>Profit before Interest and Tax (PBIT)</b>	<b>9,091</b>	<b>9,319</b>	<b>9,307</b>	<b>9,602</b>
Interest	798	1,259	945	1,486
<b>Profit before Impairment and Tax Expenses / share in profit of Associates</b>	<b>8,293</b>	<b>8,060</b>	<b>8,363</b>	<b>8,116</b>
Rates and Taxes	-	(164)	-	(164)
Impairment on Advances Given	-	-	-	(97)
Share in Profit / (Loss) of Associates and Joint Venture (net of tax)	-	-	2	2
<b>Profit before Tax Expenses</b>	<b>8,293</b>	<b>7,896</b>	<b>8,364</b>	<b>7,858</b>
Normalised Tax Expenses	2,744	2,554	2,708	2,539
Reversal of Tax Provision of Earlier Years	(1,518)	-	(1,518)	-
<b>Profit after Tax</b>	<b>7,067</b>	<b>5,342</b>	<b>7,174</b>	<b>5,319</b>
Profit Attributable to Non-controlling Interest	-	-	(10)	(1)
Profit Attributable to Owner of the Parent	-	-	7,184	5,320

Note: In this Report, the figures for the previous year have been regrouped / rearranged wherever necessary to confirm to the current period's classification to comply with the requirements of the amended Schedule III to the Companies Act, 2013.

**Net Turnover**

Your Company's Net Turnover at ₹ 49,729 crores was 17% higher than the previous year.

**Other Income**

Other income rose marginally, mainly on account of greater government grants as compared to the previous year.

**Operating Profit (PBIDT) and Margin**

PBIDT at ₹ 11,548 crores was 1.7% lower than the previous year. Lower operating margin was attributable to higher input costs, partly offset by volume growth and better sales realisations.

**Cost Highlights**
**(i) Energy Cost**

Overall energy cost increased by 31% from ₹ 950/t to ₹ 1,240/t mainly due to higher fuel prices.

**(ii) Input Material Cost**

Raw material cost rose from ₹ 504/t to ₹ 531/t as a result of increase in additive and fly ash prices. Increase in diesel prices impacted inbound transportation, resulting in higher raw material cost. Your Company is continuously working on improving the share of blended and premium products in its product mix, which is expected to result in an improvement in overall profitability.

**(iii) Freight and Forwarding Expenses**

Logistics cost increased marginally from ₹ 1,158/t to ₹ 1,214/t, due to increase in diesel cost. Reduction in lead distance mainly on account of a change in the market mix and synergies arising out of the integration of acquired assets aided in lowering the impact of rising diesel costs.

**Employee Costs**

Employee cost increased to ₹ 2,359 crores as compared to ₹ 2,182 crores in the previous year, primarily due to the annual increments.

**Depreciation**

At ₹ 2,457 crores, depreciation was higher by ₹ 23 crores, on account of fewer assets being capitalised during the year.

**Finance Cost**

Repayment of borrowings led a decrease in finance cost from ₹ 1,259 crores to ₹ 798 crores.

**Credit Rating**

Your Company has adequate liquidity and a strong balance sheet. CRISIL and India Ratings and Research reaffirmed their credit rating as CRISIL AAA / Stable and IND AAA / Stable for Long Term and CRISIL A1+ and IND A1+ for Short Term, respectively. This is a testament of your Company's sound financial management as well as its ability to service financial obligations in a timely manner.

Your Company has also obtained its credit rating for its foreign currency bond issuances from Fitch and Moody's and has been rated by them as BBB- and Baa3, respectively.

**Income Tax**

Normalised income tax expenses increased in line with increase in taxable income.

**Net Profit**

Normalised Profit after Tax increased by 3.9% from ₹ 5,342 crores to ₹ 5,549 crores.

**CRISIL and India Ratings and Research reaffirmed their credit rating as CRISIL AAA / Stable and IND AAA / Stable for Long Term and CRISIL A1+ and IND A1+ for Short Term, respectively.**

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

Particulars	FY22	FY21	% Change
Debtors Turnover (Days)	18	18	-
Inventory Turnover (Days)	33	32	(1)
Interest Coverage Ratio	12.72	7.20	77
Current Ratio	1.30	1.77	27
Debt Equity Ratio (Gross)	0.20	0.40	50
Debt Equity Ratio (Net)	0.07	0.08	12
Operating Profit Margin (%)	22	26	(14)
Net Profit Margin (%)	11.2	12.5	(11)
Return on Net Worth (%)	11.3	12.3	(9)
Return on Capital Employed (ROCE) (%)	14.4	14.4	-
Earnings per Share (EPS)	192	185	4

**Detailed explanation of ratios**

- Debtors Turnover (Days)** is used to quantify a company's effectiveness in collecting its receivables or money owed by customers. The ratio shows how well a company uses and manages the credit it extends to customers. The ratio is calculated by dividing average trade receivables by average per day turnover.
- Inventory Turnover (Days)** represents the average number of days a company holds its inventory before selling it. It is calculated by dividing average inventory by average per day turnover.
- Interest Coverage Ratio** measures how many times a company can cover its current interest payment with its available earnings. It is calculated by dividing PBIT by finance cost. Your Company's Interest Coverage Ratio improved by 77% over the previous year mainly on account of lower interest outgo as loans were repaid during the years.
- Current Ratio** is a liquidity ratio that measures a company's ability to pay short-term obligations or those due within one year. It is calculated by dividing the current assets by current liabilities (excluding current borrowings).

- (v) **Debt Equity Ratio** is used to evaluate a company's financial leverage. It is a measure of the degree to which a company is financing its operations through debt versus wholly-owned funds. It is calculated by dividing a company's total liabilities by its shareholder's equity. Your Company's Debt Equity Ratio (Net) has improved by 50% mainly on account of reduction in Net Debt during the year.
- (vi) **Operating Profit Margin (%)** is a profitability or performance ratio used to calculate the percentage of profit a company generates from its operations. It is calculated by dividing the PBITD (excluding Other Income) by turnover. Your Company's Operating Profit Margin decreased by 3.7% mainly on account of higher costs and partly set-off by higher volume and higher realisations during the year.
- (vii) **Net Profit Margin (%)** is equal to how much net income or profit is generated as a percentage of revenue. It is calculated by dividing the profit for the year by turnover. Your Company's Net Profit Margin decreased by 1.4% mainly on account of higher costs, and partly set-off by higher volume, lower interest outgo and higher realisations during the year.
- (viii) **Return on Net Worth ("RONW")** is a measure of profitability of a company expressed in percentage. It is calculated by dividing Net Profit from continuing operations for the year by average Net Worth during the year.
- (ix) **Return on Capital Employed ("ROCE")** is a financial ratio that measures a company's profitability and the efficiency with which its capital is used. In other words, the ratio measures how well a company is generating profits from its capital. It is calculated by

dividing profit before interest, exceptional items and tax by average capital employed during the year.

- (x) **Earnings Per Share ("EPS")** is the portion of a company's profit allocated to each share. It serves as an indicator of a company's profitability. It is calculated by dividing profit for the year by weighted average number of shares outstanding during the year. For your Company, the EPS improved on account of increase in Net Profit by 3.9% over that of the previous year.

**Cash Flow Statement**

(₹ in crores)

	FY22	FY21
<b>SOURCES OF CASH</b>		
Cash from Operations	9,237	9,569
Non-operating Cash Flow	286	172
Proceeds from Issue of Share Capital	4	7
(Increase) / Decrease in Working Capital	(567)	1,979
<b>Total</b>	<b>8,960</b>	<b>11,728</b>
<b>USES OF CASH</b>		
Net Capital Expenditure	5,422	1,724
(Redemption) / Increase in Investments	(5,925)	7,433
Repayment of Borrowings (net)	7,360	891
Repayment of Lease Liability including Interest thereof	160	121
(Issue) / Sale of Treasury Shares (net)	83	(7)
Interest	838	1,213
Dividend	1,065	375
<b>Total</b>	<b>9,002</b>	<b>11,749</b>
Increase / (Decrease) in Cash & Cash Equivalents	(42)	(21)



**Sources of Cash**

**Cash from Operations**

Cash from operations was lower compared to the previous year due to rise in costs, which was partly set-off by higher volume and sales realisation.

**Non-Operating Cash Flow**

Cash from other activities was higher due to increased interest income on bank deposits and inter-corporate deposits.

**Increase in Working Capital**

Increase in working capital is attributed to increase in inventories and trade receivables on account of inflationary impact on fuel inventory and higher sales respectively.

**Uses of Cash**

**Net Capital Expenditure**

Your Company spent ₹ 5,422 crores on various capex during the year, primarily towards growth and maintenance capex as well as Waste Heat Recovery Systems.

**Decrease in Investments**

Your Company's liquid investment was used for the repayment of borrowings.

**Repayment of Borrowing**

In line with its endeavour to maintain optimal capital structure, your Company repaid high-cost, long-term debt amounting to ₹ 7,531 crores.

The loan repayments have been done out of free cash flows that your Company has generated during the year. The aforesaid steps have resulted in improved Net Debt / Equity ratio and Net Debt / EBITDA ratio.

**Transfer to General Reserves**

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

**DIVIDEND**

Your Directors recommended a dividend of ₹ 38 per equity share (as compared to ₹ 37 per equity share in the previous year) of ₹ 10 each for the year ended 31<sup>st</sup> March, 2022. The recommended dividend is in line with your Company's dividend policy, which is given in **Annexure I** of this Report and is also available on your Company's website.

In terms of the provisions of the Finance Act, 2020, dividend shall be taxed in the hands of shareholders at applicable rates of tax and your Company shall withhold tax at source appropriately.

Unclaimed dividend for the year ended 31<sup>st</sup> March, 2014, aggregating to ₹ 1.40 crores has been transferred to the Investor Education and Protection Fund ("IEPF"). Your Company has also credited to the IEPF set up by the Government of India, equity shares in respect of which dividend had remained unpaid / unclaimed for a period of seven consecutive years within the timelines laid down by the Ministry of Corporate Affairs, Government of India. Unpaid/unclaimed dividend for seven years or more has also been transferred to the IEPF, pursuant to the requirements under the Companies Act, 2013 (the "Act").

**DIRECTORS' RESPONSIBILITY STATEMENT**

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

Your Directors confirm that:

- In the preparation of the Annual Accounts, applicable accounting standards have been followed along with proper explanations relating to material departures, if any.
- The accounting policies selected have been applied consistently, and judgments and estimates are made that are reasonable and prudent to give a true and fair view of the state of affairs of your Company as on 31<sup>st</sup> March, 2022, and of the profit of your Company for the year ended on that date.
- Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of your Company and for preventing and detecting frauds and other irregularities.
- The Annual Accounts of your Company have been prepared on a going concern basis.
- Your Company had laid down internal financial controls and that such internal financial controls are adequate and were operating effectively.
- Your Company has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.



### CAPITAL EXPENDITURE PLAN

Your Company's current expansion programme is on track and estimated to reach completion by the end of FY23.

During the year, your Company commissioned cement capacity of 3.2 MTPA at the following locations, which is the first phase of the 19.5 MTPA capacity expansion announced in December 2020:

- Patliputra Cement Works, Bihar – Additional cement capacity of 0.6 MTPA commissioned, taking the Unit's capacity to 2.5 MTPA.
- Dankuni Cement Works, West Bengal – Additional cement capacity of 0.6 MTPA commissioned, taking the Unit's capacity to 2.2 MTPA.
- Line II of the Bara Grinding Unit, Uttar Pradesh – its cement capacity stands at 4 MTPA. Line I was earlier commissioned in January 2020.

This additional capacity will help your Company service the increasing demand for cement in the Eastern and Central regions of India.

Your Company commenced operations from its 7<sup>th</sup> bulk terminal at Kalamboli, Navi Mumbai. The other 6 are located at Cochin in Kerala; Mangalore and Doddaballapur in Karnataka; Uran and Pune in Maharashtra and Shankarpalli in Telangana. With a capacity to handle ~1.2 MTPA cement and considering the large infrastructure development projects in and around Mumbai, the bulk terminal will strengthen your Company to further increase its sales and distribution of cement in bulk. This will effectively help in reducing freight cost, with increase in the usage of rail transportation. For your Company, this is one more step towards reducing carbon emissions and driving sustainable growth.

The Board, further approved capex of ₹ 12,886 crores towards increasing capacity by 22.6 MTPA with a mix of brownfield and greenfield expansion. This would be achieved by setting-up integrated and grinding units as well as bulk terminals. The additional capacity will be created across the country. Commercial production from these new capacities is expected to go on stream in a phased manner by FY25.

With these expansions, your Company's total grey cement manufacturing capacity will stand augmented to 159.25 MTPA, globally.

### CORPORATE GOVERNANCE

Your Directors reaffirm their commitment to good corporate governance practices. During the year under review, your Company was compliant with the provisions

relating to corporate governance. The compliance report is provided in the Corporate Governance section of this Integrated Annual Report. The Auditor's Certificate on compliance with the conditions of corporate governance forming part of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") is provided in **Annexure II** of this Report.

### EMPLOYEE STOCK OPTION SCHEMES

#### ESOS-2013

The Nomination, Remuneration and Compensation Committee ("the NRC Committee") allotted 17,449 equity shares of ₹ 10 each of your Company upon exercise of stock options and Restricted Stock Units ("RSUs") by the grantees.

#### ESOS-2018

During the year, the NRC Committee:

- Granted 63,684 stock options at an exercise price of ₹ 7,424.70 per stock option, exercisable into the same number of equity shares of ₹ 10 each, and 18,869 RSUs at an exercise price of ₹ 10 each on 22<sup>nd</sup> July, 2021.
- Granted 33,525 stock options at an exercise price of ₹ 7,269.10 per stock option, exercisable into the same number of equity shares of ₹ 10 each, and 8,538 RSUs at an exercise price of ₹ 10 each on 27<sup>th</sup> October, 2021.
- Vested 38,855 stock options and 37,537 RSUs to eligible employees, subject to the provisions of ESOS – 2018, statutory provisions as may be applicable from time to time and the rules and procedures set out by your Company in this regard.

Your Company transferred 35,988 equity shares during the year upon receipt of applications from some option grantees for the transfer of equity shares of your Company in their account, from the Trust account, which also include 1,043 equity shares pending for transfer for the year ended 31<sup>st</sup> March, 2022.

**Your Company's current expansion programme is on track and estimated to reach completion by the end of FY23.**

In terms of the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 ("SEBI SBEB & SE Regulations") the details of the stock options and RSUs granted under the aforementioned schemes are available on your Company's website <https://www.ultratechcement.com/investors/financials>.

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

#### ESOS-2022

The Board of your Company, based on the recommendation of the NRC Committee, approved formulation of a new Scheme viz. 'UltraTech Cement Limited Employee Stock Option and Restricted Stock Unit Scheme 2022' ("ESOS-2022") in terms of the SEBI SBEB & SE Regulations. ESOS-2022 will be administered by the NRC Committee through a Trust, viz. the 'UltraTech Employees Welfare Trust'.

Resolutions seeking your approval for approving ESOS-2022 and related matters form part of the Notice of the AGM.

### SHARE CAPITAL

During the year, your Company allotted 17,449 equity shares of ₹ 10 each to option grantees upon exercise of stock options and RSUs in terms of ESOS-2013. As a result, the paid-up equity share capital of your Company stood at ₹ 2,88,67,08,470, comprising of 28,86,70,847 equity shares of ₹ 10 each.

Transfer of unclaimed dividend and shares: The details relating to unclaimed dividend and shares are given in the Corporate Governance section that forms part of this Integrated Annual Report.



### AWARDS

Your Company's constant endeavour to optimise operational procedures and build greater efficiencies continue to win recognition and prestigious awards. Here is a glimpse of some awards received during the year.

- International Safety Awards 2022 by British Safety Council – Balaji Cement Works;
- Indian Chamber of Commerce Social Impact Award 2022 – Birla White;
- National Award for Excellence in Energy Management 2021, Excellent Energy Efficient Unit - Power Sector – Kotputli Cement Works;
- National Awards for Excellence in Corporate Social Responsibility – Siddhi Cement Works;
- 15 of your Company's limestone mines have been awarded a five-star rating for sustainable mine management, by the Ministry of Mines and Indian Bureau of Mines. This was awarded for last three years (2017-18, 2018-19 and 2019-20). With a total of 30 such 5-star rating awards, this is the highest number awarded to any company in India for all major minerals such as bauxite, copper, iron ore, manganese, lead & zinc and limestone. The ratings are based on the adoption of best practices for exhaustive and universal implementation of Sustainable Development Framework in mining.
- Leaders Award - Mega Large Business, Process Sector – This is the highest award in that category by Frost & Sullivan and the Energy and Resources Institute ("TERI") for the year 2021. The award is in recognition of your Company's efforts to build a sustainable business. This award recognises the Sustainability Excellence on People, Purpose, Partnership, and Planet pillars, along with Sustainability Analytics and the Renewable Energy Consumption initiatives of organisations in India.
- One Gold and two Silver trophies for the 'Chance Na Lo' campaign at Exchange4Media's Prime Time Awards. The Gold trophy was conferred under the 'Best use of influencers' category. The two Silver trophies were conferred in 'Best Integrated TV Campaign' and 'Best use of TV' to create brand awareness categories.

**RESEARCH AND DEVELOPMENT**

Your Company's Research and Development (R&D) efforts focus on creating advance application value for customers by continuously exploring and incorporating innovative features and functionalities in newer cement and concrete variants. Enhancing customer satisfaction while increasing sustainability is the guiding principle for your Company's R&D activities.

Devising solutions around themes of reducing water consumption for cement, improved durability of concrete, enhanced environmental performance in terms of reduced green-house emissions and natural resource intensiveness, increasing use of alternative raw materials in cement making have resulted in significant progress in development of new types of cement.

Your Company's R&D centre is engaged in closely monitoring and incorporating latest developments, digital interventions, and advance techniques in the field of cement-concrete technology in your Company's product offerings. With this objective, your Company's R&D is committed to provide comprehensive technological support to your Company's policy of promoting sustainable construction and development.

Customers, Quality and Cost are the governing attributes of all R&D projects for achieving process optimisation and debottlenecking, raw material conservation and use of alternative fuels and raw material. Towards this objective, your Company is actively developing alternatives for minimising usage of mineral gypsum and development of cost economic grinding additives and new generation chemicals while maintaining targeted product attributes and functionality.

Your Company's R&D efforts in the ready mix concrete and building products division have resulted in development of new products, viz.

- (i) Ultrahigh performance concrete ("UHPC"): For ductile, thin precast concrete panels and repair overlays;
- (ii) Concrete for 3D Printing: For emerging use of 3D printers in building construction;
- (iii) Antiwashout concrete: For enabling high quality construction during rainy season and in waterlogged situations;
- (iv) Corrosion resistant concrete: For longer life of structure by resisting reinforcement corrosion;
- (v) High strength Grout: For precision filling of Sonic Pipe;
- (vi) Low and high Gun Grade Grout: For easier filling of tie rod holes;

- (vii) Machine applied Spray Ready-mix Plaster: For faster completion of plastering work that enables cost and time saving.

As a member of the Global Cement and Concrete Association ("GCCA"), your Company is also part of the Global Cement and Concrete Research Network, formed by the GCCA to accelerate global collaboration on cement and concrete innovation, an important step in taking climate action. The efforts are directed at adopting key trends driving the low-carbon emission initiatives for the Indian cement sector by actively participating in the mission with other partners to keep abreast on innovation trends, latest scientific developments in carbon footprint reduction and identifying potential routes for adopting newer ideas in its sustainability objective with following key areas of interest:

- carbon capture and usage technologies
- alternative calcination technologies in cement manufacturing process
- carbon use in the construction supply chain
- improved recycling of concrete utilisation
- developing alternative SCMs

Your Company is also closely engaged with the Aditya Birla Science and Technology Company Private Limited, the corporate research and development centre for the Aditya Birla Group, for developing technological solutions to model cement process equipment, devising predictive cement quality modelling, CFD Modelling enhancing equipment productivity, using engineering simulations and devising special concrete products.

**SUSTAINABILITY**

Your Company is steering from the traditional sustainability models to an innovative approach that is consistent with its vision to build a sustainable business. It is also aligned to global goals such as the Paris agreement, and UN's Sustainable Development Goals ("SDGs"). Your Company is committed to contributing to the protection of the environmental and upliftment of society while also balancing various stakeholder expectations and maintaining its lead ahead of the curve.

**Responsible Stewardship:** This key pillar facilitates the transition from current legal standards to international standards like International Finance Corporation ("IFC"), the Organisation for Economic Cooperation and Development ("OECD"), the International Standards Organisation ("ISO"), Occupational Health and Safety Advisory Services ("OHSAS"), the Global Reporting

Initiative ("GRI"), the Forestry Stewardship Council and others. The Aditya Birla Group's Sustainable Business Framework of Policies, Technical Standards, and Guidance Notes help us reach higher standards of performance. The Group Sustainable Business Framework is currently certified to 14 international standards. The framework has given success with respect to reduction in carbon footprint, energy use, water use, and implementing nature-based solution projects.

Your Company's commitment to the pledge of 'World Business Council for Sustainable Development's Water and Sanitation and Hygiene' ("WASH") to provide safe drinking water, sanitation and hygiene across all its operations has resulted in the construction of over 600 new bathrooms, many of these for women and the differently abled. This is a significant initiative towards the wellbeing of people and communities.

Through stakeholder engagement, your Company gains further insights into the potential opportunities and business risks. These are leveraged for enhancing business models, strategies and risk profiles in order to future-proof them and the value chains in the medium to long term, which is beneficial to the stakeholders.

**Disclosures and ESG:** Your Company has adopted the recommendation of Task Force for Climate related Financial Disclosure ("TCFD") and has integrated its findings into risk management, business planning and strategy. This year your Company continued consideration of carbon US\$ 10 per tCO<sub>2</sub> which has enabled it to consider the impact on environment of project / capex in its evaluation and decision making.

Your Company's performance in S&P's Dow Jones Sustainability Index ("DJSI") improved by 11 points to 79 as per DJSI results released this year. This is a 16% increase from the previous year, and your Company now is ranked 7<sup>th</sup> globally in the Construction Material category. This disclosure has helped your Company to benchmark itself against world best companies in sustainability performance and will be using this to identify opportunities to excel in sustainability performance.

**Green Initiatives:** Your Company has been consistently adopting new technologies that are cleaner and greener. There is constant effort across all plants and processes to become more energy efficient, given your Company's goal to become better stewards of natural resources.

**Climate Change:** Your Company has committed to deliver Net Zero Concrete by 2050 or earlier and will work together with value chain partners to accelerate decarbonisation. Further, your Company has joined the Science-Based Targets Initiative and got its targets successfully validated.

Under the SBTi target, your Company aims to achieve 27% reduction in its Scope 1 carbon intensity by 31<sup>st</sup> March, 2032 against the carbon emission from March 2017. Your Company has achieved 9.1% of Scope 1 carbon intensity reduction till FY22 from the base year of 2017. In energy efficiency, your Company has overachieved the target set by the Government of India for the first Perform, Achieve and Trade ("PAT") cycle.

**Green Energy:** As part of RE100 commitment led by the Climate Group in partnership with CDP, your Company aims to meet 100% of its electricity requirement through renewable sources by 2050. Your Company also continues to increase the use of renewable energy as part of its energy mix and has increased the consumption of RE by more than 30% as compared to previous year.

**Circularity:** With its thrust on the use of alternative fuels, your Company has been relentlessly striving to reduce consumption of fossil fuels by substituting these with wastes from other industries. These efforts have resulted in around 4.6% of your Company's fuel requirements being met using alternative fuels. Your Company continues to scale its contribution to the circular economy by utilising 23.6 million tonnes of Alternative Raw Material ("ARM") as part of its operations. Your Company has reinforced its commitments and has taken further strides towards being a more sustainable business.

**Water Positive:** Your Company aims to be 5x water positive by 2024, which means that it will replenish five times the amount of water it consumes. The volume of water replenished is ~168% over five-years (from 27.4 million m<sup>3</sup> in FY17 to 73.6 million m<sup>3</sup> in FY22) as compared to the total volume of water consumed.

**Sustainable Products:** As part of its continuing initiatives in sustainable growth, your Company has completed Life Cycle Assessment ("LCA") studies for four products. Your Company is amongst few companies to conduct the LCA study and has used this as input to identify hotspots over the value chain to reduce environmental impact. Your Company has 73 products with GreenPro Certification. This is one of the largest green product portfolios in the building material industry in India. Your Company has also conducted Environment Product Declaration ("EPD") studies as part of its product stewardship pillar and published its EPD documents for the four major categories of cement.

**Other Initiatives:** Your Company has embarked on digital transformation during the year that has the potential to decouple emissions and resource use from economic growth as well as making its operations safer and more reliable. Your Company launched its Sustainability

Culture building program – Project Jagruti and under the program on sustainability awareness sessions, an extensive e-module was launched, reaching more than 5,000 employees.

**DIGITALISATION**

Your Company's digital solutions keep customers at the core of innovation to achieve a connected and smart ecosystem. With deep understanding of customers, the teams learn fast, pivot rapidly, leveraging the best possible technologies to design state-of-the-art digital solutions. These solutions provide enhanced customer experience by empowering internal stakeholders and partners, improving efficiencies and driving collaborations amongst teams.

Your Company further enhanced existing solutions and launched new digital solutions for customers, partners and employees.

**Customer First:** We put customers at the centre of our conversations and continuously innovate to meet their current and evolving needs. Last year, your Company launched UltraTech Trade Connect, an app that provides unparalleled convenience to its channel partners. The app has been well received with a high-level adoption and has become an integral part of daily business operations.

During the year, UltraTech Trade Connect was extended to its Construction Chemicals and Ready-Mix Concrete division, making it a single interface for channel partners. By introducing the app, your Company replaced several paper-based processes, helping save time and improving the speed of operations for customers, partners and internal teams in a sustainable manner

Our Institutional Customers are engines of India's infrastructure growth. Keeping them in mind, your Company launched an industry-first digital solution - UltraTech Customer Connect. This solution helps customers plan their site operations better, through visibility of supplies and test certificates. The sites can provide electronic proof of delivery (ePOD), and access to finance documents enabling a seamless payment process.

**Empowering Partners:** Our driver and transport partners are a crucial link for superior delivery experience to customers. The digital solution empower transporters for bidding, bill submission, and faster payments.

To bring driver partners on to the digital ecosystem, your Company launched a future-ready mobile application, Eye-to-track. This multilingual app is convenient for drivers and connects them with customers and transporters. The delivery ratings received from our customers are visible to

the drivers and transporters, which helps them to further improve delivery experience.

**Empowering Internal Stakeholders:** Our integrated information hub, Logistics Control Tower ("LCT"), which provides a single version of the truth and end-to-end visibility to logistics, is also extended on mobile phones ("LCT Lite") to our front-end sales teams, for driving collaboration to improve logistics efficiencies.

**Smart Manufacturing:** Your Company has accelerated adoption of digital and industry 4.0 technologies in its operations, encouraged by incremental value delivered through various initiatives. Your Company is investing in setting up of cloud infrastructure as a key foundation for smart and connected factories.

**Energy Optimisation and Enhanced Productivity:** During the year, your Company focused on scaling up and adopting algorithmic advisory solutions to improve process stability and efficiency across all energy metrics, mainly focusing on increasing alternative fuel consumption and improving WHRS power generation among others. These initiatives were helped and complemented by investments in expert control systems over the last few years.

Other initiatives around digital mining management and optimisation are also underway to realise gains through better operational efficiencies.

**Reliable Operations and Process stability:** Reliability teams are being empowered by complementing existing preventive procedures with predictive and early alerts generated, using AI platforms.

Your Company has instituted mechanisms to monitor and sustain process stability using combination of software and AI solutions. Through combination of domain knowledge and digital tools, it continues to improve long term process reliability.

**Safer Operations:** Each employee in your Company is a safety officer. Use of digital tools allow improving effectiveness and collaboration of efforts on safety. Computer vision, AR, VR and other sensors are being adopted or scaled to support safety objectives at the Units.

**Empowering Teams:** Use of digital solutions for dynamic planning and sourcing of packaging materials is improving central synergies and efficiency. In addition, your Company is working on end-to-end fuel sourcing planning and control platform. The procurement team has adopted 'procure to pay' digital platform and is exploring spend analytics solutions to drive efficiency over and above current capabilities.

Your Company's Shared Services Centre viz. UltraTech Knowledge Service Centre ("UKSC"), has a strength of 675 people processing payments, performing accounting transactions, ensuring controls and managing tax compliance for all of your Company's operations. UKSC is a digitally-enabled "Centre of Excellence" which will also serve as a platform to create future finance leaders and a best-in-class knowledge hub.

UKSC currently processes ~1.7 million vendor invoices annually, and maintains 1.25 million customer/vendor master records. This model helps your Company seamlessly absorb accounting work for any new cement capacity expansion.

Collaborating with the information technology and other related functions and leveraging state of the art technology applications, UKSC is currently executing various digital initiatives for people, process, and compliance which will not only make it more efficient but also create business value by creating an Analytics CoE for the future. This digital journey is expected to further accelerate in the coming months, yielding significant benefits for your Company and its stakeholders.

**HUMAN RESOURCES**

In FY22, your Company continued to witness pandemic-led challenges which included mobility restrictions and consequent attendance at work. Units had controlled entry, regulated movement and assembly to minimise contact and ensure employee safety without adversely impacting operations. Offices allowed minimal entry with most of the employees operating from home.

Your Company continued to focus on employee core connect, engagement, learning and development to build a workplace that is safe engaging and productive. It undertook digitalisation of the entire talent management processes for regular communication. All employees were presented with various learning opportunities to enhance career growth. Learning and Development teams ensured learning of employees and leveraged virtual medium to organise learning sessions for the employees. Wellness sessions dealing with topics related to safety, and health helped create awareness among employees and their families about key areas related to their well-being. Throughout the year, employees remained connected through planned events such as seminars, learning programs and self-learning modules.

Your Company's employee strength stood at 21,921 as on 31<sup>st</sup> March, 2022 (compared to 21,909 in 2021).

**SAFETY**

To ensure that the organisational objective of "zero harm" gains momentum, your Company undertook the following initiatives under six major elements: Assurance; Contractor safety; Safety inspection; Capability building; Digital intervention and Project safety. This resulted in more than 90% of the manufacturing sites remaining Lost Time Injury ("LTI") free during the year.

**Assurance:**

**Safety Assurance by using gadget - Virtual third-party safety assessment:**

Assurance is one of the key elements of safety management system that helps in identifying discrepancies within the system and addressing them. While on-site safety audits were not possible on account of the pandemic, independent virtual safety assessments were conducted by third-party expert agencies across the manufacturing locations to assess the degree of implementation vis-à-vis requirements of the various safety standards. Prior to assessment, a calibration workshop was organised for the auditors to ensure uniformity and consistency in their approach and to express the expectation out of the exercise. Post assessment, reports were shared with the Units to enable them take corrective measures. Unit-wise compliance of audit findings was reviewed by the OHS Board.



**Contractor Safety:**

Contractor Connect Initiative (हमें आपकी परवाह है):

To correct “at risk” behaviour of a huge size of continuously changing contract workforce, the Unit Head and Functional Head (Technical) of one of the integrated Units established fortnightly virtual connect with contract workmen from other Units, as per rosters prepared and shared in advance. The agenda was to discover any gaps in safety processes through regular conversations with contract workers. Weekly observations were circulated across Units through mailers to encourage safe behaviour at work.

**Safety Inspection:**

**Walk Through Inspection (“WTI”):**

To make your Company’s workplaces free from unsafe conditions, WTI has been institutionalised through development of standard inspection checklists for 41 sections (including RMC) and integrating those with the organisational safety management system portal for ease of reporting and analysis.

**Pratibimb (“Leaders Connect with employees”) to review Walk Through Inspection:**

To review and improve effectiveness of Walk-Through Inspections, each Cluster Head virtually connected with any four employees on a weekly basis. Through this, 16 employees of 4 Units learned about the focus areas and methods for improvement towards workplace safety.

**Capability building:**

**Safety Standard Champions Training:**

To build a pool of competent in-house resource, employees across Units were trained on 18 safety standards through virtual “Standard Champions training” programme. This enabled them to further impart training to employees and ensure compliance. 515 employees qualified as standard champions through this program.

**Digital intervention:**

- a. Addressing high-risk operations through augmented process knowledge:

To enhance technical knowledge of employees associated with specific high-risk operations, e-learning modules have been developed and uploaded in the learning management platform. Employees were mandatorily required to complete the

e-learning course which helped them to become fully aware of the processes to prevent any incident.

- b. Data analytics:

By integrating mySetu (your Company’s safety portal) with Tableau, your Company’s online reporting platform, in-depth analysis of various leading indicators was carried out and focused action was taken for improvement of identified areas. This resulted in reducing high-risk unsafe conditions related to machine guarding and acts related to procedure violation across Units.

- c. “Speech to text” for Walk Through Inspection:

To facilitate line team members in making walk through inspection reports, speech to text feature was added in the process, thereby bringing more ease and comfort. This resulted in substantial reduction of time required for doing the exercise. While the manual method took around one hour, with this intervention, WTI takes only 25 minutes.

- d. Virtual inspection using gadget (“Realwear”):

Cluster Heads conducted virtual safety inspection of respective Units by using gadgets (Realwear), identified discrepancies and monitored compliance. This led to reduction in high-risk unsafe conditions relating to housekeeping, electrical safety, work at height.

**Project Safety:**

To give greater thrust to safe execution of multiple projects going on simultaneously, multilayer monitoring was introduced over and above existing safety management systems. Virtual training on Vishwakarma (project safety guidelines) was imparted to all employees deployed at various project sites. Safety Experts were deployed at Pali, Dhar and Hirni and rigging and scaffolding experts were deployed at project sites to support safe execution.

**CORPORATE SOCIAL RESPONSIBILITY**

In terms of the provisions of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Board of Directors of your Company has constituted a Corporate Social Responsibility (“CSR”) Committee chaired by Mrs. Rajashree Birla. Other Members of the Committee are Mrs. Sukanya Kripalu, Independent Director and Mr. K. C. Jhanwar, Managing Director. Dr. (Mrs.) Pragnya Ram, Group Executive President, CSR, Legacy, Documentation & Archives is a permanent invitee to the Committee. Your Company has in place a CSR Policy

which is available at - <https://www.ultratechcement.com/investors/corporate-governance#policies>.

Your Company’s CSR activities are focused on Social Empowerment and Welfare, Infrastructure Development, Sustainable Livelihood, Healthcare and Education. Various activities across these segments have been initiated during the year around its plant locations and adjacent villages. During the year, your Company spent ₹ 96.40 crores on CSR activities and set-off ₹ 6.60 crores from the excess spent during FY21, aggregating to ₹ 103 crores, resulting in 2% of the average net profits of your Company during the last three financial years. A report on CSR activities is provided in **Annexure III** which forms part of this Report.

**SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

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

During the year ended 31<sup>st</sup> March, 2022, UNCL entered into an agreement with Galata Chemicals Holding GmbH, Germany (“Galata”) for restructuring of 3B Binani Glassfibre SARL (“3B”) as per which Galata along with its affiliates has made necessary payments to UNCL for the purposes of refinancing the loans given to 3B and acquisition of entire shareholding of UNCL in 3B. UNCL has, inter alia, transferred its entire shareholding in 3B to Galata as on 31<sup>st</sup> March, 2022. Consequent to the transaction, 3B has ceased to be a wholly owned subsidiary of UNCL.

UCMEIL acquired 29.79% equity share capital of ‘RAK Cement Co. for White Cement and Construction Materials PSC’, (“RAKWCT”) a company listed on the Abu Dhabi and Kuwait stock exchanges for a consideration of US\$ 101.10 million. RAKWCT is engaged in the manufacture and sale of white cement clinker, white cement and construction materials.

This strategic acquisition strengthens your Company’s position in the white cement business in India while also providing access into the GCC and African markets. The

white cement market in India is witnessing robust growth, propelled by demand in white cement-based putty as well as other emerging new applications in coatings and construction sectors. The acquisition provides opportunity to tap operational synergies between your Company and RAKWCT, to improve shareholder value apart from exploring cost efficiencies and expansion of markets.

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

**PARTICULARS OF LOAN, GUARANTEE AND INVESTMENT**

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

**ENERGY, TECHNOLOGY AND FOREIGN EXCHANGE**

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

**PARTICULARS OF EMPLOYEES**

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

**BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT**

The Securities and Exchange Board of India (“SEBI”), in its circular dated 10<sup>th</sup> May, 2021, introduced new sustainability related reporting requirements to be reported in the specific format of Business Responsibility and

Sustainability Report ("BRSR"). SEBI, vide the aforesaid circular, has made BRSR mandatory for the top 1,000 listed companies (by market capitalisation) from fiscal 2023, while disclosure is voluntary for fiscal 2022. Your Company has adopted the BRSR voluntarily for FY22 and also publishes a comprehensive Sustainability Report annually, based on GRI standards. The Sustainability Report is available at <https://www.ultratechcement.com/about-us/sustainability/sustainability>.

The BRSR forms part of this Integrated Annual Report.

### CONTRACT AND ARRANGEMENT WITH RELATED PARTIES

Related party transactions entered into by your Company during the financial year were completely on an arm's length basis and in the ordinary course of business. There were no material transactions with any related party, as defined under Section 188 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014. All related party transactions have been approved by the Audit Committee of your Company and reviewed by it on a periodic basis. The policy on Related Party Transactions, as approved by the Audit Committee and the Board, is available at <https://www.ultratechcement.com/investors/corporate-governance#policies>.

The details of contracts and arrangements with related parties of your Company for the financial year ended 31<sup>st</sup> March, 2022 is provided in Note No. 38 to the standalone financial statements of your Company.

### RISK MANAGEMENT

Risk is an integral and unavoidable component of business. Given the challenging and dynamic environment of your Company's operations, it is committed to proactively managing risk in accomplishing its ambitious goals. Though risks cannot be eliminated, an effective risk management program ensures that risks are reduced, avoided, mitigated, or shared.

To maintain oversight of your Company's risks, the Risk Management and Sustainability Committee ("RMS Committee") of your Company is mandated to review its Enterprise Risk Management Framework (including plan / process), analyse the risks more deeply and define risk mitigation actions, where necessary. Through the Annual Risk Report processes, which are based upon the business environment, operational controls and compliance procedures, your Company aims to assess and prioritise risks, according to their significance and likelihood.

The key risks identified by your Company include economic environment and market demand; inflation and cost of production; legal and compliance with local laws; financial and accounting; environment, climate and sustainability; information technology and talent management. Needless to mention, with the challenges presented by the COVID-19 outbreak, pandemic and epidemic-related business risks have been identified by your Company. Further, the Ukraine war has resulted in geopolitical tension, thereby impacting fuel prices, which would have an adverse impact on the operations of your Company.

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

#### Key Business Risks identified by your Company:

##### Economic Environment and Market Demand

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

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

##### Inflation and Cost of Production

Your Company faces the risk of inflation and price fluctuations in the cost of coal, pet coke, power, and other fuels since these are market driven. The cement industry is extremely energy intensive, changes in fuel prices can significantly impact production cost. To de-risk, your Company has established specific policies

of long deliveries and it continuously optimises its fuel mix and energy efficiency, while exploring the use of alternative fuels.

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

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

##### Legal and Compliance

This risk relates to any inadvertently violated laws covering business conduct.

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

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

##### Financial

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

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

periodically and constantly aligned with the financial market practices and regulations.

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

##### Environment

This comprises risks associated with environmental pollution through the discharge of waste and GHG emissions, which may cause damage to the local ecology and environment.

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

Apart from a targeted reduction of CO<sub>2</sub> emissions (Scope 1 by 27% and Scope 2 by 69% by 2032), your Company's risk mitigation strategy includes a change in product mix, energy efficiency, use of alternative fuels and raw materials, WHRS and the increased use of renewable energy. Your Company has also adopted measures such as rainwater harvesting and water recharge that help it overcome challenges related to water availability.

##### Climate and Sustainability

Sustainability-related climate change risks and opportunities are assessed in line with your Company's risk management policy and have been integrated in its multi-disciplinary Risk Management Framework. Classified as ESG risks, these relate to energy, emissions and water, among other issues. Sectoral review and relevant stakeholder interactions are conducted regularly to develop a list of climate-related risks specific to business and location. Identified risks are then mapped to your Company's risk matrix, which classifies the risk according to its impact and likelihood.

Prioritised climate risks are managed through Unit-level committees. Unit and Functional Heads are responsible for identifying risks, developing mitigation plans, updating and reviewing their respective risk registers as per the defined process. The consolidated risk report is submitted to the Board-level committee.

Scenario based analysis has been conducted for physical as well as transition risks. For physical risks, four scenarios have been considered that are linked to Representative Concentration Pathway ("RCP"), which is a GHG concentration trajectory adopted by the Intergovernmental Panel on Climate Change ("IPCC"). These include RCP 8.5, RCP 6, RCP 4.5 and RCP 2.6 scenarios. The pathways describe four possible climate futures on the basis of the volume of GHG emitted in the coming years. All four scenarios have been considered to assess the impact of temperature and precipitation changes in areas where your Company operates. Maximum possible impact has been considered based on projections up to the year 2100.

Your Company has conducted risk assessment exercise to identify climate-related physical and transition risks. Risks are assessed based on the defined time horizons over short term (0-3 years), medium term (3-10 years) and long term (10-30 years). The categorisation of risks into physical and transition risks has been done in alignment with TCFD guidelines.

In case of assessing the impact of transition risks on your Company, scenario analysis has been conducted in alignment with ETP B2DS and IPCC 1.5-degree scenarios. The potential impact of the evolution of climate policies has been considered under both scenarios to assess the resilience of your Company, as well as the potential pathways for decarbonisation so that it can comply with policy mechanisms such as emission trading schemes.

Product mix is an important variable in managing climate-related risks. Your Company is not only focused on developing sustainable products but also aims to embed sustainability in the entire construction value chain. As many as 73 UltraTech products are certified by GreenPro, the largest Ecolabel in India, which enables end users in the built environment sector to choose sustainable materials for reducing the environmental impact during construction, operation as well as use phase of buildings.

**Your Company's approach is highlighted below:**

- Enhancing resilience of the building sector: Extreme weather events due to climate change, such as floods, cyclones and heat waves, may impact the building sector considerably. To mitigate the impact of physical risks on the building sector and society at large, your Company is working with the built environment sector to make buildings more resilient to climate change effects.
- Your Company is committed to developing products and solutions that reduce carbon emissions throughout the lifecycle of the built environment sector. It offers building products and solutions that lead to optimisation

of concrete mixing, improving overall quality and strength of construction, and thus alleviating the impact of physical risks.

- Your Company has introduced many new products that are designed to make buildings more resilient to dampness.

This also leads to reduced wear and tear of buildings, increasing longevity, thereby reducing the use of input materials and natural resources during their entire lifetime.

**Physical risks**

**Acute physical risks:** Such risks can potentially impact sales volumes because of disruption of business operations due to interruption in supply chain, rise in logistics costs, power outage, infrastructure damages and manpower shortage among other aspects.

Few sites of your Company have been exposed to extreme weather events during the last few years, such as floods and cyclones. In the last three years, sites located in Bhubaneswar, Chennai and Gujarat have been impacted due to extreme weather events. Some of your Company's sites are in geographies that are susceptible to periodic heat waves.

However, your Company has implemented several measures to mitigate the impact of physical risks.

Given its pan-India presence, your Company's sites are highly diversified geographically. If a manufacturing plant faces business disruption or shutdown due to extreme weather events, alternative plants in other locations can serve the market need. Also, its wide logistics network, with warehouses across different parts of the country, enable flexibility in your Company's operations.

Annual weather forecasts are considered in supply chain decisions in order to mitigate the risk of delays in sourcing of fuels. Your Company has developed strategic partnerships with geographically diverse global vendors for fuels. Regular monitoring of environmental, political and regulatory developments, coupled with flexible contracts mitigate risks of supply chain disruptions. Inventory norms for fuels are periodically reviewed considering probability and expected impact of likely supply chain disruptions due to above developments. Insurance coverage is in place to protect against damages to business assets or loss of material in warehouses due to extreme weather events.

Your Company has not witnessed any impact of heat waves on its facilities. Nevertheless, it ensures that its employees are protected during peak summer days. It is committed to the WASH Pledge, ensuring adequate availability of safe drinking water to workers. Warehouses

are also secured with early morning and late evening operational hours.

Disaster management plans, health and safety protocols and adequate communication protocols during extreme weather events ensure safety at sites and minimise the impact on the workforce.

The financial impact of physical risks is estimated to be less than 1% of EBITDA. Risk mitigation measures have largely insulated your Company from the impact of extreme weather events.

**Chronic physical risks**

Your Company's vast geographical presence makes it vulnerable to long-term chronic physical risks, such as variation in temperature, precipitation and water scarcity. Potential impact of variation in temperature and precipitation patterns has been assessed through scenario analysis across all four scenarios. Less than a quarter of your Company's cement plants are in sites with extremely high water-stress, combined with a projected long-term decrease in precipitation patterns.

Your Company has implemented several measures which protect the business from the identified chronic risks. Rainwater harvesting systems have also been installed across sites. Harvested rainwater is either used within the sites or recharged into the ground for raising groundwater levels. In addition, your Company's manufacturing sites are Zero Liquid Discharge ("ZLD") and they reuse 100% of treated water within the sites. As a result, nearly 43 out of 58 sites are water positive. The endeavour is to make all sites water positive, enabling your Company to be future-ready for mitigating risks of water stress.

**Transitional risks**

Emerging climate-related regulations and carbon pricing mechanisms may financially impact business in the long run. For example, Emission Trading Scheme ("ETS") and Carbon Tax have been adopted in several geographies around the world. India has committed to reducing its emission intensity by 33-35% by 2030 and is on track to achieve this target five years in advance (2025). National level commitments may, in the future, cascade down to various industry sectors through the introduction of new climate change policies. The estimated impact of a policy such as ETS on your Company is estimated to be less than 1% of EBITDA, considering commitments already made to decarbonise the business.

Your Company is prepared to mitigate emerging risks pertaining to climate change policy changes through its existing voluntary GHG reduction targets which are SBTi validated, sustainability-linked bonds, its commitment to the GCCA announced '2050 Climate Ambition' and so on.

Delay in adopting low-carbon technologies may lead to increased indirect operating costs. This could be through early retirement of existing assets. Your Company has strategically reduced its dependence on coal-based power generation and is focused on increasing the share of WHRS and renewable energy. Further, initiatives to utilise waste or by-products from other industries, and reducing clinker ratio are driving down emissions intensity. There are also efforts to track the technology and cost trends in emerging areas such as carbon capture, utilisation and storage ("CCUS"), and hydrogen and kiln electrification. Also, your Company is committed to aligning with the Paris Agreement Goals and is judiciously monitoring climate change performance at the Board-level, Unit-level and across all relevant functions.



**Information Technology Risks**

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

**Talent Management**

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

**Pandemic-linked Disruptions in Global Markets**

The COVID-19 outbreak caused a huge impact on people's lives, families and communities. Your Company continues to update and expand its crisis management and business continuity plans with an emphasis on employees, customers, supply chain, contacts, other stakeholders and business assets.

**Geopolitical tension**

The rising fuel prices in the wake of geopolitical tensions have had an adverse impact on the cost of manufacturing cement owing to increased raw material, fuel and energy costs. For your Company's business, raw material, fuel and logistics account for a major share of the manufacturing cost. The anticipated rise in the procurement of raw materials and high consumption of energy is likely to lead to the need for prioritising local dependence for raw material and energy fulfilment in order to mitigate the disruption caused due to such global geopolitical tension.

**INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

Your Company has put in place adequate internal control systems that are commensurate with the size of its operations. Internal control systems comprising policies and procedures are designed to ensure sound management

of your Company's operations, safekeeping of its assets, optimal utilisation of resources, reliability of its financial information, and compliance. Clearly defined roles and responsibilities have been institutionalised, and systems and procedures are periodically reviewed to keep pace with the growing size and complexity of your Company's operations.

**DIRECTORS**

**Retiring by rotation and continuing as Director**

In accordance with the provisions of the Act and Articles of Association of your Company, Mr. Krishna Kishore Maheshwari (DIN: 00017572) retires by rotation, and being eligible, offers himself for re-appointment.

**Re-appointment of Managing Director**

The existing term of Mr. Kailash Chandra Jhanwar (DIN:01743559), Managing Director is upto 31<sup>st</sup> December, 2022. The Board at its meeting held on 22<sup>nd</sup> July, 2022, based on the recommendation of the NRC Committee and considering the contributions made by Mr. Jhanwar during his term of appointment, re-appointed Mr. Jhanwar for a further period of two years with effect from 1<sup>st</sup> January, 2023.

Resolutions seeking their re-appointment along with a brief profile forms part of the Notice convening the AGM.

**Meetings of the Board**

Your Company's Board of Directors met five times during the year to deliberate on various matters. The meetings were held on 7<sup>th</sup> May, 2021; 22<sup>nd</sup> July, 2021; 18<sup>th</sup> October, 2021; 27<sup>th</sup> October, 2021 and 17<sup>th</sup> January, 2022. Additional details relating to the meetings of the Board of Directors are provided in the Report on Corporate Governance, which forms part of this Integrated Annual Report.

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

- Audit Committee
- Nomination, Remuneration and Compensation Committee
- Stakeholders Relationship Committee
- Corporate Social Responsibility Committee
- Risk Management and Sustainability Committee
- Finance Committee

Details with respect to the composition, terms of reference, number of meetings held, etc. of the above Committees

are included in the Report on Corporate Governance, which forms part of this Integrated Annual Report.

**Independent Directors**

Your Company's Independent Directors have submitted requisite declarations confirming that they continue to meet the criteria of independence as prescribed under Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations. The Independent Directors have also confirmed that they have complied with the provisions of Schedule IV of the Act and your Company's Code of Conduct.

Your Company's Board is of the opinion that the Independent Directors possess requisite qualifications, experience, and expertise in industry knowledge; innovation; financial expertise; information technology; corporate governance; strategic expertise; marketing; legal and compliance; sustainability; risk management; human resource development and general management, and they hold highest standards of integrity. All Independent Directors of your Company have registered their name in the data bank maintained with the Indian Institute of Corporate Affairs, Manesar in terms of the provisions of the Companies (Appointment and Qualification of Directors) Rules, 2014.

**Formal Annual Evaluation**

The evaluation framework for assessing the performance of your Company's Directors comprises of contributions at meetings and strategic perspective or inputs regarding the growth and performance of your Company, among others. The NRC Committee and the Board have laid down the manner in which formal annual evaluation of the performance of the Board, its Committees and individual Directors are to be made. Separate evaluation forms are circulated to individual directors for evaluation of the Board; its Committees, Independent Directors/Non-Executive Directors/Executive Directors and the Chairman of your Company. The process broadly comprises:

**Board and Committee Evaluation**

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

**Independent/Non-Executive Directors Evaluation**

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

each Director. The evaluation of the Chairman/Executive Director as done by the individual Directors is submitted to the Chairman of the NRC Committee and subsequently to the Board. The evaluation framework focuses on various aspects of the Board and Committees such as review, timely information from management and others. Performance of individual Directors are categorised into Executive, Non-Executive and Independent Directors and based on parameters such as contribution, attendance, decision-making, action-oriented, external knowledge etc.

**A brief summary of the evaluation exercise is as follows**

The Board as a whole functions cohesively. The Committees function well in their respective areas and the recommendations of the Committees are considered and have been accepted by the Board. The Directors bring to the table their knowledge and experience. Independent Directors are rated high in understanding your Company's business and expressing their views freely during deliberations. The Non-Executive Directors score well in all aspects. Executive Directors are action oriented and good in implementing Board decisions. The Chairman leads the Board effectively and encourages active participation and contribution by all Board members.

The details of the familiarisation programme for Independent Directors are available at <https://www.ultratechcement.com/about-us/board-of-directors>.

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

Your Company's Directors are appointed / re-appointed by the Board on the recommendations of the NRC Committee and approval of the shareholders.

In accordance with the Articles of Association of your Company, provisions of the Act and the Listing Regulations, all Directors, except the Executive Directors and Independent Directors, are liable to retire by rotation and, if eligible, offer themselves for re-appointment. The Executive Directors are appointed for a fixed tenure and are not liable to retire by rotation. The Independent Directors can serve a maximum of two terms of five years each and their appointment and tenure are governed by provisions of the Act and the Listing Regulations.

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

## KEY MANAGERIAL PERSONNEL

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

## AUDIT COMMITTEE

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

## VIGIL MECHANISM / WHISTLE BLOWER POLICY

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

The vigil mechanism / whistle blower policy is available at <https://www.ultratechcement.com/investors/corporate-governance#policies>.

## SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS

Your Company had filed appeals against the orders of the Competition Commission of India ("CCI") dated 31<sup>st</sup> August, 2016 (Penalty of ₹ 1,449.51 crores) and 19<sup>th</sup> January, 2017 (Penalty of ₹ 68.30 crores). Upon the National Company Law Appellate Tribunal ("NCLAT") disallowing its appeal against the CCI order dated 31<sup>st</sup> August, 2016, your Company filed an appeal before Hon'ble Supreme Court which has, by its order dated 5<sup>th</sup> October, 2018, granted a stay against the NCLAT order. Consequently, your Company has deposited an amount of ₹ 144.95 crores equivalent to 10% of the penalty of ₹ 1,449.51 crores. Your Company, backed by legal opinions, believes that it has a good case in both the matters and accordingly no provision has been made in the accounts.

## AUDITORS

### Statutory Auditors

Pursuant to the provisions of Section 139 of the Act and the Companies (Audit and Auditors) Rules, 2014, M/s. BSR & Co. LLP, Chartered Accountants, Mumbai (Registration No: 101248W/W-100022) and M/s. KKC & Associates LLP, Chartered Accountants (formerly Khimji Kunverji & Co.), Mumbai (Registration No: 105146W/W100621) have been appointed as Joint Statutory Auditors of your Company for a second term of five years until the conclusion of the 25<sup>th</sup> and 26<sup>th</sup> AGMs, respectively. In accordance with the provisions of the Act, the appointment of Statutory Auditors is not required to be ratified at every AGM.

The Joint Statutory Auditors have however confirmed that they are not disqualified to continue as Auditors and are eligible to hold office as Auditors of your Company.

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

### Cost Auditors

The Cost Accounts and records as required to be maintained under Section 148(1) of the Act are duly made and maintained by your Company.

In terms of the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, the Board of Directors of your Company have, on the recommendation of the Audit Committee, appointed M/s. D. C. Dave & Co., Cost Accountants, Mumbai and M/s. N. D. Birla & Co., Cost Accountants, Ahmedabad, to conduct the Cost Audit of your Company for the financial year ending 31<sup>st</sup> March, 2023, at a remuneration as mentioned in the Notice convening the AGM.

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

### Secretarial Auditors

In terms of the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed M/s. Makarand M Joshi & Co. LLP, Company Secretaries as Secretarial Auditors for conducting Secretarial Audit of your Company for the financial year ended 31<sup>st</sup> March, 2022.

The report of the Secretarial Auditor is provided in **Annexure VIII**, which does not contain any qualification, reservation or adverse remark.

## Compliance with Secretarial Standards

Your Company is compliant with the Secretarial Standards specified by the Institute of Company Secretaries of India. Your Company has complied with all applicable provisions of Secretarial Standard – 1 and Secretarial Standard – 2 relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively, issued by the Institute of Company Secretaries of India.

## ANNUAL RETURN

In terms of the provisions of Section 92 and Section 134 of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return is available at - <https://www.ultratechcement.com/investors/financials>.

## OTHER DISCLOSURES

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

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

Your Company has adopted zero tolerance for sexual harassment at workplace and has formulated a policy on prevention, prohibition and redressal of sexual harassment at workplace, in line with the provisions of the POSH Act and the rules framed thereunder, for prevention and redressal of complaints of sexual harassment at workplace. Your Company has complied with provisions relating to the constitution of the Internal Committee under the POSH Act. During the year under review, your Company received three complaints of sexual harassment, of which for one complaint, there was no evidence of harassment, and two complaints have been resolved.

## CAUTIONARY STATEMENT

Statements in the Directors' Report and the Management Discussion and Analysis describing your Company's objectives, projections, estimates, expectations or predictions and plans for navigating the COVID-19 impact on your Company's performance, its employees,

customers and other stakeholders may be 'forward-looking statements' within the meaning of applicable securities laws and regulations.

Actual results could differ materially from those expressed or implied. Important factors that could make a difference to your Company's operations include global and Indian demand- supply conditions, finished goods prices, feed stock availability and prices, cyclical demand and pricing in your Company's principal markets, changes in government regulations, tax regimes, economic developments within India and the countries within which your Company conducts business, geopolitical tensions, risks related to an economic downturn or recession in India, the efforts of the government and other measures seeking to contain the spread of COVID-19 and other factors such as litigation and labour negotiations. Your Company is not obliged to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent development, information or events, or otherwise.

## ACKNOWLEDGEMENT

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

For and on behalf of the Board

**Kumar Mangalam Birla**  
Chairman  
(DIN: 00012813)

Mumbai,  
22<sup>nd</sup> July, 2022



## DIVIDEND DISTRIBUTION POLICY

### 1.0 Introduction

- 1.1 As per the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, the Company is required to formulate and disclose its Dividend Distribution Policy. Accordingly, the Board of Directors of the Company ('the Board') has approved this Dividend Distribution Policy.
- 1.2 The objective of this policy is to provide clarity to stakeholders on the dividend distribution framework to be adopted by the Company. The Board of Directors shall recommend dividend in compliance with this policy, the provisions of the Companies Act, 2013 and Rules made thereunder and other applicable legal provisions.

### 2.0 Target Dividend Payout

- 2.1 Dividend will be declared out of the current year's Profit after Tax of the Company.
- 2.2 Only in exceptional circumstances including but not limited to loss after tax in any particular financial year, the Board may consider utilising retained earnings for declaration of dividends, subject to applicable legal provisions.
- 2.3 Other Comprehensive Income' (as per applicable Accounting Standards) which mainly comprises of unrealised gains / losses, will not be considered for the purpose of declaration of dividend.
- 2.4 The Board will endeavor to achieve a dividend payout ratio (gross of dividend distribution tax) in the range of 15% to 25% of the Standalone Profit after Tax, net of dividend payout to preference shareholders, if any.

### 3.0 Factors to be considered for Dividend Payout

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

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

### 4.0 General

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

### 5.0 Review

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

### 6.0 Disclosure

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

## AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of  
UltraTech Cement Limited

We have examined the compliance of conditions of Corporate Governance by UltraTech Cement Limited (the 'Company'), for the year ended March 31, 2022, as per the relevant provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended ('Listing Regulations').

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

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

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

We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note

on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

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

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

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

For **Khimji Kunverji & Co LLP**  
Chartered Accountants  
FRN - 105146W/W100621

**Ketan Vikamsey**  
Partner  
Membership No: 044000  
ICAI UDIN: 22044000AIEMIT4765

Mumbai  
Date: April 29, 2022

## ANNUAL REPORT ON CSR ACTIVITIES

[Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended]

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

The Company is actively contributing to the social and economic development of the communities in which it operates. The Company is doing so in sync with the United Nations Sustainable Development Goals to build a better, sustainable way of life for the weaker sections of society and raise the country's human development index.

The Company's Corporate Social Responsibility ("CSR") policy conforms to the National Voluntary Guidelines on Social, Environment and Economic Responsibilities of Business released by the Ministry of Corporate Affairs, Government of India.

## Scope

The CSR Policy encompasses Formulation, Implementation, Monitoring, Evaluation, Documentation and Reporting of CSR activities taken up by the Company.

## 2. Composition of CSR Committee

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Mrs. Rajashree Birla	Chairperson	1	1
2	Mrs. Sukanya Kripalu	Independent Director	1	1
3	Mr. K. C. Jhanwar	Managing Director	1	1

**Permanent Invitee:** Dr. (Mrs.) Pragnya Ram, Group Executive President, CSR, Legacy, Documentation & Archives

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

Composition of CSR Committee: <https://www.ultratechcement.com/about-us/board-committees>

CSR Policy and CSR Projects: <https://www.ultratechcement.com/investors/corporate-governance#policies>

## 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)

The Company has been voluntarily conducting impact assessments through Independent Agencies to screen and evaluate select CSR programs. The Company takes cognisance of sub-rule 3 of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and shall initiate steps to conduct impact assessment of all applicable CSR projects.

## 5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (₹ in crores)	Amount required to be set-off for the financial year, if any (₹ in crores)
1	2021-22	46.96	6.60

## 6. Average net profit of the company as per section 135(5): ₹ 5,149 crores

7. (a)	Two percent of average net profit of the company as per section 135(5)	: ₹ 103 crores
(b)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years	: Nil
(c)	Amount required to be set off for the financial year, if any	: ₹ 6.60 crores
(d)	Total CSR obligation for the financial year (7a+7b-7c).	: ₹ 96.40 crores

## 8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (₹ in crore)	Amount Unspent (₹ in crore)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
96.40	-	-	-	-	-

## b) Details of CSR amount spent against ongoing projects for the financial year:

1	2	3	4	5	6	7	8	9	10	11		
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the project		Project duration	Amount allocated for the project (₹ in crores)	Amount spent in the current financial Year (₹ in crores)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (₹ in crores)	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
-	-	-	-	-	-	-	-	-	-	-	-	-

## c) Details of CSR amount spent against other than ongoing projects for the financial year:

1	2	3	4	5	6	7	8		
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No).	Location of the project		Amount spent for the project (₹ in crores)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
1	<b>Preschool education project</b> Anganwadies / playschools/ crèches, strengthening Anganwadi Centre	(ii)	Yes	Rajasthan	Jodhpur, Nagaur, Jaipur, Chittorgarh, Jhalawar, Baran, Sirohi, Pali	0.92	Both (Direct and through Implementing agency)	UltraTech Community Welfare Foundation ("UCWF")	CSR00006050
				Madhya Pradesh	Neemuch, Dhar, Rewa				
				Gujarat	Amreli, Bhuj				
				Maharashtra	Chandrapur, Solapur				
				Chhattisgarh	BalodaBazaar, Raipur				
				Karnataka	Gulbarga				
				Andhra Pradesh	Kurnool, Anantapur				

1	2	3	4	5		6	7	8	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No).	Location of the project		Amount spent for the project (₹ in crores)	Mode of Implementation-Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
1	<b>School Education Program</b> Enrollment awareness programs/ event, Formal schools outside campus (Company run), Education Material (Study materials, Uniform, Books etc), Scholarship (merit and need based assistance), School competitions / best teacher award, cultural events, quality of education (support teachers, Improve education methods), specialised coaching, exposure visits / awareness, formal schools inside campus, Support to Midday Meal Project	(ii)	Yes	Rajasthan	Jodhpur, Nagaur, Jaipur, Chittorgarh, Sirohi, Pali	28.08	Both (Direct and through Implementing agency)	UCWF	CSR00006050
				Madhya Pradesh	Neemuch, Dhar, Rewa, Siddhi, Satna				
				Gujarat	Amreli, Bhuj				
				Maharashtra	Chandrapur, Solapur				
				Chhattisgarh	Baloda Bazaar, Raipur				
				Karnataka	Gulbarga				
				Andhra Pradesh	Kurnool, Anantapur				
				Himachal Pradesh	Solan				
				Uttar Pradesh	Sonebhadra				
				Tamil Nadu	Arriyallur				
2	<b>Education support programs</b> Knowledge centre and library, adult and non formal education, celebration of national days / International days, computer education, reducing drop-out and continuing education (Kasturba balika/ bridge courses / counseling), Career counseling and orientation.	(ii)	Yes	Rajasthan	Jodhpur, Nagaur, Jaipur, Chittorgarh, Sirohi, Pali	1.20	Both (Direct and through Implementing agency)	UCWF	CSR00006050
				Madhya Pradesh	Neemuch, Dhar, Rewa, Siddhi, Satna				
				Gujarat	Amreli, Bhuj				
				Maharashtra	Chandrapur, Solapur				
				Chhattisgarh	Baloda Bazaar, Raipur				
				Karnataka	Gulbarga				
				Andhra Pradesh	Kurnool, Anantapur				
				Himachal Pradesh	Solan				
				Uttar Pradesh	Sonebhadra				
				Tamil Nadu	Arriyallur				
3	<b>Vocational and Technical Education</b> Strengthening ITI's, skills based individual training program	(ii)	Yes	Madhya Pradesh	Neemuch, Dhar, Rewa, Siddhi,	5.55	Both (Direct and through Implementing agency)	UCWF	CSR00006050
				Gujarat	Amreli, Bhuj				
				Chhattisgarh	Baloda Bazaar, Raipur				
				Karnataka	Gulbarga				
				Andhra Pradesh	Kurnool, Anantapur				
				Uttar Pradesh	Sonebhadra				

1	2	3	4	5		6	7	8	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No).	Location of the project		Amount spent for the project (₹ in crores)	Mode of Implementation-Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
1	<b>School Infrastructure</b> Buildings and civil structures (new), buildings and civil structures (renovation and maintenance), school sanitation / drinking water, school facilities & fixtures (furniture/blackboards/ computers)	(ii)	Yes	Rajasthan	Jodhpur, Nagaur, Jaipur, Chittorgarh, Sirohi, Pali	4.29	Both (Direct and through Implementing agency)	UCWF	CSR00006050
				Madhya Pradesh	Neemuch, Dhar, Rewa, Siddhi, Satna				
				Gujarat	Amreli, Bhuj				
				Maharashtra	Chandrapur, Solapur				
				Chhattisgarh	BalodaBazaar, Raipur				
				Karnataka	Gulbarga				
				Andhra Pradesh	Kurnool, Anantapur				
				Himachal Pradesh	Solan				
				Uttar Pradesh	Sonebhadra				
				Tamil Nadu	Arriyallur				
				West Bengal	Hoogly, Bolpur				
				Odisha	Jharsuguda				
				Haryana	Jhajjar, Panipat				
2	<b>Preventive Health Care</b> Immunisation, Pulse polio immunisation, Health Check- up camps, Ambulance Mobile Dispensary Program, Malaria / Diarrhoea / Control programs, Health & Hygiene awareness programs, School health / Eye / Dental camps, Yoga / fitness classes	(i)	Yes	Rajasthan	Jodhpur, Nagaur, Jaipur, Chittorgarh, Sirohi, Pali	2.81	Both (Direct and through Implementing agency)	UCWF	CSR00006050
				Madhya Pradesh	Neemuch, Dhar, Rewa, Siddhi, Satna				
				Gujarat	Amreli, Bhuj				
				Maharashtra	Chandrapur, Solapur				
				Chhattisgarh	Baloda Bazaar, Raipur				
				Karnataka	Gulbarga				
				Andhra Pradesh	Kurnool, Anantapur				
				Himachal Pradesh	Solan				
				Uttar Pradesh	Sonebhadra				
				Tamil Nadu	Arriyallur				
3	<b>Curative Health Care</b> General Health camps, Specialised Health Camps, Eye camps, Treatment Camps (Skin, cleft,etc.), Cleft camp, Homeopathic / Ayurvedic Camps, Surgical camps, Tuberculosis / Leprosy Company operated hospitals/ dispensaries / clinic.	(i)	Yes	Rajasthan	Jodhpur, Nagaur, Jaipur, Chittorgarh, Sirohi, Pali	23.74	Both (Direct and through Implementing agency)	UCWF	CSR00006050
				Madhya Pradesh	Neemuch, Dhar, Rewa, Siddhi, Satna				
				Gujarat	Amreli, Bhuj				
				Maharashtra	Chandrapur, Solapur				
				Chhattisgarh	Baloda Bazaar, Raipur				
				Karnataka	Gulbarga				
				Andhra Pradesh	Kurnool, Anantapur				
				Himachal Pradesh	Solan				
				Uttar Pradesh	Sonebhadra				
				Tamil Nadu	Arriyallur				
4	<b>Reproductive and Child Health</b> Mother and child health care (ante natal care, pre natal care and neonatal care), adolescent health care, infant and child health (Healthy baby competition), support to family planning / camps, nutritional programs for mother/child.	(i)	Yes	Rajasthan	Jodhpur, Nagaur, Jaipur, Chittorgarh, Sirohi, Pali	0.15	Both (Direct and through Implementing agency)	UCWF	CSR00006050
				Madhya Pradesh	Neemuch, Dhar, Rewa, Siddhi, Satna				
				Gujarat	Amreli, Bhuj				
				Maharashtra	Chandrapur, Solapur				
				Chhattisgarh	Baloda Bazaar, Raipur				
				Karnataka	Gulbarga				
				Andhra Pradesh	Kurnool, Anantapur				
				Himachal Pradesh	Solan				
				Uttar Pradesh	Sonebhadra				
				Tamil Nadu	Arriyallur				

1 Sl. No.	2 Name of the Project	3 Item from the list of activities in Schedule VII to the Act	4 Local area (Yes/No).	5 Location of the project		6 Amount spent for the project (₹ in crores)	7 Mode of Implementation-Direct (Yes/No)	8 Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
	<b>Quality/ Support Program</b> Referral services treatment of BPL, old age or needy patient, HIV- AIDS Awareness Program, RTI/ STD Awareness Program, Support for differently abled, Ambulance services, Blood donation camps, blood grouping	(i)	Yes	Rajasthan	Jodhpur, Nagaur, Jaipur, Chittorgarh, Sirohi, Pali	0.08	Both (Direct and through Implementing agency)	UCWF	CSR00006050
				Madhya Pradesh	Neemuch, Dhar, Rewa, Siddhi, Satna				
				Gujarat	Amreli, Bhuj				
				Maharashtra	Chandrapur				
				Chhattisgarh	Baloda Bazaar, Raipur				
				Karnataka	Gulbarga				
				Andhra Pradesh	Kurnool, Anantapur				
				Himachal Pradesh	Solan				
				Uttar Pradesh	Sonebhadra				
				Tamil Nadu	Arriyallur				
	<b>Health Infrastructure</b> Buildings and civil structures (new), buildings and civil structures (renovation and maintenance), village community sanitation (toilets/ drainage), individual toilets, drinking water new sources, (Hand pump/ RO/ Water Tank/ well), drinking water existing sources (operation/ maintenance), water source purification.	(i)	Yes	Rajasthan	Jodhpur, Nagaur, Jaipur, Chittorgarh, Sirohi, Pali	4.00	Both (Direct and through Implementing agency)	UCWF	CSR00006050
				Madhya Pradesh	Neemuch, Dhar, Rewa, Siddhi, Satna				
				Gujarat	Amreli, Bhuj				
				Maharashtra	Chandrapur				
				Chhattisgarh	Baloda Bazaar, Raipur				
				Karnataka	Gulbarga				
				Andhra Pradesh	Kurnool, Anantapur				
				Himachal Pradesh	Solan				
				Uttar Pradesh	Sonebhadra				
				Tamil Nadu	Arriyallur				
3	<b>Agriculture and Farm Based</b> Agriculture & horticulture training program/ farmers group transfer of technology-demonstration plots, support for horticulture plots, seeds improvement program, support for improved agriculture equipment and inputs, Exposure visits / support for agricultural mela, integrated agricultural/ horticultural improvement program/ productivity improvement programs, soil health and organic farming.	(iv)	Yes	Rajasthan	Jodhpur, Nagaur, Jaipur, Chittorgarh, Sirohi, Pali	0.28	Both (Direct and through Implementing agency)	UCWF	CSR00006050
				Madhya Pradesh	Neemuch, Dhar, Rewa, Siddhi, Satna				
				Gujarat	Amreli, Bhuj				
				Maharashtra	Chandrapur				
				Chhattisgarh	Baloda Bazaar, Raipur				
				Karnataka	Gulbarga				
				Andhra Pradesh	Kurnool, Anantapur				
				Himachal Pradesh	Solan				
				Uttar Pradesh	Sonebhadra				
				Tamil Nadu	Arriyallur				
	<b>Animal Husbandry Based</b> Treatment and vaccination, breed improvement productivity, improvement programs and training.	(iv)	Yes	Rajasthan	Jodhpur, Nagaur, Jaipur, Chittorgarh, Sirohi, Pali	2.03	Both (Direct and through Implementing agency)	UCWF	CSR00006050
				Madhya Pradesh	Neemuch, Dhar, Rewa, Siddhi, Satna				
				Gujarat	Amreli, Bhuj				
				Maharashtra	Chandrapur				
				Chhattisgarh	Baloda Bazaar, Raipur				
				Karnataka	Gulbarga				
				Andhra Pradesh	Kurnool, Anantapur				

1 Sl. No.	2 Name of the Project	3 Item from the list of activities in Schedule VII to the Act	4 Local area (Yes/No).	5 Location of the project		6 Amount spent for the project (₹ in crores)	7 Mode of Implementation-Direct (Yes/No)	8 Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
	<b>Non-farm &amp; Skills Based Income generation program</b> Capacity building program-Tailoring, Beauty Parlour, Mechanical, Rural Enterprise development & Income Generation Programs, Support to SHGs for entrepreneurial activities.	(iii) and (iv)	Yes	Rajasthan	Jodhpur, Nagaur, Jaipur, Chittorgarh, Sirohi, Pali	0.70	Both (Direct and through Implementing agency)	UCWF	CSR00006050
				Madhya Pradesh	Neemuch, Dhar, Rewa, Siddhi, Satna				
				Gujarat	Amreli, Bhuj				
				Maharashtra	Chandrapur				
				Chhattisgarh	Baloda Bazaar, Raipur				
				Karnataka	Gulbarga				
				Andhra Pradesh	Kurnool, Anantapur				
				Himachal Pradesh	Solan				
				Uttar Pradesh	Sonebhadra				
				Tamil Nadu	Arriyallur				
	<b>Natural Resource conservation programs &amp; Non-conventional Energy</b> Bio gas support program, Solar energy support and other energy support programs - (low smoke wood stoves / sky light), Plantation / Green Belt Development / Roadside Plantation, Soil conservation / Land improvement, Water conservation and harvesting (small structures/ bigger structures), Community Pasture Land Development / Orchard Development.	(iv)	Yes	Rajasthan	Jodhpur, Nagaur, Jaipur, Chittorgarh, Sirohi, Pali	3.61	Both (Direct and through Implementing agency)	UCWF	CSR00006050
				Madhya Pradesh	Neemuch, Dhar, Rewa, Siddhi, Satna				
				Gujarat	Amreli, Bhuj				
				Maharashtra	Chandrapur				
				Chhattisgarh	Baloda Bazaar, Raipur				
				Karnataka	Gulbarga				
				Andhra Pradesh	Kurnool, Anantapur				
				Himachal Pradesh	Solan				
				Uttar Pradesh	Sonebhadra				
				Tamil Nadu	Arriyallur				
	<b>Livelihood Infrastructure</b>	(iv)	Yes	Rajasthan	Jodhpur, Nagaur, Jaipur, Chittorgarh, Sirohi, Pali	0.08	Both (Direct and through Implementing agency)	UCWF	CSR00006050
				Madhya Pradesh	Neemuch, Dhar, Rewa, Siddhi, Satna				
				Gujarat	Amreli, Bhuj				
				Maharashtra	Chandrapur				
				Chhattisgarh	Baloda Bazaar, Raipur				
				Karnataka	Gulbarga				
				Andhra Pradesh	Kurnool, Anantapur				
				Himachal Pradesh	Solan				
				Uttar Pradesh	Sonebhadra				
				Tamil Nadu	Arriyallur				

1 Sl. No.	2 Name of the Project	3 Item from the list of activities in Schedule VII to the Act	4 Local area (Yes/No).	5 Location of the project		6 Amount spent for the project (₹ in crores)	7 Mode of Implementation-Direct (Yes/No)	8 Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration number
4	<b>Rural Infrastructure Development other than for the purpose of health / education / livelihood</b> New roads / culverts / bridges / bus stands, repair roads/ culverts / bridges / bus stands community halls / housing, other community assets and shelters. Support for repairing Roads / Culverts / Bridges / Community Halls / Street lights and other community infrastructure	(x)	Yes	Rajasthan	Jodhpur, Nagaur, Jaipur, Chittorgarh, Sirohi, Pali	11.08	Both (Direct and through Implementing agency)	UCWF	CSR00006050
				Madhya Pradesh	Neemuch, Dhar, Rewa, Siddhi, Satna				
				Gujarat	Amreli, Bhuj				
				Maharashtra	Chandrapur,				
				Chhattisgarh	Baloda Bazaar, Raipur				
				Karnataka	Gulbarga				
				Andhra Pradesh	Kurnool, Anantapur				
				Himachal Pradesh	Solan				
Uttar Pradesh	Sonebhadra								
5	<b>Promotion of culture/ sports</b> Support to rural cultural program, festivals & melas support to rural sports.	(vii)	Yes	Rajasthan	Jodhpur, Nagaur, Jaipur, Chittorgarh, Sirohi, Pali	2.92	Both (Direct and through Implementing agency)	UCWF	CSR00006050
				Madhya Pradesh	Neemuch, Dhar, Rewa, Siddhi, Satna				
				Gujarat	Amreli, Bhuj				
				Maharashtra	Chandrapur				
	<b>Institutional building &amp; strengthening</b> Strengthening / formation of community based organisation (SHGs), Support to development organisations, Oldage Home, Orphanage	(iii)	Yes	Maharashtra	Chandrapur	2.69	Both (Direct and through Implementing agency)	UCWF	CSR00006050
				Chhattisgarh	Baloda Bazaar, Raipur				
				Karnataka	Gulbarga				
				Andhra Pradesh	Kurnool, Anantapur				
				Himachal Pradesh	Solan				
				Uttar Pradesh	Sonebhadra				
<b>Total</b>						<b>94.21</b>			

d) Amount spent in Administrative Overheads: ₹ 2.19 crores

e) Amount spent on Impact Assessment, if applicable: NIL

f) Total amount spent for the Financial Year (8b+8c+8d+8e) : ₹ 96.40 crores

g) Excess amount for set off, if any

Sl. No.	Particular	Amount (₹ in crores)
i)	Two percent of average net profit of the company as per section 135(5)	103.00
ii)	Total amount spent for the Financial Year	96.40
iii)	Excess amount spent for the financial year [(i)-(ii)]	(6.60)
iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	46.96
v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	<b>40.36</b>

9. (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 crores)	Amount spent in the reporting Financial Year (₹ in crores)	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 crores)
				Name of the Fund	Amount (₹ in crores)	Date of transfer	
-	-	-	-	-	-	-	-

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):

1 Sl. No.	2 Project ID	3 Name of the Project	4 Financial Year in which the project was commenced	5 Project duration	6 Total amount allocated for the project (₹ in crores)	7 Amount spent on the project in the reporting Financial Year (₹ in crores)	8 Cumulative amount spent at the end of reporting Financial Year (₹ in crores)	9 Status of the project -Completed/ Ongoing
-	-	-	-	-	-	-	-	-

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details)

(a) Date of creation or acquisition of the capital asset(s): None

(b) Amount of CSR spent for creation or acquisition of capital asset: Nil

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.: Not Applicable

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset): Not Applicable

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): Not Applicable

Mumbai, 29<sup>th</sup> April, 2022

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

**Rajashree Birla**  
Chairperson, CSR Committee  
(DIN: 00022995)

## Form AOC - 1

Pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014 Part "A" - Subsidiaries Statement containing salient features of the financial statements of subsidiaries/associate companies/joint ventures

Sr. No.	Name of the Subsidiary Companies	Year	Currency	Share Capital Including Share application Money	Reserves and Surplus	Total Assets (Non Current Assets +Current Assets+ Deferred Tax Assets) excluding Current and Non-Current Investments	Total Liabilities (Non Current Liabilities +Current Liabilities +Deferred tax Liabilities)	Details of Current and Non Current Investments (excluding investment in the subsidiary companies)- Treasury Bill	Net Turnover	Profit/ (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Taxation	Proposed Dividend (Including Corporate Dividend Tax)	% of shareholding
1	Dakshin Cements Limited (struck off w.e.f. April 9, 2021)	2021-22	₹	-	(0.05)	-	-	-	-	-	-	-	-	NA
		2020-21		0.05										100%
2	Harish Cement Limited	2021-22	₹	0.25	154.38	157.00	2.37	-	-	₹ (4.277)	-	₹ (4.277)	-	100%
		2020-21		0.25	154.15	156.77	2.37	-	-	₹ (6.550)	-	₹ (6.550)	-	100%
3	Gotan Limestone Khanij Udyog Private Limited	2021-22	₹	2.33	16.55	20.15	1.27	-	-	(0.64)	-	(0.64)	-	100%
		2020-21		2.33	17.19	20.60	1.08	-	-	(0.63)	-	(0.63)	-	100%
4	Bhagwati Lime Stone Company Private Limited	2021-22	₹	0.01	1.61	2.58	0.96	-	0.60	(0.05)	-	(0.05)	-	100%
		2020-21		0.01	1.66	2.62	0.95	-	0.71	(0.05)	-	(0.05)	-	100%
5	UltraTech Cement Lanka (Pvt) Limited	2021-22	SLR	50.00	(106.26)	1,037.37	1,093.63	-	2,554.39	(179.57)	(43.67)	(135.89)	-	80%
		2020-21	₹	13.11	(27.87)	272.07	286.83	-	933.62	(65.63)	(15.96)	(49.67)	-	80%
			SLR	50.00	27.05	831.07	754.01	-	1,835.71	(20.32)	(4.39)	(15.93)	-	80%
			₹	18.38	9.95	305.54	277.21	-	722.72	(8.00)	(1.73)	(6.27)	-	80%
6	UltraTech Cement Middle East Investment Ltd. (UCMEIL) (Standalone)	2021-22	AED	34.37	20.73	106.59	51.49	-	-	0.90	-	0.90	-	100%
		2020-21	₹	709.21	427.76	2,199.53	1,062.56	-	-	18.35	-	18.35	-	100%
			AED	34.37	19.83	105.80	51.61	-	-	0.63	-	0.63	-	100%
		2020-21	₹	684.12	394.62	2,105.99	1,027.25	-	-	12.69	-	12.69	-	100%

Amount in Crores

Sr. No.	Name of the Subsidiary Companies	Year	Currency	Share Capital Including Share application Money	Reserves and Surplus	Total Assets (Non Current Assets +Current Assets+ Deferred Tax Assets) excluding Current and Non-Current Investments	Total Liabilities (Non Current Liabilities +Current Liabilities +Deferred tax Liabilities)	Details of Current and Non Current Investments (excluding investment in the subsidiary companies)- Treasury Bill	Net Turnover	Profit/ (Loss) before Taxation	Provision for Taxation	Profit/ (Loss) after Taxation	Proposed Dividend (Including Corporate Dividend Tax)	% of shareholding
7	Star Cement Co LLC, Dubai	2021-22	AED	1.50	(24.31)	42.97	65.78	-	34.04	(1.76)	-	(1.76)	-	UCMEIL-100%
		2020-21	₹	30.95	(501.58)	886.73	1,357.36	-	690.40	(35.79)	-	(35.79)	-	UCMEIL-100%
			AED	1.50	(22.55)	38.69	59.74	-	21.26	(2.93)	-	(2.93)	-	UCMEIL-100%
		2020-21	₹	29.86	(448.91)	770.05	1,189.10	-	429.78	(59.20)	-	(59.20)	-	UCMEIL-100%
8	Arabian Cement Industry LLC, Abu Dhabi	2021-22	AED	1.00	(7.14)	14.27	20.41	-	16.74	0.86	-	0.86	-	UCMEIL-100%
		2020-21	₹	20.64	(147.35)	294.39	421.11	-	339.49	17.35	-	17.35	-	UCMEIL-100%
			AED	1.00	(7.99)	12.91	19.91	-	16.38	(0.23)	-	(0.23)	-	UCMEIL-100%
		2020-21	₹	19.91	(159.13)	257.05	396.28	-	331.02	(4.68)	-	(4.68)	-	UCMEIL-100%
9	Star Cement Co LLC, Ras Al Khaimah	2021-22	AED	0.50	26.13	57.42	30.79	-	42.91	3.09	-	3.09	-	UCMEIL-100%
		2020-21	₹	10.32	539.29	1,184.92	635.31	-	870.37	62.62	-	62.62	-	UCMEIL-100%
			AED	0.50	22.89	57.68	34.29	-	37.49	5.72	-	5.72	-	UCMEIL-100%
		2020-21	₹	9.95	455.62	1,148.05	682.48	-	757.75	115.64	-	115.64	-	UCMEIL-100%
10	Al Nakhla Crushers LLC, Fujairah	2021-22	AED	0.20	7.27	8.57	1.09	-	5.02	1.53	-	1.53	-	UCMEIL-100%
		2020-21	₹	4.13	150.06	176.74	22.55	-	101.81	30.94	-	30.94	-	UCMEIL-100%
			AED	0.20	5.75	6.96	1.02	-	5.05	1.60	-	1.60	-	UCMEIL-100%
		2020-21	₹	3.98	114.38	138.61	20.25	-	102.08	32.27	-	32.27	-	UCMEIL-100%
11	UltraTech Cement Bahrain Company WLL, Bahrain	2021-22	BHD	0.03	1.33	1.70	0.34	-	1.26	0.12	-	0.12	-	UCMEIL-100%
		2020-21	₹	6.03	267.25	341.63	68.34	-	249.89	24.45	-	24.45	-	UCMEIL-100%
			BHD	0.03	1.33	1.69	0.33	-	1.08	0.13	-	0.13	-	UCMEIL-100%
		2020-21	₹	5.82	257.20	327.15	64.13	-	212.12	25.49	-	25.49	-	UCMEIL-100%

Sr. No.	Name of the Subsidiary Companies	Year	Currency	Share Capital Including Share application Money	Reserves and Surplus	Total Assets (Non Current Assets +Current Assets+ Deferred Tax Assets) excluding Current and Non-Current Investments	Total Liabilities (Non Current Liabilities +Current Liabilities +Deferred tax Liabilities)	Details of Current and Non Current Investments (excluding investment in the subsidiary companies)- Treasury Bill	Net Turnover	Profit / (Loss) before Taxation	Provision for Taxation	Profit / (Loss) after Taxation	Proposed Dividend (including Corporate Dividend Tax)	% of shareholding
12	PT UltraTech Mining Indonesia	2021-22	IDR	1,150.19	(1,150.19)	-	-	-	-	(111.93)	-	(111.93)	-	80%
		2020-21	₹	6.07	(6.07)	-	-	-	-	-	0.58	-	0.58	-
13	PT UltraTech Investment Indonesia	2021-22	IDR	1,992.40	10.55	2,033.46	30.51	-	-	(23.52)	-	(23.52)	-	100%
		2020-21	₹	10.52	0.08	10.74	0.14	-	-	(0.12)	-	(0.12)	-	100%
14	PT UltraTech Cement Indonesia	2021-22	IDR	1,992.40	34.07	2,037.01	10.54	-	-	-	-	-	-	100%
		2020-21	₹	9.68	0.16	9.90	0.06	-	-	-	-	-	-	99%
15	UltraTech Natdwara Cement Limited (UNCL)	2021-22	₹	2,033.46	(1,361.77)	671.69	-	-	-	20.52	-	20.52	-	100%
		2020-21	₹	10.74	(7.19)	3.55	-	-	-	0.10	-	0.10	-	99%
16	Krishna Holdings Pte. Ltd.(KHL) \$\$ (under liquidation)	2021-22	USD	3,400.00	(4,794.23)	1,523.21	2,917.44	-	1,651.03	286.79	-	286.79	-	UNCL-55.54% MHL-44.46%
		2020-21	₹	7.04	2.20	9.24	-	-	-	(0.20)	-	(0.20)	-	UNCL-55.54% MHL-44.46%
17	Mukundan Holdings Ltd. (MHL) \$\$	2021-22	USD	0.09	0.03	0.12	-	-	-	\$ (26,381)	-	\$ (26,381)	-	UNCL-100%
		2020-21	₹	0.09	0.03	0.12	\$ 4,500	-	-	0.19	0.40	(0.21)	-	UNCL-55.54% MHL-44.46%
18	Murari Holdings Ltd. (MUHL) \$\$	2021-22	USD	7.70	(7.21)	0.49	-	-	-	0.01	-	0.01	-	UNCL-100%
		2020-21	₹	583.64	(546.19)	37.45	-	-	-	0.88	-	0.88	-	UNCL-100%
19	Swiss Merchandise Infrastructure Limited	2021-22	₹	7.70	(7.22)	0.48	\$ 3,850	-	-	(5.62)	-	(5.62)	-	UNCL-100%
		2020-21	₹	562.98	(527.72)	35.29	0.03	-	-	(416.98)	-	(416.98)	-	UNCL-100%
20	Merit Plaza Limited	2021-22	₹	5.48	(5.48)	\$ 7,573	\$ 7,600	-	-	\$ (4,400)	-	\$ (4,400)	-	UNCL-100%
		2020-21	₹	415.38	(415.38)	0.06	0.06	-	-	(0.03)	-	(0.03)	-	UNCL-100%

Sr. No.	Name of the Subsidiary Companies	Year	Currency	Share Capital Including Share application Money	Reserves and Surplus	Total Assets (Non Current Assets +Current Assets+ Deferred Tax Assets) excluding Current and Non-Current Investments	Total Liabilities (Non Current Liabilities +Current Liabilities +Deferred tax Liabilities)	Details of Current and Non Current Investments (excluding investment in the subsidiary companies)- Treasury Bill	Net Turnover	Profit / (Loss) before Taxation	Provision for Taxation	Profit / (Loss) after Taxation	Proposed Dividend (including Corporate Dividend Tax)	% of shareholding
19	Swiss Merchandise Infrastructure Limited	2021-22	₹	0.05	1.89	59.83	57.88	-	-	(350.08)	-	(350.08)	-	UNCL-100%
		2020-21	₹	0.05	1.90	59.83	57.88	-	-	₹ (19,000)	-	₹ 17,000	₹ 44,000	-
20	Bhumi Resources (Singapore) Pte. Ltd (Bhumil) \$\$	2021-22	₹	0.05	(35.74)	7.30	42.99	-	-	₹ (20,000)	-	₹ (20,000)	-	UNCL-100%
		2020-21	₹	0.05	(35.74)	7.30	42.99	-	-	(38.82)	(0.56)	(38.26)	-	UNCL-100%
21	Star Super Cement Industries LLC (SSCI)®	2021-22	USD	1.50	(1.49)	0.01	\$ 1,500	-	-	(0.01)	-	(0.01)	-	UNCL-100%
		2020-21	₹	113.69	(112.82)	0.88	0.01	-	-	(0.89)	-	(0.89)	-	UNCL-100%
22	Smooth Energy Private Limited (struck off w.e.f. October 26, 2021)	2021-22	₹	1.50	(1.48)	0.02	\$ 5,005	-	-	(1.37)	-	(1.37)	-	UNCL-100%
		2020-21	₹	109.67	(107.96)	1.75	0.04	-	-	(101.53)	-	(101.53)	-	UNCL-100%
23	Shandong Binani Rongyan Cement Co. Ltd. (SBRCC), China. (Ceased to be subsidiary of KHL w.e.f 31 <sup>st</sup> July, 2020)	2021-22	AED	3.19	(0.62)	20.95	18.37	-	15.71	(0.54)	-	(0.54)	-	UCMEIL-100%
		2020-21	₹	65.91	(12.88)	432.20	379.17	-	318.63	(10.88)	-	(10.88)	-	UCMEIL-100%
24	Smooth Energy Private Limited (struck off w.e.f. October 26, 2021)	2021-22	₹	3.19	(0.14)	18.33	15.28	-	15.21	4.67	-	4.67	-	UNCL-100%
		2020-21	₹	63.58	(2.81)	364.85	304.08	-	307.39	94.34	-	94.34	-	UNCL-100%
25	Rongyan Cement Co. Ltd. (SBRCC), China. (Ceased to be subsidiary of KHL w.e.f 31 <sup>st</sup> July, 2020)	2021-22	₹	-	-	-	-	-	-	-	-	-	-	NA
		2020-21	INR	0.01	(0.01)	-	-	-	-	-	-	-	-	-
26	Murari Holdings Ltd. (MUHL) \$\$	2021-22	RMB	-	-	-	-	-	-	-	-	-	-	0%
		2020-21	₹	-	-	-	-	-	-	-	-	-	-	-
27	Murari Holdings Ltd. (MUHL) \$\$	2021-22	RMB	-	-	-	-	-	19.59	(0.00)	0.75	(0.75)	-	0%
		2020-21	₹	-	-	-	-	-	209.72	(0.03)	7.99	(8.02)	-	0%

Sr. No.	Name of the Subsidiary Companies	Year	Currency	Share Capital Including Share application Money	Reserves and Surplus	Total Assets (Non Current Assets +Current Assets+ Deferred Tax Assets) excluding Current and Non-Current Investments	Total Liabilities (Non Current Liabilities +Current Liabilities +Deferred tax Liabilities)	Details of Current and Non Current Investments (excluding investment in the subsidiary companies)- Treasury Bill	Net Turnover	Profit / (Loss) before Taxation	Provision for Taxation	Profit / (Loss) after Taxation	Proposed Dividend (including Corporate Dividend Tax)	% of shareholding
25	PT Anggana Energy Resources \$ \$	2021-22	IDR	568.80	(459.22)	948.99	839.42	-	-	(33.10)	-	(33.10)	-	Bhumi-100%
			₹	3.00	(2.42)	5.01	4.43	-	-	(0.17)	-	(0.17)	-	
		2020-21	IDR	568.80	(427.28)	951.66	810.14	-	-	(54.46)	-	(54.46)	-	Bhumi-100%
			₹	2.86	(2.15)	4.79	4.08	-	-	(0.28)	-	(0.28)	-	
26	BC Tradelink Limited	2021-22	TZS	TZS 2,000.00	2.42	2.42	-	-	-	-	-	-	-	SSCI-100%
			₹	₹ 66.59	0.08	0.08	-	-	-	-	-	-	-	
		2020-21	TZS	TZS 2,000.00	2.42	2.42	-	-	-	-	-	-	-	SSCI-100%
			₹	₹ 63.52	0.08	0.08	-	-	-	-	-	-	-	
27	Binani Cement Tanzania Limited	2021-22	TZS	3.20	314.93	290.92	(27.20)	-	-	-	-	-	-	SSCI-100%
			₹	0.11	10.49	9.69	(0.91)	-	-	-	-	-	-	
		2020-21	TZS	3.20	314.93	290.92	(27.20)	-	-	-	-	-	-	SSCI-100%
			₹	0.10	10.00	9.24	(0.86)	-	-	-	-	-	-	
28	Binani Cement (Uganda) Limited	2021-22	UGX	UGX 2,000.00	0.59	50.55	49.97	-	-	-	-	-	-	SSCI-100%
			₹	₹ 42.94	0.01	1.09	1.07	-	-	-	-	-	-	
		2020-21	UGX	UGX 2,000.00	0.59	50.55	49.97	-	-	-	-	-	-	SSCI-100%
			₹	₹ 39.77	0.01	1.01	0.99	-	-	-	-	-	-	
29	Bahar Ready Mix Concrete Limited (struck off w.e.f. November 2, 2021)	2021-22		-	-	-	-	-	-	-	-	-	-	NA
		2020-21	₹	6.21	(6.21)	-	-	-	-	-	-	-	-	UNCL-100%

Sr. No.	Name of the Subsidiary Companies	Year	Currency	Share Capital Including Share application Money	Reserves and Surplus	Total Assets (Non Current Assets +Current Assets+ Deferred Tax Assets) excluding Current and Non-Current Investments	Total Liabilities (Non Current Liabilities +Current Liabilities +Deferred tax Liabilities)	Details of Current and Non Current Investments (excluding investment in the subsidiary companies)- Treasury Bill	Net Turnover	Profit / (Loss) before Taxation	Provision for Taxation	Profit / (Loss) after Taxation	Proposed Dividend (including Corporate Dividend Tax)	% of shareholding
30	3B-Fibreglass Srl, Belgium \$	2021-22	EUR	-	-	-	-	-	17.96	(0.01)	0.02	(0.04)	-	0%
			INR	-	-	-	-	-	1,555.02	(1.22)	1.99	(3.22)	-	
		2020-21	EUR	14.06	(10.02)	15.49	11.45	-	0.71	(0.27)	-	(0.27)	-	PBH-100%
			INR	1,205.68	(859.34)	1,327.87	981.54	-	61.37	(22.90)	-	(22.90)	-	
31	3B-Fibreglass A/S Norway \$	2021-22	EUR	-	-	-	-	-	5.29	0.37	-	0.37	-	0%
			INR	-	-	-	-	-	457.81	31.92	-	31.92	-	
		2020-21	EUR	2.79	(1.51)	4.94	3.66	-	0.24	(0.05)	-	(0.05)	-	PBH-100%
			INR	239.11	(129.39)	423.28	313.56	-	20.33	(4.02)	-	(4.02)	-	
32	3B Binani Glassfibre Sarl, Luxembourg (3B) \$	2021-22	EUR	-	-	-	-	-	-	2.09	(0.60)	2.69	-	0%
			INR	-	-	-	-	-	-	181.34	(51.96)	233.30	-	
		2020-21	EUR	10.01	(7.35)	29.60	26.94	-	-	1.21	-	1.21	-	UNCL-100%
			INR	858.31	(630.68)	2,538.02	2,310.40	-	-	104.50	-	104.50	-	
33	Project Bird Holding Il Sarl, Luxembourg (PBH) (Merged with 3B w.e.f. April 12, 2021) \$	2021-22	EUR	-	-	-	-	-	-	-	-	-	-	0%
			INR	-	-	-	-	-	-	-	-	-	-	
		2020-21	EUR	13.93	8.60	29.89	7.37	-	-	(1.57)	(0.05)	(1.52)	-	3B-100%
			INR	1,194.29	737.34	2,563.33	631.70	-	-	(135.55)	(4.19)	(131.36)	-	
34	Tunfib Sarl \$	2021-22	EUR	-	-	-	-	-	-	€ 29,782	-	€ 29,782	-	0%
			INR	-	-	-	-	-	-	0.26	-	0.26	-	
		2020-21	EUR	0.30	(0.01)	0.29	€ 18,324	-	-	€ 6,798	-	€ 6,798	-	PBH-67%
			INR	26.02	(0.94)	25.24	0.16	-	-	(0.06)	-	(0.06)	-	



Sr. No.	Name of the Subsidiary Companies	Year	Currency	Share Capital Including Share application Money	Reserves and Surplus	Total Assets (Non Current Assets +Current Assets+ Deferred Tax Assets) excluding Current and Non-Current Investments	Total Liabilities (Non Current Liabilities +Current Liabilities +Deferred tax Liabilities)	Details of Current and Non Current Investments (excluding investment in the subsidiary companies)- Treasury Bill	Net Turnover	Profit / (Loss) before Taxation	Provision for Taxation	Profit / (Loss) after Taxation	Proposed Dividend (including Corporate Dividend Tax)	% of shareholding
35	Goa Glass Fibre Limited \$	2021-22	EUR	-	-	-	-	-	2.87	0.78	0.25	0.53	-	0%
		2020-21	INR	1.69	0.55	3.23	0.99	-	248.65	67.17	21.36	45.81	-	
			EUR	145.16	47.34	277.15	84.65	-	0.12	0.03	(0.04)	0.07	-	3B-100%
			INR	-	-	-	-	-	10.48	2.53	(3.36)	5.89	-	

@ Earlier 51% held by MHL and 49% held by MUHL; Subsidiary of UCMEIL w.e.f. November 23, 2020

\$\$ These have been classified as assets held for sale

\$ Ceased to be subsidiary w.e.f. March 31, 2022

\* Subsidiary of UNCL w.e.f. March 12, 2021

Note: 1. Amounts with a currency symbol are reported in absolute terms.

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

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

Sr No	Currency	Balance Sheet (Closing Rate)		Profit & Loss Account (Average Rate)	
		2021-22	2020-21	2021-22	2020-21
1	Sri Lankan Rupee (SLR)	3.8129	2.7200	2.7360	2.5400
2	UAE Dirham (AED)	0.0485	0.0502	0.0493	0.0495
3	Bahrain Dirham (BHD)	0.0050	0.0052	0.0051	0.0051
4	Indonesian Rupiah (IDR)	189.4050	198.6880	192.4690	195.4610
5	US Dollar (USD)	0.0132	0.0137	0.0134	0.0135
6	Chinese Yuan (RMB)	NA	0.0932	NA	0.0934
7	Euro	0.0119	0.0117	0.0115	0.0116
8	Ugandan shilling (UGX)	46.5718	50.2942	47.7455	50.2866
9	Tanzanian shilling (TZS)	30.0344	31.4842	31.0427	31.2471

### Part "B" - Joint Ventures

Sr. No	Name of Associates / Joint Ventures	₹ in Crores			
		Madanpura (North) Coal Company Private Limited	Bhaskarpara Coal Company Limited	Aditya Birla Renewables SPV 1 Limited	Aditya Birla Renewable Energy Limited
1	Latest audited Balance Sheet Date	31.03.2022	31.03.2022	31.03.2022	31.03.2022
2	Shares of Joint ventures held by the company on year end				
	Nos.	11,52,560	81,41,050	1,62,78,663	46,15,650
	Amount of Investment in Joint venture	1.08	8.18	18.12	4.58
	Extent of Holding (%)	11.17%	47.37%	26.00%	26.00%
3	Networth attributable to shareholding as per latest audited Balance Sheet	0.97	6.28	17.80	4.95
4	Profit /(Loss) for the year	0.06	0.02	5.02	1.42
	i. Considered in consolidation	0.01	0.01	1.31	0.37
	ii. Not considered in Consolidation	0.06	0.01	3.72	1.05

For and on behalf of the Board of Directors

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

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

**Sanjeeb Kumar Chatterjee**  
Company Secretary

Mumbai, 29<sup>th</sup> April, 2022

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

**A. CONSERVATION OF ENERGY:**

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

- Focused drive on improving energy consumption footprint by the continual deployment of state-of-art energy-efficient technologies.
- Operational optimisation of Pyro Process, Mills, and Thermal Power plants for overall energy optimisation using expert automation systems and data analytics.
- Expert optimisers for improving energy efficiency in CPP boilers.
- Introduction of new type of liners to reduce the energy consumption in Cement grinding.
- Redesigning or replacement of the low efficiency process fan impellers with high efficiency impellers to improve energy efficiency and process stability.
- Cyclones and ducts modification with CFD analysis to reduce pressure drop to reduce energy consumption, improve process efficiencies.
- Improve Utility power consumption by replacing old compressor and pump system with high efficiency option.
- Installation of advanced online health monitoring system for critical heavy duty gear boxes to improve reliability for reducing the energy conservation.
- Installation of soft sensor on different equipments for process optimisation.

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

- The Company has prioritised and is using various waste materials as substitute for fossil fuels in its kilns and TPP.
- The Company has identified different source of raw material as substitute of traditional correctives for raw mix design.
- Maximisation of pond ash in place of flyash.
- Use of waste industrial material as gypsum in place of natural or mineral gypsum.

- Significant investment is made to improve infrastructure for safe handling, storage, testing, pre-processing, and usage of waste materials as an alternative energy source and is being augmented at plants in a phased manner.
- Continuing installation of WHR systems to generate the energy by utilising the hot waste gases from the pyro process at cement plants and reducing carbon footprints significantly.
- Increased utilisation of renewable energy sources, mainly solar power, at most operational locations.

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

- During the year, the Company has made ₹ 589 crores investment on equipment or various capital schemes for conserving the energy resources.

**B. TECHNOLOGY ABSORPTION:**

**a) Efforts made towards technology absorption**

- Adoption of digitalisation and AI/ML techniques for plant operation, processes, safety, and reliability enhancement.
- Incorporation of industry 4.0 concept for improving the productivity.
- In-house modification in advanced process control (APC) systems at cement and power plants.
- Participation in national / international seminars.
- Developed the exhaustive in-house training calender with the focus on energy management to train the bottom line of operating staff.

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

- Continuous reduction in specific energy consumption in milling and pyro-processing.
- Over achieved energy conservation targets assigned under PAT-Cycle-II (Perform, Achieve, and Trade) targets.

- Improvement in the environmental performance of the manufacturing facilities and meeting all the emission norms.
- Meeting the product quality and customer satisfaction, including offering technical support.
- Developing R&D personnel knowledge base to face future challenges such as carbon capturing and its usage in construction materials.
- Reserves assessment and Raw Mix optimisation for enhancing the life of limestone reserves and other natural resources.
- Use of waste materials from various industries as a substitute for natural raw materials to achieve circular economy goals.
- Design and development of new application-based building materials to meet the requirement of advance construction technology and customers need to increase the market share and profitability.
- New and existing vendor development for best cost procurement
- Getting R&D future-ready by creating new capabilities in the area of new cement and concrete product development, CO<sub>2</sub> abatement, new supplementary cementitious materials, and process optimisation.
- Working with external and statutory agencies (such as NCCBM, CMA, BIS, DPIIT, and others) to develop, validate and support, new initiatives for new construction materials codes and standards.

Mumbai, 29<sup>th</sup> April, 2022

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

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

(₹ in crores)

	2021-22	2020-21
I For In-house R&D:		
Capital Expenditure	1.55	0.30
Recurring Expenditure	11.68	15.25
Total In-house R&D Expenditure	13.23	15.55
II Contribution to Scientific Research Company	7.00	10.70
III Total R&D Expenditure (I+II)	20.23	26.25
IV R&D Expenditure as % of turnover	0.04	0.06

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

- Foreign exchange earnings for the year ended 31<sup>st</sup> March, 2022: ₹ 376.88 crores.
- Foreign exchange outgo for the year ended 31<sup>st</sup> March, 2022: ₹ 6,303.72 crores.

For and on behalf of the Board

**Kumar Mangalam Birla**  
Chairman  
(DIN: 00012813)

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

- i. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2021-22, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2021-22 are as under:

Sr. No.	Name of Director / Key Managerial Personnel ("KMP") and Designation	Remuneration* of Director/KMP for financial year 2021-22 (₹ in crore)	% increase in remuneration in the financial year 2021-22	Ratio of remuneration of each Director/ to median remuneration of employees
1	Kumar Mangalam Birla, Chairman and Non-Executive Director	-	Not Applicable	-
2	Mrs. Rajashree Birla, Non-Executive Director	4.94	0.00	73.3
3	Arun Adhikari, Independent Director	1.20	(14.29)	17.8
4	Mrs. Alka Bharucha, Independent Director	0.95	31.94	14.1
5	Mrs. Sukanya Kripalu, Independent Director	0.91	1.11	13.5
6	S. B. Mathur, Independent Director	1.35	(17.68)	20.0
7	Sunil Duggal, Independent Director	0.65	62.50	9.6
8	K. K. Maheshwari, Vice Chairman and Non-Executive Director **	-	Not Applicable	-
9	K. C. Jhanwar, Managing Director	12.21	41.85	181.1
10	Atul Daga, Whole-time Director and Chief Financial Officer	5.38	61.34	79.8
11	Sanjeeb Kumar Chatterjee, Company Secretary	1.49	12.33	Not Applicable

\* Remuneration includes commission payable to Directors for the year ended 31<sup>st</sup> March, 2022 which is subject to the approval of the Members of the Company.

\*\* ₹ 28.34 lakhs per month has been paid to Mr K. K. Maheshwari as pension for his past services as Managing Director.

- ii. The median remuneration of employees of the Company during the financial year was ₹ 6.74 lakhs.
- iii. In the financial year, there was an increase of 10.92% in the median remuneration of employees.
- iv. There were 21,921 permanent employees on the rolls of the Company as on 31<sup>st</sup> March, 2022.
- v. Average percentage increase made in the salaries of employees other than the managerial personnel in the last financial year i.e. 2021-22 was 9.65% whereas increase in the managerial remuneration for the same financial year is 25.74%.
- vi. It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, KMP and other Employees.

For and on behalf of the Board

**Kumar Mangalam Birla**

Chairman

(DIN: 00012813)

Mumbai, 29<sup>th</sup> April, 2022

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

**Aditya Birla Group: Executive Remuneration Philosophy / Policy**

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

**Our business and organisational model**

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

**I. Objectives of the Executive Remuneration Program**

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

Our executive remuneration program is intended to:

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

**II. Executives**

Our Executive Remuneration Philosophy/Policy applies to the following:

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

**III. Business and Talent Competitors**

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

**IV. Executive Pay Positioning**

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

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

**V. Executive Pay-Mix**

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

**Annual Incentive Plan:**

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

**Long-Term Incentive:**

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

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

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

**VI. Performance Goal Setting**

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

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

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

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

**VII. Executive Benefits and Perquisites**

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

benefits are designed to encourage long-term careers with the Group.

**Other Remuneration Elements**

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

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

**Risk and Compliance**

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

**Claw back Clause**

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

**Implementation**

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

**FORM NO. MR.3****SECRETARIAL AUDIT REPORT**

For The Financial Year Ended March 31, 2022

[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,

**UltraTech Cement Limited,**

B-Wing, Ahura Centre, 2<sup>nd</sup> Floor, Mahakali Caves Road, Andheri East, Mumbai-400093

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by UltraTech Cement Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

**Auditor's Responsibility:**

Our responsibility is to express an opinion on the compliance of the applicable laws and maintenance of records based on audit. We have conducted the audit in accordance with the applicable Auditing Standards issued by The Institute of Company Secretaries of India. The Auditing Standards requires that the Auditor shall comply with statutory and regulatory requirements and plan and perform the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of audit including internal, financial and operating controls, there is an unavoidable risk that some material misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the Standards.

**Unmodified Opinion:**

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and 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, 2022 (hereinafter called the 'Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 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 thereunder to the extent of External Commercial Borrowings and Overseas Direct Investment; **(Foreign Direct Investment is Not Applicable to the Company during the Audit Period);**
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; **(Not Applicable to the Company during the Audit Period)**
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 and the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 to the extent of listing of Commercial Papers;

- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)** and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. **(Not Applicable to the Company during the Audit Period)**

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The 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 the Act, Rules, Regulations, Guidelines and Standards etc.

We further report that having regard to the compliance system prevailing in the Company and on the examination of the relevant documents and records in pursuance thereof, on test- check basis, the Company has complied with the Mines and Minerals (Development and Regulation) Act, 1957 and Rules thereunder which is specifically applicable to the Company.

#### We further report that

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

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

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

**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 has

1. Issued and allotted 17,499 Equity Shares of face value of ₹ 10/- each towards exercise of options vested under Employee Stock Option Schemes;
2. Executed Share Purchase Agreement for acquiring 100% equity share capital of National Limestone Company Private Limited.

**For Makarand M. Joshi & Co.  
Practicing Company Secretaries**

**Kumudini Bhalerao  
Partner  
FCS No. F6667  
CP No. 6690  
UDIN: F006667D000243992  
Peer Review No: 640/2019**

**Place:** Mumbai  
**Date:** April 29, 2022

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

## Annexure

To,  
The Members,  
**UltraTech Cement Limited,**  
B-Wing, Ahura Centre, 2<sup>nd</sup> Floor,  
Mahakali Caves Road, Andheri East, Mumbai-400093

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. Where ever 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 and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Place:** Mumbai  
**Date:** April 29, 2022

**For Makarand M. Joshi & Co.  
Practicing Company Secretaries**

**Kumudini Bhalerao  
Partner  
FCS No. F6667  
CP No. 6690  
UDIN: F006667D000243992  
Peer Review No: 640/2019**

# Report on Corporate Governance

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

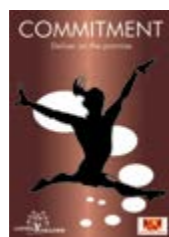
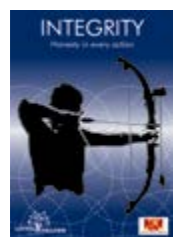
## Company's Philosophy on Corporate Governance

UltraTech Cement Limited ("your Company") is always committed to the adoption of best governance practices and their adherence in true spirit. Your Company's

philosophy on Corporate Governance enshrines the goal of achieving the highest levels of transparency, accountability, sustainability, ethical behaviour and safety in all spheres of its operations. Your Company subscribes to equitable treatment of all its stakeholders, which has helped in maintaining their trust and appreciation.

Your Company is defined and driven by its unique set of 'Power of Five' values. These values-based approach is part of your Company's culture and ethics, which helps to pursue its purpose and achieve excellence in corporate governance.

## The Power of Five Values are encapsulated as:



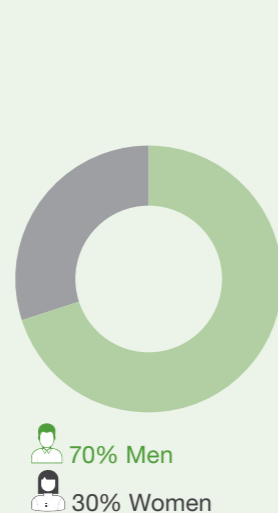
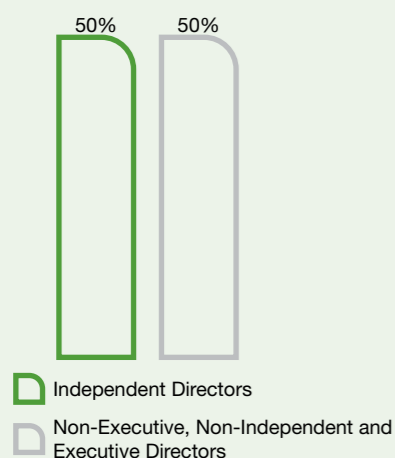
The Board of Directors ("the Board") comprising of optimum combination of Executive, Non-Executive and Independent Directors is responsible for and are committed to sound principles of Corporate Governance in your Company. The Board's actions and decisions are

aligned with your Company's best interests. Your Company keeps the governance practices under continuous review. The Board plays a crucial role in overseeing how the management serves the short and long-term interests of all stakeholders.

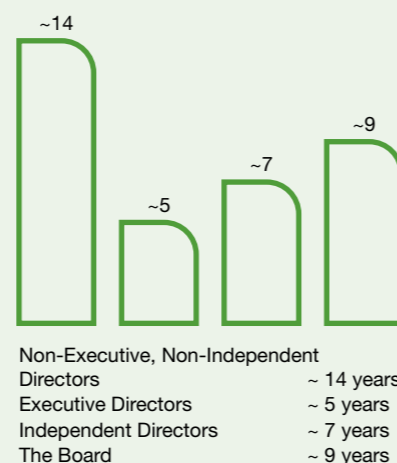
## Board Composition:

The composition and tenure analysis of your Company's Board as on 31<sup>st</sup> March, 2022:

### Size and composition of the Board



### Tenure



## The Board of Directors:



<b>Name</b>	Kumar Mangalam Birla
<b>DIN</b>	00012813
<b>Category of Director</b>	Chairman, Non-Executive and Non-Independent Director
<b>Age</b>	55
<b>Date of Appointment</b>	14.05.2004
<b>Term ending date</b>	Liable to retire by rotation
<b>Tenure (in years)</b>	~18
<b>Shareholding</b>	1,90,360
<b>Board Memberships - Indian Listed companies</b>	<ol style="list-style-type: none"> <li>Aditya Birla Capital Limited: Non-Executive Director</li> <li>Aditya Birla Fashion and Retail Limited: Non-Executive Director</li> <li>Aditya Birla Sun Life AMC Limited: Non-Executive Director</li> <li>Century Textiles and Industries Limited: Non-Executive Director</li> <li>Grasim Industries Limited: Non-Executive Director</li> <li>Hindalco Industries Limited: Non-Executive Director</li> </ol>

<b>Directorship(s) in public companies</b>	7				
<b>Committee position</b>	<table border="1"> <tr> <td><b>Chairman</b></td> <td>Nil</td> </tr> <tr> <td><b>Member</b></td> <td>Nil</td> </tr> </table>	<b>Chairman</b>	Nil	<b>Member</b>	Nil
<b>Chairman</b>	Nil				
<b>Member</b>	Nil				

## Profile

Mr. Kumar Mangalam Birla is the Chairman of the Board of Directors of your Company and the Chairman of the Aditya Birla Group ("Group"), which operates in 36 countries across six continents. He is a chartered accountant and holds an MBA degree from the London Business School.

Mr. Birla chairs the Boards of all major Group companies in India and globally. In the 26 years that he has been at the helm of the Group, he has accelerated growth, built meritocracy, and enhanced stakeholder value. In the process he has raised the Group's turnover by over 25 times.

He has been the architect of over 40 acquisitions in India and globally, among the highest by any Indian multinational. Under his stewardship, the Group enjoys a position of leadership in all the major sectors in which it operates, from cement to chemicals, metals to textiles, and apparels to financial services. Over the years, Mr. Birla has built a highly successful meritocratic organisation, anchored by an extraordinary force of 140,000 employees belonging to 100 different nationalities.

Outside the Group, Mr. Birla has held several key positions on various regulatory and professional Boards. He was a Director on the Central Board of Directors of the Reserve Bank of India. He was Chairman of the Advisory Committee constituted by the Ministry of Company Affairs and also served on the Prime Minister of India's Advisory Council on Trade and Industry. As the Chairman of the Securities and Exchange Board of India Committee on Corporate Governance, he framed the first-ever governance code for Corporate India.

Over the years, Mr. Birla has been conferred several prestigious awards. In 2021, he received the TiE Global Entrepreneurship Award for Business Transformation, the first Indian business leader to receive this honour. He is also the first Indian Industrialist to be conferred an Honorary degree by the Institute of Company Secretaries of India.

Mr. Birla is deeply engaged with Educational Institutions. He is the Chancellor of the Birla Institute of Technology & Science ("BITS") with campuses in Pilani, Goa, Hyderabad and Dubai. He is also the Chairman of India's premier management institute — Indian Institute of Management, Ahmedabad.

On the global arena, Mr. Birla is an Honorary Fellow of the London Business School. In 2019, Mr. Birla constituted a £15mn scholarship programme at the London Business School in memory of his grandfather, Mr. B. K. Birla, marking the largest ever endowed scholarship gift to a European Business School.

A firm practitioner of the trusteeship concept, Mr. Birla has institutionalised the concept of caring and giving at the Group. With his mandate, the Group is involved in meaningful welfare driven activities that distinctively enrich the lives of millions.

## Areas of expertise

Corporate Governance, Legal & Compliance	Innovation, technology & digitisation
Financial literacy	Marketing
General Management	Risk Management
Human Resource Development	Strategic expertise
Industry knowledge	Sustainability



<b>Name</b>	Rajashree Birla				
<b>DIN</b>	00022995				
<b>Category of Director</b>	Non-Executive and Non-Independent Director				
<b>Age</b>	77				
<b>Date of Appointment</b>	14.05.2004				
<b>Term ending date</b>	Liability to retire by rotation				
<b>Tenure (in years)</b>	~18				
<b>Shareholding</b>	41,701				
<b>Board Memberships - Indian Listed companies</b>	<ol style="list-style-type: none"> <li>1. Century Enka Limited: Non-Executive Director</li> <li>2. Century Textiles and Industries Limited: Non-Executive Director</li> <li>3. Grasim Industries Limited: Non-Executive Director</li> <li>4. Hindalco Industries Limited: Non-Executive Director</li> <li>5. Piloni Investment and Industries Corporation Limited: Non-Executive Director</li> </ol>				
<b>Directorship(s) in public companies</b>	5				
<b>Committee position</b>	<table border="1"> <tr> <td><b>Chairman</b></td> <td>Nil</td> </tr> <tr> <td><b>Member</b></td> <td>Nil</td> </tr> </table>	<b>Chairman</b>	Nil	<b>Member</b>	Nil
<b>Chairman</b>	Nil				
<b>Member</b>	Nil				

### Profile

Mrs. Rajashree Birla is an exemplar in the area of community initiatives and rural development. Mrs. Birla spearheads the Aditya Birla Centre for Community Initiatives and Rural Development, the Group's apex body responsible for development projects. She oversees the social and welfare driven work across all the Group's major companies. The footprint of the Centre's work straddles over 7,000 villages, reaching out to 9 million people.

### Areas of expertise

Corporate Governance, Legal & Compliance	Industry knowledge
General Management	Sustainability

The Group runs 22 hospitals and 56 schools where quality education is imparted to over 46,500 children. Both its hospitals as well as schools are 'Not For Profit' institutions.

Mrs. Birla is

- the Chairperson of the FICCI Aditya Birla CSR Centre for Excellence;
- the Chairperson of the Advisory Board of the Habitat for Humanity (India);
- the Member of the Asia Pacific Development Council of Habitat for Humanity International;
- the Member of Habitat for Humanity International Global Council of Development;
- the Chairperson of FICCI's first ever Expert Committee on CSR;
- on the Board of BAIF Development Research Foundation, Pune;
- a Member of the Advisory Board of the Columbia Global Centers, Mumbai of the Columbia University, New York;
- the Chairperson of the Advisory Board of the Vikassa Committee in India;
- an Independent Director on the Board of Directors of SBI Foundation;

As a patron of arts and culture, she heads the "Sangit Kala Kendra", a Centre for performing arts, as its President as well as the INT-ABCPA (Indian National Theatre-Aditya Birla Centre for Performing Arts).

In recognition of the exemplary work done by Mrs. Rajashree Birla, leading national and international organisations have showered accolades upon her. Among these the most outstanding one has been that of the Government of India which bestowed the "Padma Bhushan" Award in 2011 on Mrs. Rajashree Birla in the area of "Social Work".

In recognition of Mrs. Birla's unrelenting endeavours towards polio eradication, she was honoured with the much coveted "Polio Eradication Champion" Award by the Government of India.

Likewise, the "Global Golden Peacock Award for CSR" was conferred upon her by Dr. Ola Ullsten, the Former Prime Minister of Sweden in Portugal.

Among other distinctive awards received by Mrs. Birla, feature the Economic Times' prestigious Award: Corporate Citizen of the Year, twice in a decade, first in 2002 and again in 2012.

The All India Management Association's "Corporate Citizen of the Year Award", the IOD's "Distinguished Fellowship Award" and the "FICCI FLO Golden Laurel Award".



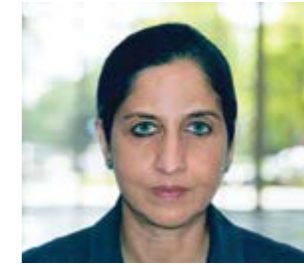
<b>Name</b>	Arun Adhikari				
<b>DIN</b>	00591057				
<b>Category of Director</b>	Independent Director				
<b>Age</b>	68				
<b>Date of Appointment</b>	03.12.2013				
<b>Term ending date</b>	17.07.2024				
<b>Tenure (in years)</b>	~8				
<b>Shareholding</b>	Nil				
<b>Board Memberships - Indian Listed companies</b>	<ol style="list-style-type: none"> <li>1. Aditya Birla Capital Limited: Independent Director</li> <li>2. Aditya Birla Fashion and Retail Limited: Independent Director</li> <li>3. Vodafone Idea Limited: Independent Director</li> <li>4. Voltas Limited: Independent Director</li> </ol>				
<b>Directorship(s) in public companies</b>	5				
<b>Committee position</b>	<table border="1"> <tr> <td><b>Chairman</b></td> <td>Nil</td> </tr> <tr> <td><b>Member</b></td> <td>3</td> </tr> </table>	<b>Chairman</b>	Nil	<b>Member</b>	3
<b>Chairman</b>	Nil				
<b>Member</b>	3				

### Profile

Mr. Arun Adhikari is an alumnus of the Indian Institute of Technology, Kanpur and the Indian Institute of Management, Calcutta. He joined Hindustan Lever Limited as a management trainee in 1977 and worked with the Unilever Group in India, UK, Japan and Singapore. His areas of responsibility included sales and marketing, culminating in general management and leadership roles. Mr. Adhikari retired from Unilever in January, 2014 following which he was a Senior Advisor with McKinsey and Company for four years.

### Areas of expertise

Corporate Governance, Legal & Compliance
Financial literacy
General Management
Human Resource Development
Innovation, technology & digitisation
Marketing
Risk Management
Strategic expertise



<b>Name</b>	Alka Bharucha				
<b>DIN</b>	00114067				
<b>Category of Director</b>	Independent Director				
<b>Age</b>	65				
<b>Date of Appointment</b>	09.06.2016				
<b>Term ending date</b>	08.06.2026				
<b>Tenure (in years)</b>	~6				
<b>Shareholding</b>	Nil				
<b>Board Memberships - Indian Listed companies</b>	<ol style="list-style-type: none"> <li>1. Aditya Birla Sun Life AMC Limited : Independent Director</li> <li>2. Birlasoft Limited: Independent Director</li> <li>3. Hindalco Industries Limited: Independent Director</li> <li>4. Honda India Power Products Limited: Independent Director</li> <li>5. Orient Electric Limited: Independent Director</li> </ol>				
<b>Directorship(s) in public companies</b>	8				
<b>Committee position</b>	<table border="1"> <tr> <td><b>Chairman</b></td> <td>4</td> </tr> <tr> <td><b>Member</b></td> <td>9</td> </tr> </table>	<b>Chairman</b>	4	<b>Member</b>	9
<b>Chairman</b>	4				
<b>Member</b>	9				

### Profile

Mrs. Alka Bharucha has obtained a bachelor's degree in law from the University of Bombay and a master's degree in law from the University of London. An advocate in the High Court in Mumbai and a solicitor in the Supreme Court of England and Wales, she began her career with Mulla & Mulla & Craigie Blunt & Caroe, a law firm in India, before joining Amarchand & Mangaldas as partner in 1992. In 2008, she co-founded Bharucha & Partners which, upon inception, was ranked by RSG Consulting, London among the top 15 firms in India.

Mrs. Bharucha has been ranked by Chambers Global, Legal 500 and Who's Who Legal as being among India's leading lawyers. She chairs the transactions practice at Bharucha & Partners. Her core areas of expertise are mergers and acquisitions, joint ventures, private equity, banking and finance.

### Areas of expertise

Corporate Governance, Legal & Compliance
Financial literacy
General Management
Human Resource Development
Risk Management



<b>Name</b>	Sunil Duggal	
<b>DIN</b>	0041825	
<b>Category of Director</b>	Independent Director	
<b>Age</b>	65	
<b>Date of Appointment</b>	14.08.2020	
<b>Term ending date</b>	13.08.2025	
<b>Tenure (in years)</b>	~2	
<b>Shareholding</b>	Nil	
<b>Board Memberships - Indian Listed companies</b>	Nil	
<b>Directorship(s) in public companies</b>	Nil	
<b>Committee position</b>	<b>Chairman</b>	Nil
	<b>Member</b>	Nil

### Profile

Mr. Sunil Duggal has obtained a Bachelor of Technology (Honours) degree in electrical engineering from BITS, Pilani and holds a postgraduate diploma in Business Management (Marketing) from the Indian Institute of Management, Calcutta.

Mr. Duggal joined Dabur India Limited in 1994 and served as its longest-serving CEO for 17 years from 2002 to 2019. Mr. Duggal has chaired and co-chaired numerous committees such as Indo-Turkish JBC and FICCI Committee on Food Processing. He was awarded numerous accolades such as FMCG CEO of the year three times. He was also honoured with the distinguished Alumnus Award by the Indian Institute of Management, Calcutta in 2019 for achievements in the business and social fields.

### Areas of expertise

Corporate Governance, Legal & Compliance  
 General Management  
 Financial literacy  
 Marketing  
 Strategic expertise



<b>Name</b>	Sukanya Kripalu	
<b>DIN</b>	06994202	
<b>Category of Director</b>	Independent Director	
<b>Age</b>	62	
<b>Date of Appointment</b>	11.10.2014	
<b>Term ending date</b>	10.10.2024	
<b>Tenure (in years)</b>	~7	
<b>Shareholding</b>	Nil	
<b>Board Memberships - Indian Listed companies</b>	<ol style="list-style-type: none"> <li>Aditya Birla Fashion and Retail Limited: Independent Director</li> <li>Colgate-Palmolive (India) Limited: Independent Director</li> <li>Entertainment Network (India) Limited: Independent Director</li> </ol>	
<b>Directorship(s) in public companies</b>	4	
<b>Committee position</b>	<b>Chairman</b>	Nil
	<b>Member</b>	6

### Profile

Mrs. Sukanya Kripalu is an alumnus of St. Xavier's College and the Indian Institute of Management, Calcutta. She is a consultant in the fields of marketing, strategy, advertising and market research. Her experience includes working with leading companies such as Nestle India Limited and Cadbury India Limited. She was also the CEO of Quadra Advisory, a WPP plc group company.

### Areas of expertise

Corporate Governance, Legal & Compliance  
 General Management  
 Human Resource Development  
 Innovation, technology & digitisation  
 Marketing  
 Risk Management  
 Strategic expertise  
 Sustainability



<b>Name</b>	Sunil Behari Mathur	
<b>DIN</b>	00013239	
<b>Category of Director</b>	Independent Director	
<b>Age</b>	78	
<b>Date of Appointment</b>	10.09.2008	
<b>Term ending date</b>	17.07.2024	
<b>Tenure (in years)</b>	~14	
<b>Shareholding</b>	Nil	
<b>Board Memberships - Indian Listed companies</b>	<ol style="list-style-type: none"> <li>DCM Shriram Industries Limited: Independent Director</li> <li>Thomas Cook (India) Limited: Independent Director</li> </ol>	
<b>Directorship(s) in public companies</b>	4	
<b>Committee position</b>	<b>Chairman</b>	1
	<b>Member</b>	4

### Profile

Mr. S. B. Mathur is a chartered accountant who has served as the Chairman of the Life Insurance Corporation of India from August, 2002 to October, 2004. He has held trusteeships, advisory and administrative roles on various government bodies, authorities and corporations.

### Areas of expertise

Corporate Governance, Legal & Compliance  
 Financial literacy  
 General Management  
 Risk Management



<b>Name</b>	Krishna Kishore Maheshwari	
<b>DIN</b>	00017572	
<b>Category of Director</b>	Vice Chairman and Non-Executive Director	
<b>Age</b>	67	
<b>Date of Appointment</b>	01.04.2016	
<b>Term ending date</b>	Liable to retire by rotation	
<b>Tenure (in years)</b>	~6	
<b>Shareholding</b>	9,600	
<b>Board Memberships - Indian Listed companies</b>	1. Vodafone Idea Limited: Non-Executive and Non-Independent Director	
<b>Directorship(s) in public companies</b>	2	
<b>Committee position</b>	<b>Chairman</b>	1
	<b>Member</b>	2

### Profile

Mr. K. K. Maheshwari is a proven leader with expertise in strategy and finance, a passion for building outstanding teams and a disciplined focus on innovation and excellence in operations. In a distinguished career spanning four decades, of which 38 years have been with the Group, Mr. Maheshwari has held several key leadership roles, including that of steering the Group's chemicals, international trading, pulp and fibre, textiles and cement business. Mr. Maheshwari is credited with steering the growth of each of the businesses towards a more competitive and sustainable model and has overseen various greenfield and brownfield expansions as well as strategic acquisitions globally.

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

### Areas of expertise

Corporate Governance, Legal & Compliance  
 Financial literacy  
 General Management  
 Human Resource Development  
 Industry knowledge  
 Innovation, technology & digitisation  
 Marketing  
 Risk Management  
 Sustainability  
 Strategic expertise





<b>Name</b>	Kailash Chandra Jhanwar	
<b>DIN</b>	01743559	
<b>Category of Director</b>	Managing Director	
<b>Age</b>	65	
<b>Date of Appointment</b>	19.10.2018	
<b>Term ending date</b>	31.12.2022	
<b>Tenure (in years)</b>	~3	
<b>Shareholding</b>	14,665	
<b>Board Memberships - Indian Listed companies</b>	Nil	
<b>Directorship(s) in public companies</b>	3	
<b>Committee position</b>	<b>Chairman</b>	Nil
	<b>Member</b>	1

### Profile

Mr. K. C. Jhanwar is a chartered accountant with over 42 years' experience, 41 of them with the Group. He has held various roles in finance, operations and general management across the cement and chemicals business of the Group, including greenfield and brownfield projects. He also has significant experience in acquisitions and integration. He has been exceptional in his networking and relationship building skills with customers and other stakeholders and has built a strong franchise for the business. He is a capable team builder and has strong people skills.

### Areas of expertise

Corporate Governance, Legal & Compliance
Financial literacy
General Management
Human Resource Development
Industry knowledge
Innovation, technology & digitisation
Marketing
Risk Management
Strategic expertise
Sustainability



<b>Name</b>	Atul Daga	
<b>DIN</b>	06416619	
<b>Category of Director</b>	Whole-time Director and CFO	
<b>Age</b>	56	
<b>Date of Appointment</b>	09.06.2016	
<b>Term ending date</b>	08.06.2024	
<b>Tenure (in years)</b>	~ 6	
<b>Shareholding</b>	11,410	
<b>Board Memberships - Indian Listed companies</b>	Nil	
<b>Directorship(s) in public companies</b>	Nil	
<b>Committee position</b>	<b>Chairman</b>	Nil
	<b>Member</b>	Nil

### Profile

Mr. Atul Daga, is a chartered accountant with over 35 years' experience, of which over 30 years have been with the Group. His ability to penetrate deep into business areas and his understanding of the dynamics has been his constant strength.

His key responsibilities include risk management, audit and compliance, planning, information technology, capital structuring and capital allocation and best use of financial reporting. He has undertaken several initiatives such as creating a robust platform for managing investor relations, acquisitions of over US\$ 5 billion and setting new benchmarks for raising long-term borrowings in the domestic financial markets. He has also successfully set up a world class 700 seat shared services centre for your Company. Development of financial strategy and monitoring of control systems, internal audit and actively participating in your Company's growth strategy are also part of his portfolio.

### Areas of expertise

Corporate Governance, Legal & Compliance
Financial literacy
General Management
Human Resource Development
Industry knowledge
Innovation, technology & digitisation
Marketing
Risk Management
Strategic expertise
Sustainability

### Notes:

- No Director is related to any other Director on the Board, except for Mr. Kumar Mangalam Birla and Mrs. Rajashree Birla, who are son and mother respectively.
- The number of directorships and committee positions is excluding your Company.
- In terms of Regulation 26(1) of the Listing Regulations:
  - Foreign companies, private limited companies and companies under section 8 of the Companies Act, 2013 ("the Act") are excluded for the purpose of considering the limit of committees.
  - The committees considered for the purpose are audit committee and stakeholders' relationship committee.
  - None of the Directors held membership in more than ten public limited companies and were members of more than ten committees or chairperson of more than five committees across all listed companies in which they were Directors.
- In terms of the applicable provisions of the Listing Regulations, where the non-executive chairperson is a promoter of the listed entity, at least half of the board of directors of the listed entity shall consist of Independent Directors. Your Company's Board comprises of 50% Independent Directors and is compliant with the provisions.

### Appointment and Tenure of Directors:

The composition of the Board is balanced, well diversified and compliant with the provisions of the Act, the Rules made thereunder and the Listing Regulations.

The Directors of your Company are appointed / re-appointed by the Board on the recommendations of the Nomination, Remuneration and Compensation Committee (the "NRC Committee") and approval of the members. The NRC Committee inter alia considers qualifications, positive attributes, areas of expertise and number of directorship(s) held in other companies, as part of its recommendation to the Board.

In accordance with the Articles of Association of your Company, provisions of the Act and the Listing Regulations, all Directors, except the Executive Directors and Independent Directors, are liable to retire by rotation and, if eligible, offer themselves for re-appointment. The Executive Directors are appointed for a fixed tenure.

The Independent Directors can serve a maximum of two terms of five years each and their appointment and tenure are governed by provisions of the Act and the Listing Regulations.

### Board Diversity:

Your Company recognises the benefits of having a diverse Board. In compliance with the Listing Regulations, the NRC Committee of the Board has formalised a policy to ensure diversity of the Board. Policy on Board diversity is available on [www.ultratechcement.com](http://www.ultratechcement.com) ("Company's website").

### Board Competency and Skills:

The Board comprises of qualified members who possess required skills, expertise and competencies that allow them to make effective contributions to the Board and its Committees. The Non-Executive Directors, including the Independent Directors are well qualified, experienced and renowned persons from the fields of manufacturing; strategy; finance; governance; legal; marketing; insurance; risk management; information technology; general management; among others.

The Directors bring to the table their individual perspective for deliberations at the Board and Committee meetings, which together with their collective wisdom reflect cohesiveness and drives your Company's growth.

The following skills / expertise / competencies have been identified for the effective functioning of the Company and are currently available with the Board:

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

### Independent Directors:

'Independence' of Directors is derived basis the relevant provisions of the Act and the Listing Regulations.

## Declaration of Independence

Independent Directors, at the first meeting of the Board in which they participate and thereafter at the first meeting of the Board in every financial year, give a declaration that they meet the criteria of independence as provided in Section 149 (6) of the Act and Regulation 16 (1) (b) of the Listing Regulations and that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge duties with an object to independent judgement and without any external influence.

In the opinion of the Board, the Independent Directors fulfil the conditions specified in the Listing Regulations and are independent of your Company's management and are not related to any director or key managerial personnel.

Your Company has received necessary declarations from each Independent Director confirming that they are not debarred from holding the office of director by virtue of any order passed by the Securities and Exchange Board of India ("SEBI") or any other such authorities, supported by a certificate dated 29<sup>th</sup> April, 2022 from Makarand M. Joshi & Co, Practicing Company Secretaries, in terms of the Listing Regulations.

None of the Independent Directors serve as Independent Directors in more than seven listed companies in line with the requirements of the Listing Regulations.

There was no change in the composition of Independent Directors of your Company, during the year.

## Meeting of Independent Directors

Your Company's Independent Directors met on 21<sup>st</sup> March, 2022.

The Independent Directors discussed matters pertaining to your Company's affairs viz. the performance of your Company, flow of information to the Board, competition, strategy, governance, compliance, sustainability, risk management and mitigation and performance of the members of the Board, including the Chairman.

The Independent Directors have expressed satisfaction at the robustness of the evaluation process, the Board's freedom to express its views on matters transacted at the meetings and the openness and transparency with which the Management discusses various subject matters specified on the agenda of meetings.

The suggestions made by the Independent Directors were discussed at the Board meeting and are being implemented.

## Induction and Familiarisation Programme:

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

Familiarisation programmes for the Independent Directors generally forms part of the Board process. Board and Committees are updated on business performance; operating results; risk management and mitigation plans; efforts and initiatives around environment and sustainability; management outlook on business; economic / industry developments, among others. Directors get opportunity to interact with the senior management team including the Statutory and the Internal Auditors of your Company. The Directors are also regularly kept informed of other developments and regulatory changes and corresponding impact on your Company. The details of familiarisation programme imparted to Directors is available on your Company's website.

## Succession Planning:

Your Company has an effective mechanism for succession planning which focuses on orderly succession of Board and senior management team. The NRC Committee implements this mechanism in concurrence with the Board. In addition, promoting senior management within the organisation fuels the ambitions of the talent force to earn future leadership roles.

## Code of Conduct:

Doing the right things following sound, moral and ethical business principles ensure that we are fair and transparent to both our internal and external stakeholders.

Our values viz. Integrity, Commitment, Passion, Seamlessness and Speed are the foundation for all actions and decisions at your Company. They set standards for the organisation and for employee conduct. The Board has laid down a Code of Conduct ("the Code") for all Board members and senior management personnel of your Company. The Code is available on your Company's website.

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

## Board Meetings:

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board matters. In addition to the quarterly meetings, the Board also meets to address specific needs and business requirements of your Company. In case of a special and urgent business need, the Board's approval is taken by passing resolutions by circulation, as permitted by law, which are noted and confirmed in the subsequent Board Meeting.

The notice of Board / Committee Meetings is given well in advance to all the Directors. The Agenda is circulated atleast a week prior to the date of the meeting. The Board Agenda includes an Action Taken Report comprising actions emanating from earlier Board meetings and status updates thereof. The Agenda for the Board and Committee meetings include detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision. Prior approval is obtained from the Board for circulating agenda items with shorter notice for matters that are in the nature of Unpublished Price Sensitive Information ("UPSI").

The business deliberated and considered at the meetings of the Board and Committees, generally

include consideration of important corporate actions and events including:

- quarterly and annual results announcements;
- oversight of the performance of the business;
- declaration of dividend;
- development and approval of overall business strategy;
- approving the annual plan and capital expenditure; and
- other strategic, transactional and governance matters as required under the Act, the Listing Regulations and other applicable legislations.

During the financial year 2021-22 all the Board and Committee meetings were conducted through audio visual means as per the circulars / rules issued by the Ministry of Corporate Affairs ("MCA") and SEBI from time to time. Five Board Meetings were held - 7<sup>th</sup> May, 2021; 22<sup>nd</sup> July, 2021; 18<sup>th</sup> October 2021; 27<sup>th</sup> October, 2021 and 17<sup>th</sup> January, 2022. The maximum interval between any two meetings was well within the maximum allowed gap of 120 days. During the year, the Board also transacted some of the business under its terms of reference by passing resolution by circulation.

All the recommendations of the Committees were accepted by the Board.

## Attendance of Directors / Members at Board and Committee Meeting(s):

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

Name of Directors	Attendance at meetings						Attendance at AGM held on 18 <sup>th</sup> August, 2021 through VC / OAVM
	Board	Audit Committee	Nomination, Remuneration and Compensation Committee	Stakeholders' Relationship Committee	Corporate Social Responsibility Committee	Risk Management and Sustainability Committee	
Kumar Mangalam Birla	5 of 5	-	3 of 3	-	-	-	√
Mrs. Rajashree Birla	4 of 5	-	-	-	1 of 1	-	X
Arun Adhikari	5 of 5	5 of 5	3 of 3	-	-	-	√
Mrs. Alka Bharucha	5 of 5	5 of 5	3 of 3	-	-	-	√
Sunil Duggal	5 of 5	-	-	-	-	-	√
Mrs. Sukanya Kripalu	5 of 5	-	-	4 of 4	1 of 1	2 of 2	√
S. B. Mathur	5 of 5	5 of 5	-	4 of 4	-	-	√
K. K. Maheshwari	4 of 5	5 of 5	-	-	-	-	√
K. C. Jhanwar	5 of 5	-	-	4 of 4	1 of 1	2 of 2	√
Atul Daga	5 of 5	-	-	-	-	2 of 2	√

Note : All the Directors attended at least 1 out of the 5 (i.e. 20%) total Board meetings held during the reporting period, thus, adhering to the meeting attendance criteria as per Section 167(1)(b) of the Act.

## Board Evaluation:

The Board carries out annual performance evaluation of its own performance, the Directors individually, as well as the evaluation of the working of its Committees as mandated under the Act, the Listing Regulations and the Nomination Policy of your Company, as amended from time to time. The performance evaluation of Non-Independent Directors and the Board as a whole is carried out by the Independent Directors. The performance of the Chairman of the Board is also reviewed, taking into account the views of the Executive, Non-Executive and Independent Directors.

The evaluation is based on criteria which includes, among others, attendance and preparedness for the meetings, participation in deliberations, understanding your Company's business and that of the industry and guiding your Company in decisions affecting the business and additionally based on the roles and responsibilities as specified in Schedule IV of the Act.

Structured questionnaires are circulated to the Directors for providing feedback on functioning of the Board, Committees and the Chairman of the Board. Based on the inputs received, action plans are drawn up in consultation with the Directors to encourage greater participation and deliberations at the meetings and bringing to the table their experience and guidance in further improving the performance of your Company.

The performance of the Independent Directors is evaluated, with emphasis on:

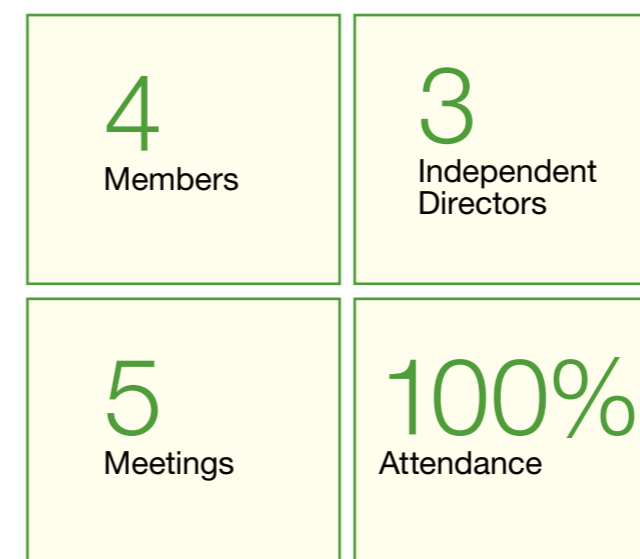
- Time invested in understanding your Company and its unique requirements;
- External knowledge and perspective;
- Views expressed on the issues discussed at the Board; and
- Keeping updated on areas and issues that are likely to be discussed at the Board.

## Committees of the Board:

Name of Directors	Audit Committee	Nomination, Remuneration and Compensation committee	Stakeholders Relationship Committee	Corporate Social Responsibility Committee	Risk Management and Sustainability Committee	Finance Committee
Kumar Mangalam Birla		M				
Mrs. Rajashree Birla				C		
Arun Adhikari	M	C				C
Mrs. Alka Bharucha	M	M				M
Sunil Duggal						
Mrs. Sukanya Kripalu			M	M	C	
S. B. Mathur	C		C			
K. K. Maheshwari	M					
K. C. Jhanwar			M	M	M	
Atul Daga					M	M

C Chairman M Member

## Audit Committee:



The Audit Committee is constituted in compliance with Section 177 of the Act and Regulation 18 of the Listing Regulations. During the financial year ended 31<sup>st</sup> March, 2022, five meetings were held - 7<sup>th</sup> May, 2021; 22<sup>nd</sup> July, 2021; 18<sup>th</sup> October, 2021; 17<sup>th</sup> January, 2022 and 29<sup>th</sup> March, 2022. The gap between two meetings did not exceed 120 days.

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

Mr. K. C. Jhanwar, Managing Director and Mr. Atul Daga, Whole-time Director & CFO are permanent invitees to the Audit Committee meetings. The Statutory and Internal Auditors of your Company also attend the Audit Committee meetings. The Audit Committee acts as a link between the management, the statutory and internal auditors and the Board.

### Terms of Reference of Committee

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Act;
  - b) Changes, if any, in accounting policies and practices and reasons for the same;
  - c) Major accounting entries involving estimates based on the exercise of judgment by management;
  - d) Significant adjustments made in the financial statements arising out of audit findings;
  - e) Compliance with listing and other legal requirements relating to financial statements;
  - f) Disclosure of any related party transactions;
  - g) Modified opinion(s) in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the Board for approval.
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
8. Approval or any subsequent modification of transactions of the Company with related parties.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the Company, wherever it is necessary.

11. Evaluation of internal financial controls and risk management systems.
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors of any significant findings and follow up there on.
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
18. To review the functioning of the Whistle Blower mechanism.
19. Approval of appointment of CFO after assessing the qualifications, experience and background, etc. of the candidate.
20. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

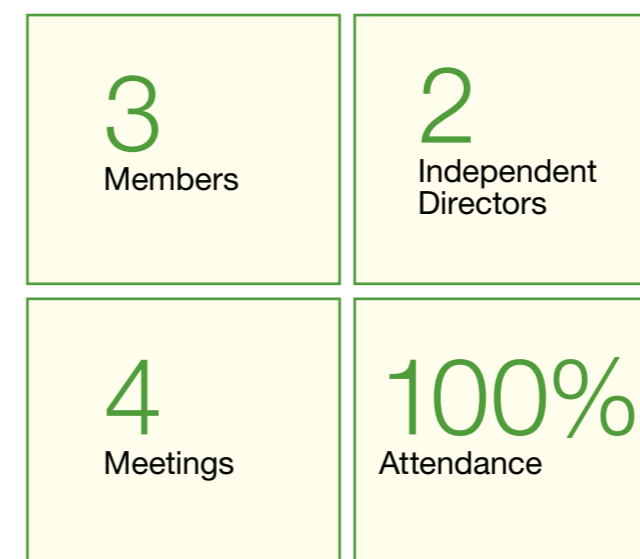
21. Reviewing the utilisation of loans and / or advances from / investment by the holding Company in the subsidiary exceeding ₹ 100 crores or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

#### Review

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

### Stakeholders' Relationship Committee:



The Stakeholders' Relationship Committee ("SRC") is constituted in compliance with Section 179 of the Act and Regulation 20 of the Listing Regulations. During the financial year ended 31<sup>st</sup> March, 2022, four meetings were held - 8<sup>th</sup> May, 2021; 22<sup>nd</sup> July, 2021; 18<sup>th</sup> October, 2021 and 17<sup>th</sup> January, 2022.

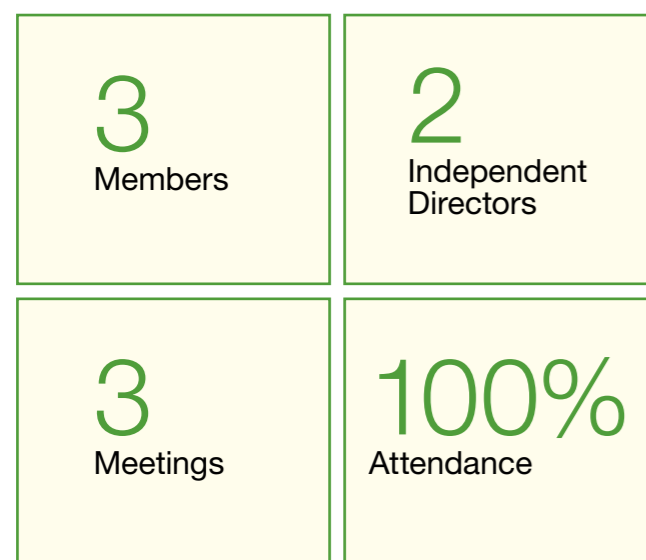
#### Role of the Committee

1. To monitor complaints received by the Company from its shareholders, Debenture holders, other security holders, SEBI, Stock Exchanges, Registrar of Companies etc. and action taken by the Company for redressing the same.
2. To approve allotment of shares, debentures or any other securities as per the authority conferred / to be conferred to the SRC by the Board from time to time.
3. To approve requests for transposition, deletion, consolidation, sub-division, change of name, dematerialisation, rematerialisation etc. of shares, debentures and other securities.
4. To authorise officers of the Company to approve requests for transposition, deletion, consolidation,

sub-division, change of name, dematerialisation, rematerialisation etc. of shares, debentures and other securities.

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

### Nomination, Remuneration and Compensation Committee:

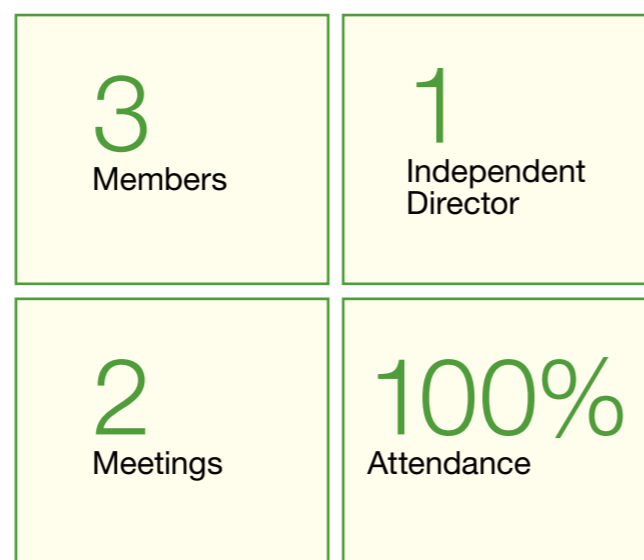


The NRC Committee is constituted in compliance with Section 178 of the Act and Regulation 19 of the Listing Regulations. During the financial year ended 31<sup>st</sup> March, 2022, three meetings were held - 7<sup>th</sup> May, 2021; 22<sup>nd</sup> July, 2021 and 27<sup>th</sup> October, 2021.

#### The NRC Committee is authorised to

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

### Risk Management and Sustainability Committee:



The Risk Management and Sustainability Committee ("RMS Committee") is constituted in compliance with Regulation 21 of the Listing Regulations. During the financial year ended 31<sup>st</sup> March, 2022, two meetings were held - 3<sup>rd</sup> November, 2021 and 22<sup>nd</sup> March, 2022.

The RMS Committee is mandated to review the risk management and sustainability process of your Company and to provide oversight and stewardship to your Company's sustainability performance, manage risks, leverage opportunities, create stakeholder value. Your Company has established a robust governance framework to oversee strategies for driving sustainability and climate change related actions, addressing risks and opportunities and ensuring accountability. The RMS Committee is mandated to review the risk management and sustainability process of your Company and to provide oversight and stewardship to your Company's sustainability performance, manage risks, leverage opportunities, create stakeholder value.

#### The objectives and scope of the RMS Committee broadly includes

1. Overall responsibility to monitor and approve risk management and sustainability framework;
2. Set climate change and sustainability strategy and targets;
3. Implement strategies and targets through Corporate and Unit-level Risk Management and Sustainability Committees;
4. Review progress of climate change and sustainability related targets, KPIs and issues on a regular basis;

5. Monitor and approve risk management and sustainability framework;
6. Review various business risks, including climate change risks, and recommend action plan to mitigate the identified risks;
7. Review and monitor operational, strategic and cyber risks;
8. Assist the Board in determining measures that can be adopted to mitigate risk, ensure balance between risk and reward and create value for your Company's stakeholders.

The Committee oversees progress against climate change related targets and commitments and reviews developments in external environment and climate related risks and opportunities. During the year, discussions and review were conducted on topics, including Global Cement and Concrete Association ("GCCA") climate ambition, renewable energy targets, science-based target initiative ("SBTi") and water positivity targets.

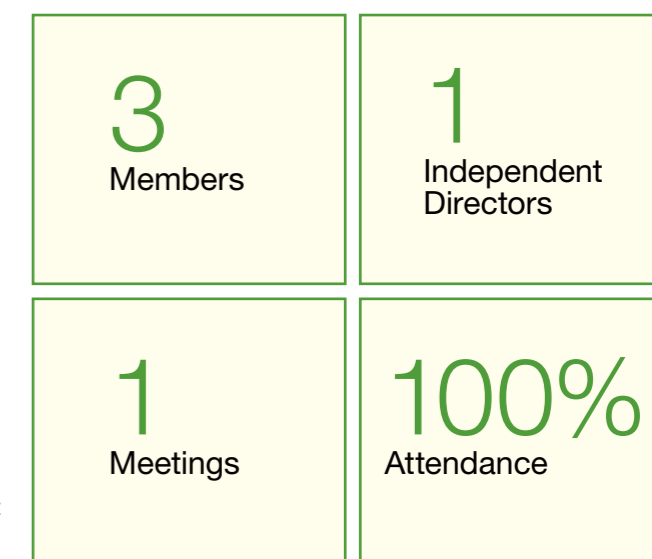
Company-level targets, commitments and action plans pertaining to sustainability and climate change are also reviewed by Unit-level Committees. The Corporate Sustainability Team ensures that key decisions and commitments at the Board-level are relayed to Unit-level Committees. The Unit-level Committees are led by the Unit Head and consists of senior management at respective Units. Their role is to translate targets and commitments at Company level, such as commitment to science-based targets, renewable energy, water positivity targets, etc. to site specific action plans.

Your Company has integrated climate change and sustainability targets in the key responsibility areas ("KRAs") of the CXOs, senior management and Unit-heads. Thus, emission reduction targets and other improvement targets related to climate change are linked with the incentives provided to senior management.

The Committee also reviewed matters relating to cyber security and your Company's mitigation plan for the same.

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

### Corporate Social Responsibility Committee:



The Corporate Social Responsibility Committee ("CSR Committee") is constituted in compliance with Section 135 of the Act. During the financial year ended 31<sup>st</sup> March, 2022, one meeting was held on 22<sup>nd</sup> March, 2022.

Dr. Pragnya Ram, Group Executive President: Group Head - CSR, Legacy, Documentation & Archives is a permanent invitee to the CSR Committee.

### Finance Committee



The Finance Committee has been constituted at the Board level, under the Chairmanship of an Independent Director.

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

## Employee Stock Option Scheme:

Scheme	Grant		Vested <sup>@</sup>		Allotted/ Transferred <sup>^</sup>	
	Stock Options	Restricted Stock Units	Stock Options	Restricted Stock Units	Stock Options	Restricted Stock Units
Employee Stock Option Scheme – 2013 (“ESOS-2013”)	Not Applicable	Not Applicable	Nil	Nil	14,540	2,909
Employee Stock Option Scheme – 2018 (“ESOS-2018”)	97,209*	27,407 <sup>#</sup>	38,855	37,537	21,442 <sup>\$</sup>	14,546 <sup>\$</sup>

### Notes:

<sup>@</sup> Stock options are vested to eligible employees, subject to the provisions of the schemes, statutory provisions as may be applicable from time to time and the rules and procedures set out by your Company in this regard.

<sup>^</sup> The allotted equity shares are exercisable into the same number of equity shares of ₹ 10/- each of your Company.

\* Out of 97,209 stock options, 63,684 and 33,525 Options were granted on 22<sup>nd</sup> July, 2021 and 27<sup>th</sup> October, 2021 respectively.

<sup>#</sup> Out of 27,407 Restricted Stock Units (“RSUs”), 18,869 and 8,538 RSUs were granted on 22<sup>nd</sup> July, 2021 and 27<sup>th</sup> October, 2021 respectively.

<sup>\$</sup> Applications were received from some option grantees for transfer of equity shares of your Company in their account, from the UltraTech Employee Welfare Trust account, which also include 804 stock options and 239 RSUs pending for transfer for the year ended 31<sup>st</sup> March, 2022.

## Remuneration Policy:

Your Company has adopted Executive Remuneration Philosophy / Policy which forms part of this Annual Report. The Policy is approved by the NRC Committee and the Board. The main objective of the said Policy is to ensure that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the Directors, Key Managerial Personnel and Senior Management employees. The remuneration involves a balance between fixed and incentive pay, reflecting short- and long-term performance objectives appropriate to the working of your Company and its goals.

The Policy aims to provide competitive remuneration opportunities by positioning target total remuneration (including perks and benefits, annual incentive pay-outs, long term incentive payouts at target performance) and target total cash compensation (including annual incentive pay-outs) at target performance directionally between median and top quartile of the primary talent market. It aims to strike an appropriate balance between Fixed Cash compensation (Basic Salary + Allowances); Annual Incentive Plan; Long-Term Incentives and Perks and Benefits.

## Remuneration of Directors:

### Non-Executive Directors' Remuneration

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

Sitting fees are paid as under:

- Board: ₹ 50,000 per meeting
- Audit Committee: ₹ 25,000 per meeting
- Other Committees: ₹ 20,000 per meeting

In addition to the sitting fees, your Company also pays commission to the Non-Executive Directors of an amount not exceeding 1% per annum of the net profit of your Company. Based on the performance evaluation of each Director and the remuneration policy, the Board has recommended an amount of ₹ 10 crores as commission to be paid to the Non-Executive Directors for 2021-22.

The details of remuneration paid / to be paid to each of the Directors are given below:-

Name of Director	Sitting fees paid (₹ in lakhs)						Commission payable <sup>@</sup> (₹ in lakhs)
	Board	Audit Committee	NRC Committee	SRC Committee	CSR Committee	RMS Committee	
Kumar Mangalam Birla	2.50	-	0.60	-	-	-	-
Mrs. Rajashree Birla	2.00	-	-	-	0.20	-	494.00
Arun Adhikari	2.50	1.25	0.60	-	-	-	120.00
Mrs. Alka Bharucha	2.50	1.25	0.60	-	-	-	95.00
Sunil Duggal	2.50	-	-	-	-	-	65.00
Mrs. Sukanya Kripalu	2.50	-	-	0.80	0.20	0.40	91.00
S. B. Mathur	2.50	1.25	-	0.80	-	-	135.00
K. K. Maheshwari <sup>#</sup>	2.00	1.25	-	-	-	-	-
K. C. Jhanwar	N.A	-	-	N.A	N.A	N.A	-
Atul Daga	N.A	-	-	-	-	N.A	-

<sup>@</sup>subject to the approval of the members of your Company.

<sup>#</sup> in addition to the above, Mr. K. K. Maheshwari has been paid an amount of ₹ 28.34 lakhs per month as pension for his past services as Managing Director.

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

### Executive Directors' Remunerations

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

Executive Director	Relationship with other Directors	Remuneration during 2021-22 (₹ in crores)			
		All elements of remuneration package i.e. salary, benefits, pensions etc.	Performance linked incentives, alongwith performance criteria (a), (b) and (c)	Service contracts, notice period, severance fee	Stock option details, if any
K. C. Jhanwar Managing Director	-	6.93	5.28	See note (c)	See note (d)
Atul Daga Whole-time Director & CFO	-	2.93	2.45		

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

- Mr. K. C. Jhanwar was paid ₹ 5.28 crores towards performance linked incentive for achievement of targets for the year 2021-22.
- Mr. Atul Daga was paid ₹ 2.45 crores towards performance linked incentive for achievement of targets for the year 2021-22.

- Appointment of Mr. K. C. Jhanwar as Managing Director and Mr. Atul Daga as Whole-time Director & CFO are subject to termination by three months' notice in writing on either side.
- In terms of ESOS-2018, 3,296 stock options and 3,639 RSUs have vested in Mr. K. C. Jhanwar and 1,062 stock options and 1,173 RSUs vested in Mr. Atul Daga, during the year.  
  
Further, 12,039 stock options and 4,134 RSUs have been granted to Mr. K. C. Jhanwar and 6,018 stock options and 1,377 RSUs have been granted to Mr. Atul Daga, during the year.

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

## D&O Insurance for Directors:

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

## Prevention of Insider Trading:

In terms of the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ("Insider Trading Regulations"), as amended, your Company has adopted a 'Code of Conduct to regulate, monitor and report trading by designated persons in listed or proposed to be listed securities' of your Company ("the Code") and the 'Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information' ("Code of Fair Disclosure"). The Board has also formulated a policy for determination of 'legitimate purposes' as a part of the Code of Fair Disclosure. The Board, designated persons and other connected persons have affirmed compliance with the Code.

The Code aims at preserving and preventing misuse of UPSI. All designated persons of your Company are covered under the Code, which provides inter alia for periodical disclosures and obtaining pre-clearances for trading in securities of your Company. PAN based online tracking mechanism for monitoring of the trade in your Company's securities by the designated persons and their immediate relatives is in place to ensure real time detection and taking appropriate action, in case of any violation / non-compliance of your Company's Code.

## Disclosures:

### Management

- The Management Discussion & Analysis forms part of the Director's Report and is in accordance with the requirements of the Listing Regulations.
- No material transaction has been entered into by your Company with the promoters, directors or the management or relatives, etc. that may have a potential conflict with interests of your Company.

### Related Party Transactions:

No material transaction has been entered into by your Company with the related parties that may have potential

conflict with the interest of your Company. Related party transactions entered by your Company during the year were on arm's length basis and in the ordinary course of business. All related party transactions have prior approval of the Audit Committee and are reviewed by the Audit Committee on a quarterly basis. Transactions with related parties, as per requirements of Indian Accounting Standard-24, are disclosed in Note no. 38 to Standalone Financial Statements of your Company.

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

### Details of non-compliance

No penalties or strictures have been imposed on your Company by stock exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

### Vigil Mechanism / Whistle Blower Policy

Your Company has in place a vigil mechanism pursuant to which a Values Committee has been constituted for addressing complaints received from Directors and employees concerning unethical behaviour, actual or suspected fraud and violation of the Code of Conduct or Ethics Policy of your Company. The policy has also been amended to make employees aware of the existence of policies and procedures for inquiry in case of leakage of UPSI to enable them report on leakages, if any, of such information. The policy provides for adequate safeguards against victimisation and all personnel have access to the Audit Committee. The policy is also uploaded on your Company's website.

### Report On Corporate Governance

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

### Subsidiary Company

Your Company does not have any material non-listed Indian subsidiary company. The Audit Committee and Board reviews the financial statements, significant transactions and working of the unlisted subsidiary companies and the minutes are placed before the Board.

Your Company has unlisted subsidiary companies in Sri Lanka, Middle East and Indonesia. The financial results of these companies are presented to your Company's Board. The policy for determining material subsidiaries is available on your Company's website.

### Re-appointment of Directors

Details of the Director seeking re-appointment at the ensuing AGM, is provided in the Notice convening the AGM.

### Proceeds from public issues, rights issues, preferential issues

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

### Accounting Standards

Your Company has prepared its Standalone and Consolidated Financial Statements in accordance with Indian Accounting Standards as notified under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) Amendment Rules, 2016.

### Prevention of Sexual Harassment of Women at Workplace

Your Company is committed to provide a work environment that ensures every employee is treated with dignity, respect and afforded equal treatment. As per the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ("POSH Act") and Rules made thereunder, your Company has formed an Internal Committee to address complaints pertaining to sexual harassment in the workplace. The policy mandates prevention of sexual harassment and to ensure a free and fair enquiry process with clear timelines for resolution. To build awareness, your Company has been conducting online training programmes on a periodic basis.

Disclosures in relation to POSH Act :

Filed	Complaints	
	Disposed	Pending
2	2	0

### Fees paid to Statutory Auditors

For the year ended 31<sup>st</sup> March, 2022, your Company and its subsidiaries have paid a consolidated sum of ₹ 4.94 crores to the statutory auditors and all entities in the network firm / network entity of which the statutory auditor is a part.

### Discretionary Requirements under Regulation 27 of Listing Regulations:

The status of compliance with discretionary recommendations of the Regulation 27 of Listing Regulations is provided below:

**Non-Executive Chairman's Office:** The position of the Chairman and the Managing Director are separate. Your Company maintains a separate office for its Chairman. All necessary infrastructure and assistance is made available to enable him to discharge his responsibilities effectively.

**Shareholders' Rights:** Since the quarterly and half yearly financial performance along with significant events are published in the newspapers and are also posted on your Company's website, the same are not being sent to the shareholders.

**Modified Opinion in Auditors' Report:** Your Company's financial statements for the year 2022 do not contain any modified audit opinion.

**Reporting of Internal Auditor:** The Internal Auditors report to the Audit Committee.

### Compliance:

- A certificate from the statutory auditors confirming compliance with the conditions of Corporate Governance as stipulated in the Listing Regulations forms part of this Annual Report.
- A Certificate by Company Secretary in Practice that none of the Directors have been debarred or disqualified from being appointed or continuing as Directors in the companies by SEBI / the MCA or any such statutory authority forms part of this Report.
- During the year under review, the Board has accepted all the recommendations, which are required to be made by the Committee's constituted.

## CEO / CFO Certification:

The Managing Director and Whole-time Director & CFO of your Company have issued necessary certificate pursuant to the provisions of Regulation 17(8) of the Listing Regulations certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of your Company's affairs and the same forms part of this Report.

## Loans and advances:

No Loans and advances were given to firms / companies in which Directors are interested.

## General Body Meetings:

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

Year	Venue	Day, Date and Time	Special Resolutions Passed
2021	Through Video conferencing (VC) / Other Audio Visual Means (OAVM)	Wednesday, 18.08.2021; 3.00 p.m.	No Special Resolution was passed.
2020	Through Video conferencing (VC) / Other Audio Visual Means (OAVM)	Wednesday, 12.08.2020; 3.00 p.m.	<ul style="list-style-type: none"> <li>Continuation of directorship of Mrs. Rajashree Birla as a Non-Executive Director.</li> <li>Re-appointment of Mrs. Alka Bharucha as an Independent Director.</li> </ul>
2019	Ravindra Natya Mandir, P. L. Deshpande Maharashtra Kala Academy, Near Siddhivinayak Temple, Sayani Road, Prabhadevi, Mumbai – 400 025.	Thursday, 18.07.2019; 3.30 p.m.	<ul style="list-style-type: none"> <li>Re-appointment of Mr. Arun Adhikari as an Independent Director.</li> <li>Re-appointment of Mr. S. B. Mathur as an Independent Director.</li> <li>Re-appointment of Mrs. Sukanya Kripalu as an Independent Director.</li> <li>Re-appointment of Mrs. Renuka Ramnath as an Independent Director.</li> <li>Increase in borrowing limits from ₹ 6,000 crores over and above the aggregate of the paid-up share capital and free reserves of the Company to ₹ 8,000 crores over and above the aggregate of the paid-up share capital, free reserves and securities premium of the Company.</li> <li>Creation of charge on the movable and immovable properties of the Company, both present and future, in respect of borrowings.</li> </ul>

**Postal Ballot** - No resolution was passed through postal ballot during the year 2021-22.

## Means of Communication:

### Financial results

Your Company's quarterly / half-yearly / annual financial results ("financial results") are sent to the Stock Exchanges and also published in daily newspapers viz. The Economic Times, Business Standard, The Free Press Journal and Navshakti (Mumbai edition). They are also available on your Company's website and the website of the Group viz. [www.adityabirla.com](http://www.adityabirla.com).

### News releases, presentations, etc.

Official news releases and official media releases are sent to Stock Exchanges and are displayed on your Company's website. Press releases are also available on the website of the Group.

### Presentations to institutional investors / analysts

Your Company actively engages with investors – both domestic and global, keeping them updated on your Company's strategy, outlook, risks and opportunities. These efforts help investors arrive at a fair valuation of your Company's stock.

Financial results are intimated to the Stock Exchanges, published in newspapers, emailed to analysts and investors, and posted on your Company's website. Investor calls are held after the announcement of every financial results during which highlights of the performance during the quarter are shared with the analysts and queries raised by them are addressed. Transcripts of the calls are also available on your Company's website.

All material developments are informed to the Stock Exchanges and relevant disclosures, including presentations, corporate dossiers are filed with the Stock Exchanges and uploaded on your Company's website.

The table below provides the number of investor and analyst interactions held during FY22:

Particulars	Q1	Q2	Q3	Q4	FY22
<b>Investor Updates</b>					
Meetings and calls	14	24	37	52	127
<b>Financial Results</b>					
Nos.	1	1	1	1	4
Participants	388	362	475	499	1,724

## Website Disclosures

The information as required to be disseminated on the website of your Company pursuant to the Listing Regulations have been updated on the Company's website viz. [www.ultratechcement.com](http://www.ultratechcement.com)

## Weblinks for the matters referred to in the report of Corporate Governance

Sr. No.	Particulars	Website link
1	Policy on Board Diversity	<a href="https://www.ultratechcement.com/content/dam/ultratechcementwebsite/pdf/policies/Board%20Diversity%20Policy.pdf">https://www.ultratechcement.com/content/dam/ultratechcementwebsite/pdf/policies/Board%20Diversity%20Policy.pdf</a>
2	Terms and Conditions of Appointment of Independent Director	<a href="https://www.ultratechcement.com/content/dam/ultratechcementwebsite/aboutus/leadershipteam/6VVAlkQLmATo8QJAlsUS.pdf">https://www.ultratechcement.com/content/dam/ultratechcementwebsite/aboutus/leadershipteam/6VVAlkQLmATo8QJAlsUS.pdf</a>
3	Familiarisation Programme for Independent Directors	<a href="https://www.ultratechcement.com/content/dam/ultratechcementwebsite/aboutus/leadershipteam/familiarisation-programme.pdf">https://www.ultratechcement.com/content/dam/ultratechcementwebsite/aboutus/leadershipteam/familiarisation-programme.pdf</a>
4	Code of Conduct for Board and Senior Management	<a href="https://www.ultratechcement.com/content/dam/ultratechcementwebsite/pdf/policies/code-of-conduct-for-board-and-senior-management.pdf">https://www.ultratechcement.com/content/dam/ultratechcementwebsite/pdf/policies/code-of-conduct-for-board-and-senior-management.pdf</a>
5	Code of Practices and procedures for fair Disclosure of unpublished price Sensitive Information	<a href="https://www.ultratechcement.com/content/dam/ultratechcementwebsite/pdf/policies/QhRfgnukZZmmkaNQc7Bs.pdf">https://www.ultratechcement.com/content/dam/ultratechcementwebsite/pdf/policies/QhRfgnukZZmmkaNQc7Bs.pdf</a>
6	Policy on Related Party Transactions	<a href="https://www.ultratechcement.com/content/dam/ultratechcementwebsite/pdf/policies/policy-on-related-party-transaction.pdf">https://www.ultratechcement.com/content/dam/ultratechcementwebsite/pdf/policies/policy-on-related-party-transaction.pdf</a>
7	Vigil Mechanism and Whistle- Blower Policy	<a href="https://www.ultratechcement.com/content/dam/ultratechcementwebsite/pdf/policies/Whistle%20blower%20Policy.pdf">https://www.ultratechcement.com/content/dam/ultratechcementwebsite/pdf/policies/Whistle%20blower%20Policy.pdf</a>
8	Policy for determining Material Subsidiaries	<a href="https://www.ultratechcement.com/content/dam/ultratechcementwebsite/pdf/corporate-governance/Policy%20for%20Material%20Subsidiary.pdf">https://www.ultratechcement.com/content/dam/ultratechcementwebsite/pdf/corporate-governance/Policy%20for%20Material%20Subsidiary.pdf</a>
9	Quarterly, Half-yearly and Annual Financial Results	<a href="https://www.ultratechcement.com/investors/financials">https://www.ultratechcement.com/investors/financials</a>
10	Presentation to institutional investors and analysts	<a href="https://www.ultratechcement.com/investors/financials">https://www.ultratechcement.com/investors/financials</a>
11	Annual Report	<a href="https://www.ultratechcement.com/investors/financials">https://www.ultratechcement.com/investors/financials</a>
12	Sustainability Reports	<a href="https://www.ultratechcement.com/about-us/sustainability/sustainability">https://www.ultratechcement.com/about-us/sustainability/sustainability</a>
13	Financials of subsidiaries	<a href="https://www.ultratechcement.com/investors/financials">https://www.ultratechcement.com/investors/financials</a>



## Declaration

As provided under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended 31<sup>st</sup> March, 2022.

Mumbai  
29<sup>th</sup> April, 2022

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

## CEO/CFO Certification

The Board of Directors  
UltraTech Cement Limited

We certify that:

- We have reviewed the financial statement, read with the cash flow statement of UltraTech Cement Limited (“the Company”) for the year ended 31<sup>st</sup> March, 2022 and to best of our knowledge and belief:
  - these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - these statements together present a true and fair view of the Company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company’s Code of Conduct;
- We are responsible for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Company’s Auditors and the Audit Committee of the Company’s Board of Directors deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps taken or proposed to be taken to rectify the deficiencies.
- We have indicated to the Auditors and the Audit Committee:
  - significant changes in the Company’s internal control over financial reporting during the year.
  - significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements.
  - instances of significant fraud of which we have become aware and involvement therein if any of management or other employees having a significant role in the Company’s internal control system over financial reporting.

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

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

Mumbai  
29<sup>th</sup> April, 2022

## Certificate of Non-disqualification of Directors

(Pursuant to Regulation 34(3) and Schedule V Para C Clause (10)(i) of SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,  
**The Members**  
**UltraTech Cement Limited**  
B-Wing Ahura Centre, 2<sup>nd</sup> Floor  
Mahakali Caves road,  
Andheri East, Mumbai – 400093

We have examined the relevant disclosures provided by the Directors to **UltraTech Cement Limited** (as enlisted in Table A), bearing **CIN: L26940MH2000PLC128420**, having registered office at B-Wing, Ahura Centre, 2<sup>nd</sup> Floor, Mahakali Caves Road, Andheri East, Mumbai MH 400093 IN (hereinafter referred to as ‘the Company’) for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para C 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, based on (i) documents available on the website of the Ministry of Corporate Affairs as on 20<sup>th</sup> April 2022 and Stock Exchanges as on 27<sup>th</sup> April 2022 (ii) Verification of Directors Identification Number (DIN) status at the website of the Ministry of Corporate Affairs, and (iii) disclosures provided by the Directors (as enlisted in Table A) to the Company, we hereby certify that none of the Directors on the Board of the Company (as enlisted in Table A) have been debarred or disqualified from being appointed or continuing as directors of the companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other statutory authority as on 31<sup>st</sup> March, 2022.

**Table A**

Sr. No.	Name of the Directors	Director Identification Number	Date of appointment in Company
1.	Kumar Mangalam Birla	00012813	14/05/2004
2.	Sunil Behari Mathur	00013239	10/09/2008
3.	Krishna Kishore Maheshwari	00017572	01/04/2016
4.	Rajashree Birla	00022995	14/05/2004
5.	Sunil Duggal	00041825	14/08/2020
6.	Alka Marezban Bharucha	00114067	09/06/2016
7.	Arun Adhikari Kumar	00591057	03/12/2013
8.	Kailash Chandra Jhanwar	01743559	19/10/2018
9.	Atul Daga	06416619	09/06/2016
10.	Sukanya Kripalu	06994202	11/10/2014

For **Makarand M. Joshi & Co.**  
**Practicing Company Secretaries**

**Kumudini Bhalerao**  
Partner  
FCS No. 6667  
CP No. 6690  
UDIN: F006667D000242749

Place: Mumbai  
Date: 29<sup>th</sup> April, 2022

## 1. Annual General Meeting:

Date and Time	Deemed Venue	Book Closure	Dividend Payment Date
Wednesday, 17 <sup>th</sup> August, 2022 at 3.00 p.m. (IST) through video conferencing ("VC") / other audio-visual means ("OAVM")	Registered Office of the Company: UltraTech Cement Limited 'B' Wing, Ahura Centre, 2 <sup>nd</sup> Floor, Mahakali Caves Road, Andheri (East), Mumbai – 400 093. Tel.: (022) 6691 7800 / 2926 7800 Fax: (022) 6692 8109 Email: <a href="mailto:sharesutcl@adityabirla.com">sharesutcl@adityabirla.com</a> Web: <a href="http://www.ultratechcement.com">www.ultratechcement.com</a> / <a href="http://www.adityabirla.com">www.adityabirla.com</a> CIN: L26940MH2000PLC128420	Thursday, 4 <sup>th</sup> August, 2022 to Wednesday, 17 <sup>th</sup> August, 2022 (both days inclusive)	On or after Thursday, 18 <sup>th</sup> August, 2022

## 2. Financial Calendar (1<sup>st</sup> April to 31<sup>st</sup> March):

Financial reporting for the quarter ending 30 <sup>th</sup> June, 2022	End July, 2022
Financial reporting for the half year ending 30 <sup>th</sup> September, 2022	End October, 2022
Financial reporting for the quarter ending 31 <sup>st</sup> December, 2022	End January, 2023
Financial reporting for the year ending 31 <sup>st</sup> March, 2023	End April, 2023
Annual General Meeting for the year ending 31 <sup>st</sup> March, 2023	End July / August, 2023

## 3. Listing on Stock Exchanges:

### a) Equity Shares

Stock Exchange	ISIN	Stock Code	Reuters	Bloomberg
<b>BSE Limited ("BSE")</b> Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400 001		532538	ULTC.BO	UTCEM IB
<b>National Stock Exchange of India Limited ("NSE")</b> "Exchange Plaza", Plot No. C-1, Block G, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051	INE481G01011	ULTRACEMCO	ULTC.NS	UTCEM IS

### b) Global Depository Receipts ("GDRs")

Stock Exchange	ISIN	Overseas Depository	Domestic Custodian	Bloomberg
<b>Luxembourg Stock Exchange ("LSE")</b> 35 A, Boulevard Joseph II L-1840 Luxembourg	144A GDRs - US90403E1038 Level 1 GDRs - US90403E2028	<b>Citibank N. A.</b> Depository Receipt Services 388, 6 <sup>th</sup> Floor, Greenwich Street, New York, NY - 10013 United States of America	<b>Citibank N.A.</b> Custody Services FIFC, 9 <sup>th</sup> Floor, C-54 & 55, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 098	UTCEM LX

### c) Sustainability Linked Bonds

Stock Exchange	ISIN
<b>Singapore Exchange Limited</b> 2 Shenton Way, #02-02, SGX Centre 1, Singapore 068804	US90403YAA73 USY9048BAA18

## d) Non-Convertible Debentures

The non-convertible debentures ("NCDs") issued by the Company are listed on NSE. The details are as under:

Type	Series	Year of Issue	ISIN	Principal Amount (₹ In Crore)	Maturity Date	Debenture Trustee
Secured	7.53% NCDs	2016	INE481G07190	500	21.08.2026	<b>SBICAP Trustee Company Limited</b> Mistry Bhavan, 4 <sup>th</sup> Floor, 122 Dinshaw Vachha Road, Churchgate, Mumbai – 400 020
Unsecured	7.64% NCDs	2019	INE481G08065	250	04.06.2024	
	6.72% NCDs	2019	INE481G08073	250	09.12.2022	
	6.68% NCDs	2020	INE481G08081	250	20.02.2025	
	4.57% NCDs	2021	INE481G08099	1,000	29.12.2023	

## e) Commercial Paper

In terms of Securities and Exchange Board of India ("SEBI") Circular no. SEBI/HO/DDHS/DDHS/CIR/P/2019/115 dated 22<sup>nd</sup> October, 2019 and SEBI circular no. SEBI/HO/DDHS/DDHS/CIR/P/2019/167 dated 24<sup>th</sup> December, 2019, the Commercial Papers issued by the Company are listed on NSE.

## 4. Credit Ratings:

The Company's financial discipline and prudence is reflected in the strong credit ratings ascribed by rating agencies as given below:

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

## 5. Payment of annual listing fees:

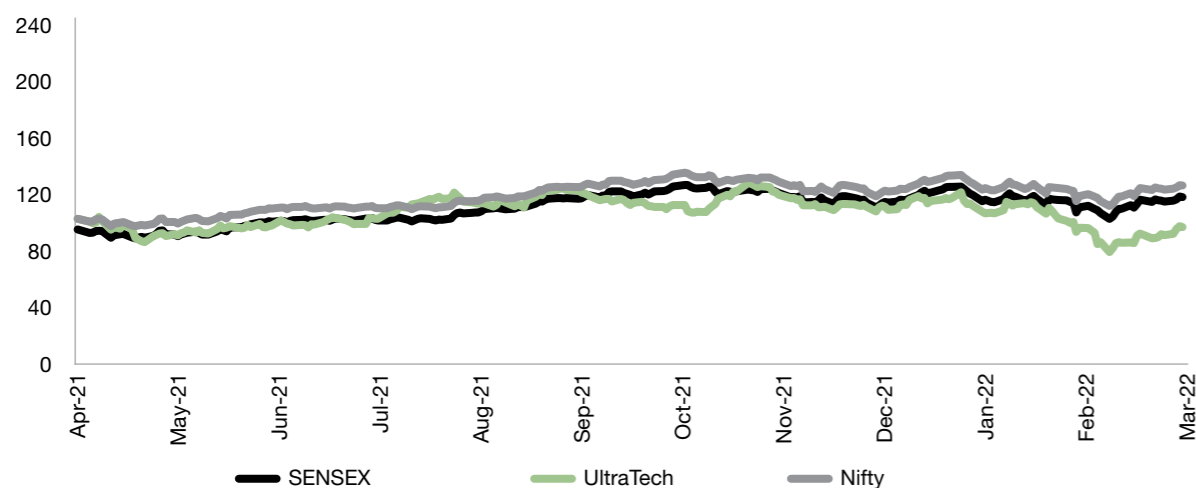
Annual listing fees for the financial year 2022-23 has been paid to both the stock exchanges i.e. BSE and NSE. Listing fee for the GDRs has been paid to LSE for the calendar year 2022. One time Listing fees has been paid to Singapore Stock Exchange.

## 6. Stock Data:

### Market Prices

Month	BSE				NSE				LSE		
	High	Low	Close	Volume	High	Low	Close	Volume	High	Low	Close
	(In ₹)			(In Nos.)	(In ₹)			(In Nos.)	(In USD)		
Apr-21	7,050.00	5,964.40	6,271.60	4,66,503	7,055.95	5,970.20	6,278.95	1,24,78,331	94.50	80.50	84.50
May-21	6,750.00	6,153.30	6,710.10	3,17,894	6,755.00	6,150.00	6,708.00	96,30,627	92.00	84.50	92.00
Jun-21	7,000.00	6,524.35	6,776.65	5,07,141	7,000.00	6,522.20	6,776.00	71,24,629	94.00	89.50	92.00
Jul-21	7,727.75	6,684.05	7,623.75	4,13,136	7,730.00	6,685.00	7,619.20	90,82,014	104.00	90.00	103.00
Aug-21	7,907.40	7,290.00	7,833.95	6,77,564	7,911.00	7,288.00	7,832.45	58,00,885	108.00	98.50	107.00
Sep-21	8,070.60	7,373.90	7,395.35	2,82,496	8,073.30	7,371.00	7,396.10	58,98,559	109.00	99.50	99.50
Oct-21	7,690.50	7,010.00	7,632.75	5,95,533	7,690.00	7,007.00	7,636.05	95,68,335	102.00	95.00	102.00
Nov-21	8,267.00	7,203.05	7,434.40	1,71,006	8,269.00	7,201.40	7,433.75	59,61,229	111.00	98.50	98.50
Dec-21	7,668.60	7,039.45	7,591.95	1,42,929	7,678.75	7,035.20	7,591.05	52,21,290	102.00	93.50	102.00
Jan-22	7,947.90	6,952.00	7,214.45	2,28,679	7,946.00	6,950.00	7,216.40	78,28,692	106.00	94.00	96.50
Feb-22	7,575.90	6,400.00	6,569.75	2,85,743	7,575.00	6,396.20	6,567.90	78,40,856	100.00	85.00	87.00
Mar-22	6,697.55	5,631.05	6,602.15	6,76,519	6,699.00	5,629.20	6,602.30	1,74,69,870	88.00	74.00	87.00

### Stock Performance



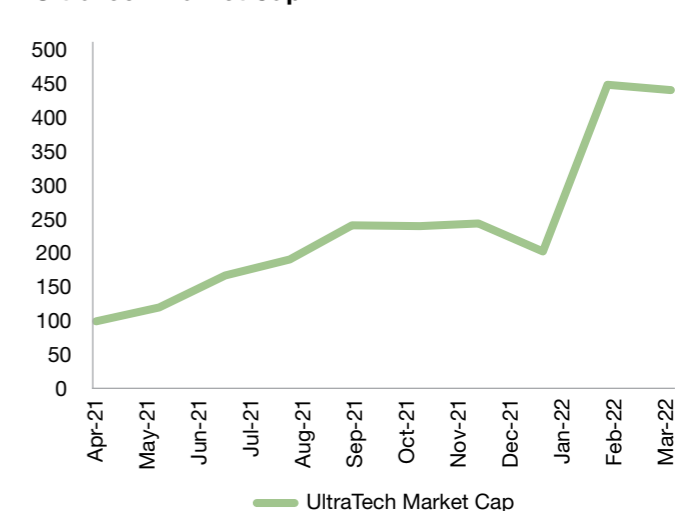
### Stock Performance and Returns

(In Percentage)	Absolute Returns			Annualised Returns		
	1 Year	3 Years	5 Years	1 Year	3 Years	5 Years
	UltraTech	(2.02)	66.37	67.49	(2.02)	18.49
Sensex	19.66	22.65	71.97	19.66	7.04	11.45
Nifty	18.88	50.25	90.38	18.88	14.53	13.74

## Market Capitalisation

Financial Year ended	₹ in crores	
	BSE	NSE
31 <sup>st</sup> March, 2022	1,90,585	1,90,589
31 <sup>st</sup> March, 2021	1,94,474	1,94,493
31 <sup>st</sup> March, 2020	93,926	93,655
31 <sup>st</sup> March, 2019	1,09,831	1,09,812
31 <sup>st</sup> March, 2018	1,08,413	1,08,473
31 <sup>st</sup> March, 2017	1,09,527	1,09,385
31 <sup>st</sup> March, 2016	88,559	88,607
31 <sup>st</sup> March, 2015	78,891	78,971
31 <sup>st</sup> March, 2014	60,029	59,975
31 <sup>st</sup> March, 2013	51,217	51,243

### UltraTech Market Cap

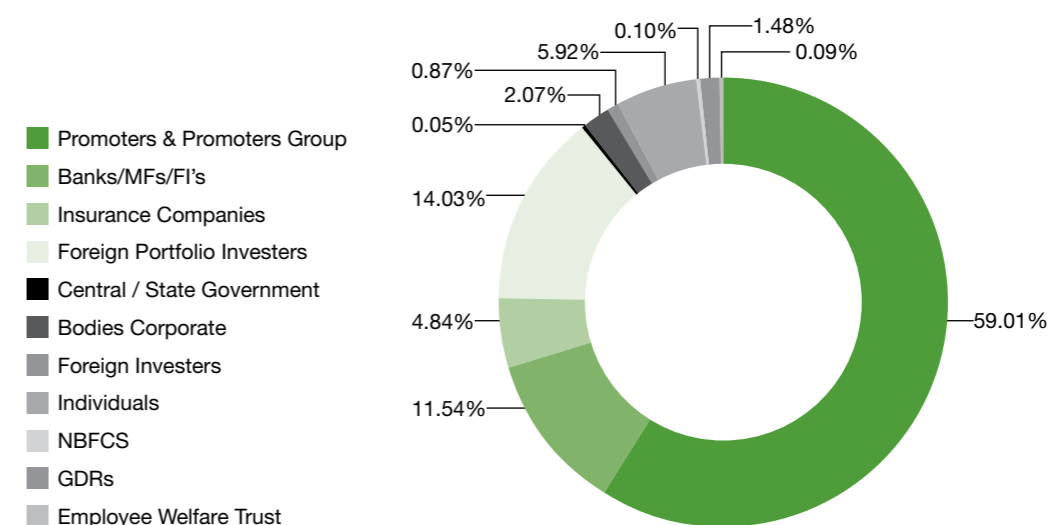


## 7. Shareholding as on 31<sup>st</sup> March, 2022:

### Shareholding Pattern

Category	No. of share holders	% of share holders	No. of shares held	% shareholding
Promoter & Promoter Group	20	0.01	17,03,38,945	59.01
Banks / MFs / FIs	227	0.06	3,33,20,359	11.54
Insurance Companies	6	0.00	1,39,76,462	4.84
Foreign Portfolio Investors	795	0.20	4,05,12,721	14.03
Central / State Government	2	0.00	1,33,376	0.05
Bodies Corporate	2,646	0.67	59,66,296	2.07
Foreign Investors	10,603	2.68	25,00,435	0.87
Individuals	3,81,652	96.38	1,70,82,777	5.92
NBFCs	19	0.00	2,95,837	0.10
GDRs®	1	0.00	42,69,481	1.48
Employee Welfare Trust	1	0.00	2,74,158	0.09
<b>Total</b>	<b>3,95,972</b>	<b>100.00</b>	<b>28,86,70,847</b>	<b>100.00</b>

®Includes 27,44,168 GDRs held by Promoter Group.



## Distribution of Shareholding

Range of Shareholding	No. of share holders	% of share holders	No. of shares held	% shareholding
1 – 100	3,62,209	91.47	69,68,548	2.41
101 – 200	17,882	4.52	25,92,242	0.90
201 – 500	10,338	2.61	32,29,923	1.12
501 – 1000	3,022	0.76	21,11,941	0.73
1001 – 5000	1,825	0.46	35,23,046	1.22
5001-10000	218	0.06	15,53,394	0.54
10001 & above	478	0.12	26,86,91,753	93.08
<b>Total</b>	<b>3,95,972</b>	<b>100.00</b>	<b>28,86,70,847</b>	<b>100.00</b>

## 8. Useful Information for Shareholders:

### Share Transfer System

In terms of the provisions of Regulation 40(9) of the Listing Regulations, the Company has obtained, on yearly basis, a certificate, from a Company Secretary in Practice, certifying that all certificates have been issued within thirty days of the date of lodgement of the transfer (for cases lodged prior to 1<sup>st</sup> April, 2019), sub-division, consolidation and renewal and also filed a copy of the said certificate with the Stock Exchanges.

Request for rematerialisation are attended within the statutory period. The average time taken for processing and registration of relodged share transfer requests is less than 15 days. As on 31<sup>st</sup> March, 2022, there were no share transfer requests pending with the Company and there were no major legal proceedings relating to transfer of shares.

Shareholders may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/ CIR/2022/8 dated 25<sup>th</sup> January, 2022 has mandated the listed companies to issue securities in demat form only while processing service requests viz. issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/ Exchange of securities certificate; Endorsement; Sub-division/ Splitting of securities certificate; Consolidation of securities certificates / folios; Transmission and Transposition. Accordingly, shareholders are requested to make service requests by submitting a duly filled and signed Form ISR – 4 (Form for various service requests), the format of which is available on the Company's website [www.ultratechcement.com](http://www.ultratechcement.com).

Shareholders holding equity shares of the Company in physical form are requested to kindly get their equity shares converted into demat/ electronic form to get inherent benefits of dematerialisation and also considering that physical transfer of equity shares/

issuance of equity shares in physical form have been disallowed by SEBI.

### Common and simplified norms for investor service request

In terms of the SEBI Circular No. SEBI/HO/ MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated 3<sup>rd</sup> November, 2021, the Company had sent individual letters to all the shareholders holding shares of the Company in physical form for furnishing their PAN, KYC details and nomination. The shareholders are requested to go through the communication available on the web link <https://www.ultratechcement.com/investors/useful-information#csn>.

### Nomination

As per the provisions of Section 72 of the Act, facility for making nomination(s) is available to Individuals holding shares in the Company. Shareholders holding shares in physical form may obtain a nomination form (Form SH-13), from the Company's Registrar and Transfer Agent ("RTA") viz. KFin Technologies Limited or download the same from the Company's website through the weblink at <https://www.ultratechcement.com/investors/useful-information#csn>. Shareholders holding shares in demat mode should file their nomination with their DPs for availing this facility.

### Permanent Account Number

Shareholders who hold shares in physical form are advised that SEBI has vide Circular no. SEBI/HO/ MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated 3<sup>rd</sup> November, 2021 made it mandatory for all holders and claimants of physical securities to furnish PAN.

### Intimate / update contact details

Shareholders are requested to update / intimate changes, if any, pertaining to their PAN, postal

address, e-mail address, telephone / mobile numbers, with necessary documentary evidence, to the Company or its / RTA, in Form ISR-1, if shares are held in physical mode or to their Depository Participant ("DP"), if the holding is in electronic mode. The said form ISR-1 for change / update of details, form ISR-2 for bankers attestation of signature in case of major mismatch and form ISR-3 for declaration for opting out of nomination are available for download from the weblink <https://www.ultratechcement.com/investors/useful-information#csn>

### Freezing of Folios without PAN, KYC details and Nomination

Folios wherein any one of the documents / details viz. PAN, KYC details and nomination are not available on or after 1<sup>st</sup> April, 2023, shall be frozen by KFin / the Company in terms of the aforementioned SEBI Circular. The frozen folios will be referred by the Company or its RTA to the administering authority under the Benami Transactions (Prohibitions) Act, 1988 and or Prevention of Money Laundering Act, 2002, if they continue to remain frozen as on 31<sup>st</sup> December, 2025.

### Unpaid / Unclaimed Dividend Warrants

Dividend warrants in respect of the dividend declared in August, 2021 have been despatched to the Shareholders at the addresses registered with the Company. Those shareholders who have not yet received the dividend warrants may please write to the Company or its RTA for further information in this behalf. Shareholders who have not encashed the warrants are requested to do so by getting them revalidated from the Registered Office of the Company or its RTA.

### Payment of dividend

Keeping in mind the interest of its shareholders including speedy credit of dividend, the Company provides the facility for direct credit of dividend to the shareholders' bank account. Shareholders are therefore urged to avail the facility of electronic transfer of dividend into their bank accounts, by updating their bank account details, if not done already, with the Company or the DP, as the case may be.

Shareholders may also note that the Income Tax Act, 1961 amended by the Finance Act, 2020, mandates that dividend paid or distributed by a Company on

or after 1<sup>st</sup> April, 2020 shall be taxable in the hands of the shareholders. The Company will deduct tax at source (TDS), wherever applicable, at the applicable rates at the time of making the payment of dividend.

### Non-Resident Shareholders

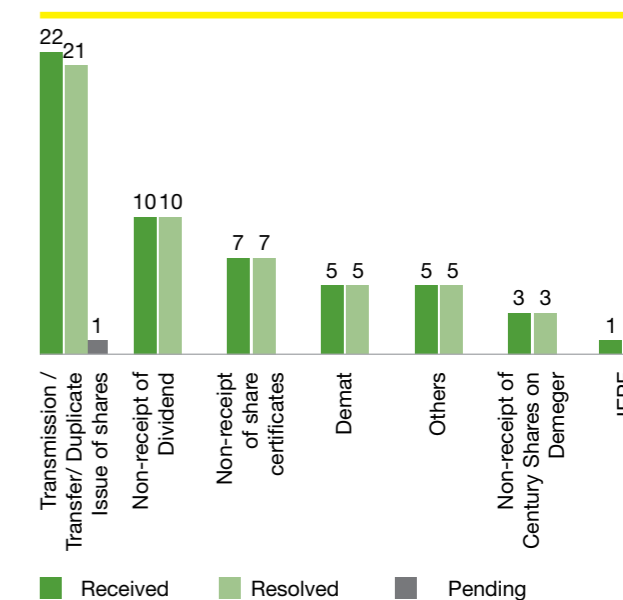
Non-Resident Indian shareholders are requested to immediately inform the Company or its / RTA, if shares are held in physical mode or to their DP, if the holding is in electronic mode, regarding change in the residential status on return to India for permanent settlement and/or the particulars of the NRE account with a bank in India, if not furnished earlier.

### Shareholders Handbook

A Shareholders Handbook is available on the website of the Company [www.ultratechcement.com](http://www.ultratechcement.com). Shareholders who are keen to know the various procedures such as dematerialisation, rematerialisation, dividend, IEPF, duplicate share certificates, transmission of shares, unclaimed suspense account, nomination can access the handbook.

## 9. Shareholders Complaints:

During the year under review, the Company received total of 53 complaints from the shareholders. The RTA attends to investor grievances in consultation with the Secretarial Department of the Company.



Note: Pending complaint was resolved subsequently.

## 10. Dematerialisation of Shares and Liquidity:

98.86% of outstanding equity shares have been dematerialised as on 31<sup>st</sup> March, 2022. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares INE481G01011.

The break-up of equity shares held in dematerialised and physical form, is as under:

Particulars	No. of Shareholders	% to Shareholders	No. of Shares	% to paid up capital
Physical	51,601	13.03	32,83,717	1.14
Dematerialised				
-NSDL	1,91,239	48.30	11,17,57,975	38.71
-CDSL	1,53,132	38.67	17,36,29,155	60.15
<b>Total</b>	<b>3,95,972</b>	<b>100.00</b>	<b>28,86,70,847</b>	<b>100.00</b>

Note: Entire shareholding of the promoter and promoter group is in dematerialised form.

## 11. Details on use of public funds obtained in the last three years:

No funds have been raised from the public during the last three years.

receivables as per its laid down policies. The Company uses a mix of various derivative instruments like forward covers, currency swaps, interest rates swaps, principal only swaps or a mix of all. Further, the Company also hedges its commodity price risk through fixed price swaps.

## 12. Outstanding GDR / Warrants and Convertible Bonds:

42,69,481 GDRs are outstanding as on 31<sup>st</sup> March, 2022. Each GDR represents one underlying equity share. There are no warrants / convertible bonds outstanding as at the year end.

The Company does not have material exposure to any commodity for which hedging instruments are available in the financial markets and accordingly, no hedging activities for the same are carried out. Consequently, there is no disclosure to offer in terms of SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated 15<sup>th</sup> November, 2018.

## 13. Commodity Price Risk or Foreign Exchange Risk and Hedging Activities:

The Company hedges its foreign currency exposure in respect of its imports, borrowings and export

## 14. Unclaimed shares:

In terms of Regulation 39(4) of the Listing Regulations, the Company reports the following details in respect of equity shares lying in the suspense account which were issued in demat form, respectively:

Particulars	No. of shareholders	No. of shares
Outstanding at the beginning of the year i.e. 1 <sup>st</sup> April, 2021	2,011	78,963
Shareholders who approached the Company and to whom shares were transferred from the Unclaimed Suspense Account during the year	23	628
Number of shares transferred to IEPF Authority during the year	186	4,388
Outstanding at the end of the year i.e. 31 <sup>st</sup> March, 2022	1,802	73,947

Note: Voting rights on these shares shall remain frozen till the rightful owners of such shares claims the shares.

## 15. Change in name of the Company's RTA:

The name of the Company's RTA is changed to KFin Technologies Limited from KFin Technologies Private Limited effective 24<sup>th</sup> February, 2022. Your Company has communicated this information to the Stock Exchanges and also made it available on the Company's website.

## 16. Transfer of Unclaimed dividend and Equity Shares to Investor Education and Protection Fund ("IEPF") Account:

In terms of the provisions of Section 124(5) of the Act, dividend for the financial year 2014-15 and the dividends for the subsequent financial years, which remain unpaid or unclaimed for a period of consecutive seven years will be transferred to IEPF.

During the year ended 31<sup>st</sup> March, 2022, the Company has transferred ₹ 1,39,70,610 to the IEPF being the unclaimed / unpaid dividend for 2013-14. Before transferring the unclaimed dividends to IEPF, the Company issues individual notices to all shareholders who have not claimed dividend for the last seven consecutive years. Further, notices are also published in newspapers on 9<sup>th</sup> June, 2021.

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

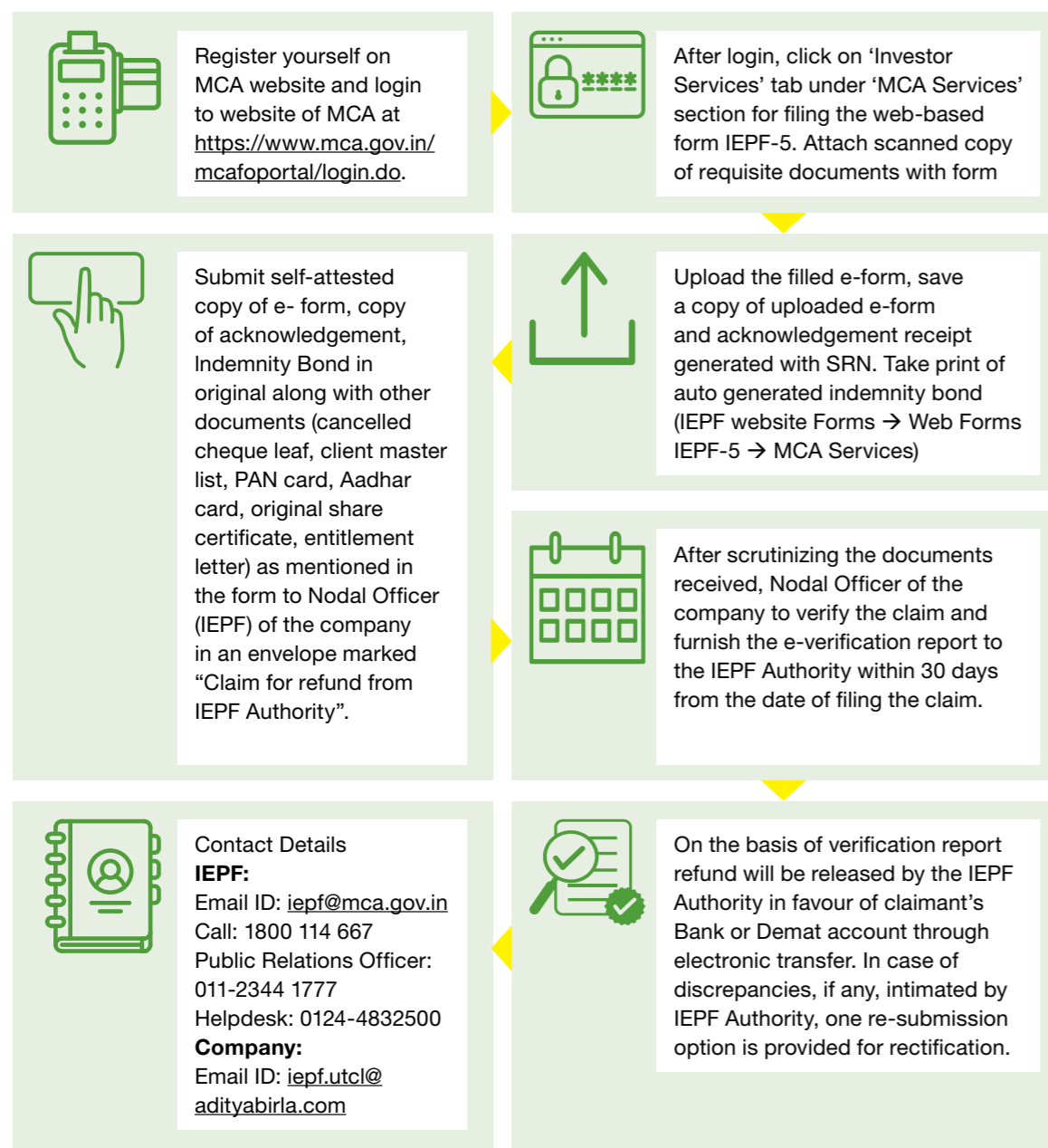
Sr No	Financial Year	Due date of transfer to IEPF	Amount (₹ in crores)
1	2014-2015	3 <sup>rd</sup> October, 2022	1.38
2	2015-2016	25 <sup>th</sup> August, 2023	1.66
3	2016-2017	2 <sup>nd</sup> September, 2024	1.74
4	2017-2018	24 <sup>th</sup> August, 2025	1.37
5	2018-2019	24 <sup>th</sup> August, 2026	1.36
6	2019-2020	18 <sup>th</sup> September, 2027	1.45
7	2020-2021	26 <sup>th</sup> September, 2028	3.65
<b>Total</b>			<b>12.61</b>

Shareholders, who have so far not encashed their dividend relating to the financial year 2014-15 are requested to do so by 31<sup>st</sup> July, 2022. Shareholders can write to the Secretarial Department of the Company at [sharesutcl@adityabirla.com](mailto:sharesutcl@adityabirla.com) or write to the RTA at the address given below.

Further, in terms of the provisions of Section 124(6), the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("IEPF Rules"), the Company has already transferred 62,539 equity shares pertaining to the financial year 2013-14 to the IEPF Suspense Account after providing necessary intimations to the relevant shareholders.

Details of unpaid / unclaimed dividend and equity shares for the financial year 2013-14 are uploaded on the website of the Company as well as that of the Ministry of Corporate Affairs, Government of India ("MCA"). No claim shall lie against the Company in respect of unclaimed dividend amount and equity shares transferred to the IEPF and IEPF Suspense Account, respectively.

Shareholders can however claim the unclaimed dividend amount and the underlying equity shares corresponding thereto from the IEPF Authority by following the procedure set out below:



## 17. Correspondence with the Company:

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

Registered Office	Registrar & Share Transfer Agent
UltraTech Cement Limited 'B' Wing, Ahura Centre, 2 <sup>nd</sup> Floor, Mahakali Caves Road, Andheri (East), Mumbai – 400 093 Tel: (022) 6691 7800 Fax: (022) 6692 8109 Website: <a href="http://www.ultratechcement.com">www.ultratechcement.com</a> Email: <a href="mailto:sharesutcl@adityabirla.com">sharesutcl@adityabirla.com</a> ; <a href="mailto:swati.patil@adityabirla.com">swati.patil@adityabirla.com</a> Contact Person: Ms. Swati Patil	KFin Technologies Limited Selenium Tower B, Plot Nos. 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032 Toll Free No. 1800 309 4001 Website: <a href="http://www.kfintech.com">www.kfintech.com</a> ; Email: <a href="mailto:ultratech.ris@kfintech.com">ultratech.ris@kfintech.com</a> ; <a href="mailto:einward.ris@kfintech.com">einward.ris@kfintech.com</a> Contact Person: Mr. Satish Poojary

Email for investor correspondence under SEBI requirements: [sharesutcl@adityabirla.com](mailto:sharesutcl@adityabirla.com)

## 18. Plant Locations:

Integrated Units:		
<b>Aditya Cement Works</b>	<b>Andhra Pradesh Cement Works</b>	<b>Awarpur Cement Works</b>
Adityapuram, Sawa – Shambhupura Road, District: Chittorgarh, Rajasthan – 312 622	Bhogasamudram, Tadipatri Mandal, District: Anantapur, Andhra Pradesh – 515 413	P.O. Awarpur, Taluka: Korpana, District: Chandrapur, Maharashtra – 442 917
<b>Baga Cement Works</b>	<b>Baikunth Cement Works</b>	<b>Balaji Cement Works</b>
Village Baga, P.O. Kandhar, Tehsil Arki, District: Solan, Himachal Pradesh – 171 102	P.O. Baikunth District: Raipur, Chhattisgarh - 493 116	Survey No. 99, Vill. + Post Budawada Mandal - Jaggaiahpet, District: Krishna, Andhra Pradesh – 521 175
<b>Bela Cement Works</b>	<b>Dalla Cement Works</b>	<b>Dhar Cement Works</b>
Jaypee Puram P.O. Jaypee Puram, District: Rewa, Madhya Pradesh – 486 450	SH-5, Kota, Post: Dalla, District: Sonebhadra, Uttar Pradesh – 231 207	Village: Tonki; Tehsil: Manawar, District: Dhar, Madhya Pradesh – 454 446
<b>Gujarat Cement Works</b>	<b>Hirmi Cement Works</b>	<b>Jafrabad Cement Works</b>
P.O. Kovaya, Taluka: Rajula, District: Amreli, Gujarat – 365 541	Village & Post: Hirmi Taluka: Simga, District: Baloda Bazar, Bhatapara, Chhattisgarh – 493 195	P. B. No. 10, at Jafrabad post office, Taluka: Jafrabad, District: Amreli, Gujarat – 365 540
<b>Kotputli Cement Works</b>	<b>Maihar Cement Works</b>	<b>Manikgarh Cement Works</b>
V & P. O. Mohanpura, Tehsil: Kotputli, District: Jaipur, Rajasthan - 303 108	P. O. Sarla Nagar, Tehsil Maihar, District: Satna, Madhya Pradesh - 485 772	At post Gadchandur, Tehsil : Korpana, District: Chandrapur, Maharashtra - 442 908
<b>Rajashree Cement Works</b>	<b>Rawan Cement Works</b>	<b>Reddipalayam Cement Works</b>
Adityanagar, Malkhed Road, Taluk: Sedam, District: Kalaburagi Karnataka – 585 292	Village: Rawan, PO: Grasim Vihar, Tehsil: Simga, District: Baloda Bazar–Bhatapara, Chhattisgarh - 493 196	Reddipalayam P.O. District: Ariyalur, Tamil Nadu – 621 731
<b>Sewagram Cement Works</b>	<b>Sidhi Cement Works</b>	<b>Vikram Cement Works</b>
Village: Vayor, Taluka Abdasa, District: Kutch, Gujarat – 370 511	Aditya Vihar, Majhigawan, P.O. Bharatpur, Tehsil – Rampur Naikin, Sidhi, Madhya Pradesh – 486 776	Vikram Nagar, P.O. Khor, Tehsil - Jawad, District: Neemuch, Madhya Pradesh – 458 470

Grinding Units:		
<b>Aligarh Cement Works</b> Village: Kasimpur, Tehsil: Koel, District: Aligarh, Uttar Pradesh – 202 127	<b>Arakkonam Cement Works</b> Chitteri post, Arakkonam, District: Raniped, Tamil Nadu – 631 003	<b>Bagheri Cement Works</b> Village - Pandiyana, P.O.- Khillian, Tehsil Nalagarh, Solan, Himachal Pradesh – 174 101
<b>Bara Cement Works</b> Village : Lohara, Tahsil : Bara District : Prayagraj Uttar Pradesh - 212107	<b>Bathinda Cement Works</b> Behind G.H.T.P. Lehra Mohabbat, Tehsil – Rampuraphul, District: Bathinda, Punjab - 151 111	<b>Dadri Cement Works</b> Village: Ranuali, Latiffpur, Post Vidyutnagar, Tehsil: Dadri, District: Gautambudh Nagar, Uttar Pradesh – 201 008
<b>Dankuni Cement Works</b> JL-80, Village: Panchghara, P.O.: Panchghara Bazar, PS: Chanditala, District: Hooghly, West Bengal – 712 306	<b>Ginigera Cement Works</b> Gangavathi Road, Ginigera, District: Koppal, Karnataka – 583 228	<b>Hotgi Cement Works</b> Village/ Post: Hotgi Station, South Solapur, District: Solapur, Maharashtra – 413 215
<b>Jhajjar Cement Works</b> Village: Jharli, Tehsil: Matanhail, District: Jhajjar, Haryana – 124 106	<b>Jharsuguda Cement Works</b> Near Dhutra Railway Station, P.O. Arda, District: Jharsuguda, Odisha – 768 202	<b>Magdalla Cement Works</b> Magdalla Port, Dumas Road, Surat, Gujarat – 395 007
<b>Nagpur Cement Works</b> Village: Ashti, Navegaon and Tarsa, Tehsil: Mauda, District: Nagpur, Maharashtra – 441 106	<b>Panipat Cement Works</b> Village: Karad, Israna Pardhana Road, Israna, Panipat, Haryana – 132 107	<b>Patliputra Cement Works</b> Village: Shajahnapur, Near Sigariyan Station, Daniyawana Hilsa Road, Patna, Bihar – 801 305.
<b>Ratnagiri Cement Works</b> MIDC Indl. Estate, Zadgaon Block, Ratnagiri, Maharashtra – 415 639	<b>Roorkee Cement Works</b> Village - Nalheri Dehviran, Tehsil – Roorkee, Post - Nalhera Anantapur, District: Haridwar, Uttarakhand – 247 668	<b>Sikandarabad Cement Works</b> 19-20, Industrial Area, Post: Sikandrabad, District: Bulandshahr, Uttar Pradesh – 203 205
<b>Sonar Bangla Cement Works</b> Village-Dhalo, P.O. Gankar Block, Raghunathganj -1, District: Murshidabad, West Bengal - 742227	<b>Tanda Cement Works</b> Post: Hussainpur Sudhana Tanda, District: Ambedkarnagar, Uttar Pradesh – 224 190	<b>Wanakbori Cement Works</b> Village: Sangol, Post. Sonipur, Taluka: Thasra, District: Kheda, Gujarat – 388 245
<b>West Bengal Cement Works</b> Near EPIP Plot, P.O. - Rajbandh, Muchipara, Durgapur, West Bengal – 713 212		

Bulk Terminals:		
<b>Birla Super Bulk Terminal</b> Near Railway Station Veerapura, Doddaballapur, District: Bengaluru, Karnataka – 561 163	<b>Cochin Bulk Terminal</b> Survey No. 2578 / 4 Indira Gandhi Road, Willingdon Island, Kochi, Kerala – 682 003	<b>Mangalore Bulk Terminal</b> Post Box No. 17 Beach Road, Panambur, Mangaluru, Karnataka – 575 010
<b>Navi Mumbai Bulk Terminal</b> Sector-1, Dronagiri Indl. Area Uran, Navi Mumbai, Maharashtra – 400 707	<b>Panvel Bulk Terminal</b> CCI WereHousing Complex, Plat No. S-5, Sector 5, KWS, Kalamboli, District: Raigad, Maharashtra - 410218	<b>Pune Bulk Terminal</b> Tah-Haveli, Village: Peth Naygaon, District: Pune, Maharashtra – 412 110
<b>Shankarpalli Bulk Terminal</b> Village: Fathepur, Shankarpalli Mandal, District: Rangareddy, Telangana – 501 203		
White Cement:		
<b>Birla White</b> Birla White Rajashree Nagar, P.O. Kharia Khangar, Tehsil: Bhopalgarh, District: Jodhpur, Rajasthan – 342 606	<b>Birla White Unit: Katni</b> Village: Pati – Jharela, Post: Bijori, Tehsil: Badwara, District: Katni, Madhya Pradesh – 483 773	<b>Birla White Unit: GRC</b> Plot No.14, GIDC Estate Village: Manjusar, Taluka: Savli, District: Vadodara, Gujarat – 391 775

## 19. Other Useful Information for Shareholders:

### Redressal agencies for shareholders

#### Ministry of Corporate Affairs (MCA)

'A' Wing, Shastri Bhawan,  
Rajendra Prasad Road,  
New Delhi – 110 001  
Tel.: (011) 23381295  
Web: [www.mca.gov.in](http://www.mca.gov.in)

#### BSE Limited (BSE)

Phiroze Jeejeebhoy Towers,  
Dalal Street,  
Mumbai – 400 001  
Tel.: (022) 22721233 / 34  
Fax: (022) 22721919  
Web: [www.bseindia.com](http://www.bseindia.com)

#### National Securities Depository Limited (NSDL)

Trade World, 'A' Wing, 4<sup>th</sup> Floor,  
Kamala Mills Compound,  
Lower Parel, Mumbai – 400 013  
Tel.: (022) 24994200  
Toll Free No.: 1800 1020 990/1800 224 430  
Web: <https://nsdl.co.in/>

#### Securities and Exchange Board of India (SEBI)

Plot No.C4-A, 'G' Block,  
Bandra Kurla Complex,  
Bandra (East), Mumbai – 400 051  
Tel.: (022) 26449000 / 40459000  
Fax: (022) 26449019 - 22  
Web: [www.sebi.gov.in](http://www.sebi.gov.in)

#### National Stock Exchange of India Limited (NSE)

"Exchange Plaza", C-1,  
Block G, Bandra-Kurla Complex,  
Bandra (East), Mumbai - 400 051  
Tel.: (022) 26598100-8114  
Fax: (022) 26598120  
Web: [www.nseindia.com](http://www.nseindia.com)

#### Central Depository Services (India) Limited (CDSL)

Marathon Futurex, A-Wing, 25<sup>th</sup> Floor,  
N. M. Joshi Marg,  
Lower Parel, Mumbai – 400 013  
Tel.: (022) 2305 8640  
Web: [www.cdslindia.com](http://www.cdslindia.com)

**Water: Our Eternal Lifeline**

*“Water, the life force for humanity, is the absolutely essential building block. It is the central piece for our planet. Recount Leonardo da Vinci, who said, “Water is the driver of nature”.*

*Water and decent sanitation are inextricably linked to all development processes. International agencies such as UNICEF, United Nations University, United Nations Sustainable Development Report, among others record that, water scarcity impairs over 40% of the global population and 2.4 billion people do not have access to basic sanitation services. Sadly, every year 300,000 children succumb to water borne diseases. It augurs well that Goal-6 of SDG focuses on clean water and sanitation. It underpins other SDGs as well. Water is the lifeline, any which way.*

*By and large the UNSDGs, viewed in totality are a revolutionary leap, a kind of wake-up call to every nation to pay close attention to people largely from the vulnerable sector and the planet. It has heightened sensitivities across 193 countries. A shot in the arm of the move towards a fair and equitable society, the UNSDGs have an appealing logic.*

*At our Aditya Birla Group, our underlying motto in our CSR engagement has always been to engage, uplift and empower communities, and in doing so perpetually be a force for good and enriched lives. We are heavily invested in healthcare, education, sustainable livelihood and infrastructure development. Water is the pivotal force that propels our projects in business and beyond. It is the most critical resource. Its sustainable management is of immense importance for our business community. So the SDG Goal-6 is of great significance to us.*

*Climate change, dwindling ecosystems, exploitation of natural resources besides pollution, have accelerated the stress on water resources in terms of its availability and quality. While the report spells out all of your Company’s CSR engagements, for any progress, availability of water is the most critical factor. Towards building water resilience, our businesses at Aditya Birla Group have taken a comprehensive stepwise approach both inside the location boundaries as well as in the watersheds of our operation. We have put in place our Water Stewardship Policy championed by our Group Chairman, Business Directors/CEOs and other seniors. This aims at protection and conservation of water resources through excellent water management practices and governance systems and is being operationalised through performance targets and roadmaps across our sites.*

*When one thinks of water in the hinterland of India with its rugged pathways, the picture that immediately surfaces in the mind’s eye is that of a woman with pitcher on her head, trudging miles on end to fetch it. Today, the scenario is very different. In quite a few of the 9,000 villages that we work in, we have met this arduous task of ensuring water availability for households and farmers. The Government has rightfully given access to water in rural areas, the primacy it deserves. The plan is to provide tap water for all under the ‘Har Ghar, Nal Se Jal’ scheme. The scheme’s dashboard reports that over 5.6 crore homes now have water on tap.*

*An integrated aggressive watershed management programme implemented as part of our CSR engagement has yielded rich dividends as well. Its components include water harvesting structures: construction of check-dams, instituting tube wells, tanks and water reservoirs. Side-by-side rainwater harvesting, including rooftops, reinventing step-wells, lakes (talaos), wells (bowris), soil conservation, refurbishing aquatic ecosystems, setting up reverse osmosis plants and water ATMs, have brought much succour to a water starved populace pan India. Besides the admirable Government support, we partner extensively with development agencies such as NABARD, MYRADA, ICRISAT and AFPRO on the technical side, among others. The water conserved annually is over 33 billion litres, of which your Company has conserved 1.55 billion litres. Water user groups are formed at the plants to make sure that eventually the villagers become self-reliant. There is a sense of joy and lightness among them. Numbers mean a lot, but smiles mean a lot more.*

*In the words of our visionary Prime Minister, “Jal hai toh kal hai”.*

**Rajashree Birla**

Chairperson,

Aditya Birla Centre for Community Initiatives and Rural Development

Chairperson, UltraTech Cement Limited Corporate Social Responsibility Committee

A summary of our work:

**SDG-1: To rid poverty across all nations by 2030**

In the 16 States where your Company operates, your Company is engaged in enriching lives of the underprivileged, in multiple ways to decelerate the percentage of BPL families.

**SDG-2: To end all forms of hunger and malnutrition by 2030**

Through sustainable agriculture, helping farmers with land clearances, technology upgradation, closing the marketing loop, Government Schemes and supporting the District Authorities, including Collectors and Block Development Officers, your Company is aiming to significantly lowering the current rate of malnutrition to 5% from 9% in the foreseeable future.

**Water Positivity**

The Chairperson of your Company’s CSR Committee has alluded to ways in which your Company works to ensure water positivity. Up until now your Company has constructed 165 check dams, 69 rainwater harvesting structures, soak pits, large ponds. This has enabled your Company conserve 247 million cubic feet of water reaching out to 28,045 farmers at Dhar (Madhya Pradesh), Malkhed (Karnataka), Tadipatri (Andhra Pradesh) and Baga (Himachal Pradesh). Your Company has collaborated with National Bank for Agriculture and Rural Development (“NABARD”) for Watershed Management. Furthermore, your Company’s demonstration farms and work in the commonly held 66-acres area has been a boon to its farming populace at Bela (Madhya Pradesh), Baikunth and Rawan (Chhattisgarh), Tadipatri, Neemuch (Madhya Pradesh), Dhar and Kovaya (Gujarat). Climate resilient





agriculture at Neemuch, Dhar, Baikunth, Rawan, Hirmi (Chhattisgarh), Malkhed, Tadipatri, is much encouraged.

Veterinary camps aided over 23,800 cattle owners. Nearly 54,207 cattle were immunised and 1,649 cattle were artificially inseminated at Hirmi, Rawan, Khor (Madhya Pradesh), Shambhupura (Rajasthan), Kharia (Rajasthan), Kotputli (Rajasthan), Kovaya, Jafrabad (Gujarat), Sewagram (Gujarat), Malkhed, Tadipatri, Rewa (Madhya Pradesh) and Dalla (Uttar Pradesh). It has enhanced the income of the farmers as the milk outcome notched up by 70%. Farmer training programmes have been intensified. Collectively there has been an upswing in their earnings.

### SDG-3: Ensuring, healthy lives and promoting well-being for all, in all age groups

Over 5 lakh people recourse to healthcare initiatives. Through the mobile health camps, your Company has reached out to 157,178 patients.

Your Company's 23 ambulances attend to the village populace. Alongside, your Company tends to patients at its 14 hospitals and dispensaries.

Eye camps, dental checkups, blood donation, homeopathy, thalassemia, hemoglobin testing and general health counselling benefitted 6,288 families.

Importantly, collaborating with the District Health Department, your Company's 47 Family Welfare Centres, reached out to 8,415 women (antenatal, post-natal care, mass immunisation, nutrition and escort services for institutional delivery). Over 132,359 children were immunised against polio, BCG, DPT and Hepatitis-B across your Company's Units.

### SDG-4: Education

Your Company's close involvement with the Kasturba Gandhi Balika Vidyalayas and in the other institutions has motivated 1,681 girls to pursue formal education.

The digital literacy programmes delighted 4,600 students from a number of villages in Rawan, Hirmi and Kharia.

Nearly 10,804 children were enrolled at 287 Anganwadis that your Company support at Siddhi (Madhya Pradesh), Dhar, Bela, Kharia, Malkhed, Tadipatri, Budawada (Andhra Pradesh), Khor, Dhar, Shambhupura, Baga, Pali (Rajasthan), Maihar (Madhya Pradesh), Dalla, Reddipalayam (Tamil Nadu), Sewagram, Hirmi, Baikunth and Rawan. Under the Integrated Child Development Scheme (ICDS), 185 malnourished children were nurtured by your Company on the road to health.

At 31 Aditya Birla Public Schools, your Company has registered 18,114 students.

The 'Pratyush Super 30' (Siddhi), provides special coaching for Grade XI – XII students to enable them to appear for JEE and NEET competitive exams.

The Navodaya coaching centres for enhancing learning outcomes are set up in Kharia, Rawan and Hirmi. Up until now 65 students have been selected in the premier Government schools.

Through the online coaching sessions during the COVID pandemic, 1,567 students were mentored at Kharia, Hirmi, Baikunth, Rawan, Malkhed, Khor and Shambhupura for proficiency in Mathematics, Science and English.

Bettering the infrastructure of 4 school buildings in Shambhupura, Budawada and Dhar, were well greeted. These strengthened sanitations and drinking water facilities at several schools.

### SDG-5: Women empowerment and gender equality

In the 353 of the 840 self-help groups totaling 3,757 women, each one of them has been on a transformative journey.

At Tadipatri, Kotputli, Malkhed, Rawan, Hirmi, Bela, Reddipalayam, Vikram and Shambhupura, these gutsy women have made 16,297 uniforms and 20,295 face masks. In all, your Company's self-help groups tailored 2.13 lakh face masks. Yet another group of SHGs learnt to make umbrellas. They made it a self-sustaining business.

At the "Ulhas Utsav" special festival, in Maharashtra's Chandrapur district, women teams played against each other. They were cheered by their families and the District Officials along with CSR teams. As they played games in the open grounds in a competitive spirit, they felt empowered and their self-esteem increased phenomenally. The programme is now replicated at Units in Madhya Pradesh and Karnataka. Over 2,310 women have taken part in the sports event.

### The sixth, seventh and eighth SDGs, center on water and sanitation, reliable, sustainable, modern energy, decent work, and economic growth.

Your Company's 29 Reverse Osmosis (RO) plants provide safe drinking water. Pipelines and bore wells, water tanks, doorstep water facilities benefit more than 86,000 villagers.

90% of the villages where your Company operates have been declared Open Defecation Free.

Imparting vocational training, skills training, along with farm/non-farm based programmes and SHGs, meet with these SDG goals. Collectively, the lives of 7,793 people have been changed.

### SDG-9: Build resilient infrastructure

Your Company's infrastructure projects: connectivity, road repairs, community halls and assets, rest places, installation of solar lights, cement benches, construction of water tanks and installation of piped water supply, have impacted the lives of 294,478 people.

Of the 507 villages, where your Company operates in, 44 villages have been slated to become model villages. Up until now, 100 villages have made the cut to be rated as model villages. Impact assessment studies by external agencies have certified/commended the transformation of these villages.

### Accolades/Awards received:

- National Award for Excellence in Corporate Social Responsibility for COVID;
- Fame CSR Award;
- Excellence Award for COVID 19 CSR Response;
- ICC Award;

### CSR spends

This year, your Company invested ₹ 96.40 crores and raised ₹ 40.16 crores, leveraging the Government's development programmes.

Your Company owes big time to its Chairman and to the Chairperson of the CSR Committee a sincere thank you, for always encouraging and motivating to do better than the best. Your Company acknowledges the Board of Directors, Management, leadership teams, CSR team and each and every colleague for always cheering its CSR engagements. Your Company's projects are geared towards enriching lives of 16 lakhs of its fellow Indians in 507 villages across 16 States.

## SECTION A: GENERAL DISCLOSURES

### I. DETAILS

1. Corporate Identity Number (CIN) of the Listed Entity	L26940MH2000PLC128420
2. Name of the Listed Entity	UltraTech Cement Limited
3. Year of incorporation	24 <sup>th</sup> August, 2000
4. Registered office address	B Wing, Ahura Centre, 2 <sup>nd</sup> Floor, Mahakali Caves Road, Andheri (East), Mumbai 400 093
5. Corporate address	B Wing, Ahura Centre, 2 <sup>nd</sup> Floor, Mahakali Caves Road, Andheri (East), Mumbai 400 093
6. E-mail	brr.utcl@adityabirla.com
7. Telephone	022 - 6691 7800 / 2926 7800
8. Website	<a href="http://www.ultratechcement.com">www.ultratechcement.com</a>
9. Financial year for which reporting is being done	1 <sup>st</sup> April, 2021 to 31 <sup>st</sup> March, 2022
10. Name of the Stock Exchange(s) where shares are listed	- BSE Limited - National Stock Exchange of India Limited
11. Paid-up Capital	₹ 2,88,67,08,470
12. Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Sanjeeb Kumar Chatterjee Company Secretary B Wing, Ahura Centre, 2 <sup>nd</sup> Floor, Mahakali Caves Road, Andheri (East), Mumbai 400 093 Tel.: 022-6691 7800 Email: <a href="mailto:brr.utcl@adityabirla.com">brr.utcl@adityabirla.com</a>
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

### II. PRODUCTS/SERVICES

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

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1.	Manufacturing	Other manufacturing	100

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

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1.	Manufacture of Clinker and Cement	2394	90

## 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	22 Integrated Cement Units; 23 Grinding Units; 1 White Cement Unit; 1 Wall Care Putty; 7 Bulk Terminals; 177 Ready Mix Concrete Units, 36 Building Product Division Units	1 Registered Office 1 Central Marketing Office 8 Zonal Marketing Offices	277
International	1 Clinkerisation Unit 4 Grinding Unit 1 Bulk Terminal	-	6

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

##### a. Number of locations

Locations	Number
National (No. of States)	28 States and 8 Union Territories
International (No. of Countries)	4 countries

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

- 0.5%

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

- Individual Home Builders; Dealers; Real Estate Developers; Infrastructure Companies.

## IV. EMPLOYEES

#### 18. Details as at the end of Financial Year 2021-2022:

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

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	%(B/A)	No. (C)	%(C/A)
<b>EMPLOYEES</b>						
1.	Permanent (D)	15,546	14,996	96	550	4
2.	Other than Permanent (E)	4,713	4,467	95	246	5
3.	<b>Total employees (D + E)</b>	<b>20,259</b>	<b>19,463</b>	<b>96</b>	<b>796</b>	<b>4</b>
<b>WORKERS</b>						
4.	Permanent (F)	6,396	6,383	99.80	13	0.20
5.	Other than Permanent (G)	36,559	35,851	98	708	2
6.	<b>Total workers (F + G)</b>	<b>42,955</b>	<b>42,234</b>	<b>98</b>	<b>721</b>	<b>2</b>

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

S. No.	Particulars	Total (A)	Male		Female	
			No. (B)	%(B/A)	No. (C)	%(C/A)
<b>DIFFERENTLY ABLED EMPLOYEES</b>						
1.	Permanent (D)	9	8	89	1	11
2.	Other than Permanent (E)	1	1	100	-	-
3.	<b>Total differently abled employees (D + E)</b>	<b>10</b>	<b>9</b>	<b>90</b>	<b>1</b>	<b>10</b>
<b>DIFFERENTLY ABLED WORKERS</b>						
4.	Permanent (F)	14	14	100	-	-
5.	Other than permanent (G)	8	8	100	-	-
6.	<b>Total differently abled workers (F + G)</b>	<b>22</b>	<b>22</b>	<b>100</b>	<b>-</b>	<b>-</b>

## 19. Participation/Inclusion/Representation of women:

	Total (A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	10	3	30
Key Management Personnel*	3	-	-

\* (includes 2 Executive Directors and Company Secretary)

## 20. Turnover rate for permanent employees and workers:

	FY 22			FY 21			FY 20		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	9.31%	15.82%	9.75%	5.92%	11.16%	5.97%	7.62%	11.70%	8.09%
Permanent Workers	7.05%	0.00%	6.80%	5.08%	8.33%	5.28%	5.45%	16.67%	5.34%

## 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)
1	Grasim Industries Limited	Holding	57.27	Sr. No. 1: Grasim Industries Limited follows its separate business responsibility initiatives. Sr. Nos. 2 to 9: The Company's business responsibility initiatives apply to its subsidiaries.
2	Bhagwati Lime Stone Company Private Limited	Subsidiary	100	
3	Gotan Lime Stone Khanij Udyog Private Limited	Subsidiary	100	
4	Harish Cement Limited	Subsidiary	100	
5	PT UltraTech Investments Indonesia	Subsidiary	100	
6	PT UltraTech Mining Indonesia	Subsidiary	100	
7	UltraTech Cement Lanka (Pvt.) Limited	Subsidiary	80	
8	UltraTech Cement Middle East Investments Limited	Subsidiary	100	
9	UltraTech Nathdwara Cement Limited	Subsidiary	100	
10	Aditya Birla Renewable Energy Limited	Associate	26	
11	Aditya Birla Renewables SPV1 Limited	Associate	26	
12	Bhaskarpara Coal Company Limited	Associate	47.37	
13	Madanpur (North) Coal Company Private Limited	Joint Venture	11.17	

## VI. CSR DETAILS

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: (Yes/No) - Yes  
(ii) Turnover (in ₹) 51,707.85 crores  
(iii) Net worth (in ₹) 50,431.21 crores

## VII. TRANSPARENCY AND DISCLOSURES COMPLIANCES

### 23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received	Grievance Redressal Mechanism in Place (Yes/No) (If Yes, then provide web-link for grievance redress policy)	FY 2021-2022			FY 2020-2021		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes.	-	-	-	-	-	-
Investors (other than shareholders)	The Company has in place a Grievance Redressal Mechanism;	-	-	-	-	-	-
Shareholders	details whereof are available at <a href="http://www.ultratechcement.com">www.ultratechcement.com</a>	53	1	-	43	1	-
Employees and workers		1,349	5	-	463	3	-
Customers		1,818	4	-	2,368	6	-
Value Chain Partners		-	-	-	-	-	-
Other (please specify)		-	-	-	-	-	-

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

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

S. No.	Material issue identified	Indicate whether risk or opportunity (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)
1	Global regulations on curbing Green House Gas Emissions	Risk	Consumption of limestone and fossil fuels as part of the manufacturing process leads to release of carbon emissions.	Please refer to the Risk Management section forming part of the Directors' Report and Management Discussion and Analysis.	Negative
2	Climate Change and Global Warming	Opportunity	Climate Change and global warming related risk includes risks pertaining to environmental norms and natural calamities triggered by climate change, as well as local and global level sustainability pressures.	Although this is a risk at present, it provides the Company a unique opportunity to shift to sustainable practices like exploring renewable energy, resource and fuel sources. For details, please refer to the Risk Management section forming part of the Directors' Report and Management Discussion and Analysis.	Positive
3	Health & Safety (Occupational Hazards)	Risk	Occupational hazards can encompass many types of risks. The ones related to the Company's activities are biological hazards, psychosocial hazards and physical hazards. This type of risk signifies both long-term and short-term risks associated with the workplace	The Company follows 'Zero tolerance' policy for safety breaches. The Company conducts business with only those vendors who qualify across all of our stringent safety parameters.	Negative

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)
			environment. Short term risks may include physical injury, while long-term risks may be increased risk of developing a chronic disease.	Zero Fatality target for 2024. Use of wearables integrated with IT-enabled system for conducting safety audit from remote location. Digitisation in safety: Application for video analytics and data analytics. Safety training through AI-based platform (USHA Chatbot). Monthly safety campaigns on identified themes have been helping in sensitising people across plants. Board and unit level committees monitoring Safety leading and lagging parameters.	

## SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

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

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as follows:

- P1 Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
- P2 Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
- P3 Businesses should promote the wellbeing of all employees
- P4 Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized
- 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

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
<b>Policy and management processes</b>									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	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	Policies are available at <a href="https://www.ultratechcement.com/investors/corporate-governance#policies">https://www.ultratechcement.com/investors/corporate-governance#policies</a>								
2. Whether the entity has translated the policy into procedures. (Yes / No)	Y	Y	Y	Y	Y	Y	Y	Y	Y
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	The Company expects its value chain partners to adhere to the Company's enlisted policies in all their dealings with the Company.								

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 your entity and mapped to each principle.	The policies are based on prescribed principles, conformance to the spirit of international standards like ISO 9000; ISO 14000; OHSAS 18000; ISO 45000; ISO 50000; SA 8000; UNGC Guidelines; GRI Standards; BIS Standards; ILO Principles; WBCSD; IGBC GreenPro																	
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	For commitments, goals and targets relating to Environment and Social, please refer to Targets and Achievements section of the Sustainability Report, the weblink for which is <a href="https://www.ultratechcement.com/about-us/sustainability/sustainability">https://www.ultratechcement.com/about-us/sustainability/sustainability</a>																	
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.																		
<b>Governance, leadership and oversight</b>																		
7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements	Please refer to the message of the Managing Director forming part of the Sustainability Report the weblink for which is <a href="https://www.ultratechcement.com/about-us/sustainability/sustainability">https://www.ultratechcement.com/about-us/sustainability/sustainability</a>																	
8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	Mr. K. C. Jhanwar DIN: 01743559 Designation: Managing Director Telephone: 022 66917800 email: <a href="mailto:brr.utcl@adityabirla.com">brr.utcl@adityabirla.com</a>																	
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. Risk Management and Sustainability Committee. The Committee comprises of: - Mrs. Sukanya Kripalu, Independent Director - Mr. K. C. Jhanwar, Managing Director - Mr. Atul Daga, Whole-time Director and Chief Financial Officer  For further details, please refer to the Report on Corporate Governance forming part of this Integrated Annual Report																	
10. Details of Review of NGRBCs by the Company:																		
Subject for Review	Indicate whether review was undertaken by Director / Committee of the Board/Any other Committee									Frequency (Annually/ Half yearly/ Quarterly/ Any other – please specify)								
	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	Committees of the Board									Annually								
Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances	The Company is compliant with applicable rules and regulations on an on-going basis.																	
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.	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9									
	The Company publishes a Sustainability Report which is GRI Standard and covers policies mentioned herein. The Report is assured by an independent certifying agency. The weblink for the Sustainability Report is <a href="https://www.ultratechcement.com/about-us/sustainability/sustainability">https://www.ultratechcement.com/about-us/sustainability/sustainability</a>																	

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)									
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)									Not Applicable
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 categorised 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	Please refer to the Corporate Governance section forming part of this Integrated Annual Report.		
Key Managerial Personnel	2	All	100
Employees other than BoD and KMPs	2	All	52
Workers	1	All	100

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

Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/judicial institutions	Amount (In ₹)	Brief of the Case	Has an appeal been preferred? (Yes/No)
Penalty/ Fine					
Settlement		Nil			
Compounding fee					
Non-Monetary					
	NGRBC Principle	Name of the regulatory/ enforcement agencies/ judicial institutions	Brief of the Case	Has an appeal been preferred? (Yes/No)	
Imprisonment					
Punishment		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
	Not Applicable

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

– Yes. The policy is available on the Company's weblink - <https://www.ultratechcement.com/investors/corporate-governance#policies>

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

	FY 2021-2022	FY 2020-2021
Directors		
KMPs	Nil	Nil
Employees		
Workers		

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

	FY 2021-2022		FY 2020-2021	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of Interest of the Directors	Nil		Nil	
Number of complaints received in relation to issues of Conflict of Interest of the KMPs	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

### 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.

	FY 2021-2022	FY 2020-2021	Details of improvements in environmental and social impacts
R&D	0.04%	0.06%	Conservation of energy
Capex	1.32%	0.52%	

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 developed a Sustainable Supply Chain Framework which uses an ESG criteria for vendor assessment and prefers those with better scores.
- These criteria encompass availability of robust policies, compliance certifications like ISO 14001, OHSAS 18001, etc., performance on emissions, water use, human rights, etc.
- The other element which is an integral part for sustainable sourcing, is sourcing locally, which reduces the impact on environment.
- More than 19% of raw material used for production of cement is recycled from industrial waste which is sourced sustainably, leading to an increase of 15.4% usage as compared to the previous year.

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 aims to reduce waste and dispose the same responsibly.
  - It follows circularity principles in the manufacturing and end use stage of the product lifecycle.
  - Fly ash generated in the captive power plants is used as an additive for blending with cement.
  - The Company is plastic negative. Plastic waste generated at the Company's manufacturing Units is used as fuel in the kilns. It also sources plastic waste from local municipal corporations and industries, as alternative fuel.
  - The above initiatives result in lower usage of natural resources, thereby reducing environmental footprints and curtailing emissions.
  - The Company does not generate any hazardous waste, but consumes hazardous waste like chemical waste etc. procured from outside.

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.

Extended Producer Responsibility (EPR) is evolving and final guidelines are to be issued by Pollution Control Boards. The Company's Units have submitted their action plans in line with the EPR guidelines.

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

#### Essential Indicators

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

Category	% of employees <sup>#</sup> covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits <sup>@</sup>		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
<b>Permanent employees</b>											
Male	14,732	14,732	100	14,732	100	N.A	N.A	363	2	-	-
Female	539	539	100	539	100	539	100	N.A	N.A	-	-
<b>Total</b>	<b>15,271</b>	<b>15,271</b>	<b>100</b>	<b>15,271</b>	<b>100</b>	<b>539</b>	<b>4</b>	<b>363</b>	<b>2</b>	<b>-</b>	<b>-</b>
<b>Other than Permanent employees</b>											
Male											
Female	Vendors and Contractors are required to adhere with the statutory compliance as per the State rules.										
<b>Total</b>											

# Data specific to India

@ For paternity benefits, the number of employees who availed paternity leave is mentioned.

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

Category	% of workers <sup>#</sup> covered by										
	Total (A)	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)
<b>Permanent workers</b>											
Male <sup>#</sup>	6,136	6,136	100	6,136	100	-	-	N.A	N.A.	-	-
Female	13	13	100	13	100	13	100	N.A	N.A.	-	-
<b>Total</b>	<b>6,149</b>	<b>6,149</b>	<b>100</b>	<b>6,149</b>	<b>100</b>	<b>13</b>	<b>0.21</b>	<b>N.A</b>	<b>N.A.</b>	<b>-</b>	<b>-</b>

Category	% of workers <sup>#</sup> covered by										
	Total (A)	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)
<b>Other than Permanent workers</b>											
Male											
Female	Vendors and Contractors are required to adhere with the statutory compliance as per the State rules.										
<b>Total</b>											

# Data specific to India

2. Details of retirement benefits:

Benefits <sup>#</sup>	FY 2021-2022			FY 2020-2021		
	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	Yes	100	100	Yes
ESI	N.A	12	Yes	N.A	18.50	Yes
Others – please specify	Superannuation: 10 NPS: 5	-	Yes	Superannuation: 12 NPS: 4	-	Yes

# Data specific to India

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.

The Company is committed to being an equal opportunity employer and ensures an inclusive workplace for all its employees, contractors and partners. It is working on developing a policy to strengthen its commitments to ensure equal opportunity for all stakeholders.

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

Gender	Permanent employees		Permanent workers	
	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	77%	88%	Not applicable	Not applicable
Female	47%	86%	Not applicable	Not applicable
<b>Total</b>	<b>76%</b>	<b>88%</b>	<b>Not applicable</b>	<b>Not applicable</b>

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	The Employee Relations Team meet at the shop floor twice a week to discuss concerns raised and tasks are assigned to Team Members for speedy redressal of grievances.
Other than Permanent Workers	The Company has a digitised Online Tool- Xpedite for receiving and attending to grievances.
Permanent Employees	
Other than Permanent Employees	

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

Category#	FY 2021-2022			FY 2020-2021		
	Total employees/workers in respective category (A)	No. of employees/workers in respective category, who are part of association(s) or Union (B)	% (B/A)	Total employees/workers in respective category (C)	No. of employees/workers in respective category, who are part of association(s) or Union (D)	% (D/C)
<b>Total Permanent Employees</b>	-	-	-	-	-	-
- Male	-	-	-	-	-	-
- Female	-	-	-	-	-	-
<b>Total Permanent Workers</b>	6,149	4,126	67	6,582	4,516	69
- Male	6,136	4,126	67	6,570	4,516	69
- Female	13	-	-	12	-	-

# Data specific to India

8. Details of training given to employees and workers:

Category	FY 2021-2022					FY 2020-2021				
	Total (A)	On Health and safety measures		On Skill upgradation		Total (D)	On Health and safety measures		On Skill upgradation	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
<b>Employees</b>										
Male	14,996	12,983	87	13,197	88	14,417	12,939	90	14,108	98
Female	550	167	30	478	87	466	139	30	447	96
<b>Total</b>	<b>15,546</b>	<b>13,150</b>	<b>85</b>	<b>13,675</b>	<b>88</b>	<b>14,883</b>	<b>13,078</b>	<b>88</b>	<b>14,555</b>	<b>98</b>
<b>Workers</b>										
Male	6,383	6,255	98	396	6	6,826	6,717	98	2,133	31
Female	13	13	100	12	92	12	12	100	12	100
<b>Total</b>	<b>6,396</b>	<b>6,268</b>	<b>98</b>	<b>408</b>	<b>6</b>	<b>6,838</b>	<b>6,729</b>	<b>98</b>	<b>2,145</b>	<b>31</b>

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

Category	FY 2021-2022			FY 2020-2021		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
<b>Employees</b>						
Male	14,996	14,996	100	14,417	14,417	100
Female	550	550	100	466	466	100
<b>Total</b>	<b>15,546</b>	<b>15,546</b>	<b>100</b>	<b>14,883</b>	<b>14,883</b>	<b>100</b>
<b>Workers</b>						
Male	6,383	6,383	100	6,826	6,826	100
Female	13	13	100	12	12	100
<b>Total</b>	<b>6,396</b>	<b>6,396</b>	<b>100</b>	<b>6,838</b>	<b>6,838</b>	<b>100</b>

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 of such system?

- Yes. The Company's Units are ISO 45001 certified for implemented occupational health and safety management systems covering all elements of Plan-Do-Check-Act (PDCA) cycle.

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

- The Company has a structured Hazard Identification and Risk Assessment (HIRA) standard which the Units follow.
- Cross functional teams trained in HIRA methodology identify hazards involved in each activity and evaluate associated risks based on exposure (E), severity (S) and probability (P) following Kinney & Fine method.
- The initial risk score, considering existing control is equal to E x S x P. If the risk score is beyond tolerable limit, additional controls are exercised and the final score is assigned. Efforts are made to follow hierarchy of control in the order of elimination, substitution, engineering control, administrative control and personal protective equipment (PPE). Prioritised actions are taken to reduce / manage significant risks.
- Apart from tier-1 risk assessment described above, tier -2 risk assessment is also done for high-risk activities with the help of HAZOP, PHA and Bowtie as applicable.

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/ workers 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	FY 2021-2022	FY 2020-2021
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.30	0.03
	Workers	0.16	0.18
Total recordable work-related injuries	Employees	24	9
	Workers	59	59
No. of fatalities	Employees	2	1
	Workers	5	1
High consequence work-related injury or ill-health (excluding fatalities)	Employees	11	1
	Workers	25	19

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

- 1) Reporting of near miss incident.
- 2) Conducting safety observation rounds – twice a month.
- 3) Refresher training of all standards.

Overall effectiveness of safety and occupational health management system is reviewed by the Apex Governance body, i.e., OHS board chaired by the Managing Director and Sub-Committees headed by Manufacturing Cluster Heads and Corporate Function Heads:

- Standards and Procedures
- Safety Observation & Audit
- Training & Capability Building
- Incident Investigation
- Contractor Safety Management
- Occupational Health
- Logistics Safety
- Project Safety

Additionally, six Sub-Committees at Unit level, headed by the Unit Head, work to ensure employee safety and occupational health in a sustained manner.

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

	FY 2021-2022			FY 2020-2021		
	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	Nil	Nil	Nil	Nil
Health & Safety	Nil	Nil	Nil	Nil	Nil	Nil

14. Assessments for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100% by the Company, 85% by third party
Working Conditions	100% by the Company, 85% by third party

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.

Use of digitisation in Safety; Contractor Safety; Contractor Connect Initiative; Walkthrough inspections; Safety Inspection Review; Safety events; Addressing high risk operations through augmented process knowledge are some of the initiatives taken / underway to address safety-related incidents. For further details, refer to the Directors' Report and Management Discussion & Analysis forming part of this Integrated Annual Report.

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

**Essential Indicators**

- Describe the processes for identifying key stakeholder groups of the entity.
  - Please refer to the Stakeholder Engagement section forming part of the Sustainability Report – 2022 available at <https://www.ultratechcement.com/about-us/sustainability/sustainability>.
- 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)	Channel of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website) other	Frequency of Engagement (Annual / Half Yearly / Quarterly / Others – Please specify)	Purpose and Scope of engagement including key topics and concerns raised during such engagement
Industry Associations	No	- Meetings - Website - Annual Report - Sustainability Report	Annually and as and when required	Information exchange on key sustainability parameters.
Shareholders, Lenders & Investors	No	- General meetings. - Investor meetings - Annual Report - Sustainability Report - Investor Presentation - One-on-One meetings	Quarterly; Annually and as and when required	The Company engages with all its stakeholders. It helps to enrich business conduct by understanding their priorities and addressing their queries and concerns.
Government and Regulatory Authorities	No	- Annual report and regulatory filings - Facility Inspections - One-on-One meetings	Annually / Monthly and as and when required	Good governance practice; community engagement; regulatory compliance; environmental initiatives.
Employees	No	- Internal communication platforms - Townhalls	Daily	Employee engagement is an on-going exercise conducted throughout the year. The Company has also set up a formal mechanism for this – the Vibes employee survey, which includes all its employees.

Stakeholder Group	Whether identified as Vulnerable & Marginalized Group (Yes/No)	Channel of Communication (Email, SMS, Newspaper, Pamphlets, Advertisement, Community Meetings, Notice Board, Website) other	Frequency of Engagement (Annual / Half Yearly / Quarterly / Others – Please specify)	Purpose and Scope of engagement including key topics and concerns raised during such engagement
Customers	Yes	- Company website - Product Campaigns - Surveys - Grievance Redressal	Periodic	Evaluating satisfaction level of customers using net promoter score (NPS) methodology.
Suppliers and Contractors	Yes	- Review Meetings - Vendor Interactions - Performance reports - Feedback and grievance forms	Periodic	Engagement with suppliers and contractors by adhering to the Supply chain code of conduct, thereby developing long-term business relationships.
Community	Yes	- Community Visits & meetings - Surveys - Workshops	Periodic	Help benefit the communities in the areas surrounding the Company's operations through livelihood opportunities – through various CSR initiatives at the Company.

**PRINCIPLE 5 Businesses should respect and promote human rights**

**Essential Indicators**

- Employees and workers who have been provided training on human rights issues and policy(ies) of the entity, in the following format:

Category	FY 2021-2022			FY 2020-2021		
	Total (A)	No. of employee / workers covered (B)	% (B/A)	Total (C)	No. of employees / workers covered (D)	% (D / C)
<b>Employees</b>						
Permanent	9,528	72	0.76	9,087	64	0.70
Other than permanent	902	-	-	890	-	-
<b>Total Employees</b>	10,430	72	0.69	9,977	64	0.64
<b>Workers</b>						
Permanent	6,155	-	-	6,583	-	-
Other permanent	36,323	-	-	35,744	-	-
<b>Total Workers</b>	42,478	-	-	42,327	-	-

- Details of minimum wages paid to employees and workers, in the following format:  
All employees and contractors have been paid more than / = minimum wages in accordance with the laws of the land where the Company operates.
- Details of remuneration/salary/wages#, in the following format

	Male		Female	
	Number	Median remuneration/ salary/ wages of respective category	Number	Median remuneration/ salary/ wages of respective category
Board of Directors (BoD)	4	₹ 1.20 crore	3	₹ 0.95 crore
Key Managerial Personnel*	3	₹ 5.38 crore	-	-
Employees other than BoD and KMP	14,729	8,96,519	539	8,26,809
Workers	6,136	5,65,000	13	5,45,000

# Data specific to India  
\* (includes 2 Executive Directors and Company Secretary)



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
5. Describe the internal mechanisms in place to redress grievances related to human rights issues.
  - Internal Audit
  - Certification SA 14000 & IMS
  - Human Resource Policy.
6. Number of Complaints on the following made by employees and workers:

	FY 2021-2022			FY 2020-2021		
	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	3	-	closed	4	1	subsequently closed
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced Labour/Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other human rights related issues	-	-	-	-	-	-

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.
  - POSH Committee
  - ER Apke Dware
  - Shop Floor Committee meeting
  - Parakh Audit
  - Monthly meeting with Unions
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	NA
Forced/involuntary labour	NA
Sexual harassment	100
Discrimination at workplace	100
Wages	100
Others – please specify	NA

10. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 9 above.
  - ER Apke Dware and physical verification of workmen on the shop floor. Safety Audits i.e. FPSA and SPSA, Parakh Audit, Statutory Audit, Inspection by labour department.
  - Regular employee education.

## 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	FY 2021-2022	FY 2020-2021
Total electricity consumption (A) (TJ)	4,627.62	4,404.03
Total fuel consumption (B) (TJ)	2,66,383.00	2,52,120.95
Energy consumption through other sources (C)	-	-
<b>Total energy consumption (A+B+C) (TJ)</b>	<b>2,71,010.62</b>	<b>2,56,524.98</b>
Energy intensity per rupee of turnover (Total energy consumption/ turnover in rupees)	5.15 x 10 <sup>-7</sup> TJ/₹	5.73 x 10 <sup>-7</sup> TJ/₹

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency.

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, Total 23 DCs under PAT Cycle-II, 1 DC under PAT Cycle-V, 9 DCs under PAT Cycle-VI & 23 DCs under PAT Cycle-VII (all PAT Cycle-II DCs again identified in PAT Cycle-VII) are identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India. Bureau of Energy Efficiency (BEE) and Ministry of Power have confirmed E certificates for each integrated unit covered under PAT Cycle II in August, 2021. Out of 23 DCs of PAT Cycle-II, 8 DCs have not achieved the targets.

In case of targets not achieved, following are the remedial action taken- For the compliance of targeted energy consumption under PAT Cycle-II, the Company is purchasing the E certificates for the DCs. Energy audit carried out for the DCs as well as others to identify the energy savings measures and implementing these measures to reduce the Gate to Gate energy consumptions. Installing WHRS and solar power plants in the DCs wherever the potential is available.

3. Provide details of the following disclosures related to water, in the following format:

Parameter	FY 2021-2022	FY 2020-2021
<b>Water withdrawal by source (in kilolitres)</b>		
(i) Surface water	55,56,794.16	39,82,828.41
(ii) Groundwater	49,15,446.02	44,71,952.72
(iii) Third party water	2,55,480.12	1,91,348.2
(iv) Seawater / desalinated water	7,06,035.00	7,73,298.00
(v) Others	1,61,76,708.70	1,38,86,195.96
<b>Total volume of water withdrawal (in kilolitres) (i + ii + iii + iv + v)</b>	<b>2,76,10,464.00</b>	<b>2,33,05,623.29</b>
<b>Total volume of water consumption (in kilolitres)</b>	<b>2,77,00,605.86</b>	<b>2,43,30,591.16</b>
<b>Water intensity per rupee of turnover (Water consumed / turnover)</b>	<b>0.0526</b>	<b>0.0543</b>
Water intensity (optional)	-	-

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.
  - The Company's manufacturing Units are compliant with zero liquid discharge.

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

Parameter	Please specify unit	FY 2021-2022	FY 2020-2021
NOx	Tonnes/Year	73,717.33	87,980.15
SOx	Tonnes/Year	9,783.77	7,134.93
Particulate matter (PM)	Tonnes/Year	2,873.60	2,386.09
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	--
Hazardous air pollutants (HAP)	-	-	-
Others – please specify	-	-	-

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2021-2022	FY 2020-2021
<b>Total Scope 1 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	6,14,53,953.42	5,65,85,915
<b>Total Scope 2 emissions</b> (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)	Metric tonnes of CO <sub>2</sub> equivalent	10,49,149.39	14,05,920.28
<b>Total Scope 1 and Scope 2 emissions per rupee of turnover</b>		0.000118	0.0001296
<b>Total Scope 1 and Scope 2 emission intensity</b> (optional)		-	-

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

- The Company is committed to reduce its carbon footprint and has validated all its target with Science Based Target Initiative (SBTi). To achieve the target of carbon neutrality by 2050, the Company has taken major initiatives such as WHRS installation and RE 100 which increased the green energy to 17%. It also adopted processes such as replacing traditional fuel with alternative fuel, improving energy efficiency and using industrial waste as raw material.

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2021-2022	FY 2020-2021
<b>Total Waste generated (in metric tonnes)</b>		
Plastic waste (A)	1,057.48	1,392.31
E-waste (B)	247.235	162.784
Bio-medical waste (C)	4.97	2.09
Construction and demolition waste (D)	-	-
Battery waste (E)	266.906	104.076
Radioactive waste (F)	-	-
Other Hazardous waste. Please specify, if any. (G)	1,024.74	964.44
Other Non-hazardous waste generated (H). Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	47,269.00	31,470.03
<b>Total (A+B + C + D + E + F + G + H)</b>	<b>49,870.33</b>	<b>34,095.73</b>
<b>For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Recycled		
(ii) Re-used		Not measured
(iii) Other recovery operations		
<b>Total</b>		
<b>For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)</b>		
<b>Category of waste</b>		
(i) Incineration		
(ii) Landfilling		Not measured
(iii) Other disposal operations		
<b>Total</b>		

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.

No process waste is generated from cement plant operations; however, some solid waste gets generated from utilities and offices as well as colonies, the management of which are undertaken as detailed below:

- Solid waste generated at Units and colonies are separated as per characteristic of waste viz. dry waste containing burnable fraction of paper; clothes; plastic; wet waste containing canteen / kitchen waste, horticulture waste etc. The dry waste is co-processed at the kilns and wet waste is stabilized by composting or is used in biogas plants.
- There is no process waste generated from cement manufacturing operation and the dust collected from pollution control equipment is being re-used in the process.
- Hazardous waste generated viz. lube oil, grease and oily cotton, is managed through authorized recyclers in terms of the provisions of Hazardous Waste Rules, 2016.
- Cement manufacturing process do not use any kind of hazardous or toxic chemicals, whereas it co-processes various hazardous as well as toxic material of other industries in the cement kilns which is a best proven and scientific method to dispose of such materials without harming the environment.
- The Company re-uses the fly ash and bottom ash generated from its captive power plants.
- Automatic dust cleaning systems like mechanised sweeping machines for removing dust from floors, concrete/ tar topped roads inside the Units to avoid dispersion of dust and good housekeeping practices have been adopted to control fugitive emissions.

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.
1	Jafrabad Cement Works Village- Babarkot, Taluka- Jafrabad, Dist.- Amreli	Limestone Mines and captive Jetty-CRZ Area	Yes
2	Sewagram Cement Works Village- Vayor, Taluka- ABDASA, Dist.- Kutch (Bhuj) Gujarat	Limestone Mines and captive Jetty- CRZ Area	Yes
3	Gujarat Cement Works Village- Kovaya, Taluka- Rajula, Dist.- Amreli	Limestone Mines and captive Jetty- CRZ Area	Yes
4	Sidhi Cement Works Village: Majhigawan, P.O. Bharatpur, Tehsil: Rampur Naikin, District: Sidhi, Madhya Pradesh -486 776	Unit is falling in Forest Area and Wild Life Clearance for Cement Plant, CPP and 7 existing mines have been obtained	Yes
5	Baga Cement Works Village – Baga, P.O. Kandhar, Tehsil – Arki, District – Solan Himachal Pradesh - 171 102	Unit is falling in Forest Area and Forest clearance has been obtained for Plant and Mines.	Yes

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
Sonar Bangla Cement Works Expansion of grinding unit	EIA Notification 2006	July 2021	Yes	Yes	http://environmentclearance.nic.in/
Dhar Cement Works Expansion in Production Capacity of Sitapuri Limestone Mine along with Expansion in Crusher Capacity	EIA Notification 2006	PH conducted on 29.12.2021	Yes	Yes	www.mppcb.nic.in
Bela Cement Works New upcoming mine	EIA Notification 2006	EAC on 4.12.2021	Yes	Public hearing has been done. EC awaited	Not applicable.
Sidhi Cement Works Capacity expansion of Hinauti Extension Mine	EIA Notification 2006	PH on 4.03.2022	Yes	Yes. However Final EIA and EC is under process.	www.mppcb.nic.in
Sidhi Cement Works Capacity expansion of Cement Plant	EIA Notification 2006	PH on 3.03.2022	Yes	Yes. However Final EIA and EC is under process.	www.mppcb.nic.in
Maihar Cement Works Plant Expansion Project	EIA Notification 2006	17/01/2022	Yes	Yes, PH conducted on 09.03.2022 (Draft EIA is in public domain) final EIA is in progress	
Vikram Cement Works Borkhedi-Nayagaon Limestone Mine along with installation of Crusher	EIA Notification 2006		Yes	No, Draft EIA/ EMP Report is under Preparation.	www.mppcb.nic.in
Roorkee Cement Works EC Expansion	EIA Notification 2006	04/02/2022	Yes	Yes	environmentclearance.nic.in/auth/ECgeneral_report

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
			Nil	

## PRINCIPLE 7 Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

### Essential Indicators

- Number of affiliations with trade and industry chambers/ associations.
  - 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	Federation of Indian Chambers of Commerce and Industry	National
2	Confederation of Indian Industry	National
3	Global Cement and Concrete Association	Global
4	Global Cement and Concrete Association, India	National
5	Federation of Indian Mineral Industries	National

- Provide details of corrective action taken or underway on any issues related to anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
		Not Applicable

## PRINCIPLE 8 Businesses should promote inclusive growth and equitable development

### Essential Indicators

- Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification no.	Date of notification	Whether conducted by Independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant web link

The Company has been voluntarily conducting impact assessments through Independent Agencies to screen and evaluate select CSR programs. The Company takes cognizance of sub-rule 3 of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and shall initiate steps to conduct impact assessment of all applicable CSR projects.

- 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	Amount paid to PAFs in the FY (in INR)
						None

- Describe the mechanisms to receive and redress grievances of the community.

As a part of the CSR Policy, the Company proactively meets the community representatives and marginal stakeholders. It has a designated office and team at each manufacturing location. Each need is noted, analysed and a feasible solution is implemented.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2021-2022	FY 2020-2021
Directly sourced from MSMEs/ small producers	19	20
Sourced directly from within the district and neighbouring districts	7	6

**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 is a Customer Centric organisation with a highly experienced technical team which provides on-site support and demonstration. There's an effective complaint handling procedure that facilitates prompt logging, investigation, resolution, and closure.
- Customers can register their feedback / queries through various modes like dealers, employees, Company Website, Contact Centre. The query is attended to and addressed. Most of the complaints are closed within 72 hours. It is ensured that all the complaints are closed to the fullest customer satisfaction with a formal complaint closure documentation. In addition to this, all the complaints are registered in Technical Force Automation system from where the complaint status is monitored on monthly basis.
- Customer Care Contact Centre –The Company has a Customer Care Centre which seeks feedback from customers after any transaction (Product Query, complaint service).

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	The Company's products confirm to all applicable statutory parameters.
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

	FY 2021 2022		Remarks	FY 2020-2021		Remarks
	Received during the year	Pending resolution at end of year		Received during the year	Pending resolution at end of year	
Data privacy	-	-	-	-	-	-
Advertising	2	-	These were disposed off as the complaints were found to be invalid.	2	-	These were disposed off as the complaints were found to be invalid.
Cyber-security	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive Trade Practices	1	-	-	-	-	-
Unfair Trade Practices	11	1	-	-	-	-
Other	-	-	-	-	-	-

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for recall
Voluntary recalls		
Forced recalls		Nil

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/No) If available, provide a web-link of the policy.

Yes. The same is available on the Company's website at [www.ultratechcement.com](http://www.ultratechcement.com)

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.

## To the Members of UltraTech Cement Limited

### Report on the Audit of the Standalone Financial Statements

#### Opinion

We have audited the standalone financial statements of UltraTech Cement Limited (the "Company"), its Employees Welfare Trust ("Trust"), which comprise the standalone balance sheet as at 31 March 2022, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of one of the joint auditors on financial statements of such Trust as were audited by one of the joint auditors, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2022, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of reports of one of the joint auditors referred to in the "Other Matters" section below is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

#### Emphasis of matter

We draw attention to Note 33(b) of the standalone financial statements, which refers to the orders dated 31 August 2016 (Penalty of ₹ 1,449.51 crores) and 19 January 2017 (Penalty of ₹ 68.30 crores) of the Competition Commission of India ("CCI") against which the Company had filed appeal. Upon the National Company Law Appellate Tribunal ("NCLAT") disallowing its appeal against the CCI order dated 31 August 2016, the Company has filed an appeal before the Hon'ble Supreme Court of India, which has by its order dated 5 October 2018, granted a stay against the NCLAT order. Consequently, the Company has deposited an amount of ₹ 144.95 crores equivalent to 10% of the penalty of ₹ 1,449.51 crores recorded as asset. The Company, backed by legal opinions, believes that it has a good case in both the matters basis which no provision has been recognised in the books of account. 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 of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

## Description of Key Audit Matter

The key audit matter	How the matter was addressed in our audit
<p><b>Revenue recognition – Discounts, incentives and rebates</b> [Refer note 1 (B)(o) and 53 to the standalone financial statements]</p> <ul style="list-style-type: none"> <li>Revenue is measured net of discounts, incentives, rebates etc. given to the customers on the Company's sales.</li> <li>The Company's presence across different marketing regions within the country and the competitive business environment makes the assessment of various types of discounts, incentives and rebates as complex and judgmental.</li> <li>Therefore, there is a risk of revenue being misstated as a result of variations in the assessment of discounts, incentives and rebates.</li> <li>Given the complexity and judgement required to assess the provision for discounts, incentives and rebates, this is a key audit matter.</li> </ul>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>We have assessed the Company's accounting policies relating to revenue, discounts, incentives and rebates by comparing with applicable accounting standards.</li> <li>We have assessed the design and implementation and tested the operating effectiveness of Company's internal controls over the provisions, approvals and disbursements of discounts, incentives and rebates.</li> <li>We have assessed the Company's computations for accrual of discounts, incentives and rebates, on a sample basis, and compared the accruals made with the approved schemes and underlying documents.</li> <li>We have verified, on a sample basis, the underlying documentation for discounts, incentives and rebates recorded and disbursed during the year.</li> <li>We have compared the historical trend of payments and reversal of discounts, incentives and rebates to provisions made to assess the current year accruals.</li> <li>We have examined the manual journals posted to discounts, rebates and incentives to identify unusual or irregular items.</li> </ul>
<p><b>Regulations - Litigations and claims</b> [Refer note 33 to the standalone financial statements]</p> <ul style="list-style-type: none"> <li>The Company operates in various States within India and is exposed to different Central and State/Local laws, regulations and interpretations thereof. Due to a complex regulatory environment, there is an inherent risk of litigations and claims.</li> <li>Consequently, provisions and contingent liability disclosures may arise from indirect tax proceedings, legal proceedings, including regulatory and other government/ department proceedings, as well as investigations by authorities and commercial claims.</li> <li>The Company applies significant judgement in estimating the likelihood of the future outcome in each case and in determining the provisions or disclosures required for each matter.</li> <li>Resolution of tax and legal proceedings may span over multiple years due to the highly complex nature and magnitude of the legal matters involved and may involve protracted negotiation or litigation.</li> <li>These estimates could change significantly over time as new facts emerge and each legal case progresses.</li> <li>Given the inherent complexity and magnitude of potential exposures and the judgement necessary to estimate the amount of provisions required or to determine required disclosures, this is a key audit matter.</li> </ul>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>We understood the processes, evaluated the design and implementation of controls and tested the operating effectiveness of the Company's controls over the recording and re-assessment of uncertain legal positions, claims (including claims receivable) and contingent liabilities.</li> <li>We have gained an understanding of outstanding litigations against the Company from the Company's inhouse legal counsel and other key managerial personnel who have knowledge of these matters.</li> <li>We have read the correspondence between the Company and the various indirect tax/legal authorities and the legal opinions of external legal advisors, where applicable, for significant matters.</li> <li>We have tested the completeness of the litigations and claims by examining, on a sample basis, the Company's legal expenses and minutes of the board meetings.</li> <li>We have challenged the Company's estimate of the possible outcome of the disputed cases based on applicable indirect tax laws and legal precedence by involving our tax specialists.</li> <li>We have assessed the adequacy of the Company's disclosures in respect of contingent liabilities for indirect tax and legal matters.</li> </ul>

The key audit matter	How the matter was addressed in our audit
<p><b>Recognition and measurement of Income Taxes</b> [Refer notes 18 and 39 to the standalone financial statements]</p> <ul style="list-style-type: none"> <li>The Company operates in a complex tax jurisdiction and is subject to periodic challenges by tax authorities on various matters relating to claims for tax exemptions / deductions.</li> <li>The determination of provision for income tax and deferred taxes including write backs of provisions involves significant judgements and estimates and interpreting the prevailing tax laws and rules.</li> <li>These also involve significant judgment to determine the possible outcome of the uncertain tax positions, consequently having an impact on related accounting and disclosures in the standalone financial statements.</li> <li>Considering the complexity and significant level of estimation and judgement, this is a key audit matter.</li> </ul>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>Our audit procedures to test uncertain tax positions included understanding processes, evaluation of design and implementation of controls and testing of operating effectiveness of the Company's controls over provision for taxation, assessment of uncertain tax positions and disclosure of contingencies.</li> <li>We have read and analysed select key correspondences, external legal opinions/ consultations obtained by the Company for key tax matters.</li> <li>We have critically challenged the key assumptions made by the Company in estimating current and deferred taxes by involving our tax specialists.</li> <li>We have challenged the Company's estimate of the possible outcome of the disputed tax cases by considering legal precedence and other judicial rulings by involving our tax specialists.</li> <li>We have assessed the adequacy of the Company's disclosures for income taxes in the standalone financial statements.</li> </ul>

**Other Information**

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

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

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

**Management's and Board of Directors'/ Trustees' Responsibilities for the Standalone Financial Statements**

The Company's Management and Board of Directors/ Trustees are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit/loss and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the company/ Trustees of the employees welfare trust ("Trust") are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of each company/ Trust and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the respective Management and Board of Directors/ Trustees are responsible for assessing the ability of each company/Trust to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors/ Trustees either intends to liquidate the company/Trust or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors/ Trustees are also responsible for overseeing the financial reporting process of each company/Trust.

**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 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 the Management and Board of Directors.
- Obtain sufficient appropriate audit evidence regarding the financial statements of Trust of the Company to express an opinion on the standalone financial statements. For the Trust included in the standalone financial statements, which have been audited by one of the joint auditors, such joint auditor remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of standalone financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Other Matter**

The financial statements of the Trust have been audited by one of the joint auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of the Trust, is based solely on the report of such joint auditor.

Our opinion is not modified in respect of this matter.

**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 Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on 31 March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - a) The Company has disclosed the impact of pending litigations as at 31 March 2022 on its financial position in its standalone financial statements - Refer Note 33 to the standalone financial statements.
  - b) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer Note 45 to the standalone financial statements.
  - c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - d) (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
    - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Company or provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

- (ii) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall:
  - directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
  - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
- (iii) Based on such audit procedures as 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 (d) (i) and (d) (ii) contain any material misstatement.
- e) The dividend declared or paid during the year by the Company is in compliance with Section 123 of the Act.
- (C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:
 

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

**For B S R & Co. LLP**  
Chartered Accountants  
Firm's Registration No.: 101248W/W-100022

**Vikas R Kasat**  
Partner  
Membership No: 105317  
ICAI UDIN: 22105317AIBGSP6959

Mumbai  
29 April 2022

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

**Ketan Vikamsey**  
Partner  
Membership No: 044000  
ICAI UDIN: 22044000AIBLGY6303

Mumbai  
29 April 2022

# Annexure A to the Independent Auditor's Report on standalone financial statements of UltraTech Cement Limited for the year ended 31 March 2022

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (i) (b) According to the information and explanations given to us, the Company has a regular programme of physical verification of its property, plant and equipment by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Certain discrepancies noticed on such verification were not material and have been properly dealt with in the books of account.
- (i) (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company, except for the following which are not held in the name of the Company:

Description of property	Gross carrying value (₹ in crores)	Held in the 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 the Company also indicate if in dispute
Freehold Land	360.39	Grasim Industries Limited	Promoter	1 July 2010	The title of the asset transferred pursuant to the scheme of amalgamation/ arrangement/ merger/ demerger are in the process of being transferred in the name of the Company.
Freehold Land	1,002.60	Jai Prakash Associates Limited	No	29 June 2017	The title of the asset transferred pursuant to the scheme of amalgamation/ arrangement/ merger/ demerger are in the process of being transferred in the name of the Company.
Freehold Land	18.55	Century Textiles and Industries Limited	No	20 May 2018	The title of the asset transferred pursuant to the scheme of amalgamation/ arrangement/ merger/ demerger are in the process of being transferred in the name of the Company.
Freehold Land	292.69	Jaypee Cement Corporation Limited	No	11 June 2014	The title of the asset transferred pursuant to the scheme of amalgamation/ arrangement/ merger/ demerger are in the process of being transferred in the name of the Company.
Freehold Land	6.02	Narmada Cement Limited	No	1 July 2006	The title of the asset transferred pursuant to the scheme of amalgamation/ arrangement/ merger/ demerger are in the process of being transferred in the name of the Company.
Freehold Land	7.14	Samruddhi Cement Limited	No	1 July 2010	The title of the asset transferred pursuant to the scheme of amalgamation/ arrangement/ merger/ demerger are in the process of being transferred in the name of the Company.
Leasehold Land	50.32	Century Textiles and Industries Limited	No	20 May 2018	The title of the asset transferred pursuant to the scheme of amalgamation/ arrangement/ merger/ demerger are in the process of being transferred in the name of the Company.
Leasehold Land	71.66	Grasim Industries Limited	Promoter	1 July 2010	The title of the asset transferred pursuant to the scheme of amalgamation/ arrangement/ merger/ demerger are in the process of being transferred in the name of the Company.
Leasehold Land	263.71	Jai Prakash Associates Limited	No	29 June 2017	The title of the asset transferred pursuant to the scheme of amalgamation/ arrangement/ merger/ demerger are in the process of being transferred in the name of the Company.
Leasehold Land	3.40	Larsen & Turbo Limited	No	1 April 2003	The title of the asset transferred pursuant to the scheme of amalgamation/ arrangement/ merger/ demerger are in the process of being transferred in the name of the Company.
Leasehold Land	11.84	Narmada Cement Limited	No	1 July 2006	The title of the asset transferred pursuant to the scheme of amalgamation/ arrangement/ merger/ demerger are in the process of being transferred in the name of the Company.

Description of property	Gross carrying value (₹ in crores)	Held in the 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 the Company also indicate if in dispute
Building	14.86	Grasim Industries Limited	Promoter	1 July 2010	The title of the asset transferred pursuant to the scheme of amalgamation/ arrangement/ merger/ demerger are in the process of being transferred in the name of the Company.
Building	0.50	Narmada Cement Limited	No	1 July 2006	The title of the asset transferred pursuant to the scheme of amalgamation/ arrangement/ merger/ demerger are in the process of being transferred in the name of the Company.

- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year.
- (e) According to information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or 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 inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned any working capital limits in excess of five crore rupees in aggregate from banks and financial institutions on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.
- (iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investments in companies and has not made any investments in firms, limited liability partnership or any other parties. The Company has provided guarantee and security and has granted loans and advances in the nature of loans to Companies during the year, in respect of which the requisite information is as below. The Company has not provided any guarantee or security, granted any loans or advances in the nature of loans, secured or unsecured, to firms, limited liability partnership or any other parties during the year.
- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity as below:

Particulars	(₹ In crore)			
	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount during the year				
Subsidiaries*	227.38	Nil	2,725.00	Nil
Others	Nil	Nil	8.10	Nil
Balance outstanding as at balance sheet date				
Subsidiaries*	1,799.89	Nil	2,566.76	Nil
Joint ventures*	1.70	Nil	Nil	Nil
Others	Nil	Nil	16.13	Nil

\*As per Companies Act, 2013



- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made, guarantees provided, security given during the year and the terms and conditions of the grant of loans and advances in the nature of loans and guarantees provided during the year are, prima facie, not prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular except for the loan of ₹ 2,566.76 crores given to UltraTech Nathdwara Cement Limited which is repayable on demand. There has been no default on the part of the party to whom the money has been lent. The payment of interest has been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to same parties.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion 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 except for the following loans or advances in the nature of loans to its Promoters and related parties as defined in Clause (76) of Section 2 of the Companies Act, 2013 ("the Act"):

Particulars	Related Parties (₹ In crores)
Aggregate of loans/advances in nature of loan	2,566.76
- Repayable on demand (A)	2,566.76
- Agreement does not specify any terms or period of Repayment (B)	Nil
<b>Total (A+B)</b>	<b>2,566.76</b>
Percentage of loans/advances in nature of loan to the total loans	99.37%

- (iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments made and loans, guarantees and security given by the Company, the provisions of section 185 and 186 of the Companies Act, 2013 ("the Act") have been complied with.
- (v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.
- (vi) We have broadly reviewed the books of accounts maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues have been subsumed into GST.
- According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax ('GST'), Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues have been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of GST, Provident fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess and other statutory dues were in arrears as at 31 March 2022 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to GST, Provident Fund, Employees State Insurance, Income-Tax, Service Tax, Duty of excise, Sales tax, Value added tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are as follows:

Name of the statute	Nature of the dues	Amount (₹)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Refer Annexure I					

- (viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- (ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.
- (c) According to the information and explanations given to us by the management, the Company has not obtained any term loans during the year. Accordingly, clause 3(ix)(c) of the Order is not applicable.
- (d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that 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 as defined under the Act.
- (f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act, 2013).
- (x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
- (xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

- (c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.
- (xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act, are not applicable to the Company.
- (xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.
- (b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.
- (d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) does not have more than one CIC.
- (xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- (xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty 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 our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of section 135 of the Companies Act, 2013 pursuant to any project. Accordingly, clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable.
- (b) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any ongoing project. Accordingly, clause 3(xx)(b) of the Order is not applicable.

For **B S R & Co. LLP**  
Chartered Accountants  
Firm's Registration No.: 101248W/W-100022

**Vikas R Kasat**  
Partner  
Membership No: 105317  
ICAI UDIN: 22105317AIBGSP6959

Mumbai  
29 April 2022

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

**Ketan Vikamsey**  
Partner  
Membership No: 044000  
ICAI UDIN: 22044000AIBLGY6303

Mumbai  
29 April 2022

## Annexure I

Name of the statute	Nature of the dues	Amount (₹ In Crores)	Period to which the amount relates	Forum where dispute is pending
Sales Tax/ Value Added Tax	Sales Tax, Value Added Tax, Interest and Penalty	529.42	2000-2017	Supreme Court
		76.33	1988-2021	High Court
		144.94	1985-2016	Tribunal
		90.26	1990-2020	Appellate Authorities
		1.05	2015-2017	Assessing Officers
		55.15	2002-2006	High Court
Customs Act, 1962	Customs duty, Interest and Penalty	265.15	2000-2014	Tribunal
		0.14	2003-2015	Appellate Authorities
		189.19	1994-2018	Supreme Court
Central Excise Act, 1944	Excise duty, Interest and Penalty	44.94	1996-2016	High Court
		1,485.91	1994-2018	Tribunal
		30.87	1998-2018	Appellate Authorities
		5.04	1994-2018	Assessing Officers
		22.90	2004-2008	Supreme Court
Finance Act, 1994	Service Tax, Interest and Penalty	18.15	2004-2014	High Court
		220.52	2005-2018	Tribunal
		14.75	2005-2018	Appellate Authorities
		5.02	2005-2018	Assessing Officers
		2.74	2018-2020	Appellate Authorities
Goods and Services Tax Act, 2017	Goods and Service Tax, Interest and Penalty	9.89	2003-2016	Supreme Court
		514.29	2005-2018	High Court
		5.73	2001-2011	Tribunal
		127.61	2005-2018	Appellate Authorities
		9.11	2001-2001	Assessing Officers
Income Tax Act, 1961	Income Tax, Interest and Penalty	12.55	2001-2019	High Court
		35.65	2015-2016	Tribunal
		9.83	2010- 2019	Appellate Authorities
Stamp Duty Act	Tax, Interest and Penalty	2.32	2006-2022	Supreme Court
		303.09	2008-2017	High Court
		13.10	2017-2018	Tribunal
Cess	Tax, Interest and Penalty	182.41	2008-2015	Supreme Court
		47.01	2006-2017	High Court
		5.66	2008-2010	Tribunal
		2.93	2006-2015	Appellate Authorities
Electricity Duty Act	Cess, Interest and Penalty	100.59	2003-2021	Supreme Court
		477.56	2002-2015	High Court
		109.48	2017-2022	Tribunal
		7.23	2014-2015	Others
Mines and Mineral (Development and Regulation) Act, 1957	Royalty, Interest and Penalty	195.51	1994-2013	High Court
		24.86	1996-2013	Tribunal

Name of the statute	Nature of the dues	Amount (₹ In Crores)	Period to which the amount relates	Forum where dispute is pending
Road Development Tax	Tax, Interest and Penalty	0.60	2005-2018	Supreme Court
		74.31	2005-2022	Assessing Officers
Land Tax Act and Property Tax Act	Tax, Interest and Penalty	16.96	2006-2022	Supreme Court
		11.85	2009-2022	High Court
		1.25	2020-2022	Assessing Officers
		0.14	2014-2015	Others
Water Tax Act	Water Tax, Interest and Penalty	10.95	1998-99 to upto date	High Court
		4.56	2015-2020	Assessing Officers
Terminal Tax	Tax, Interest and Penalty	6.17	2004-2022	High Court
Motor Vehicle Act (Road Tax Charges)	RT Charges, Interest and Penalty	4.43	1995-1999	Supreme Court
		2.23	2004-2005	High Court
Employees Provident Funds Act, 1952 and Employees' State Insurance Act	Tax, Interest and Penalty	2.89	2012-2015	High Court
		0.20	1999-2020	Tribunal
		0.30	2008-2009	Appellate Authorities
Others	Tax, Interest and Penalty	29.56	2008-2009	High Court
		15.12	2008-2017	Tribunal

# Annexure B to the Independent Auditors' Report on standalone financial statements of UltraTech Cement Limited for the year ended 31 March 2022.

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph (A) (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

## Opinion

We have audited the internal financial controls with reference to financial statements of UltraTech Cement Limited ("the Company") as of 31 March 2022 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

## Management's Responsibility for Internal Financial Controls

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

## Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and whether such controls operated effectively in all material respects.

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

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

## Meaning of Internal Financial controls with Reference to Financial Statements

A Company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the

company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 Financial Statements

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

For **B S R & Co. LLP**  
Chartered Accountants  
Firm's Registration No.: 101248W/W-100022

**Vikas R Kasat**  
Partner  
Membership No: 105317  
ICAI UDIN: 22105317AIBGSP6959

Mumbai  
29 April 2022

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

**Ketan Vikamsey**  
Partner  
Membership No: 044000  
ICAI UDIN: 22044000AIBLGY6303

Mumbai  
29 April 2022

# Standalone Balance Sheet

as at March 31, 2022

₹ in Crores			
Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	2	38,551.45	38,270.94
Capital Work-in-Progress	2	4,619.12	1,522.07
Right of Use Assets	3	1,004.06	1,109.44
Goodwill		2,208.82	2,208.82
Other Intangible Assets	2	3,812.58	3,876.92
Intangible Assets under Development	2	7.41	5.72
		<b>50,203.44</b>	<b>46,993.91</b>
Financial Assets:			
Investments	4	6,880.97	6,757.67
Loans	5	9.59	4.54
Other Financial Assets	6	1,083.16	691.84
		<b>7,973.72</b>	<b>7,454.05</b>
Income Tax Assets (Net)		473.98	311.74
Other Non-Current Assets	7	3,018.80	2,664.03
<b>Total Non-Current Assets</b>		<b>61,669.94</b>	<b>57,423.73</b>
<b>Current Assets</b>			
Inventories	8	5,162.54	3,722.05
Financial Assets			
Investments	9	4,843.54	10,812.01
Trade Receivables	10	2,706.82	2,285.99
Cash and Cash Equivalents	11	76.58	118.58
Bank Balances other than Cash and Cash Equivalents	12	183.28	1,757.97
Loans	5	2,573.35	787.75
Other Financial Assets	6	1,726.47	1,863.58
		<b>12,110.04</b>	<b>17,625.88</b>
Other Current Assets	13	1,710.90	1,634.99
<b>Total Current Assets</b>		<b>18,983.48</b>	<b>22,982.92</b>
Asset Held for Sale	52	8.31	9.45
<b>TOTAL ASSETS</b>		<b>80,661.73</b>	<b>80,416.10</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	14 (a)	288.67	288.65
Other Equity	14 (b)	48,981.97	43,063.99
		<b>49,270.64</b>	<b>43,352.64</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
Financial Liabilities			
Borrowings	15	5,303.00	10,684.56
Lease Liabilities		792.10	905.80
Other Financial Liabilities	16	303.48	332.19
		<b>6,398.58</b>	<b>11,922.55</b>
Provisions	17	585.84	329.08
Deferred Tax Liabilities (Net)	18	5,229.92	5,219.14
Other Non-Current Liabilities	19	4.16	4.93
<b>Total Non-Current Liabilities</b>		<b>12,218.50</b>	<b>17,475.70</b>
<b>Current Liabilities</b>			
Financial Liabilities			
Borrowings	20	4,588.11	6,634.01
Lease Liabilities		92.70	90.00
Trade Payables			
Total Outstanding Dues of Micro Enterprises and Small Enterprises	21	117.48	65.26
Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises	21	5,225.78	4,163.53
Other Financial Liabilities	16	3,558.21	2,802.07
		<b>13,582.28</b>	<b>13,754.87</b>
Other Current Liabilities	22	4,831.37	4,614.43
Provisions	17	231.65	506.76
Current Tax Liabilities (Net)		527.29	711.70
<b>Total Current Liabilities</b>		<b>19,172.59</b>	<b>19,587.76</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>80,661.73</b>	<b>80,416.10</b>
Significant Accounting Policies	1		

The accompanying notes form an integral part of the Standalone Financial Statements.

In terms of our report attached.

For **B S R & Co. LLP**

Chartered Accountants

Firm Registration No: 101248W/W-100022

For **Khimji Kunverji & Co LLP**

Chartered Accountants

Firm Registration No: 105146W/W-100621

**VIKAS R KASAT**

Partner

Membership No: 105317

Mumbai: April 29, 2022

**KETAN VIKAMSEY**

Partner

Membership No: 044000

For and on behalf of the Board of Directors

**ATUL DAGA**

Whole-time Director and CFO

DIN: 06416619

**K. C. JHANWAR**

Managing Director

DIN: 01743559

**S. K. CHATTERJEE**

Company Secretary

# Standalone Statement of Profit and Loss

for the Year ended March 31, 2022

₹ in Crores			
Particulars	Note No.	Year ended March 31, 2022	Year ended March 31, 2021
Revenue from Operations	23	50,663.49	43,188.34
Other Income	24	611.80	788.68
<b>TOTAL INCOME (I)</b>		<b>51,275.29</b>	<b>43,977.02</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	25	6,459.77	5,174.94
Purchases of Stock-in-Trade	26	2,458.19	1,936.70
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	27	(358.37)	426.44
Employee Benefits Expense	28	2,359.08	2,181.99
Finance Costs	29	798.37	1,259.08
Depreciation and Amortisation Expense	30	2,456.76	2,434.35
Power and Fuel		10,951.95	7,552.02
Freight and Forwarding Expense	31	11,567.64	9,939.56
Other Expenses	32	6,288.81	5,011.87
<b>TOTAL EXPENSES (II)</b>		<b>42,982.20</b>	<b>35,916.95</b>
<b>Profit before Exceptional Items and Tax Expense (I)-(II)</b>		<b>8,293.09</b>	<b>8,060.07</b>
<b>Exceptional Items</b>			
Rates and Taxes	54	-	(164.00)
<b>Profit before Tax Expense</b>		<b>8,293.09</b>	<b>7,896.07</b>
<b>Tax Expense:</b>			
Current Tax		1,518.68	1,415.05
Excess Tax Provision related to prior years	18	(305.15)	-
Deferred Tax Charge	18	13.02	1,138.95
<b>Total Tax Expense</b>		<b>1,226.55</b>	<b>2,554.00</b>
<b>Profit for the Year (III)</b>		<b>7,066.54</b>	<b>5,342.07</b>
<b>Other Comprehensive Income</b>			
A (i) Items that will not be reclassified to Profit or Loss - Remeasurement (Loss)/ Gain on defined benefit plan		(17.80)	82.61
(ii) Income Tax Relating to Items that will not be reclassified to Profit or Loss		6.22	(28.87)
B (i) Items that will be reclassified to Profit or Loss - Cash Flow Hedge		(8.92)	13.15
(ii) Income Tax Relating to Items that will be reclassified to Profit or Loss		2.24	(3.31)
<b>Other Comprehensive Income for the year (IV)</b>		<b>(18.26)</b>	<b>63.58</b>
<b>Total Comprehensive Income for the year (III+IV)</b>		<b>7,048.28</b>	<b>5,405.65</b>
<b>Earnings Per Equity Share (Face Value ₹ 10 each)</b>			
Basic (in ₹)	40	245.00	185.20
Diluted (in ₹)		244.90	185.13
Significant Accounting Policies	1		

The accompanying notes form an integral part of the Standalone Financial Statements.

In terms of our report attached.

For **B S R & Co. LLP**

Chartered Accountants

Firm Registration No: 101248W/W-100022

For **Khimji Kunverji & Co LLP**

Chartered Accountants

Firm Registration No: 105146W/W-100621

**VIKAS R KASAT**

Partner

Membership No: 105317

Mumbai: April 29, 2022

**KETAN VIKAMSEY**

Partner

Membership No: 044000

For and on behalf of the Board of Directors

**ATUL DAGA**

Whole-time Director and CFO

DIN: 06416619

**K. C. JHANWAR**

Managing Director

DIN: 01743559

**S. K. CHATTERJEE**

Company Secretary

# Standalone Statement of Changes in Equity

for the Year ended March 31, 2022

## A. Equity Share Capital

For the year ended March 31, 2022

₹ in Crores		
Balance as at April 01, 2021	Changes in Equity Share Capital during the Year	Balance as at March 31, 2022
288.65	0.02	288.67

For the year ended March 31, 2021

₹ in Crores		
Balance as at April 01, 2020	Changes in Equity Share Capital during the Year	Balance as at March 31, 2021
288.63	0.02	288.65

## B. Other Equity

For the year ended March 31, 2022

Particulars	Reserves & Surplus								Cash Flow Hedge Reserve	Total Equity
	Capital Reserve	Securities Premium	Debenture Redemption Reserve	General Reserve	Share Option Outstanding Reserve <sup>f</sup>	Treasury Shares <sup>@@</sup>	Retained Earnings			
Balance as at April 01, 2021	170.72	5,469.67	247.50	31,330.41	43.62	(77.50)	5,893.68	(14.11)	43,063.99	
Profit for the year	-	-	-	-	-	-	7,066.54	-	7,066.54	
Other Comprehensive Income / (Loss) for the year									-	
Remeasurement Gain / (Loss) on defined benefit plan	-	-	-	-	-	-	(11.58)*	-	(11.58)	
Effective portion of Gains / (Loss) on hedging instruments	-	-	-	-	-	-	-	(6.68) <sup>@</sup>	(6.68)	
Total Comprehensive Income / (Loss) for the year	-	-	-	-	-	-	7,054.96	(6.68)	7,048.28	
Purchase of Treasury Shares							(91.19)	-	(91.19)	
Issue of Treasury Shares							14.40	-	14.40	
Contribution by and Distribution to Owners									-	
Dividend	-	-	-	-	-	-	(1,067.03) <sup>##</sup>	-	(1,067.03)	
Transfer to Retained Earnings	-	-	(210.00)	-	-	-	210.00	-	-	
Transfer from Retained Earnings	-	-	-	5,000.00	-	-	(5,000.00)	-	-	
Employees Stock Options Exercised	-	7.43	-	-	(8.92)	-	-	-	(1.49)	
Employees Stock Options Granted	-	-	-	-	15.01	-	-	-	15.01	
Total Contribution by and Distribution to Owners	-	7.43	(210.00)	5,000.00	6.09	-	(5,857.03)	-	(1,053.51)	
Balance as at March 31, 2022	170.72	5,477.10	37.50	36,330.41	49.71	(154.29)	7,091.61	(20.79)	48,981.97	

# Net of Deferred Employees Compensation Expenses ₹ 37.03 Crores.

@@ The Company has formed an Employee Welfare Trust for purchasing Company's share to be allotted to eligible employees under Employees Stock Options Scheme, 2018 (ESOS 2018). As per Ind AS 32 - Financial Instruments: Presentation, Reacquired equity shares of the Company are called Treasury Shares and deducted from equity.

\* Net of Tax amounting to ₹ 6.22 Crores.

@ Net of Deferred Tax amounting to ₹ 2.24 Crores.

## Dividend of ₹ 37/- per share

# Standalone Statement of Changes in Equity

for the Year ended March 31, 2022 (Continued)

For the year ended March 31, 2021

Particulars	Reserves & Surplus							Cash Flow Hedge Reserve	Total Equity
	Capital Reserve	Securities Premium	Debenture Redemption Reserve	General Reserve	Share Option Outstanding Reserve <sup>f</sup>	Treasury Shares <sup>@@</sup>	Retained Earnings		
Balance as at April 01, 2020	170.72	5,458.65	247.50	26,830.41	35.83	(84.29)	5,372.82	(23.95)	38,007.69
Profit for the year							5,342.07	-	5,342.07
Other Comprehensive Income / (Loss) for the year									-
Remeasurement Gain / (Loss) on defined benefit plan	-	-	-	-	-	-	53.74*	-	53.74
Effective portion of Gains / (Loss) on hedging instruments	-	-	-	-	-	-	-	9.84 <sup>@</sup>	9.84
Total Comprehensive Income / (Loss) for the year	-	-	-	-	-	-	5,395.81	9.84	5,405.65
Purchase of Treasury Shares							-	-	-
Issue of Treasury Shares							6.79	-	6.79
Contribution by and Distribution to Owners									-
Dividend							(374.95) <sup>##</sup>	-	(374.95)
Transfer from Retained Earnings				4,500.00			(4,500.00)	-	-
Employees Stock Options Exercised		11.02			(4.05)				6.97
Employees Stock Options Granted					11.84				11.84
Total Contribution by and Distribution to Owners	-	11.02	-	4,500.00	7.79	-	(4,874.95)	-	(356.14)
Balance as at March 31, 2021	170.72	5,469.67	247.50	31,330.41	43.62	(77.50)	5,893.68	(14.11)	43,063.99

# Net of Deferred Employees Compensation Expenses ₹ 11.29 Crores.

@@ The Company has formed an Employee Welfare Trust for purchasing Company's share to be allotted to eligible employees under Employees Stock Options Scheme, 2018 (ESOS 2018). As per Ind AS 32 - Financial Instruments: Presentation, Reacquired equity shares of the Company are called Treasury Shares and deducted from equity.

\* Net of Tax amounting to ₹ 28.87 Crores.

@ Net of Deferred Tax amounting to ₹ 3.31 Crores.

## Dividend of ₹ 13/- per share

## Significant Accounting Policies Note 1

The accompanying notes form an integral part of the Standalone Financial Statements.

In terms of our report attached.

For and on behalf of the Board of Directors

For **B S R & Co. LLP**  
Chartered Accountants  
Firm Registration No: 101248W/W-100022

For **Khimji Kunverji & Co LLP**  
Chartered Accountants  
Firm Registration No: 105146W/W-100621

**VIKAS R KASAT**  
Partner  
Membership No: 105317

**KETAN VIKAMSEY**  
Partner  
Membership No: 044000

**ATUL DAGA**  
Whole-time Director and CFO  
DIN: 06416619

**K. C. JHANWAR**  
Managing Director  
DIN: 01743559

Mumbai: April 29, 2022

**S. K. CHATTERJEE**  
Company Secretary

# Standalone Statement of Cash Flow

for the Year ended March 31, 2022

Particulars	₹ in Crores	
	Year ended March 31, 2022	Year ended March 31, 2021
<b>(A) Cash Flow from Operating Activities:</b>		
<b>Profit Before tax</b>	8,293.09	7,896.07
<b>Adjustments for:</b>		
Depreciation and Amortisation	2,456.76	2,434.35
Gain on Fair Valuation of Investments	(102.43)	(419.55)
Gain on Fair Valuation of SGST/VAT Deferment Loan	(74.44)	(48.83)
Provision for Exceptional item (Refer note 54)	-	136.57
Compensation Expenses under Employees Stock Options Scheme	23.42	11.84
Allowances for Credit Losses on Advances / Debts (net)	(7.16)	(1.58)
Impairment in value of Investments	-	0.05
Bad Debts Written-off	3.85	0.35
Excess Provision/ Unclaimed Liabilities written back (net)	(136.44)	(65.34)
Interest and Dividend Income	(274.90)	(185.71)
Finance Costs	798.37	1,259.08
Profit on Sale / Retirement of Property, Plant and Equipment (net)	(3.12)	(3.96)
Profit on Sale of Current and Non-Current Investments (net)	(186.39)	(154.10)
	<b>10,790.61</b>	<b>10,859.24</b>
<b>Movements in working capital:</b>		
Increase in Trade payables and other Liabilities	1,770.76	2,905.68
(Decrease) / Increase in Provisions	(2.31)	47.44
(Increase) in Trade receivables	(423.72)	(447.46)
(Increase) / Decrease in Inventories	(1,440.49)	111.83
(Increase) in Financial and Other Assets	(471.23)	(638.16)
<b>Cash generated from Operations</b>	<b>10,223.62</b>	<b>12,838.57</b>
Taxes paid (net of refunds)	(1,553.96)	(1,290.05)
<b>Net Cash generated from Operating Activities (A)</b>	<b>8,669.66</b>	<b>11,548.52</b>
<b>(B) Cash Flow from Investing Activities:</b>		
Purchase of Property, Plant and Equipment	(5,419.18)	(1,803.14)
Sale of Property, Plant and Equipment	63.78	82.17
Payment for Cost of transfer of Assets	(66.18)	(2.71)
(Purchase) / Redemption of Liquid Investment (net)	(1,373.53)	1,673.14
Purchase of Investments	(6,395.45)	(12,668.00)
Sale of Investments	13,965.44	5,427.68
(Investment) / Redemption in Non-Current Bank Fixed deposits	(37.50)	61.69
Redemption / (Investment) in Other Bank deposits	1,574.69	(1,587.51)
Investment in Subsidiaries / Joint Venture and Associates	(1.52)	(1,325.15)
Investment in other Corporate Bodies	(23.39)	(21.13)
Inter Corporate Deposit (given) / repaid by Subsidiary	(1,784.10)	1,006.54
Dividend Received	6.92	-
Interest Received	279.29	172.37
<b>Net Cash generated from/ (used in) Investing Activities (B)</b>	<b>789.27</b>	<b>(8,984.05)</b>
<b>(C) Cash Flow from Financing Activities:</b>		
Proceeds from Issue of Share Capital on Exercise of ESOS	4.36	6.99
Purchase of Treasury Shares	(91.19)	-
Issue of Treasury Shares	8.67	6.79
Repayment of Non-Current Borrowings	(7,530.96)	(5,183.29)
Proceeds from Non-Current Borrowings	138.55	4,014.89
Proceeds of Current Borrowings (net)	32.71	276.94
Repayment of Principal towards Lease Liability	(105.46)	(83.00)

# Standalone Statement of Cash Flow

for the Year ended March 31, 2022 (Continued)

Particulars	₹ in Crores	
	Year ended March 31, 2022	Year ended March 31, 2021
Interest Paid on Lease Liability	(54.13)	(37.71)
Interest Paid	(838.48)	(1,212.76)
Dividend Paid	(1,065.00)	(374.80)
<b>Net Cash used in Financing Activities (C)</b>	<b>(9,500.93)</b>	<b>(2,585.95)</b>
<b>Net Decrease in Cash and Cash Equivalents (A + B + C)</b>	<b>(42.00)</b>	<b>(21.48)</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>118.58</b>	<b>140.06</b>
<b>Cash and Cash Equivalents at the end of the year</b>	<b>76.58</b>	<b>118.58</b>

## Notes:

- The Statement of Cash flows has been prepared under the indirect method as set out in Ind AS - 7 specified under Section 133 of the Act.
- Purchase of Property, Plant and Equipment includes movements of capital work-in-progress (including capital advances) during the year.
- Changes in liabilities arising from financing activities:

Particulars	₹ in Crores			
	As at March 31, 2021	Cashflows	Non Cash changes Foreign Exchange rates	As at March 31, 2022
Non-Current Borrowing	13,088.42	(7,392.41)	(67.76)	5,628.25
Current Borrowing	4,230.15	32.71	-	4,262.86
	<b>17,318.57</b>	<b>(7,359.70)</b>	<b>(67.76)</b>	<b>9,891.11</b>

Particulars	₹ in Crores			
	As at March 31, 2020	Cashflows	Non Cash changes Foreign Exchange rates	As at March 31, 2021
Non-Current Borrowing (including current maturities of Non-Current Borrowings)	14,328.33	(1,168.40)	(71.51)	13,088.42
Current Borrowing	3,953.21	276.94	-	4,230.15
	<b>18,281.54</b>	<b>(891.46)</b>	<b>(71.51)</b>	<b>17,318.57</b>

- Cashflow from Operating Activities includes ₹ 459.69 Crores (March 31, 2021 ₹ 433.53 Crores) towards short-term lease payments, payments for leases of low-value assets and variable lease payments not included in the measurement of the lease liability.

## Significant Accounting Policies Note 1

The accompanying notes form an integral part of the Standalone Financial Statements.

In terms of our report attached.

For and on behalf of the Board of Directors

For **B S R & Co. LLP**  
Chartered Accountants  
Firm Registration No: 101248W/W-100022

For **Khimji Kunverji & Co LLP**  
Chartered Accountants  
Firm Registration No: 105146W/W-100621

**VIKAS R KASAT**  
Partner  
Membership No: 105317

**KETAN VIKAMSEY**  
Partner  
Membership No: 044000

**ATUL DAGA**  
Whole-time Director and CFO  
DIN: 06416619

**K. C. JHANWAR**  
Managing Director  
DIN: 01743559

Mumbai: April 29, 2022

**S. K. CHATTERJEE**  
Company Secretary

## Note 1: Company Overview and Significant Accounting Policies:

### 1 (A) Company Overview

UltraTech Cement Limited ("the Company") is a Public Limited Company incorporated in India having its registered office at Mumbai, Maharashtra, India. The Company is engaged in the manufacture and sale of Cement and Cement related products. The Company's shares are listed on the Bombay Stock Exchange (BSE), India, and the National Stock Exchange (NSE), India, Global Depository Receipts are listed on the Luxembourg Stock Exchange and Sustainability Linked Bonds are listed on the Singapore Exchange Securities Trading Limited.

### 1 (B) Significant Accounting Policies

#### (a) Statement of Compliance

These standalone financial statements (hereinafter referred to as "financial statements") are prepared in accordance with the Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015 and presentation requirements of Division II of Schedule III notified under Section 133 of Companies Act, 2013 ("the Act"), amendments thereto and other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India ("SEBI"), as applicable.

The financial statements were authorised for issue by the Board of Directors of the Company at their meeting held on 29<sup>th</sup> April, 2022.

#### (b) Basis of Preparation and Presentation:

##### Basis of Preparation

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities:

- (i) Derivative Financial Instruments measured at fair value
- (ii) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
- (iii) Assets held for disposal – measured at the lower of its carrying amount and fair value less costs on disposal of assets and its value in use.

- (iv) Employee's Defined Benefit Plan as per actuarial valuation.
- (v) Assets and liabilities acquired under Business Combination measured at fair value; and
- (vi) Employee share based payments measured at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

##### Functional and Presentation Currency

- (i) The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.
- (ii) Figures less than ₹ 50,000 have been shown at actual, wherever statutorily required to be disclosed, all other figures have been rounded off to the nearest ₹ in lakhs, unless otherwise stated.

##### Classification of Assets and Liabilities into Current/Non-Current

The Company has ascertained its operating cycle as twelve months for the purpose of Current / Non-Current classification of its Assets and Liabilities.

For the purpose of Balance Sheet, an asset is classified as current if:

- (i) It is expected to be realised, or is intended to be sold or consumed, in the normal operating cycle; or
- (ii) It is held primarily for the purpose of trading; or
- (iii) It is expected to realise the asset within twelve months after the reporting period; or
- (iv) The asset is a cash or cash equivalent unless it is restricted from being exchanged or used to settle

a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Similarly, a liability is classified as current if:

- (i) It is expected to be settled in the normal operating cycle; or
- (ii) It is held primarily for the purpose of trading; or
- (iii) It is due to be settled within twelve months after the reporting period; or
- (iv) The Company does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could result in its settlement by the issue of equity instruments at the option of the counterparty does not affect this classification.

All other liabilities are classified as non-current.

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

#### (c) Property, Plant and Equipment (PPE):

The initial cost of PPE comprises its purchase price net of any trade discounts and rebates, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of decommissioning.

Subsequent costs are included in the assets's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance cost are charged to the Statement of Profit and Loss during the period in which they were incurred.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Material items such as spare parts, stand-by equipment and service equipment are classified as PPE when they meet the definition of PPE as specified in Ind AS 16 – Property, Plant and Equipment.

Any gain or loss on disposal of an item of PPE is recognised in the Statement of Profit and Loss.

PPE except freehold land are stated at their cost of acquisition/installation or construction net of accumulated depreciation, and impairment losses, if any. Freehold land is stated at cost less impairment losses, if any.

#### Expenditure during construction period:

Expenditure/ Income during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) is included under Capital Work-in-Progress, and the same is allocated to the respective PPE on the completion of their construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other non-current Assets".

#### (d) Depreciation:

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided on a straight-line basis over the useful lives as prescribed in Schedule II to the Act or as per technical assessment. Freehold Land with indefinite life is not depreciated.

Depreciable amount for PPE is the cost of PPE less its estimated residual value. The useful life of PPE is the period over which PPE is expected to be available for use by the Company, or the number of production or similar units expected to be obtained from the asset by the Company.

In case of certain classes of PPE, the Company uses different useful lives than those prescribed in Schedule II to the Act. The useful lives have been assessed based on technical advice, taking into account the nature of the PPE and the estimated usage of the asset on the basis of management's best estimation of obtaining economic benefits from those classes of assets. The estimated useful life is reviewed periodically, with the effect of any changes in estimate being accounted for on a prospective basis.



Such classes of assets and their estimated useful lives are as under:

No	Nature	Estimated Useful life
1	Buildings	3-60 Years
2	Plant & Equipment	8-50 Years
3	Railway Sidings	4-30 Years
4	Leasehold Land	Over the lease agreement
5	Office Equipment	4-7 Years
6	Furniture and Fixtures	7-12 Years
7	Mobile Phones	3 Years
8	Company Vehicles (other than those provided to the employees)	5-12 Years
9	Motor Cars given to the employees as per the Company's Scheme	4-5 Years
10	Servers and Networks	3 Years
11	Stores and Spares in the nature of PPE	8-30 Years
12	Assets individually costing less than or equal to ₹ 10,000	Fully Depreciated in the year of purchase

Depreciation on additions is provided on a pro-rata basis from the month of installation or acquisition and in case of Projects from the date of commencement of commercial production. Depreciation on deductions/disposals is provided on a pro-rata basis up to the month preceding the month of deduction/disposal.

**(e) Intangible Assets and Amortisation:**

• **Internally generated Intangible Assets:**

Expenditure pertaining to research is expensed out as and when incurred. Expenditure incurred on development is capitalised if such expenditure leads to creation of an asset, otherwise such expenditure is charged to the Statement of Profit and Loss.

**Intangible Assets acquired separately:**

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment loss, if any. Cost comprises the purchase price (net of tax / duty credits availed wherever applicable) and any directly attributable cost of bringing the assets to its working condition for its intended use. The Company determines the amortisation period as the period over which the future economic benefits will flow to the Company after taking into account all relevant facts and

circumstances. The estimated useful life and amortisation method are reviewed periodically, with the effect of any changes in estimate being accounted for on a prospective basis.

• **Class of intangible assets and their estimated useful lives / basis of amortisation are as under:**

No	Nature	Estimated Useful life / Basis of amortization
1	Jetty Rights	Over the period of the relevant agreement such that the cumulative amortisation is not less than the cumulative rebate availed by the Company.
2	Mining Rights	Over the period of the respective mining agreement
3	Mining Reserve	On the basis of mineral material extraction (proportion of mineral material extracted per annum to total estimated mining reserve)
4	Software	3 Years
5	Brand Rights	18 months

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an item of intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of such item of intangible asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

**(f) Assets (or disposal groups) classified as held for sale:**

The Company classifies assets as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable. Such assets or group of assets / liabilities are presented separately in the Balance Sheet, in the line "Assets held for sale" and "Liabilities held for sale" respectively. Once classified as held for sale, intangible assets and PPE are no longer amortised or depreciated.

Such assets or disposal groups held for sale are stated at the lower of carrying amount and fair value less costs to sell.

**(g) Impairment of Non-Financial Assets**

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

**(h) Inventories:**

Inventories are valued as follows:

• **Raw materials, fuel, stores & spares and packing materials:**

Valued at lower of cost and net realisable value (NRV). However, these items are considered to be realisable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost. Cost is determined on weighted average basis which includes expenditure incurred for acquiring inventories like purchase price, import duties, taxes (net of tax credit) and other costs incurred in bringing the inventories to their present location and condition.

• **Work-in- progress (WIP), finished goods, stock-in-trade and trial run inventories:**

Valued at lower of cost and NRV. Cost of Finished goods, WIP and trial run inventories includes cost of raw materials, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost of Stock-in Trade includes cost of purchase and other costs incurred in bringing the inventories to the present location and condition. Cost of inventories is computed on weighted average basis.

• **Waste / Scrap:**

Waste / Scrap inventory is valued at NRV.

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

**(i) Employee Share based payments:**

Equity- settled share-based payments to employees are measured at the fair value of the employee stock options at the grant date using an appropriate valuation model.

The fair value determined at the grant date of the equity-settled share-based payments is amortised over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

For Stock Appreciation Rights ("SARs") which are cash-settled share-based payments, the fair value of liability is recognised for the services acquired over the period that the employees unconditionally become entitled to the payment. At the end of each reporting period until the liability is settled, and at the date of settlement, the liability is re-measured based on the fair value of the SAR's and any changes in fair value of the liability are recognised in the Statement of Profit and Loss.

## (j) Treasury Shares:

The Company has formed an Employee Welfare Trust for purchasing the Company's shares to be allotted to eligible employees under Employee Stock Options Scheme, 2018. The Company has considered the said Employee Welfare Trust as its extension and shares held by the Trust is treated as Treasury Shares. As per Ind AS 32, the consideration paid for treasury shares including any directly attributable incremental cost is presented as a deduction from total equity, until they are cancelled, sold or reissued.

## (k) Borrowing Costs:

General and specific borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of such asset till such time the asset is ready for its intended use and borrowing costs are being incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred.

Borrowing cost includes interest expense, amortization of discounts, hedge related cost incurred in connection with foreign currency borrowings, ancillary costs incurred in connection with borrowing of funds and exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to the Interest cost.

## (l) Government Grants:

Government grants, related to assets, are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the Company recognises the related costs for which the grants are intended to compensate.

Government grants related to income under State Investment Promotion Scheme linked with VAT / GST payment, are recognised in the Statement of Profit and Loss in the period in which they become receivable.

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates and is being recognised in the Statement of Profit and Loss.

## (m) Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised. A contingent asset is disclosed, in financial statements, where an inflow of economic benefits is probable.

## (n) Mines Restoration Provision:

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

## (o) Revenue Recognition:

### (i) Revenue from Contracts with Customers

- Revenue is recognized on the basis of approved contracts regarding the transfer of goods or services to a customer for an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.
- Revenue is measured at the fair value of consideration received or receivable taking into account the amount of discounts,

incentives, volume rebates, and outgoing taxes on sales. Any amounts receivable from the customer are recognised as revenue after the control over the goods sold are transferred to the customer which is generally on dispatch/delivery of goods.

- Variable consideration - This includes incentives, volume rebates, discounts etc. It is estimated at contract inception considering the terms of various schemes with customers and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. It is reassessed at end of each reporting period.
- Significant financing component - Generally, the Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

- (ii) Dividend income is accounted for when the right to receive the income is established.
- (iii) Interest income is recognised using the Effective Interest Method.

## (p) Lease:

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

- (i) the contract involves the use of identified asset;
- (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of lease and;
- (iii) the Company has the right to direct the use of the asset.

## As a lessee

The Company recognizes a right-of-use asset ("ROU") and a lease liability at the lease commencement date. The ROU is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

The ROU is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprises fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option.

The lease liability is subsequently measured at amortised cost using the effective interest method, except those which are payable other than functional currency which is measured at fair value through profit or loss. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the ROU, or is recorded in Statement of

Profit or Loss if the carrying amount of the ROU has been reduced to zero.

Lease Liabilities have been presented as separate line and the 'ROU' have been presented separately in the Balance Sheet. Lease payments have been classified as financing activities in the Statement of Cash Flows.

## Short-term leases and leases of low-value assets

The Company has elected not to recognise ROU and lease liabilities for short term leases that have a lease term of 12 months or lower and leases of low value assets. The Company recognises the lease payments associated with these leases as an expense over the lease term. The related cash flows are classified as Operating activities in the Statement of Cash Flows.

## As a lessor

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right of use asset arising from the head lease.

## (q) Employee benefits:

### Defined Benefit Plans:

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out by a qualified independent actuary at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in Other Comprehensive Income (OCI) in the period in which they occur. Past service cost, both vested and unvested, is recognised as an expense on the plan amendment or when the curtailment or settlement occurs. The gain or loss on curtailment or settlement, is recognized immediately in the Statement of Profit or Loss when the plan amendment or when a curtailment or settlement occurs.

The retirement benefit obligations recognised in the balance sheet represents the present value of the defined benefit obligations reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the

scheme. The Company provides benefits such as gratuity, pension and provident fund to its employees which are treated as defined benefit plans.

## Defined contribution plans:

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits. The Company provides benefits such as superannuation, provident fund (other than Company managed fund) to its employees which are treated as defined contribution plans.

## Gratuity

The gratuity, a defined benefit plan, payable to the employees is based on the Employees' service and last drawn salary at the time of the leaving of the services of the Company and is in accordance with the Rules of the Company for payment of Gratuity. Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment. Interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset and is recognised in the Statement of Profit and Loss. Defined benefit costs are categorised as follows:

service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements); net interest expense or income; and re-measurement.

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. The defined benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

## Superannuation

Certain employees of the Company are eligible for participation in defined contribution plans such as superannuation and national pension fund. Contributions towards these funds are recognized as an expense periodically based on the contribution by the Company, since Company has no further obligation beyond its periodic contribution.

## Provident Fund

The eligible employees of the Company are entitled to receive benefits in respect of provident fund, which is a defined benefit plan, for which both the employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The contributions as specified under the law are made to the approved provident fund which is set up by the Company. The Company is liable for annual contributions and any shortfall in the fund assets based on the government specified minimum rates of return and recognises such contributions and shortfall, if any, as an expense in the year incurred.

## Other employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured using the projected unit credit method by a qualified independent actuary at the end of each annual reporting period, at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date. With reference to some employees, liability of other fixed long-term employee benefits is recognised at the present value of the future cash outflows expected to be made by the Company.

Remeasurement gains / losses are recognised in the Statement of Profit and Loss in the period in which they arise.

## (r) Income Taxes:

Income Tax expenses comprise current tax and deferred tax charge or credit.

Current Tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws.

Deferred tax liabilities are recognised for taxable temporary differences and deferred tax asset are recognised for deductible temporary differences,

carry forward of unused tax losses, carry forward of unused tax credits at the reporting date. Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to the taxable temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Tax relating to items recognised directly in equity or OCI is recognised in equity or OCI and not in the Statement of Profit and Loss. Minimum Alternate Tax (MAT) Credits are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence it is grouped with Deferred Tax Asset. MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized except:

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

Deferred tax assets are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised.

The Government of India, on September 20, 2019, vide the Taxation Laws (Amendment) Ordinance 2019, inserted a new Section 115BAA in the Income Tax Act, 1961, which provides an option to the Company for paying Income Tax at reduced rates as per the provisions/conditions defined in the said section. The Company is continuing with higher income tax rate option, based on the available outstanding MAT credit entitlement and different exemptions and deduction enjoyed by the Company. However, the Company has estimated and applied the lower income tax rate on the deferred tax assets / liabilities to the extent these are expected to be realized or settled in the future period when the Company may be subjected to lower tax rate.

#### (s) Earnings Per Share:

Basic Earnings Per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares.

For the purpose of calculating diluted earnings per share, net profit / (loss) after tax for the year attributable to the equity shareholders is divided by the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares and is adjusted for the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

#### (t) Foreign Currency transactions:

Transactions in currencies other than the Company's functional currency (i.e. foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of initial transactions.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences relating to qualifying effective cash flow hedges and qualifying net investment hedges in foreign operations which are recognised in OCI.

#### (u) Investment in Subsidiaries, Associates and Joint Ventures:

The Company's investment in its subsidiaries, associates and Joint Ventures are carried at cost net of accumulated impairment loss, if any.

On disposal of the Investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

#### (v) Financial Instruments:

A Financial Instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

#### Initial Recognition:

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are charged to the Statement of Profit and Loss over the tenure of the financial assets or financial liabilities.

#### Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, Fair Value through Other Comprehensive Income ("FVOCI") or Fair Value through Profit or Loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

#### Amortised Cost:

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

In case of financial assets classified and measured at amortised cost, any interest income, foreign exchange gains or losses and impairment are recognised in the Statement of Profit and Loss.

#### Fair Value through OCI:

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

#### Fair Value through Profit or Loss:

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through OCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

For financial assets at FVTPL, net gains or losses, including any interest or dividend income, are recognised in the Statement of Profit and Loss.

## Classification and Subsequent Measurement: Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

### Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or is a derivative (except for effective hedge) or are designated upon initial recognition as FVTPL:

Gains or Losses, including any interest expense on liabilities held for trading are recognised in the Statement of Profit and Loss.

### Other Financial Liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost on initial recognition.

Interest expense (based on the effective interest method), foreign exchange gains and losses, and any gain or loss on derecognition is recognised in the Statement of Profit and Loss.

### Impairment of financial assets:

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financials assets in FVTPL category. For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since

its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition.

The Company's trade receivables do not contain significant financing component and as per simplified approach, loss allowances on trade receivables are measured using provision matrix at an amount equal to life time expected losses i.e. expected cash shortfall.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

### Derecognition of financial assets and financial liabilities:

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises an associated liability for amounts it has to pay.

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in OCI and accumulated in equity is recognised in the Statement of Profit and Loss.

The Company de-recognises financial liabilities when and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

### Financial Guarantee Contract Liabilities

Financial Guarantee Contract Liabilities are disclosed in financial statements in accordance with Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets.

## (w) Cash and cash equivalents:

Cash and cash equivalents comprise of cash at bank and in hand and short-term deposits with banks that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

## (x) Financial liabilities and equity instruments:

### • Classification as debt or equity

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

### • Equity instruments

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

## (y) Derivative financial instruments:

The Company enters into derivative financial instruments viz. foreign exchange forward contracts, interest rate swaps and cross currency swaps to manage its exposure to interest rate, foreign exchange rate risks and commodity prices. The Company does not hold derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in Statement of Profit or Loss immediately excluding derivatives designated as cashflow hedge.

## (z) Hedge accounting:

The Company designates certain hedging instruments in respect of foreign currency risk, interest rate risk and commodity price risk as cash flow hedges. At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore,

at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

The effective portion of changes in the fair value of the designated portion of derivatives that qualify as cash flow hedges is recognised in OCI and accumulated under equity. The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Profit and Loss.

Amounts previously recognised in OCI and accumulated in equity relating to effective portion as described above are reclassified to Statement of Profit and Loss in the periods when the hedged item affects the Statement of Profit or Loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued prospectively when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in OCI and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised the Statement of Profit and Loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the Statement of Profit and Loss.

## (aa) Segment Reporting - Identification of Segments:

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Company's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

## (bb) Cash Flow Statement:

Cash flows are reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

## (cc) Business Combination and Goodwill:

The Company applies the acquisition method in accounting for business combinations. The consideration transferred by the Company to obtain control of a business is calculated as the sum of the fair values of assets transferred, liabilities incurred and the equity interests issued by the Company as at the acquisition date i.e. date on which it obtains control of the acquiree which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition-related costs are recognised in the statement of Profit and Loss as incurred, except to the extent related to the issue of debt or equity securities.

Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values on acquisition-date.

Intangible Assets acquired in a Business Combination and recognised separately from Goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible Assets acquired in a Business Combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Goodwill is measured as the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. A cash generating unit (CGU) 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 CGU 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. Any impairment loss for goodwill is recognised in Statement of Profit or Loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a CGU and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the CGU retained. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the excess is termed as bargain purchase.

In case of a bargain purchase, before recognizing a gain in respect thereof, the Company determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase thereafter, the Company reassesses whether it has correctly identified all the assets acquired and liabilities assumed and recognises any additional assets or liabilities that are so identified, any gain thereafter is recognised in OCI and accumulated in equity as Capital Reserve. If there does not exist clear evidence of the underlying reasons for classifying the Business combination as a bargain purchase, the Company recognises the gain, after reassessing and reviewing, directly in equity as Capital Reserve.

Contingent consideration is classified either as equity or financial liability. Amount classified as financial liability are subsequently re-measured to fair value with changes in fair value recognised in Statement of Profit and Loss.

## Note 1(C) Critical accounting judgements and key sources of estimation uncertainty:

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

## (a) Critical judgments in applying accounting policies:

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognised in the financial statements.

### (i) Classification of Madanpur (North) Coal Company Private Limited as Investment in an Associate:

A Joint Venture Company (JV) "Madanpur (North) Coal Company Private Limited" was formed by allocatees of Madanpur North Coal Block. As per Ind AS 111, when all the parties, or a group of parties, considered collectively, are able to direct the activities that significantly affect the returns of the arrangement (i.e. the relevant activities), the parties control the arrangement collectively. Also, joint control exists only when decisions about the relevant activities require the unanimous consent of all the parties. In terms of the JV agreement between the parties, each JV partner has right to nominate one director on the board of JV and major decisions shall be taken by a majority of 75% of the directors present. Since there is no unanimous consent required from the parties, in the judgement of the management the Company does not have joint control over the JV. However, considering the Company's representation in the board and the extent of its ability to exercise the influence over the decision over the relevant activities, the JV has been considered as an associate and accounted under the equity method.

## (b) Key assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

## (i) Useful Lives of Property, Plant & Equipment and Intangible Assets:

The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/ component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets. In case of certain mining rights the amortisation is based on the extracted quantity to the total mineral reserve.

## (ii) Recognition and measurement of deferred tax assets and liabilities:

Deferred tax assets and liabilities are recognised for deductible temporary differences and unused tax losses for which there is probability of utilisation against the future taxable profit. The Company uses judgement to determine the amount of deferred tax liability / asset that can be recognised, based upon the likely timing and the level of future taxable profits and business developments.

## (iii) Income Taxes:

The Company calculates income tax expense based on reported income and estimated exemptions / deduction likely available to the Company. The Company is continuing with higher income tax rate option, based on the available outstanding MAT credit entitlement and different exemptions & deduction enjoyed by the Company. However, the Company has applied the lower income tax rates on the deferred tax assets / liabilities to the extent these are expected to realised or settled in the future when the Company may be subject to lower tax rate based on the future financials projections.

## (iv) Fair value measurement of financial instruments:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are

taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

**(v) Defined benefit plans:**

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

**(vi) Mines Restoration Obligation:**

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

**(vii) Share-based payments:**

The Company measures the cost of equity-settled transactions with employees using Black-Scholes model and cash settled transactions with employees using binomial tree model to determine the fair value of the liability incurred on the grant date. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant.

This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 43.

**(viii) Litigation and contingencies:**

The Company has ongoing litigations with various regulatory authorities. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.

**(ix) Business Combination:**

**(a) Fair Valuation of Intangibles:**

**Mining Rights:**

The Company has used royalty saved method for value analysis of limestone mining rights. The method estimates the value of future savings in royalty payments over the life of the mine accruing to the Company, by virtue of the transaction instead of obtaining the mining rights via the Government e-auction process.

The resulting post-tax cash flows for each of the years are recognised at their present value using a Weighted Average Cost of Capital ('WACC') relating to the risk of achieving the mine's projected savings.

**Brand:**

The Company has used relief from royalty method for value analysis of Brand. The method estimates the value as the present value of the after-tax projected revenues cash flows attributable to the Brand value.

The resulting post-tax cash flows for each of the years are recognised at their present value using a Weighted Average Cost of Capital ('WACC') relating to the risk associated with the Brand Name.

**(b) Fair Valuation of Tangibles:**

**Freehold land:**

Freehold land was valued using the sales comparison method using prevailing rates of similar plots of land, circle rates provided by department of revenue and general market intelligence based on the size of land parcel.

**Leasehold land:**

Leasehold land was valued basis the leasehold interest for the remaining duration of the lease.

**Other Assets:**

The cost approach has been adopted for fair valuing all the assets except vehicles which have been measured at the old book values less depreciation.

The cost approach includes calculation of replacement cost using price trends applied to historical cost and capitalisation of all the indirect cost, these trends are on the basis of price indices obtained from recognized sources such as the RBI/ OEA or market intelligence. In the case of buildings in cement plants, appropriate weightages have been applied to cement, iron & steel and labour indices to arrive at the escalation factor and depreciating the same for past usage based on estimated total and remaining useful life of the asset.

**(x) Classification of Lease Ind AS 116:**

Ind AS 116 Leases requires a lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying lease to the Company's operations taking into account the location of the underlying asset and the availability of the suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

## Note 2: Property, Plant and Equipment and Other Intangible Assets

₹ in Crores

Particulars	Gross Block				Depreciation and Amortisation				Net Block
	As at April 01, 2021	Additions	Deductions/ Adjustments/ Held for Disposal	As at March 31, 2022	As at April 01, 2021	For the year	Deductions/ Adjustments/ Held for Disposal	As at March 31, 2022	As at March 31, 2022
<b>(A) Tangible Assets *</b>									
Land:									
Freehold Land	6,147.27	285.27	5.66	6,426.88	-	-	-	-	6,426.88
Leasehold Land	989.01	53.31	1.66	1,040.66	174.39	57.50	0.32	231.57	809.09
Buildings	5,204.66	219.03	18.46	5,405.23	1,024.87	212.41	7.19	1,230.09	4,175.14
Railway Sidings	921.02	20.23	3.34	937.91	251.54	55.87	0.59	306.82	631.09
Plant and Equipment:									
Own	34,547.17	1,816.85	54.81	36,309.21	8,385.69	1,780.07	25.14	10,140.62	26,168.59
Given on Lease	174.64	24.41	-	199.05	70.26	10.91	-	81.17	117.88
Office Equipment	283.29	54.07	8.56	328.80	176.65	43.56	7.33	212.88	115.92
Furniture and Fixtures	98.76	8.19	6.24	100.71	72.22	9.79	5.31	76.70	24.01
Vehicles	123.62	49.97	21.05	152.54	62.88	21.19	14.38	69.69	82.85
<b>Total Tangible Assets</b>	<b>48,489.44</b>	<b>2,531.33</b>	<b>119.78</b>	<b>50,900.99</b>	<b>10,218.50</b>	<b>2,191.30</b>	<b>60.26</b>	<b>12,349.54</b>	<b>38,551.45</b>
<b>(B) Capital Work-in-Progress</b>									<b>4,619.12</b>
<b>(C) Other Intangible Assets</b>									
Software	112.23	16.59	0.94	127.88	71.82	22.74	0.94	93.62	34.26
Mining Rights	232.41	32.68	-	265.09	59.75	30.38	-	90.13	174.96
Mining Reserve	3,774.36	-	-	3,774.36	294.19	73.02	-	367.21	3,407.15
Jetty Rights	224.43	22.38	-	246.81	40.75	9.85	-	50.60	196.21
Brand Rights	155.21	-	-	155.21	155.21	-	-	155.21	-
<b>Total Intangible Assets</b>	<b>4,498.64</b>	<b>71.65</b>	<b>0.94</b>	<b>4,569.35</b>	<b>621.72</b>	<b>135.99</b>	<b>0.94</b>	<b>756.77</b>	<b>3,812.58</b>
<b>(D) Intangible Assets under Development</b>									<b>7.41</b>
<b>Total Assets (A+B+C+D)</b>	<b>52,988.08</b>	<b>2,602.98</b>	<b>120.72</b>	<b>55,470.34</b>	<b>10,840.22</b>	<b>2,327.29</b>	<b>61.20</b>	<b>13,106.31</b>	<b>46,990.56</b>

\* Net Block of Tangible Assets, amounting to ₹ 5,685.99 Crores (March 31, 2021 ₹ 20,688.46 Crores) were pledged as security against the Secured Borrowings.

## Note 2: Property, Plant and Equipment and Other Intangible Assets

₹ in Crores

Particulars	Gross Block				Depreciation and Amortisation				Net Block
	As at April 01, 2020	Additions	Deductions/ Adjustments/ Held for Disposal	As at March 31, 2021	As at April 01, 2020	For the year	Deductions/ Adjustments/ Held for Disposal	As at March 31, 2021	As at March 31, 2021
<b>(A) Tangible Assets</b>									
Land:									
Freehold Land	6,044.40	114.12	11.25	6,147.27	-	-	-	-	6,147.27
Leasehold Land	855.72	134.20	0.91	989.01	121.88	52.51	-	174.39	814.62
Buildings	5,100.56	108.96	4.86	5,204.66	816.72	211.35	3.20	1,024.87	4,179.79
Railway Sidings	867.80	53.22	-	921.02	198.34	53.20	-	251.54	669.48
Plant and Equipment:									
Own	34,271.06	365.04	88.93	34,547.17	6,671.52	1,772.58	58.41	8,385.69	26,161.48
Given on Lease	174.64	-	-	174.64	59.23	11.03	-	70.26	104.38
Office Equipment	259.36	29.07	5.14	283.29	139.83	40.67	3.85	176.65	106.64
Furniture and Fixtures	99.69	1.39	2.32	98.76	63.53	10.09	1.40	72.22	26.54
Vehicles	112.24	22.03	10.65	123.62	52.03	18.01	7.16	62.88	60.74
<b>Total Tangible Assets</b>	<b>47,785.47</b>	<b>828.03</b>	<b>124.06</b>	<b>48,489.44</b>	<b>8,123.08</b>	<b>2,169.44</b>	<b>74.02</b>	<b>10,218.50</b>	<b>38,270.94</b>
<b>(B) Capital Work-in-Progress</b>									<b>1,522.07</b>
<b>(C) Other Intangible Assets</b>									
Software	85.28	36.49	9.54	112.23	63.21	18.15	9.54	71.82	40.41
Mining Rights	181.73	50.93	0.25	232.41	53.77	5.98	-	59.75	172.66
Mining Reserve	3,770.84	3.52	-	3,774.36	199.84	94.35	-	294.19	3,480.17
Jetty Rights	212.68	11.75	-	224.43	37.57	3.18	-	40.75	183.68
Brand Rights	155.21	-	-	155.21	155.21	-	-	155.21	-
<b>Total Intangible Assets</b>	<b>4,405.74</b>	<b>102.69</b>	<b>9.79</b>	<b>4,498.64</b>	<b>509.60</b>	<b>121.66</b>	<b>9.54</b>	<b>621.72</b>	<b>3,876.92</b>
<b>(D) Intangible Assets under Development</b>									<b>5.72</b>
<b>Total Assets (A+B+C+D)</b>	<b>52,191.21</b>	<b>930.72</b>	<b>133.85</b>	<b>52,988.08</b>	<b>8,632.68</b>	<b>2,291.10</b>	<b>83.56</b>	<b>10,840.22</b>	<b>43,675.65</b>

₹ in Crores

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>A) Depreciation and Amortisation for the year</b>	2,327.29	2,291.10
Add: Obsolescence	31.90	50.12
Less: Depreciation transferred to Pre-operative Expenses	(8.19)	(0.82)
Add: Depreciation on ROU (Refer Note 3)	105.76	93.95
Depreciation as per Statement of Profit and Loss	2,456.76	2,434.35

- B) 1. Tangible Assets include assets for which ownership is not in the name of the Company - Gross Block of ₹ 426.78 Crores (March 31, 2021 ₹ 442.04 Crores).
2. Buildings include ₹ 12.13 Crores (March 31, 2021 ₹ 12.13 Crores) being cost of Debentures and Shares in a company entitling the right of exclusive occupancy and use of certain premises.
3. Opening Gross Block includes Research and Development Assets (Building, Plant and Equipment, Furniture and Fixtures, Office Equipment and Intangible Assets) of ₹ 43.49 Crores (March 31, 2021 ₹ 43.19 Crores) and Net Block of ₹ 20.02 Crores (March 31, 2021 ₹ 21.19 Crores). Addition for the Research and Development Assets during the year is ₹ 1.55 Crores (March 31, 2021 ₹ 0.30 Crores).



4. The amount of expenditures recognised in the carrying amount of an item of PPE in the course of its construction:

₹ in Crores		
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Pre-operative expenses pending allocation:</b>		
Raw Materials Consumed	-	0.06
Power and Fuel Consumed	0.49	0.58
Salary, Wages, Bonus, Ex-gratia and Provisions	67.58	12.09
Insurance	2.14	0.25
Depreciation on ROU	3.79	5.88
Depreciation and amortisation	8.19	0.82
Finance Costs	61.22	2.06
Miscellaneous expenses	83.37	44.71
<b>Total Pre-operative expenses</b>	<b>226.78</b>	<b>66.45</b>
Less: Trial Run production transferred to Inventory	(2.18)	-
Add: Brought forward from Previous Year	116.24	51.47
Less: Capitalised / Charged during the Year	(45.92)	(1.68)
<b>Balance included in Capital Work-in-Progress</b>	<b>294.92</b>	<b>116.24</b>

5. Title of immovable properties having Gross Block of ₹ 2,103.68 Crores (March 31, 2021: ₹ 3,388.19 Crores) and Net Block of ₹ 2,051.20 Crores (March 31, 2021: ₹ 3,263.42 Crores) is yet to be transferred in the name of the Company.

**Details of Immovable Properties whose title deeds are not held in the name of the Company as at March 31, 2022:**

₹ in Crores						
Asset Category	Title Deeds held in the name of	Title holder relative category (Promoter/Director/Relative of Promoter/Relative of Director/Employee)	Property held since	Reason for not being transferred in the name of Company	Gross Carrying Value as on March 31, 2022	Gross Carrying Value as on March 31, 2021
<b>Property, Plant and Equipment</b>						
<b>Freehold Land (A)</b>	Grasim Industries Limited	Promoter	01-07-2010		360.39	339.22
	Jai Prakash Associates Limited	No	29-06-2017	The title of the asset transferred pursuant to the scheme of amalgamation/arrangement/merger/demerger are in the process of being transferred in the name of the Company.	1,002.60	1,333.48
	Century Textiles and Industries Limited	No	20-05-2018		18.55	532.90
	Jaypee Cement Corporation Limited	No	11-06-2014		292.69	292.69
	Narmada Cement Limited	No	01-07-2006		6.02	6.09
	Samruddhi Cement Limited	No	01-07-2010		7.14	7.14
	Others	No	Multiple Dates		-	0.19
					Right of Use with the company	

₹ in Crores						
Asset Category	Title Deeds held in the name of	Title holder relative category (Promoter/Director/Relative of Promoter/Relative of Director/Employee)	Property held since	Reason for not being transferred in the name of Company	Gross Carrying Value as on March 31, 2022	Gross Carrying Value as on March 31, 2021
<b>Leasehold Land (B)</b>	Century Textiles and Industries Limited	No	20-05-2018		50.32	103.17
	Grasim Industries Limited	Promoter	01-07-2010	The title of the asset transferred pursuant to the scheme of amalgamation/arrangement/merger/demerger are in the process of being transferred in the name of the Company.	71.66	71.66
	Jai Prakash Associates Limited	No	29-06-2017		263.71	301.79
	Larsen & Tubro Limited	No	01-04-2003		3.40	3.40
	Narmada Cement Limited	No	01-07-2006		11.84	11.84
	Others	No	Multiple Dates		-	0.31
<b>Building (C)</b>	Grasim Industries Limited	Promoter	01-07-2010	The title of the asset transferred pursuant to the scheme of amalgamation/arrangement/merger/demerger are in the process of being transferred in the name of the Company.	14.86	28.62
	Narmada Cement Ltd	No	01-07-2006		0.50	0.50
	Jai Prakash Associates Limited	No	29-06-2017		-	3.73
	Century Textiles and Industries Limited	No	20-05-2018		-	348.05
	Others	No	Multiple Dates		-	3.41
<b>Total (A+B+C)</b>					<b>2,103.68</b>	<b>3,388.19</b>

6. Ageing schedule of capital-work-in progress (CWIP):

₹ in Crores					
Particulars	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at March 31, 2022</b>					
Projects in progress	4,166.37	261.74	125.93	65.08	4,619.12
<b>Total</b>	<b>4,166.37</b>	<b>261.74</b>	<b>125.93</b>	<b>65.08</b>	<b>4,619.12</b>
<b>As at March 31, 2021:</b>					
Projects in progress	996.42	276.29	211.16	38.20	1,522.07
<b>Total</b>	<b>996.42</b>	<b>276.29</b>	<b>211.16</b>	<b>38.20</b>	<b>1,522.07</b>

7. Completion schedule for capital-work-in progress whose completion is overdue or has exceeded its cost compared to its original plan:

₹ in Crores				
Particulars	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Commissioning of Greenfield grinding unit at Cuttack, Odisha	392.09	-	-	-
Commissioning of Brownfield grinding unit at Dalla, Uttar Pradesh	107.98	-	-	-

Commissioning of these units are postponed due to Covid-19 and planned to commission in FY 2023.

8. Ageing schedule of Intangible assets under development:

₹ in Crores

	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at March 31, 2022</b>					
Projects in progress	2.46	4.79	-	0.16	7.41
<b>Total</b>	<b>2.46</b>	<b>4.79</b>	<b>-</b>	<b>0.16</b>	<b>7.41</b>
<b>As at March 31, 2021:</b>					
Projects in progress	5.44	0.12	0.16	-	5.72
<b>Total</b>	<b>5.44</b>	<b>0.12</b>	<b>0.16</b>	<b>-</b>	<b>5.72</b>

9. There is no overdue or cost exceed for intangible assets under development.

**Note 3: Leases (Ind AS 116):**

**As a lessee**

(a) Following are the carrying value of Right of Use Assets as at March 31, 2022:

₹ in Crores

Particulars	Gross Block				Accumulated depreciation and amortisation				Net Block
	As at April 01, 2021	Additions	Deductions	As at March 31, 2022	As at April 01, 2021	For the year	Deductions	As at March 31, 2022	As at March 31, 2022
Leasehold Land	439.78	37.31	1.46	475.63	41.25	18.87	0.79	59.33	416.30
Leasehold Building	90.34	13.52	6.22	97.64	26.21	17.38	2.86	40.73	56.91
Plant and Machinery	77.86	30.07	-	107.93	9.43	11.88	-	21.31	86.62
Ships	699.82	0.71	85.25	615.28	121.47	61.42	11.84	171.05	444.23
<b>Total</b>	<b>1,307.80</b>	<b>81.61</b>	<b>92.93</b>	<b>1,296.48</b>	<b>198.36</b>	<b>109.55</b>	<b>15.49</b>	<b>292.42</b>	<b>1,004.06</b>
Less: Depreciation transferred to CWIP						3.79			
<b>Net Depreciation Charged to Statement of Profit &amp; Loss</b>						<b>105.76</b>			

As at March 31, 2021

₹ in Crores

Particulars	Gross Block				Accumulated depreciation and amortisation				Net Block
	As at April 01, 2020	Additions	Deductions	As at March 31, 2021	As at April 01, 2020	For the year	Deductions	As at March 31, 2021	As at March 31, 2021
Leasehold Land	436.63	3.15	-	439.78	24.75	16.50	-	41.25	398.53
Leasehold Building	90.73	14.46	14.85	90.34	17.92	17.84	9.55	26.21	64.13
Plant and Machinery	13.42	64.44	-	77.86	2.82	6.61	-	9.43	68.43
Ships	575.24	136.44	11.86	699.82	62.59	58.88	-	121.47	578.35
<b>Total</b>	<b>1,116.02</b>	<b>218.49</b>	<b>26.71</b>	<b>1,307.80</b>	<b>108.08</b>	<b>99.83</b>	<b>9.55</b>	<b>198.36</b>	<b>1,109.44</b>
Less: Depreciation transferred to CWIP						5.88			
<b>Net Depreciation Charged to Statement of Profit &amp; Loss</b>						<b>93.95</b>			

(b) Lease Expenses recognized in Statement of Profit and Loss not included in the measurement of lease liabilities:

₹ in Crores

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Variable lease payments	73.44	56.43
Expenses relating to short-term leases	358.37	359.96
Expenses relating to leases of low-value assets, excluding short-term leases of low value assets	27.88	26.18

(c) Maturity analysis of lease liabilities– contractual undiscounted cash flows:

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
Less than one year	134.28	137.01
One to five years	488.07	563.54
More than five years	703.03	785.98
<b>Total undiscounted lease liabilities</b>	<b>1,325.38</b>	<b>1,486.53</b>

(d) The total cash outflow for leases for year ended March 31, 2022 is ₹ 159.59 Crores (March 31, 2021 ₹ 120.71 Crores).

(e) Income from sub leasing of Right to use assets is for the year ended March 31, 2022 is ₹ 76.39 Crores (March 31, 2021 ₹ 61.28 Crores).

(f) Impact of Ind AS 116 has resulted in lower expenses in Power and Fuel, Freight and Forwarding and Other Expenses by ₹ 134.32 Crores (March 31, 2021: ₹ 115.03 Crores) whereas Finance Costs and Depreciation and Amortisation expenses are higher by ₹ 72.32 Crores (March 31, 2021: ₹ 22.08 Crores) and ₹ 105.76 Crores (March 31, 2021: ₹ 93.95 Crores) respectively.

**Note 4: Investments**

₹ in Crores

Particulars	As at March 31, 2022		As at March 31, 2021	
	Nos.	Amount	Nos.	Amount
<b>Unquoted:</b>				
<b>Investments measured at Cost:</b>				
<b>Equity Instruments:</b>				
<b>Subsidiaries:</b>				
<b>Face value of ₹ 10 each fully paid:</b>				
Dakshin Cements Limited	-	-	50,000	0.05
Less: Provision for Impairment in value of Investment	-	-	-	(0.05)
Harish Cement Limited	2,48,179	154.68	2,47,601	154.22
Bhagwati Lime Stone Company Private Limited	11,900	13.03	11,900	13.03
Gotan Lime Stone Khanij Udyog Private Limited (Refer Note 35)	23,15,780	184.48	23,15,780	184.48
UltraTech Nathdwara Cement Limited (UNCL)	3,40,00,00,000	3,429.20	3,40,00,00,000	3,429.20
<b>Face value of ₹ 10 each partly paid:</b>				
Gotan Lime Stone Khanij Udyog Private Limited (Refer Note 35)	23,000	0.98	23,000	0.98
Harish Cement Limited	-	-	578	0.23
<b>Face Value of Sri Lankan Rupee 10 each fully paid:</b>				
UltraTech Cement Lanka (Private) Limited	4,00,00,000	23.03	4,00,00,000	23.03
<b>Face Value of UAE Dirham 10 each fully paid:</b>				
UltraTech Cement Middle East Investments Limited	3,43,69,140	643.56	3,43,69,140	643.56

## Notes to the Standalone Financial Statements

₹ in Crores

Particulars	As at March 31, 2022		As at March 31, 2021	
	Nos.	Amount	Nos.	Amount
<b>Face Value of Indonesian Rupiah 8,923 each fully paid:</b>				
PT UltraTech Mining Indonesia	9,87,069	4.75	9,87,069	4.75
<b>Face Value of Indonesian Rupiah 9,163 each fully paid:</b>				
PT UltraTech Investment Indonesia	19,00,000	11.46	19,00,000	11.46
Less: Provision for Impairment in value of Investment in both Indonesian Subsidiaries		(13.69)		(13.69)
		<b>4,451.48</b>		<b>4,451.25</b>
<b>Joint Ventures:</b>				
<b>Face value of ₹ 10 each fully paid:</b>				
Bhaskarpara Coal Company Limited	81,41,050	8.14	81,41,050	8.14
Less: Provision for Impairment in value of Investment		(1.65)		(1.65)
		<b>6.49</b>		<b>6.49</b>
<b>Associates:</b>				
<b>Face value of ₹ 10 each fully paid:</b>				
Madanpur (North) Coal Company Private Limited	11,52,560	1.15	11,52,560	1.15
Less: Provision for Impairment in value of Investment		(0.22)		(0.22)
		<b>0.93</b>		<b>0.93</b>
Aditya Birla Renewables SPV 1 Limited	1,62,78,663	16.60	1,62,78,663	16.60
Aditya Birla Renewables Energy Limited	46,15,650	4.71	34,19,000	3.42
<b>Investments measured at Fair value through Profit or Loss:</b>				
<b>Equity Instruments:</b>				
<b>Face value of ₹ 10 each fully paid:</b>				
Raj Mahal Coal Mining Limited	10,00,000	1.00	10,00,000	1.00
Green Infra Wind Power Generation Limited	1,92,000	0.19	1,92,000	0.19
Watsun Infrabuild Private Limited	6,42,600	0.64	2,96,000	0.30
Amplus Sunshine Private Limited	38,67,848	4.80	38,67,848	4.80
VSV Onsite Private Limited	78,52,649	10.15	21,25,387	2.75
Lalganj Power Private Limited	1,30,32,882	17.20	1,21,21,212	16.00
Amplus Dakshin Private Limited	1,16,90,777	11.69	4,59,000	0.46
Amplus Coastal Power Private Limited	17,12,279	1.76	17,12,279	1.76
VSV Offsite Private Limited	3,88,890	0.53	-	-
Solbridge Energy Private Limited	17,38,490	2.21	-	-
Sunroot Energy Private Limited	5,10,000	0.51	-	-
NU Power Wind Farm Limited (Equity shares of ₹ 10 each aggregating to ₹ 20,000)	2,000	-	39,548	0.04
SBE Renewables Twenty Two C1 Private Limited (Equity shares of ₹ 10 each aggregating to ₹ 260)	-	-	26	-
SBE Renewables Twenty Two C2 Private Limited (Equity shares of ₹ 10 each aggregating to ₹ 260)	-	-	26	-
SBE Renewables Twenty Two C3 Private Limited (Equity shares of ₹ 10 each aggregating to ₹ 130)	-	-	13	-
		<b>50.68</b>		<b>27.30</b>
<b>Preference Shares:</b>				
<b>Subsidiaries:</b>				
<b>0.5% Cumulative Compulsory Redeemable Preference Shares Face Value of UAE Dirham 10 each fully paid:</b>				
UltraTech Cement Middle East Investments Limited	5,14,22,000	1,061.10	5,14,22,000	1,023.54

## Notes to the Standalone Financial Statements

₹ in Crores

Particulars	As at March 31, 2022		As at March 31, 2021	
	Nos.	Amount	Nos.	Amount
<b>7% Non Cumulative Non-Convertible Redeemable Preference Shares of ₹ 100 each fully paid</b>				
Aditya Birla Health Services Private Limited	20,00,000	17.80	20,00,000	17.69
<b>Units of Debt schemes of Various Mutual Funds</b>		697.60		62.58
		<b>6,307.39</b>		<b>5,609.80</b>
<b>Quoted:</b>				
<b>Investments measured at Fair value through Profit or Loss:</b>				
Tax free Bonds		282.75		290.44
Taxable Corporate Bonds		290.83		857.43
		<b>6,880.97</b>		<b>6,757.67</b>
<b>Aggregate Book Value of:</b>				
<b>Quoted Investments</b>		573.58		1,147.87
<b>Unquoted Investments</b>		6,307.39		5,609.80
		<b>6,880.97</b>		<b>6,757.67</b>
Aggregate Market Value of Quoted Investments		573.58		1,147.87
Aggregate amount of impairment in value of investments		15.56		15.61

### Note 5: Loans

₹ in Crores

Particulars	Non-Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
<b>Considered good, Secured:</b>				
Loans against House Property (Secured by way of title deeds)	-	-	0.05	0.01
<b>Considered good, Unsecured:</b>				
Loans to Related Parties (Refer Note 38)	-	-	2,566.76	782.66
Loans to Employees	9.59	4.54	6.54	5.08
	<b>9.59</b>	<b>4.54</b>	<b>2,573.35</b>	<b>787.75</b>

**Note 5.1** - Disclosure of Loans and Advances given to subsidiaries as per Regulation 34 (3) and 53 (f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186 of the Companies Act, 2013:

₹ in Crores

Name of the Subsidiary Company	Amount Outstanding as at		Maximum Balance Outstanding during the year ended		Investment by Subsidiary in Shares of the Company (No. of Shares)	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
UltraTech Nathdwara Cement Limited (avg. interest rate 1 month MCLR) (For discharging the liabilities in UNCL upon its acquisition)	2,566.76	782.66	3,102.76	1,789.20	-	-

## Notes to the Standalone Financial Statements

**Note 5.2** - Loans or Advances are in the nature of loans are granted to promoters, Directors, KMPs and the related parties, either severally or jointly with any other person, that are repayable on demand; or without specifying any terms or period of repayment:

Type of Borrower	Amount of loan or advance in the nature of loan outstanding as at		% to the total Loans and Advances in the nature of loans as at	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Related Parties	2,566.76	782.66	99.37%	98.78%
<b>Total</b>	<b>2,566.76</b>	<b>782.66</b>	<b>99.37%</b>	<b>98.78%</b>

**Note 5.3** - No loans are due from directors or other officers of the Company or any of them either severally or jointly with any other person. Further, no loans are due from firms or private companies in which any director is a partner, a director or a member.

### Note 6: Other Financial Assets

Particulars	Non-Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Derivative Assets	367.89	384.53	38.05	77.59
Interest Accrued on Deposits and Investments	-	-	40.34	51.65
Fixed Deposits with Bank with Maturity Greater than twelve Months <sup>^</sup>	37.90	0.40	-	-
Government Grants Receivable	529.96	167.10	1,018.83	1,152.90
Security Deposits	147.41	139.81	154.54	109.43
Others (Includes Insurance Claims, Railway Claims and Other Receivables)	-	-	474.71	472.01
	<b>1,083.16</b>	<b>691.84</b>	<b>1,726.47</b>	<b>1,863.58</b>

<sup>^</sup> Lodged as Security with Government Departments - ₹ 0.09 Crores (March 31, 2021: ₹ 0.04 Crores)

### Note 7: Other Non-Current Assets

Particulars	As at March 31, 2022	As at March 31, 2021
	Capital Advances	2,412.51
Less: Provision for Impairment	(12.36)	(18.56)
	<b>2,400.15</b>	<b>2,149.95</b>
Balance with Government Authorities	614.69	513.33
Prepaid Expenses	3.96	0.75
	<b>3,018.80</b>	<b>2,664.03</b>

## Notes to the Standalone Financial Statements

### Note 8: Inventories (Valued at lower of cost and net realisable value, unless otherwise stated)

Particulars	As at March 31, 2022	As at March 31, 2021
	Raw Materials {includes in transit ₹ 125.86 Crores, (March 31, 2021: ₹ 52.36 Crores)}	673.74
Work-in-Progress	891.16	602.79
Finished Goods {includes in transit ₹ 58.78 Crores, (March 31, 2021: ₹ 96.52 Crores)}	495.21	426.74
Stock-in-trade {includes in transit ₹ 2.85 Crores, (March 31, 2021: ₹ 6.99 Crores)}	17.58	13.87
Stores & Spares {includes in transit ₹ 3.60 Crores, (March 31, 2021: ₹ 15.52 Crores)}	1,252.20	1,041.17
Fuel {includes in transit ₹ 513.94 Crores, (March 31, 2021: ₹ 278.36 Crores)}	1,662.70	1,046.99
Packing Materials {includes in transit ₹ 1.30 Crores, (March 31, 2021: ₹ 0.47 Crores)}	160.08	146.40
Scrap (valued at net realisable value)	9.87	8.28
	<b>5,162.54</b>	<b>3,722.05</b>

The Company follows suitable provisioning norms for writing down the value of Inventories towards slow moving, non-moving and surplus inventory. Provision as on date is ₹ 50.65 Crores (March 31, 2021 ₹ 50.62 Crores).

### Note 9: Current Investments

Particulars	As at March 31, 2022	As at March 31, 2021
	<b>Quoted:</b>	
<b>Investments measured at Fair value through Profit or Loss:</b>		
Taxable Corporate Bonds	90.97	50.23
Tax Free Bonds	-	5.89
<b>Unquoted:</b>		
<b>Investments measured at amortised Cost:</b>		
Fixed Deposits with Financial Institution with Maturity less than twelve months	335.00	300.00
<b>Investments measured at Fair value through Profit or Loss:</b>		
Units of Debt Schemes of Various Mutual Funds	4,417.57	10,455.89
	<b>4,843.54</b>	<b>10,812.01</b>
<b>Aggregate Book Value of:</b>		
Quoted Investments	90.97	56.12
Unquoted Investments	4,752.57	10,755.89
	<b>4,843.54</b>	<b>10,812.01</b>
<b>Aggregate Market Value of Quoted Investments</b>	<b>90.97</b>	<b>56.12</b>

### Note 10: Trade Receivables

Particulars	As at March 31, 2022	As at March 31, 2021
	Considered good, Secured (Refer Note 38)	554.30
Considered good, Unsecured	2,152.52	1,891.05
Significant increase in Credit Risk and Credit Impaired	82.39	83.35
	<b>2,789.21</b>	<b>2,369.34</b>
Less: Allowances for credit losses	(82.39)	(83.35)
	<b>2,706.82</b>	<b>2,285.99</b>

## Notes to the Standalone Financial Statements

### Note 10.1: Trade Receivables Ageing Schedule

₹ in Crores

Particulars	Receivable but not due	Outstanding from due date of Payment					Total
		Less than 6 Months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
<b>As at March 31, 2022:</b>							
(i) Undisputed Trade receivables – considered good	2,049.71	627.77	19.61	3.45	0.40	2.91	2,703.85
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	1.12	7.50	4.39	0.01	0.01	13.03
(iii) Undisputed Trade Receivables – credit impaired	-	-	2.65	2.87	5.12	21.05	31.69
(iv) Disputed Trade Receivables– considered good	-	-	0.03	0.43	0.48	2.03	2.97
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	0.01	0.61	-	-	0.62
(vi) Disputed Trade Receivables – credit impaired	-	-	-	0.10	6.88	30.07	37.05
<b>Total As at March 31, 2022</b>	<b>2,049.71</b>	<b>628.89</b>	<b>29.80</b>	<b>11.85</b>	<b>12.89</b>	<b>56.07</b>	<b>2,789.21</b>
<b>As at March 31, 2021:</b>							
(i) Undisputed Trade receivables – considered good	1,682.97	582.16	6.14	5.55	1.82	4.08	2,282.72
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	0.38	2.86	8.82	0.14	0.08	12.28
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	4.08	4.57	26.19	34.84
(iv) Disputed Trade Receivables– considered good	-	0.05	0.27	2.05	0.07	0.83	3.27
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	0.09	3.70	0.04	0.33	4.16
(vi) Disputed Trade Receivables – credit impaired	-	-	-	2.20	10.72	19.15	32.07
<b>Total As at March 31, 2021</b>	<b>1,682.97</b>	<b>582.59</b>	<b>9.36</b>	<b>26.40</b>	<b>17.36</b>	<b>50.66</b>	<b>2,369.34</b>

There are no unbilled trade receivables, hence the same is not disclosed in the ageing schedules.

### Note 11: Cash and Cash Equivalents

₹ in Crores

	As at March 31, 2022	As at March 31, 2021
Balance with banks (Current Account)	53.16	89.43
Cheques on hand	22.05	28.19
Cash on hand	1.37	0.96
	<b>76.58</b>	<b>118.58</b>

## Notes to the Standalone Financial Statements

### Note 12: Bank Balances other than Cash and Cash Equivalents

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
Fixed Deposits with Banks (Maturity more than three months and upto twelve months) ^	170.66	1,747.39
Earmarked Balance with Bank for Unpaid Dividends	12.62	10.58
	<b>183.28</b>	<b>1,757.97</b>

^ Lodged as security with Government Departments ₹ 0.88 Crores (March 31, 2021 ₹ 21.22 Crores). Earmarked for specific purpose ₹ 144.95 Crores (March 31, 2021 ₹ 144.95 Crores).

### Note 13: Other Current Assets

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
Advances to related parties (Refer Note 38)	179.74	197.82
Balance with Government Authorities	487.53	590.80
Advances to Suppliers	802.51	518.17
Prepaid Expenses	63.67	121.89
Others (Receivable from Gratuity Trust and Other Receivables)	177.45	206.31
	<b>1,710.90</b>	<b>1,634.99</b>

### Note 14(a): Equity Share Capital

₹ in Crores

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount
<b>Authorised</b>				
Equity Shares of ₹ 10 each	78,00,00,000	780.00	78,00,00,000	780.00
<b>Issued, Subscribed and Fully Paid-up</b>				
Equity Shares of ₹ 10 each fully paid-up	28,86,70,847	288.67	28,86,53,398	288.65
<b>(a) Reconciliation of the Shares Outstanding at the beginning and at the end of the year</b>				
Outstanding at the beginning of the year	28,86,53,398	288.65	28,86,25,105	288.63
Add: Shares issued under Employees Stock Options Scheme (ESOS)	17,449	0.02	28,293	0.02
Outstanding at the end of the year	28,86,70,847	288.67	28,86,53,398	288.65
<b>(b) Shares held by Holding Company</b>				
Grasim Industries Limited	16,53,35,150	165.34	16,53,35,150	165.34
<b>(c) List of shareholders holding more than 5% of Paid-up Equity Share Capital</b>				
Grasim Industries Limited	16,53,35,150	57.27%	16,53,35,150	57.28%
	No. of Shares	Amount	No. of Shares	Amount
<b>(d) Equity Shares of ₹ 10 each reserved for issue under ESOS</b>	41,931	0.04	59,380	0.06
<b>(e) Aggregate number of Shares issued for consideration other than cash during the period of five years immediately preceding the reporting date</b>				
Equity Shares of ₹ 10 each issued as fully paid up to the shareholders of Century Textiles and Industries Limited, pursuant to the Scheme of Demerger	1,39,61,960	13.96	1,39,61,960	13.96

(f) **The Company has only one class of Equity Shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held except for Global Depository Receipts. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.**

(g) **Shares held by Promoters:**

Promoter Name	As at March 31, 2022		As at March 31, 2021		% change during the year
	No of Shares	% of total shares	No of Shares	% of total shares	
Mr. Kumar Mangalam Birla	1,80,132	0.06%	1,80,132	0.06%	0.00%
Grasim Industries Limited	16,53,35,150	57.27%	16,53,35,150	57.28%	-0.01%
<b>Total</b>	<b>16,55,15,282</b>	<b>57.33%</b>	<b>16,55,15,282</b>	<b>57.34%</b>	<b>-0.01%</b>

Promoter Name	As at March 31, 2021		As at March 31, 2020		% change during the year
	No of Shares	% of total shares	No of Shares	% of total shares	
Mr. Kumar Mangalam Birla	1,80,132	0.06%	3,837	0.00%	0.06%
Grasim Industries Limited	16,53,35,150	57.28%	16,53,35,150	57.28%	0.00%
<b>Total</b>	<b>16,55,15,282</b>	<b>57.34%</b>	<b>16,53,38,987</b>	<b>57.28%</b>	<b>0.06%</b>

**Note 14(b): Other Equity**

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
Capital Reserve	170.72	170.72
Securities Premium	5,477.10	5,469.67
Debenture Redemption Reserve	37.50	247.50
General Reserve	36,330.41	31,330.41
Share option outstanding reserve	49.71	43.62
Treasury Shares	(154.29)	(77.50)
Retained Earnings	7,091.61	5,893.68
Cash Flow Hedge Reserve	(20.79)	(14.11)
<b>Total Other Equity</b>	<b>48,981.97</b>	<b>43,063.99</b>

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

- a) **Capital Reserve:** Company's capital reserve is mainly on account of acquisition of cement business of Larsen & Toubro Ltd., Gujarat Units of Jaypee Cement Corporation Ltd (JCCL) and cement capacities of 21.2 MTPA of Jaiprakash Associates Ltd (JAL) and JCCL, being excess of the net assets acquired over the consideration paid.
- b) **Securities Premium:** Securities premium is credited when shares are issued at premium. It is utilised in accordance with the provisions of the Act, to issue bonus shares, to provide for premium on redemption of shares or debentures, equity related expenses like underwriting costs, etc.

- c) **Debenture Redemption Reserve (DRR):** The Company has issued redeemable non-convertible debentures. Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), requires the company to create DRR out of profits of the company available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued. However, this requirement is no more applicable w.e.f. April 1, 2018 as per the amendment in the Companies (Share capital and Debentures) Rules, 2014 vide dated August 16, 2019; accordingly the Company has not made any new addition in the said reserve and accounted the reversal of outstanding reserve linked to payment of specific non-convertible debentures.
- d) **General Reserve:** The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provision of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Companies Act, 2013.
- e) **Shares Options Outstanding Reserve:** The Company has three share option schemes under which options to subscribe for the Company's shares have been granted to certain executives and senior employees. The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration.
- f) **Treasury Shares:** The Company has formed an Employee Welfare Trust for purchasing Company's shares to be allotted to eligible employees under Employees Stock Options Scheme, 2018 (ESOS 2018). As per Ind AS 32 - Financial Instruments: Presentation, Reacquired equity shares of the Company are called Treasury Shares and deducted from equity.
- g) **Cashflow Hedge Reserve:** The Company has designated its hedging instruments as cash flow hedges and any effective portion of cashflow hedge is maintained in the said reserve. In case the hedging becomes ineffective, the amount is recognised in the Statement of Profit and Loss.

**Note 15: Non-Current Borrowings**

₹ in Crores

Particulars	Non-Current		Current Maturities of Long-Term debts *	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
<b>Secured:</b>				
Non-Convertible Debentures - Note (a1)	500.00	500.00	-	550.00
Term Loans from Banks:				
In Foreign Currency - Note (b1)	-	365.55	-	-
In Local Currency - Note (c)	-	4,873.37	-	18.75
	-	<b>5,238.92</b>	-	<b>18.75</b>
Sales Tax Deferment Loan - Note (d1)	159.04	119.29	34.60	45.02
	<b>659.04</b>	<b>5,858.21</b>	<b>34.60</b>	<b>613.77</b>
<b>Unsecured:</b>				
Non-Convertible Debentures - Note (a2)	1,500.00	1,750.00	250.00	1,010.00
Foreign Currency Bonds- Note (e)	3,031.70	2,924.40	-	-
Term Loans from Banks:				
In Foreign Currency - Note (b2)	-	-	-	704.99
Sales Tax Deferment Loan - Note (d2)	112.26	151.95	40.65	75.10
	<b>4,643.96</b>	<b>4,826.35</b>	<b>290.65</b>	<b>1,790.09</b>
<b>Total</b>	<b>5,303.00</b>	<b>10,684.56</b>	<b>325.25</b>	<b>2,403.86</b>

\* Amount disclosed under the head 'Current Borrowings' (Refer Note 20).

## (a1) Non-Convertible Debentures (NCDs):

		₹ in Crores	
Particulars		As at March 31, 2022	As at March 31, 2021
<b>Secured:</b>			
7.53% NCDs	Redeemable at par on August 21, 2026	500.00	500.00
7.15% NCDs	Redeemed at par on October 18, 2021	-	300.00
7.57% NCDs	Redeemed at par on August 06, 2021	-	250.00
		<b>500.00</b>	<b>1,050.00</b>
Less: Current Portion of NCDs shown under Current Borrowings		-	(550.00)
<b>Total</b>		<b>500.00</b>	<b>500.00</b>

The NCDs are secured by way of first charge, having pari passu rights, on the Company's fixed assets (save and except stocks and book debts), both present and future, situated at certain locations, in favour of Debenture Trustees.

## (a2) Non-Convertible Debentures (NCDs):

		₹ in Crores	
Particulars		As at March 31, 2022	As at March 31, 2021
<b>Unsecured:</b>			
6.68% NCDs	Redeemable at par on February 20, 2025	250.00	250.00
7.64% NCDs	Redeemable at par on June 04, 2024	250.00	250.00
6.72% NCDs	Redeemable at par on December 09, 2022	250.00	250.00
6.93% NCDs	Redeemed at par on November 25, 2021	-	250.00
6.99% NCDs	Redeemed at par on November 24, 2021	-	400.00
8.36% NCDs	Redeemed at par on June 07, 2021	-	360.00
4.57% NCDs	Redeemable at par on December 29, 2023	1,000.00	1,000.00
		<b>1,750.00</b>	<b>2,760.00</b>
Less: Current Portion of NCDs shown under Current Borrowings		(250.00)	(1,010.00)
<b>Total</b>		<b>1,500.00</b>	<b>1,750.00</b>

## (b1) Term Loans from Banks in Foreign Currency:

		₹ in Crores	
Particulars	Repayment Schedule	As at March 31, 2022	As at March 31, 2021
<b>Secured:</b>			
State Bank of India, New York (US Dollar: Nil; March 31, 2021: 1.00 Crores)	Repaid in March 2022	-	73.11
State Bank of India, New York (US Dollar: Nil; March 31, 2021: 2.00 Crores)	Repaid in February 2022	-	146.22
State Bank of India, New York (US Dollar: Nil; March 31, 2021: 2.00 Crores)	Repaid in February 2022	-	146.22
		<b>-</b>	<b>365.55</b>
Less: Current Portion shown under Current Borrowings		-	-
<b>Total</b>		<b>-</b>	<b>365.55</b>

The above mentioned loans were secured by way of first charge, having pari passu rights, on the Company's fixed assets, both present and future, situated at certain locations, in favour of Company's lenders / trustees.

## (b2) Term Loans from Banks in Foreign Currency:

		₹ in Crores	
Particulars	Repayment Schedule	As at March 31, 2022	As at March 31, 2021
<b>Unsecured:</b>			
Export Development, Canada (US Dollar: Nil; March 31, 2021: 4.64 Crores)	Repaid in June 2021	-	339.44
Export Development, Canada (US Dollar: Nil; March 31, 2021: 5.00 Crores)	Repaid in May 2021	-	365.55
		<b>-</b>	<b>704.99</b>
Less: Current Portion shown under Current Borrowings		-	(704.99)
<b>Total</b>		<b>-</b>	<b>-</b>

## (c) Term Loans from Banks in Local Currency:

		₹ in Crores	
Particulars	Repayment Schedule	As at March 31, 2022	As at March 31, 2021
<b>Secured:</b>			
Axis Bank Ltd	Repaid in July 2021	-	507.08
HDFC Bank Ltd	Repaid in July 2021	-	1,803.79
State Bank of India	Repaid in July 2021	-	300.00
State Bank of India	Repaid in July 2021	-	2,000.00
Axis Bank Ltd	Repaid in July 2021	-	150.00
HDFC Bank Ltd	Repaid in July 2021	-	131.25
		<b>-</b>	<b>4,892.12</b>
Less: Current Portion shown under Current Borrowings		-	(18.75)
<b>Total</b>		<b>-</b>	<b>4,873.37</b>

The above mentioned loans are secured by way of first charge, having pari passu rights, on the Company's fixed assets, both present and future, situated at certain locations, in favour of Company's lenders / trustees.

## (d1) Sales Tax Deferment Loan:

		₹ in Crores	
Particulars		As at March 31, 2022	As at March 31, 2021
<b>Secured:</b>			
Uttar Pradesh Financial Corporation	Varied Annual Payments from August 2019 to December 2024	84.95	123.76
Department of Industries and Commerce, Karnataka	Varied Annual Payments from August 2032 to March 2034	108.69	40.55
		<b>193.64</b>	<b>164.31</b>
Less: Current Portion shown under Current Borrowings		(34.60)	(45.02)
<b>Total</b>		<b>159.04</b>	<b>119.29</b>

Sales Tax Deferment Loan is secured by bank guarantee backed by hypothecation of Inventories and Book debts of the Company.

(d2) Sales Tax Deferment Loan:

₹ in Crores

		As at	As at
		March 31, 2022	March 31, 2021
<b>Unsecured:</b>			
Department of Industries and Commerce, Haryana	Varied Annual Payments from January 2017 to October 2022	11.01	58.43
Commercial Tax Department, Hyderabad	Varied Annual payments from October 2012 to October 2026	141.90	164.60
Commercial Tax Department, Chhattisgarh		-	4.02
		<b>152.91</b>	<b>227.05</b>
Less: Current Portion shown under Current Borrowings		(40.65)	(75.10)
<b>Total</b>		<b>112.26</b>	<b>151.95</b>

(e) Foreign Currency Bonds:

₹ in Crores

		As at	As at
		March 31, 2022	March 31, 2021
<b>Unsecured:</b>			
2.80% Sustainability Linked Bonds (US Dollar: 40.00 Crores; March 31, 2021: US Dollar: 40.00 Crores)	February 2031	3,031.70	2,924.40
		<b>3,031.70</b>	<b>2,924.40</b>

The Company had issued unsecured fixed rate US Dollar denominated notes (in the form of "Sustainability Linked Bonds"), aggregating to USD 400 million, due on February 16, 2031, bearing coupon of 2.80% per annum payable semi-annually. The Bonds are linked to 'Sustainability Performance Target (SPT) of reducing Scope 1 GHG emissions by 22.2% from a 2017 baseline. If SPT is not achieved by observation date in 2030, the coupon will step-up by 0.75% for last two coupons. The Bonds are listed on the Singapore Exchange Securities Trading Limited.

Note 16: Other Financial Liabilities

₹ in Crores

Particulars	Non-Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Interest Accrued but not due on Borrowings	-	-	76.29	165.76
Deferred Premium Payable	303.48	332.19	28.87	27.21
Derivative Liability	-	-	10.17	-
Liability for Capital Goods	-	-	681.24	181.07
Security Deposits	-	-	2,027.24	1,841.79
Salaries, Wages, Bonus and Other Employee Payables	-	-	307.68	296.07
Investor Education and Protection Fund, will be credited with the following amounts (as and when due)	-	-	-	-
Unpaid Dividends	-	-	12.62	10.59
Unpaid Fractional liability on issue of shares pursuant to scheme of Demerger	-	-	0.42	0.42
Others (Retention money, Liquidated Damages, etc.)	-	-	413.68	279.16
	<b>303.48</b>	<b>332.19</b>	<b>3,558.21</b>	<b>2,802.07</b>

Note 17: Provisions

₹ in Crores

Particulars	Non-Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
<b>Provision for Employee Benefits:</b>				
For Employee Benefits (Refer Note 36)	263.99	38.02	45.61	254.54
<b>Others:</b>				
For Mines Restoration Expenditure	321.85	291.06	-	-
For Cost of transfer of Assets	-	-	186.04	252.22
	<b>585.84</b>	<b>329.08</b>	<b>231.65</b>	<b>506.76</b>

Note 17.1 - Movement of provisions during the year as required by Ind AS - 37 "Provisions, Contingent Liabilities and Contingent Assets" specified under Section 133 of the Companies Act, 2013:

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
<b>(a) Mines Restoration Expenditure:</b>		
Opening Balance	291.06	164.98
Add: Provision / (Reversal) during the year	10.47	106.27
Add: Unwinding of discount on Mine Restoration Provision	21.88	19.81
Less: Utilisation during the year	(1.56)	0.00
<b>Closing Balance</b>	<b>321.85</b>	<b>291.06</b>
<b>(b) Provision for Cost of Transfer of Assets:</b>		
Opening Balance	252.22	254.93
Less: Utilisation during the year	(66.18)	(2.71)
<b>Closing Balance</b>	<b>186.04</b>	<b>252.22</b>

Note 18: Deferred Tax Liabilities (Net)

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021	Recognised in Statement of Profit and Loss	Recognised in OCI	Recognised directly in Other Equity
<b>Deferred Tax Assets:</b>					
MAT Credit Entitlement	-	-	-	-	-
Provision allowed under tax on payment basis	(234.19)	(235.16)	0.97	-	-
Others	(122.40)	(105.69)	(14.47)	(2.24)	-
	<b>(356.59)</b>	<b>(340.85)</b>	<b>(13.50)</b>	<b>(2.24)</b>	-
<b>Deferred Tax Liabilities:</b>					
Tangible and Intangible Assets	5,527.36	5,455.27	72.09	-	-
Fair valuation of Investments	28.36	88.54	(60.18)	-	-
Others	30.79	16.18	14.61	-	-
	<b>5,586.51</b>	<b>5,559.99</b>	<b>26.52</b>	-	-
<b>Net Deferred Tax Liability</b>	<b>5,229.92</b>	<b>5,219.14</b>	<b>13.02</b>	<b>(2.24)</b>	-



## Notes to the Standalone Financial Statements

₹ in Crores

Particulars	As at March 31, 2021	As at March 31, 2020	Recognised in Statement of Profit and Loss	Recognised in OCI	Recognised directly in Other Equity
<b>Deferred Tax Assets:</b>					
MAT Credit Entitlement	-	(1,047.25)	1,047.25	-	-
Provision allowed under tax on payment basis	(235.16)	(182.16)	(53.00)	-	-
Others	(105.69)	(148.55)	39.55	3.31	-
	<b>(340.85)</b>	<b>(1,377.96)</b>	<b>1,033.80</b>	<b>3.31</b>	<b>-</b>
<b>Deferred Tax Liabilities:</b>					
Tangible and Intangible Assets	5,455.27	5,370.14	85.13	-	-
Fair valuation of Investments	88.54	73.64	14.90	-	-
Others	16.18	11.06	5.12	-	-
	<b>5,559.99</b>	<b>5,454.84</b>	<b>105.15</b>	<b>-</b>	<b>-</b>
<b>Net Deferred Tax Liability</b>	<b>5,219.14</b>	<b>4,076.88</b>	<b>1,138.95</b>	<b>3.31</b>	<b>-</b>

During the year ended March 31, 2022, pursuant to completion of prior income tax assessments, the Company has (i) reversed accumulated provision for tax amounting to ₹ 303.92 Crores and same has been utilized in current year and (ii) accrued Minimum Alternate Tax Credit Entitlement of ₹ 1,213.94 Crores which has been utilised against the current year tax expense.

### Note 19: Other Non-Current Liabilities

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
Deferred Income on Government Grants	3.83	4.00
Others	0.33	0.93
	<b>4.16</b>	<b>4.93</b>

### Note 20: Current Borrowings

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Secured:</b>		
Current Maturities of Long Term Debts (Refer Note 15)	34.60	613.77
<b>Unsecured:</b>		
Redeemable preference shares issued	1,000.10	1,000.10
Current Maturities of Long Term Debts (Refer Note 15)	290.65	1,790.09
Loans repayable on demand: From Banks - Cash Credits / Working Capital Borrowings	383.84	240.67
Others		
From Banks (includes commercial paper)	1,210.23	1,621.00
From Others (commercial paper)	1,668.69	1,368.38
	<b>3,262.76</b>	<b>3,230.05</b>
	<b>4,588.11</b>	<b>6,634.01</b>

## Notes to the Standalone Financial Statements

### Note 21: Trade Payables

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Dues of Micro and Small Enterprises (Refer Note 55)</b>	<b>117.48</b>	<b>65.26</b>
<b>Dues of Creditors other than Micro and Small Enterprises</b>		
Other Trade Payable	5,214.93	4,159.80
Due to Related Parties (Refer Note 38)	10.85	3.73
	<b>5,225.78</b>	<b>4,163.53</b>
	<b>5,343.26</b>	<b>4,228.79</b>

#### Note 21.1: Trade Payables Ageing Schedule

₹ in Crores

Particulars	Unbilled	Outstanding but not due	Outstanding for the following periods from the due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As on March 31, 2022:</b>							
(i) Micro and Small Enterprises	-	107.68	9.80	-	-	-	117.48
(ii) Other than Micro and Small Enterprises	1,184.56	1,827.47	2,208.73	-	-	-	5,220.76
(iii) Disputed - Micro and Small Enterprises	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	2.00	3.02	-	5.02
<b>Total as on March 31, 2022</b>	<b>1,184.56</b>	<b>1,935.15</b>	<b>2,218.53</b>	<b>2.00</b>	<b>3.02</b>	<b>-</b>	<b>5,343.26</b>
<b>As on March 31, 2021:</b>							
(i) Micro and Small Enterprises	-	63.27	1.99	-	-	-	65.26
(ii) Other than Micro and Small Enterprises	1,330.02	1,460.68	1,356.89	12.92	-	-	4,160.51
(iii) Disputed - Micro and Small Enterprises	-	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	3.02	-	-	3.02
<b>Total as on March 31, 2021</b>	<b>1,330.02</b>	<b>1,523.95</b>	<b>1,358.88</b>	<b>15.94</b>	<b>-</b>	<b>-</b>	<b>4,228.79</b>

### Note 22: Other Current Liabilities

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
Advance from Customers and Others	458.27	430.51
Deferred Income on Government Grants	0.17	0.17
Others (including Provision for Expenses, Statutory liabilities)	4,372.93	4,183.75
	<b>4,831.37</b>	<b>4,614.43</b>

## Notes to the Standalone Financial Statements

### Note 23: Revenue from Operations (Refer Note 53)

₹ in Crores		
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>SALE OF PRODUCTS AND SERVICES</b>		
Sale of Manufactured Products	46,079.75	39,687.77
Sale of Traded Products	3,648.25	2,988.90
Sale of Services	1.38	0.33
	<b>49,729.38</b>	<b>42,677.00</b>
<b>OTHER OPERATING REVENUES</b>		
Scrap Sales	108.44	59.22
Lease Rent	0.23	0.16
Insurance Claim	27.33	23.45
Provisions no longer required written back	50.51	30.12
Unclaimed Liabilities written back	85.93	35.22
Government Grants (Refer Note 51)	530.87	281.86
Miscellaneous Income / Receipts	130.80	81.31
	<b>934.11</b>	<b>511.34</b>
	<b>50,663.49</b>	<b>43,188.34</b>

### Note 24: Other Income

₹ in Crores		
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Interest Income on</b>		
Government and Other Securities	18.85	19.22
Bank and Other Accounts	249.13	165.37
	<b>267.98</b>	<b>184.59</b>
<b>Dividend Income on</b>		
Non-Current Investment - From a associate and subsidiary company	6.92	1.12
Profit on Sale of Property, plant and equipment (net)	3.12	3.96
Gain on Fair valuation of Investments through Profit or Loss	102.43	419.55
Profit on Sale of Current and Non-Current Investments (net)	186.39	154.10
Others	44.96	25.36
	<b>611.80</b>	<b>788.68</b>

### Note 25: Cost of Materials Consumed

₹ in Crores		
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Opening Stock	435.81	308.61
Purchases	6,697.70	5,302.14
	<b>7,133.51</b>	<b>5,610.75</b>
Less: Closing Stock	673.74	435.81
	<b>6,459.77</b>	<b>5,174.94</b>

## Notes to the Standalone Financial Statements

### Note 26: Purchases of Stock-In-Trade

₹ in Crores		
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Grey Cement	1,982.65	1,475.09
Others (UltraTech Building Solution)	475.54	461.61
	<b>2,458.19</b>	<b>1,936.70</b>

### Note 27: Changes in Inventories of Finished Goods, Stock-In-Trade and Work-In-Progress

₹ in Crores		
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Closing Inventories</b>		
Work-in-progress	891.16	602.79
Finished Goods	495.21	426.74
Stock in Trade	17.58	13.87
	<b>1,403.95</b>	<b>1,043.40</b>
<b>Opening Inventories</b>		
Work-in-progress	602.79	743.47
Finished Goods	426.74	709.66
Stock in Trade	13.87	16.71
	<b>1,043.40</b>	<b>1,469.84</b>
(Increase) / Decrease in Inventories	(360.55)	426.44
Add: Stock Transfer from Pre-Operative Account	2.18	-
	<b>(358.37)</b>	<b>426.44</b>

### Note 28: Employee Benefits Expense

₹ in Crores		
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries, Wages and Bonus	2,121.83	1,977.40
Contribution to Provident and Other Funds		
Contribution to Gratuity and Other Defined Benefit Plans	89.07	105.89
Contribution to Superannuation and Other Defined Contribution Funds	21.10	22.48
Expenses on Employees Stock Options Scheme	23.42	11.84
Staff Welfare Expenses	103.66	64.38
	<b>2,359.08</b>	<b>2,181.99</b>

## Notes to the Standalone Financial Statements

### Note 29: Finance Costs

₹ in Crores		
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Interest Expense:</b>		
On Borrowings (at amortised cost)	639.46	1,119.60
Others (including interest on deposits from dealers and contractors)	101.51	79.05
Interest on Sales Tax Deferment Loan	16.38	17.41
Interest on Lease Liability	54.13	37.71
Unwinding of discount on Mine Restoration Provision	21.88	19.81
	<b>833.36</b>	<b>1,273.58</b>
Exchange (Gain)/ Loss on revaluation of Lease Liability	18.19	(15.63)
Other Borrowing Cost (Finance Charges)	8.04	3.19
Less: Finance Costs Capitalised	(61.22)	(2.06)
	<b>798.37</b>	<b>1,259.08</b>

Borrowing costs are capitalised using rates based on specific borrowings ranging from 4.57% to 6.93 % per annum. (For the year ended March 31, 2021: 4.57% to 7.86% per annum)

### Note 30: Depreciation and Amortisation Expense

₹ in Crores		
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation	2,183.11	2,168.62
Depreciation on ROU Assets (Refer Note 3)	105.76	93.95
Amortisation	135.99	121.66
Obsolescence	31.90	50.12
	<b>2,456.76</b>	<b>2,434.35</b>

### Note 31: Freight and Forwarding Expense

₹ in Crores		
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
On Finished Products	9,897.17	8,455.44
On Clinker Transfer & others	1,670.47	1,484.12
	<b>11,567.64</b>	<b>9,939.56</b>

## Notes to the Standalone Financial Statements

### Note 32: Other Expenses

₹ in Crores		
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Consumption of Stores, Spare Parts and Components	943.10	799.90
Consumption of Packing Materials	1,668.85	1,260.24
Repairs to Plant and Machinery, Buildings and Others	992.94	789.37
Insurance	119.05	112.44
Rent	155.73	126.87
Rates and Taxes	130.14	121.29
Directors' Fees	0.28	0.27
Directors' Commission	10.00	10.00
Advertisement	487.51	313.48
Sales Promotion and Other Selling Expenses	629.97	496.73
Exchange Loss (net)	16.90	20.43
Miscellaneous Expenses	1,192.04	984.26
	<b>6,346.51</b>	<b>5,035.28</b>
Less: Captive Consumption of Cement	(57.70)	(23.41)
	<b>6,288.81</b>	<b>5,011.87</b>

### Note 33: Contingent Liabilities (to the extent not provided for) (Ind AS 37):

#### (a) Claims against the Company not acknowledged as debt:

₹ in Crores			
Particulars	Brief Description of Matter	As at March 31, 2022	As at March 31, 2021
(a) Excise Duty and Service Tax Matters	Related to valuation matter (Rule 8 vs. Rule 4), Denial of Cenvat credit on Input Service Distributor (ISD) and others	1,614.32	1,518.50
(b) GST/ Sales-tax/ VAT / Entry Tax Matters	Related to stock transfer treated as interstate sales, Demand on freight component and levy of purchase tax on exempted supply, Demand of Entry Tax and others	1,033.87	1,016.31
(c) Royalty on Limestone/ Marl / Shale	Based on fixed conversion factor on limestone, royalty rate difference on Marl and additional royalty on mines transfer	373.47	364.81
(d) Land Related Matters	Demand of Higher Compensation	272.33	254.11
(e) Electricity Duty / Energy Development Cess	Related to electricity duty, Minimum power consumption, Energy development Cess and denial of electricity duty exemption	691.91	548.93
(f) Customs	Related to classification dispute	250.53	234.39
(g) Stamp duty	Related to stamp duty on debt and name change	353.08	355.49
(h) Others	Related to Fly ash matters, claim raised by vendor/ supplier, Road Tax matter, Income Tax matters and others	360.18	332.21

Cash outflows for the above are determinable only on receipt of judgments pending at various forums / authorities.

- (b) The Company had filed appeals against the orders of the Competition Commission of India (CCI) dated 31 August 2016 (Penalty of ₹ 1,449.51 Crores) and 19 January 2017 (Penalty of ₹ 68.30 Crores). Upon the National Company Law Appellate Tribunal ("NCLAT") disallowing its appeal against the CCI order dated 31 August 2016, the Company filed an appeal before Hon'ble Supreme Court which has, by its order dated 5 October 2018, granted a stay against the NCLAT order. Consequently, the Company has deposited an amount of ₹ 144.95 Crores equivalent to 10% of the penalty of ₹ 1,449.51 Crores. The Company, backed by legal opinions, believes that it has a good case in both the matters and accordingly no provision has been recognised in the financial statements.

## (c) Guarantees:

The Company has issued corporate guarantees as under:

In favour of the Banks / Lenders on behalf of some of its Subsidiaries and Joint Venture (JV), as mentioned below, for the purposes of replacing old loans, acquisition financing, working capital and other general corporate purposes:

- UltraTech Nathdwara Cement Limited: ₹ 350.00 Crores (March 31, 2021 ₹ 3,050.00 Crores).
- Bhaskarpara Coal Company Limited (JV): ₹ 1.70 Crores (March 31, 2021 ₹ 1.70 Crores).
- UltraTech Cement Middle East Investment Limited and its subsidiaries: USD 191.30 Million (Equivalent to ₹ 1,449.89 Crores) (March 31, 2021 USD 161.30 Million (Equivalent to ₹ 1,179.24 Crores)).

(These Corporate Guarantees are issued in different currencies viz. Indian Rupee, USD and UAE Dirham.)

## Note 34: Capital and other commitments:

Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances) ₹ 1,988.69 Crores. (March 31, 2021 ₹ 2,230.08 Crores).

## Note 35

The Supreme Court of India has allowed an appeal filed by the State of Rajasthan in a matter relating to transfer of mining lease in the name of the Company's wholly owned subsidiary, Gotan Lime Stone Khanij Udyog Private Limited ("GKUPL") and has directed the State of Rajasthan to frame and notify its policy relating to transfer of mining lease and thereafter pass appropriate order in respect of the mining lease of GKUPL. State Government has notified the new policy related to transfer of new mining lease, based on which the Company has requested the State Government to consider reinstatement of the mines in its favour.

## Note 36: Employee Benefits (Ind AS 19):

### (A) Defined Benefit Plans:

#### (a) Gratuity:

The gratuity payable to employees is based on the employee's service and last drawn salary at the time of leaving the services of the Company and is in accordance with the Rules of the Company for payment of gratuity.

#### Inherent Risk

The plan is defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, this exposes the Company to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to any longevity risks.

#### (b) Pension:

The Company considers pension for some of its employees at senior management based on the period of service and contribution for the Company. There is no material risk associated with this plan.

#### (c) Post-Retirement Medical Benefits:

The Company provides post-retirement medical benefits to certain ex-employees who were transferred under the Scheme of arrangement for acquiring Larsen & Toubro cement business and eligible for such benefits from earlier Company. There is no material risk associated with this plan.

₹ in Crores

Particulars	As at March 31, 2022			As at March 31, 2021		
	Gratuity (Funded)	Pension	Post-Retirement Medical Benefits	Gratuity (Funded)	Pension	Post-Retirement Medical Benefits
<b>(i) Change in defined benefit obligation</b>						
Balance at the beginning of the year	671.71	6.18	0.56	696.74	7.14	0.59
Adjustment of:						
Current Service Cost	50.06	-	-	54.27	-	-
Interest Cost	44.92	0.44	0.04	43.98	0.49	0.04
Actuarial (gains) losses recognised in Other Comprehensive Income:						
- Change in Financial Assumptions	12.32	(0.07)	0.01	(25.76)	0.07	(0.01)
- Adjustment of Past Service Cost	-	-	-	4.78	-	-
- Change in Demographic Assumption	(28.80)	-	-	-	-	-
- Experience Changes	40.78	(0.01)	0.01	(57.50)	(0.61)	0.02
Benefits Paid	(57.26)	(0.91)	(0.06)	(44.80)	(0.91)	(0.08)
<b>Balance at the end of the year</b>	<b>733.73</b>	<b>5.63</b>	<b>0.56</b>	<b>671.71</b>	<b>6.18</b>	<b>0.56</b>
<b>(ii) Change in Fair Value of Assets</b>						
Balance at the beginning of the year	746.94	-	-	695.46	-	-
Expected Return on Plan Assets	50.22	-	-	44.56	-	-
Re measurements due to:						
Actual Return on Plan Assets less interest on Plan Assets	5.08	-	-	5.64	-	-
Contribution by the employer	50.15	-	-	46.08	-	-
Benefits Paid	(57.26)	-	-	(44.80)	-	-
<b>Balance at the end of the year</b>	<b>795.13</b>	<b>-</b>	<b>-</b>	<b>746.94</b>	<b>-</b>	<b>-</b>
<b>(iii) Net Asset / (Liability) recognized in the Balance Sheet</b>						
Present value of Defined Benefit Obligation	(733.73)	(5.63)	(0.56)	(671.71)	(6.18)	(0.56)
Fair Value of Plan Assets	795.13	-	-	746.94	-	-
Amount not recognised due to Asset Ceiling	(0.82)	-	-	(2.04)	-	-
<b>Net Asset / (Liability) in the Balance Sheet</b>	<b>60.58</b>	<b>(5.63)</b>	<b>(0.56)</b>	<b>73.19</b>	<b>(6.18)</b>	<b>(0.56)</b>
<b>(iv) Change in Asset Ceiling</b>						
Balance at the beginning of the year	2.04	-	-	-	-	-
Interest	0.14	-	-	-	-	-
Remeasurement due to change in surplus/deficit	(1.36)	-	-	2.04	-	-
<b>Balance at the end of the year</b>	<b>0.82</b>	<b>-</b>	<b>-</b>	<b>2.04</b>	<b>-</b>	<b>-</b>
<b>(v) Expenses recognized in the Statement of Profit and Loss</b>						
Current Service Cost	50.06	-	-	54.27	-	-
Interest Cost	45.06	0.44	0.04	43.98	0.49	0.04
Expected Return on Plan Assets	(50.22)	-	-	(44.56)	-	-
Transferred to Pre Operative Expenses	(0.63)	-	-	-	-	-
<b>Amount charged to the Statement of Profit and Loss</b>	<b>44.27</b>	<b>0.44</b>	<b>0.04</b>	<b>53.69</b>	<b>0.49</b>	<b>0.04</b>

₹ in Crores

Particulars	As at March 31, 2022			As at March 31, 2021		
	Gratuity (Funded)	Pension	Post-Retirement Medical Benefits	Gratuity (Funded)	Pension	Post-Retirement Medical Benefits
<b>(vi) Re-measurements recognised in Other Comprehensive Income (OCI):</b>						
Changes in Financial Assumptions	12.32	(0.07)	0.01	(25.76)	0.07	(0.01)
Changes in Demographic	(28.80)	-	-	-	-	-
Experience Adjustments	40.78	(0.01)	0.01	(57.50)	(0.61)	0.02
Actual return on Plan assets less interest on plan assets	(5.08)	-	-	(5.64)	-	-
Adjustment of Past Service Cost		-	-	4.78	-	-
Adjustment to recognize the asset ceiling impact	(1.36)	-	-	2.04	-	-
Loss / (Gain) recognised in Other Comprehensive Income (OCI):	17.86	(0.08)	0.02	(82.08)	(0.54)	0.01
<b>(vii) Maturity profile of defined benefit obligation:</b>						
Within the next 12 months	97.07	1.05	0.06	68.69	1.10	0.06
Between 1 and 5 years	248.78	3.29	0.24	214.81	3.49	0.24
Between 5 and 10 years	260.02	2.24	0.21	237.04	2.54	0.22
10 Years and above	921.96	1.90	0.39	1,014.72	2.21	0.42
<b>(viii) Sensitivity analysis for significant assumptions*:</b>						
Increase/(Decrease) in present value of defined benefits obligation at the end of the year						
1% increase in discount rate	(58.11)	(0.32)	(0.03)	(57.84)	(0.35)	(0.03)
1% decrease in discount rate	67.46	0.35	0.03	67.62	0.40	0.04
1% increase in salary escalation rate	65.37	-	-	65.86	-	-
1% decrease in salary escalation rate	(57.59)	-	-	(57.55)	-	-
1% increase in employee turnover rate	(22.60)	-	-	(22.66)	-	-
1% decrease in employee turnover rate	26.53	-	-	26.75	-	-
<b>(ix) The major categories of plan assets as a percentage of total plan<sup>®</sup></b>						
Insurer Managed Funds	96%	N.A	N.A	88%	N.A	N.A
Debt, Equity & Other Instruments	4%	N.A	N.A	12%	N.A	N.A
<b>(x) Actuarial Assumptions:</b>						
Discount Rate (p.a.)	6.85%	6.85%	6.85%	7.05%	7.05%	7.05%
Turnover Rate	2.5%-12%	-	-	1.5 % - 8.00%		
Mortality tables	Indian Assured Lives Mortality (2012-14)	S1PA mortality table adjusted suitably		Indian Assured Lives Mortality (2012-14)	S1PA mortality table adjusted suitably	
Salary Escalation Rate (p.a.)	8.00%	-	-	8.00%	-	-
Retirement age	58-60 Yrs.	-	-	58-60 Yrs	-	-
<b>(xi) Weighted Average duration of Defined benefit obligation</b>	8.5 Yrs	5.9 Yrs	5.7 Yrs	9.3 Yrs	6.1 Yrs	5.8 Yrs

\* These Sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analyses.

<sup>®</sup> The plan does not invest directly in any property occupied by the Company nor in any financial securities issued by the Company.

**(xii) Discount Rate:**

The discount rate is based on the prevailing market rates of Indian government securities for the estimated term of obligations.

**(xiii) Salary Escalation Rate:**

The estimates of future salary increases are considered taking into account inflation, seniority, promotion and other relevant factors.

**(xiv) Asset Liability matching strategy:**

The money contributed by the Company to the Gratuity fund to finance the liabilities of the plan has to be invested.

The trustees of the plan have outsourced the investment management of the fund to an insurance Company. The insurance Company in turn manages these funds as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations. Due to the restrictions in the type of investments that can be held by the fund, it is not possible to explicitly follow an asset liability matching strategy.

There is no compulsion on the part of the Company to fully prefund the liability of the Plan. The Company's philosophy is to fund these benefits based on its own liquidity and the level of underfunding of the plan.

**(xv)** The Company's expected contribution during next year is ₹ Nil. (March 31, 2021 ₹ Nil).

**(d) Provident Fund:**

The Company is liable for any shortfall in the fund assets based on the Government specified rate of return. Such shortfall, if any, is recognised in the Statement of Profit and Loss as an expense in the year of incurring the same.

Amount recognized as an expense under the head "Contribution to Provident and other Funds" of Statement of Profit and Loss ₹ 90.07 Crores (March 31, 2021 ₹ 88.10 Crores).

The actuary has provided for a valuation and based on the below provided assumptions there is no shortfall as at March 31, 2022 (March 31, 2021: Nil):

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
(a) Plan Assets at Fair Value	2,093.98	1,736.24
(b) Present value of defined benefit obligation at year end	2,083.74	1,730.75
(c) Surplus available	-	-
(d) Liability recognised in Balance Sheet (net)	Nil	Nil
<b>(e) Assumptions used in determining the present value obligation of interest rate guarantee under the Deterministic Approach</b>		
Government of India bond yield for the outstanding term of liabilities	6.85%	7.05%
Remaining term of the maturity of Investment Portfolio	13.45 Yrs	13.03 Yrs
Discount Rate for the remaining term of the maturity of Investment Portfolio	8.12%	8.30%
Expected Guaranteed Interest Rate	8.10%	8.50%

**(e) Contribution to Other Funds:**

Amount recognized as an expense under the head "Contribution to Other Funds" of Statement of Profit and Loss ₹ 28.62 Crores (March 31, 2021 ₹ 28.47 Crores).

**(B)** Amount recognized as an expense in respect of Compensated Absences is ₹ 51.35 Crores (March 31, 2021 ₹ (8.04) Crores).

**(C)** Amount recognized as expense for other long-term employee benefits is ₹ 0.44 Crores (March 31, 2021 ₹ 0.86 Crores).

## Note 37: Segment Reporting (Ind AS 108):

The Company has presented segment information in the consolidated financial statements. Accordingly, as per Ind AS 108 'Operating Segments', no disclosures related to segments are presented in these financial statements.

## Note 38: Related party disclosures (Ind AS 24):

### (A) List of Related Parties where control exists:

Name of the Related Party	Principal Place of Business	% Shareholding and Voting Power	
		As at March 31, 2022	As at March 31, 2021
<b>(i) Holding Company:</b>			
Grasim Industries Limited	India		NA
<b>(ii) Subsidiary Companies:</b>			
(a) Dakshin Cements Limited (struck off w.e.f. April 9, 2021)	India	-	100%
(b) UltraTech Cement Lanka Private Limited (UCLPL)	Sri Lanka	80%	80%
(c) Harish Cement Limited	India	100%	100%
(d) PT UltraTech Mining Indonesia	Indonesia	80% <sup>1</sup>	80% <sup>1</sup>
(e) PT UltraTech Investments Indonesia	Indonesia	100% <sup>&amp;</sup>	100% <sup>&amp;</sup>
(f) UltraTech Cement Middle East Investments Limited (UCMEIL)	United Arab Emirates	100%	100%
(g) Star Cement Co. LLC, Dubai *	United Arab Emirates	100% <sup>§</sup>	100% <sup>§</sup>
(h) Star Cement Co. LLC, Ras-Al-Khaimah *	United Arab Emirates	100% <sup>§</sup>	100% <sup>§</sup>
(i) Al Nakhla Crusher LLC, Fujairah *	United Arab Emirates	100% <sup>§</sup>	100% <sup>§</sup>
(j) Arabian Cement Industry LLC, Abu Dhabi *	United Arab Emirates	100% <sup>§</sup>	100% <sup>§</sup>
(k) UltraTech Cement Bahrain Company WLL, Bahrain *	Bahrain	100% <sup>^</sup>	100% <sup>^</sup>
(l) PT UltraTech Mining Sumatera #	Indonesia	100%	100%
(m) UltraTech Nathdwara Cement Limited (UNCL)	India	100%	100%
(n) Smooth Energy Private Limited (struck off w.e.f. October 26, 2021)	India	-	100% <sup>!!</sup>
(o) Bahar Ready Mix Concrete Limited (struck off w.e.f. November 2, 2021)	India	-	100% <sup>!!</sup>
(p) Merit Plaza Limited	India	100% <sup>!!</sup>	100% <sup>!!</sup>
(q) Swiss Mercandise Infrastructure Limited	India	100% <sup>!!</sup>	100% <sup>!!</sup>
(r) Krishna Holdings PTE Limited (KHPL) (under liquidation)	Singapore	100% <sup>&amp;&amp;</sup>	100% <sup>&amp;&amp;</sup>
(s) Bhumi Resources PTE Limited (BHUMI)	Singapore	100% <sup>!!</sup>	100% <sup>!!</sup>
(t) Murari Holdings Limited (MUHL)	British Virgin Islands	100% <sup>!!</sup>	100% <sup>!!</sup>
(u) Mukundan Holdings Limited (MHL)	British Virgin Islands	100% <sup>!!</sup>	100% <sup>!!</sup>
(v) Star Super Cement Industries LLC (SSCILLC) §	United Arab Emirates	100% <sup>@@</sup>	100% <sup>@@</sup>
(w) Binani Cement (Tanzania) Limited	Tanzania	100% <sup>***</sup>	100% <sup>***</sup>
(x) BC Tradelink Limited., Tanzania	Tanzania	100% <sup>***</sup>	100% <sup>***</sup>
(y) Shandong Binani Rongan Cement Company Limited (SBRCC), China (Up to July 30, 2020) ^^	Republic of China	-	-
(z) PT Anggana Energy resources (Anggana), Indonesia	Indonesia	100% <sup>^^^</sup>	100% <sup>^^^</sup>
(aa) Binani Cement (Uganda) Limited	Uganda	100% <sup>***</sup>	100% <sup>***</sup>
(ab) Bhagwati Limestone Company Private Limited (BLCPL)	India	100%	100%
(ac) Gotan Limestone Khanij Udyog Private Limited	India	100%	100%
(ad) PT UltraTech Cement Indonesia#	Indonesia	99%	99%
(ae) 3B Binani Glassfibre Sarl (3B) <sup>!!</sup> (Upto March 31, 2022)	Luxembourg	-	100% <sup>****</sup>
(af) Project Bird Holding II Sarl <sup>###</sup> (merged with 3B w.e.f. April 12, 2021)	Luxembourg	-	100% <sup>****</sup>
(ag) 3B-Fibreglass Srl <sup>###</sup> (Upto March 31, 2022)	Belgium	-	100% <sup>****</sup>
(ah) 3B-FibreGlass A/s Norway <sup>###</sup> (Upto March 31, 2022)	Norway	-	100% <sup>****</sup>
(ai) Tunfib Sarl <sup>!!!</sup> (Upto March 31, 2022)	Tunisia	-	67% <sup>****</sup>
(aj) Goa Glass Fibre Ltd. <sup>##</sup> (Upto March 31, 2022)	India	-	100% <sup>****</sup>

<sup>1</sup> 4% Shareholding of UCMEIL

<sup>&</sup> 5% Shareholding of UCMEIL

\* Subsidiaries of UCMEIL

<sup>§</sup> 51% held by nominee as required by local law for beneficial interest of the Company

<sup>^</sup> 1 share held by employee as nominee for the beneficial interest of the Company

<sup>#</sup> Subsidiary of PT UltraTech Investments Indonesia

<sup>!!</sup> Wholly owned subsidiary of UNCL

<sup>&&</sup> 55.54% held by UNCL and 44.46% held by MHL

<sup>\*\*\*</sup> Wholly owned subsidiary of SSCILLC

<sup>^^</sup> Subsidiary of KHPL

<sup>^^^</sup> Wholly owned subsidiary of BHUMI

<sup>@@</sup> Earlier 51% held by MHL through nominee as required by local law for beneficial interest of the Company and 49% held by MUHL;

Subsidiary of UCMEIL w.e.f. November 23, 2020

<sup>\*\*\*\*</sup> With effect from March 12, 2021

<sup>##</sup> Wholly owned subsidiary of 3B Binani Glassfibre Sarl

<sup>###</sup> Wholly owned subsidiary of Project Bird Holding II Sarl which was merged with 3B w.e.f. April 12, 2021

<sup>!!!</sup> 67% held by Project Bird Holding II Sarl which was merged with 3B w.e.f. April 12, 2021

### (B) List of Related Parties with significant influence:

Name of the Related Party	Principal Place of Business	% Shareholding and Voting Power	
		As at March 31, 2022	As at March 31, 2021
<b>(i) Joint Venture:</b>			
Bhaskarpara Coal Company Limited (BCCL)	India	47.37%	47.37%
<b>(ii) Associate:</b>			
(a) Madanpur (North) Coal Company Private Limited (MNCCPL)	India	11.17%	11.17%
(b) Aditya Birla Renewable Energy Limited (w.e.f. April 13, 2020)	India	26.00%	26.00%
(c) Aditya Birla Renewable SPV 1 Limited	India	26.00%	26.00%

### (C) Other Related Parties with whom there were transactions during the year:

Name of the Related Party	Relationship
Samruddhi Swastik Trading and Investments Limited	Fellow Subsidiary
Aditya Birla Sun Life Insurance Company Limited	Fellow Subsidiary
Aditya Birla Health Insurance Limited	Fellow Subsidiary
Aditya Birla Housing Finance Limited	Fellow Subsidiary
ABNL Investment Limited	Fellow Subsidiary
Aditya Birla Power Composites Limited	Fellow Subsidiary
UltraTech Cemco Provident Fund	Post-Employment Benefit Plan
Aditya Birla Management Corporation Private Limited	Other related party in which Directors are interested
Mr. Kumar Mangalam Birla – Non-Executive Chairman	Key Management Personnel (KMP)
Mrs. Rajashree Birla – Non-Executive Director	Key Management Personnel (KMP)
Mr. K.K. Maheshwari – Vice Chairman and Non-Executive Director	Key Management Personnel (KMP)
Mr. Arun Adhikari – Independent Director	Key Management Personnel (KMP)
Mrs. Alka Bharucha - Independent Director	Key Management Personnel (KMP)
Mrs. Sukanya Kripalu - Independent Director	Key Management Personnel (KMP)
Mrs. Usha Sangwan- Independent Director (from January 10, 2020 till May 16, 2020)	Key Management Personnel (KMP)
Mr. S.B. Mathur - Independent Director	Key Management Personnel (KMP)
Mr. Sunil Duggal – Independent Director w.e.f August 14, 2020	Key Management Personnel (KMP)
Mr. K.C. Jhanwar – Managing Director	Key Management Personnel (KMP)
Mr. Atul Daga - Whole-time Director and CFO	Key Management Personnel (KMP)
Mrs. Kritika Daga	Relative of KMP (Wife of Mr. Atul Daga)

## Notes to the Standalone Financial Statements

## Notes to the Standalone Financial Statements

(a) The following transactions were carried out with the related parties in the ordinary course of business:

₹ in Crores		
Nature of Transaction/Related Parties	Year ended March 31, 2022	Year ended March 31, 2021
<b>Sale of Goods:</b>		
Grasim Industries Limited	14.48	8.76
UltraTech Nathdwara Cement Limited	561.98	313.87
UltraTech Cement Lanka Private Limited	139.47	292.45
Aditya Birla Power Composites Limited	0.35	-
<b>Total</b>	<b>716.28</b>	<b>615.08</b>
<b>Purchase of Goods:</b>		
Grasim Industries Limited	1.56	1.56
UltraTech Nathdwara Cement Limited	2,117.93	1,603.56
Aditya Birla Renewables Energy Limited	8.03	0.54
Aditya Birla Renewables SPV 1 Limited	36.30	30.63
<b>Total</b>	<b>2,163.82</b>	<b>1,636.29</b>
<b>Sale of Property, Plant and Equipment:</b>		
Grasim Industries Limited	0.54	0.03
UltraTech Nathdwara Cement Limited	1.12	3.33
<b>Total</b>	<b>1.66</b>	<b>3.36</b>
<b>Purchase of Property, Plant and Equipment:</b>		
Grasim Industries Limited	-	0.30
UltraTech Nathdwara Cement Limited	4.17	3.79
Aditya Birla Housing Finance Limited	0.08	-
Aditya Birla Management Corporation Private Limited	0.06	-
<b>Total</b>	<b>4.31</b>	<b>4.09</b>
<b>Services received from:</b>		
Grasim Industries Limited	0.27	0.78
UltraTech Nathdwara Cement Limited	-	0.11
Samruddhi Swastik Trading and Investments Limited	1.13	0.96
Aditya Birla Health Insurance Limited	(0.06)	(0.28)
ABNL Investment Limited	2.90	2.30
Aditya Birla Sun Life Insurance Company Limited	-	4.42
Aditya Birla Renewables Energy Limited	-	0.01
Aditya Birla Sun Life Insurance Company Limited	16.83	-
KMP	22.51	26.93
Aditya Birla Management Corporation Private Limited	364.93	231.19
Relative of KMP	0.01	0.08
<b>Total</b>	<b>408.52</b>	<b>266.50</b>
<b>Services rendered to:</b>		
Grasim Industries Limited	1.58	1.22
UltraTech Nathdwara Cement Limited	0.27	0.45
UltraTech Cement Lanka Private Limited	76.39	61.26
Bhagwati Limestone Company Private Limited	0.17	0.23
Aditya Birla Housing Finance Limited	0.06	-
Aditya Birla Management Corporation Private Limited	-	0.06
<b>Total</b>	<b>78.47</b>	<b>63.22</b>

₹ in Crores		
Nature of Transaction/Related Parties	Year ended March 31, 2022	Year ended March 31, 2021
<b>Dividend and Interest Income:</b>		
UltraTech Nathdwara Cement Limited	110.77	90.05
UltraTech Cement Middle East Investments Limited	5.30	1.12
Aditya Birla Renewables SPV 1 Limited	1.63	-
<b>Total</b>	<b>117.70</b>	<b>91.17</b>
<b>Dividend Paid:</b>		
Grasim Industries Limited	611.74	214.94
<b>Contribution to:</b>		
Post-Employment Benefit Plan	54.32	49.58
<b>Investments:</b>		
Harish Cement Limited	0.23	-
Equity Investment in UltraTech Cement Middle East Investments Limited	-	298.19
Preference Shares in UltraTech Cement Middle East Investments Limited	-	1,023.54
Aditya Birla Renewable Energy Limited	1.29	3.42
<b>Total</b>	<b>1.52</b>	<b>1,325.15</b>
<b>Loans given to Subsidiary:</b>		
UltraTech Nathdwara Cement Limited	2,725.00	-
<b>Loans repaid by Subsidiary:</b>		
UltraTech Nathdwara Cement Limited	940.90	1,006.54
<b>Deposit given to Fellow Subsidiary:</b>		
ABNL Investment Limited	0.18	-
<b>Advances against Supply:</b>		
UltraTech Nathdwara Cement Limited	11.47	156.32
<b>Advances from Customer:</b>		
UltraTech Cement Lanka Private Limited	-	20.37
<b>Corporate Guarantees on behalf of subsidiaries:</b>		
Issued / (Released) during the year - UltraTech Cement Middle East Investments Limited	227.38	(1,650.46)
Released during the year - UltraTech Cement Nathdwara Cement Limited	2,700.00	-
<b>Corporate Guarantees on behalf of Joint Venture:</b>		
Released during the year- Bhaskarpara Coal Company Limited	-	2.30

(b) Outstanding balances:

₹ in Crores		
Nature of Transaction	As at March 31, 2022	As at March 31, 2021
<b>Loans and Advances:</b>		
<b>(a) Loans:</b>		
UltraTech Nathdwara Cement Limited	2,566.76	782.66
<b>(b) Advances:</b>		
Grasim Industries Limited	0.61	3.48
UltraTech Nathdwara Cement Limited	167.79	156.32
Bhagwati Limestone Company Private Limited	0.86	0.85
Samruddhi Swastik Trading and Investments Limited	0.72	0.37

₹ in Crores

Nature of Transaction	As at March 31, 2022	As at March 31, 2021
Aditya Birla Health Insurance Limited	0.01	0.07
Aditya Birla Renewable SPV 1 Limited	-	0.25
Aditya Birla Sun Life Insurance Company Limited	0.36	0.11
Bhaskarpara Coal Company Limited	2.49	2.49
KMP	-	2.60
Aditya Birla Management Corporation Private Limited	6.90	29.60
<b>Total</b>	<b>2,749.54</b>	<b>980.48</b>
<b>Investment in Preference Shares:</b>		
UltraTech Cement Middle East Investments Limited	1,061.10	1,023.54
<b>Dividend receivable on Preference Shares:</b>		
UltraTech Cement Middle East Investments Limited	1.18	-
<b>Trade Receivables:</b>		
Grasim Industries Limited	0.51	0.60
UltraTech Cement Lanka Private Limited	90.43	137.74
Aditya Birla Hosing Finance Limited	0.05	-
<b>Total</b>	<b>90.99</b>	<b>138.34</b>
<b>Trade Payables:</b>		
Grasim Industries Limited	0.31	0.37
UltraTech Nathdwara Cement Limited	5.09	0.56
Aditya Birla Renewable Energy Limited	-	0.20
Aditya Birla Renewables SPV 1 Limited	5.45	2.60
<b>Total</b>	<b>10.85</b>	<b>3.73</b>
<b>Advance from Customers:</b>		
UltraTech Cement Lanka Private Limited	-	20.37
<b>Deposit:</b>		
ABNL Investment Limited	1.86	1.68
Relative of KMP	5.00	5.00
<b>Total</b>	<b>6.86</b>	<b>6.68</b>
<b>Corporate Guarantees:</b>		
UltraTech Nathdwara Cement Limited	350.00	3,050.00
UltraTech Cement Middle East Investments Limited	1,449.89	1,179.24
Bhaskarpara Coal Company Limited	1.70	1.70
<b>Total</b>	<b>1,801.59</b>	<b>4,230.94</b>

(c) Compensation of KMP of the Company:

₹ in Crores

Nature of Transaction	Year ended March 31, 2022	Year ended March 31, 2021
Short-term employee benefits	19.07	13.26
Post-employment benefits	3.40	3.40
Share based payment	3.71	3.39
<b>Total compensation paid to KMP</b>	<b>26.18</b>	<b>20.05</b>

Based on the recommendation of the Nomination, Remuneration and Compensation Committee, all decisions relating to the remuneration of the Directors are taken by the Board of Directors of the Company, in accordance with shareholders' approval, wherever necessary.

Terms and Conditions of transactions with Related Parties:

The sales to and purchases from related parties including property, plant and equipment are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash.

The Company's inter corporate loan to its subsidiary which is repayable on demand, for the current year the rate of interest is 1 month MCLR. (March 31, 2021: 1 month MCLR)

For the year ended March 31, 2022, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Note 39: Income Taxes (Ind AS 12)

Reconciliation of Effective Tax Rate:

in %

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Applicable tax rate	34.94	34.94
Effect of Tax-Exempt Income	(0.08)	(0.08)
Effect of Non-Deductible expenses	0.52	0.60
Effect of Allowances for tax purpose	(2.48)	(1.19)
Effect of Tax paid at a lower rate	-	(1.36)
Effect of changes in tax rate (deferred)	(0.31)	(0.73)
Effect of Previous year adjustments	-	0.04
Others	0.50	0.13
<b>Effective Tax Rate</b>	<b>33.09</b>	<b>32.35</b>
Effect of Reversal of Provision for Tax and Recognition of MAT credit of previous years (Refer Note 18)	(18.30)	-
<b>Net Effective Tax Rate</b>	<b>14.79</b>	<b>32.35</b>

Note 40: Earnings per Share (EPS) (Ind AS 33)

₹ in Crores

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>(A) Basic EPS:</b>		
(i) Net Profit attributable to Equity Shareholders	7,066.54	5,342.07
(ii) Weighted average number of Equity Shares outstanding (Nos.)	28,86,68,720	28,86,41,300
(iii) Less: Treasury Shares acquired by the Company under Trust	(2,43,799)	(1,92,586)
(iv) Weighted average number of Equity Shares outstanding for calculation of Basic EPS (Face value ₹ 10/ share) (ii+iii)	28,84,24,921	28,84,48,714
<b>Basic EPS (₹) (i)/(iv)</b>	<b>245.00</b>	<b>185.20</b>
<b>(B) Diluted EPS:</b>		
(i) Weighted average number of Equity Shares Outstanding (Nos.)	28,84,24,921	28,84,48,714
(ii) Add: Potential Equity Shares on exercise of options (Nos.)	1,22,663	1,03,823
(iii) Weighted average number of Equity Shares Outstanding for calculation of Dilutive EPS (i+ii) (Face Value ₹ 10/ share)	28,85,47,584	28,85,52,537
<b>Diluted EPS (₹) {(A) (i) / (B) (iii)}</b>	<b>244.90</b>	<b>185.13</b>



## Note 41: Auditors' remuneration (excluding service tax/GST) and expenses

₹ in Crores

	Year ended March 31, 2022	Year ended March 31, 2021
<b>(a) Statutory Auditors:</b>		
Audit fees (including Quarterly Limited Reviews)	4.30	3.74
Tax audit fees	0.20	0.18
Fees for other services	0.20	1.88
Fees for Taxation matters	-	0.02
Expenses reimbursed	0.03	0.02
<b>(b) Cost Auditors:</b>		
Audit fees	0.33	0.29
Expenses reimbursed (FY 2022: ₹ 15,000; FY2021: ₹ 15,000)	0.00	0.00

## Note 42:

The following expenses are included in the different heads of expenses in the Statement of Profit and Loss:

₹ in Crores

Particulars	Year Ended March 31, 2022			Year Ended March 31, 2021		
	Raw Materials Consumed	Power and Fuel Consumed	Total	Raw Materials Consumed	Power and Fuel Consumed	Total
Stores and Spares Consumed	131.49	64.88	196.37	92.34	45.45	137.79
Royalty and Cess	948.29	-	948.29	1,076.85	-	1,076.85

## Note 43: Share Based Payments (Ind AS 102):

The Company has granted 1,24,616 options (including Restricted Stock units) to its eligible employees in various ESOS Schemes, details are as under:

### (A) Employee Stock Option Scheme (ESOS 2013) including Stock options and Restricted Stock Units (RSU):

Particulars	Tranche I		Tranche II		Tranche III	
	RSU	Stock Options	RSU	Stock Options	RSU	Stock Options
Nos. of Options	84,056	2,37,953	12,313	34,859	2,218	6,280
Vesting Plan	100% on 19.10.2016	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 18.10.2017	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 28.01.2018	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets
Exercise Period	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting
Grant Date	19.10.2013	19.10.2013	18.10.2014	18.10.2014	28.01.2015	28.01.2015
Exercise Price (₹ per share)	10	1,965	10	2,318	10	3,122
Fair Value on the date of Grant of Option (₹ per share)	1,862	750	2,241	870	3,048	1,207
Method of Settlement	Equity	Equity	Equity	Equity	Equity	Equity

Particulars	Tranche IV		Tranche V		Tranche VI	
	RSU	Stock Options	RSU	Stock Options	RSU	Stock Options
Nos. of Options	9,059	25,645	5,313	15,042	10,374	29,369
Vesting Plan	100% on 19.10.2018	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 13.04.2019	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 27.01.2020	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets
Exercise Period	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting
Grant Date	19.10.2015	19.10.2015	13.04.2016	13.04.2016	27.01.2017	27.01.2017
Exercise Price (₹ per share)	10	2,955	10	3,167	10	3,681
Fair Value on the date of Grant of Option (₹ per share)	2,897	1,728	3,108	1,810	3,608	2,080
Method of Settlement	Equity	Equity	Equity	Equity	Equity	Equity

### (B) Employee Stock Option Scheme (ESOS 2018) including Stock options, Restricted Stock Units (RSU) and Stock Appreciation Rights Scheme - 2018 (SAR 2018) including Stock options and RSU

Particulars	Tranche I (ESOS, 2018)		Tranche II (ESOS, 2018)		Tranche III (ESOS, 2018)	
	RSU	Stock Options	RSU	Stock Options	RSU	Stock Options
Nos. of Options	43,718	1,58,304	917	3,320	3,482	12,620
Vesting Plan	100% on 18.12.2021	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 23.12.2022	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 04.03.2023	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets
Exercise Period	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting
Grant Date	18.12.2018	18.12.2018	23.12.2019	23.12.2019	04.03.2020	04.03.2020
Exercise Price (₹ per share)	10	4,009.30	10	4,120.45	10	4,299.90
Fair Value on the date of Grant of Option (₹ per share)	3,942	1,476	4,080	1,865	4,258	1,939
Method of Settlement	Equity	Equity	Equity	Equity	Equity	Equity

Particulars	Tranche IV (ESOS, 2018)		Tranche V (ESOS, 2018)	
	RSU	Stock Options	RSU	Stock Options
Nos. of Options	594	2,152	564	2,040
Vesting Plan	100% on 21.10.2023	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 27.03.2024	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets
Exercise Period	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting
Grant Date	21.10.2020	21.10.2020	27.03.2021	27.03.2021
Exercise Price (₹ per share)	10	4,544.35	10	6,735.25
Fair Value on the date of Grant of Option (₹ per share)	4,500	1,943	6,673	2,903
Method of Settlement	Equity	Equity	Equity	Equity

Particulars	Tranche VI (ESOS, 2018)			Tranche VII (ESOS, 2018)		
	RSU-FY22 Plan	RSU-FY21 Plan	Stock Options	RSU-FY22 Plan	RSU-FY21 Plan	Stock Options
Nos. of Options	7299	11570	63,684	3838	4700	33,525
Vesting Plan	100% on 22.07.2024	Vesting 50% on 22.07.2022 and 50% on 22.07.2023	Graded Vesting - 33% every year after 1 year from date of grant, subject to achieving performance targets	100% on 26.10.2024	Vesting 50% on 27.10.2022 and 50% on 27.10.2023	Graded Vesting - 33% every year after 1 year from date of grant, subject to achieving performance targets
Exercise Period	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting
Grant Date	22.07.2021	22.07.2021	22.07.2021	27.10.2021	27.10.2021	27.10.2021
Exercise Price (₹ per share)	10	10	7,424.70	10	10	7,269.10
Fair Value on the date of Grant of Option (₹ per share)	7,373	7,379	2,357	7,194	7,211	2,309
Method of Settlement	Equity	Equity	Equity	Equity	Equity	Equity

Particulars	Tranche I (SAR, 2018)		Tranche II (SAR, 2018)		
	RSU	Stock Options	RSU-FY22 Plan	RSU-FY21 Plan	Stock Options
Nos. of Options	1,084	3,924	159	320	1,398
Vesting Plan	100% on 18.12.2021	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 22.07.2024	Graded Vesting - 50% every year after completion of 1 year from date of grant	Graded Vesting - 33% every year after 1 year from date of grant, subject to achieving performance targets
Exercise Period	3 Years from the date of Vesting	3 Years from the date of Vesting	3 Years from the date of Vesting	3 Years from the date of Vesting	3 Years from the date of Vesting
Grant Date	18.12.2018	18.12.2018	22.07.2021	22.07.2021	22.07.2021
Exercise Price (₹ per share)	10	4,009.30	10	10	7,424.70
Fair Value on the date of Grant of Option (₹ per share)	3,946	1,539	6,837	7,160	1,387
Method of Settlement	Cash	Cash	Cash	Cash	Cash

(C) Movement of Options Granted including RSU along with weighted average exercise price (WAEP):

Particulars	As at March 31, 2022		As at March 31, 2021	
	Nos.	WAEP (₹)	Nos.	WAEP (₹)
Outstanding at the beginning of the year	2,49,454	2,978.09	2,97,479	2,963.45
Granted during the year	1,24,616	5,752.11	5,350	4,398.30
Exercised during the year	(53,437)	2,436.02	(45,184)	3,049.39
Forfeited during the year	(8,412)	3,349.62	(8,191)	2,980.46
Outstanding at the end of the year	3,12,221	4,168.05	2,49,454	2,978.09
Options exercisable at the end of the year	1,15,617	2,899.18	1,23,620	3,237.00

The weighted average share price at the date of exercise for options was ₹ 7,024.74 per share (March 31, 2021 ₹ 5,759.93 per share) and weighted average remaining contractual life for the share options outstanding as at March 31, 2022 was 4.62 years (March 31,2021: 5.10 years).

The weighted average remaining contractual life for SAR is 2.87 years (March 31, 2021: 3.22 years).

The exercise price for outstanding options and SAR is ₹ 10 per share for RSU's and ranges from ₹ 1,965 per share to ₹ 7,424.70 per share for options.

(D) Fair Valuation:

1,24,616 share options were granted during the year. Weighted Average Fair value of the options granted during the year is ₹ 3,435.96 per share (March 31, 2021 ₹ 3,091.60 per share).

The fair value of option has been done by an independent firm of Chartered Accountants on the date of grant using the Black-Scholes Model Binomial Model.

The Key assumptions in the Black-Scholes Model for calculating fair value as on the date of grant:

(a) For ESOS 2013:

- Risk Free Rate - 8.5% (Tranche I), 7.8% (Tranche II-III), 8.56% (Tranche IV) 7.6% (Tranche V), 6.74% (Tranche VI)
- Option Life - (a) For Options - Vesting period (1 Year) + Average of exercise period  
(b) For RSU – Vesting period (3 Years) + Average of exercise period
- Expected Volatility\* - Tranche-I: 0.29, Tranche-II: 0.27, Tranche-III: 0.28, Tranche-IV: 0.60 Tranche-V: 0.60, Tranche-VI: 0.61
- Expected Growth in Dividend - Tranche -I: 20%, Tranche II-III: 15%, Tranche-IV: 5%, Tranche-V: 5%, Tranche-VI: 5%

(b) For ESOS 2018:

- Risk Free Rate - 7.47% (Tranche I); 5.69% (Tranche VI); 5.62% (Tranche VII)
- Option Life - (a) For Options - Vesting period (1 Year) + Average of exercise period  
(b) For RSU under FY21 plan- Vesting Period (2 years) + Average of exercise period  
For other RSU – Vesting period (3 Years) + Average of exercise period
- Expected Volatility\* - Tranche-I: 0.24; Tranche-VI: 0.25; Tranche-VII: 0.26
- Dividend Yield - Tranche -I: 0.46%; Tranche – VI: 0.19%, Tranche VII: 0.20%

## Notes to the Standalone Financial Statements

### (c) For ESOS- SAR 2018:

- Risk Free Rate - 5.31% (Tranche II);
- Option Life - (a) For Options - Vesting period (1 Year) + Average of exercise period  
(b) For RSU under FY21 plan- Vesting Period (2 years) + Average of exercise period  
For other RSU – Vesting period (3 Years) + Average of exercise period
- Expected Volatility\* - Tranche-II: 0.25,
- Expected Growth in Dividend - Tranche- II: 0.19%

\*Expected volatility on the Company's stock price on National Stock Exchange based on the data commensurate with the expected life of the options/RSU's up to the date of grant.

The Key assumptions in the Binomial Tree Model for calculating fair value as on the date of grant:

### (a) For ESOS – SAR - 2018:

- Risk Free Rate - 7.47% (Tranche I);
- Option Life - (a) For Options - Vesting period (1 Year) + Average of exercise period  
(b) For RSU – Vesting period (3 Years) + Average of exercise period
- Expected Volatility\* - Tranche-I: 0.25,
- Expected Growth in Dividend - Tranche -I: 0.46%;

### (b) For ESOS 2018:

- Risk Free Rate - 6.78% (Tranche II), 6.72% (Tranche III), 5.84% (Tranche IV & V)
- Option Life - (a) For Options - Vesting period (1 Year) + Average of exercise period  
(b) For RSU – Vesting period (3 Years) + Average of exercise period
- Expected Volatility\* - Tranche-II: 0.26, Tranche- III: 0.26, Tranche- IV & V: 0.26
- Expected Growth in Dividend - Tranche -II & III: 0.27%; Tranche IV & V: 0.27%

\*Expected volatility on the Company's stock price on National Stock Exchange based on the data commensurate with the expected life of the options/RSU's up to the date of grant.

### Note 44(A): Classification of Financial Assets and Liabilities (Ind AS 107):

Particulars	As at March 31, 2022		As at March 31, 2021	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Assets at amortised cost</b>				
Trade Receivables	2,706.82	2,706.82	2,285.99	2,285.99
Loans	2,582.94	2,582.94	792.29	792.29
Cash and Bank Balances	259.86	259.86	1,876.55	1,876.55
Investments	335.00	335.00	300.00	300.00
Other Financial Assets	2,403.69	2,403.69	2,093.30	2,093.30
<b>Financial Assets at fair value through Profit or Loss</b>				
Investments	6,909.30	6,909.30	12,790.99	12,790.99
<b>Fair Value Hedging Instruments</b>				
Derivative Assets	405.94	405.94	462.12	462.12
<b>Total</b>	<b>15,603.55</b>	<b>15,603.55</b>	<b>20,601.24</b>	<b>20,601.24</b>

## Notes to the Standalone Financial Statements

₹ in Crores

Particulars	As at March 31, 2022		As at March 31, 2021	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial liabilities at amortised cost</b>				
Non-Convertible Debentures	2,250.00	2,282.52	3,810.00	3,859.27
Term Loan from Banks	-	-	4,892.12	4,892.12
Cash Credits / Working Capital Borrowing	383.84	383.84	240.67	240.67
Commercial Papers and others	2,878.92	2,878.92	2,989.38	2,989.38
Sales Tax Deferment Loan	346.55	346.55	391.36	391.36
Redeemable Preference Shares	1,000.10	1,000.10	1,000.10	1,000.10
Trade Payables	5,343.26	5,343.26	4,228.79	4,228.79
Other Financial Liabilities	3,851.52	3,851.52	3,134.26	3,134.26
Foreign Currency Borrowings	-	-	1,070.54	1,070.54
Foreign Currency Bonds	3,031.70	2,687.60	2,924.40	2,758.59
Lease Liability	420.59	420.59	405.83	405.83
<b>Financial Liability at fair value through Profit or Loss</b>				
Lease Liability payable in Foreign Currency	464.21	464.21	589.97	589.97
Derivative Liability	10.17	10.17	-	-
<b>Total</b>	<b>19,980.86</b>	<b>19,669.28</b>	<b>25,677.42</b>	<b>25,560.88</b>

Investment in Subsidiaries, Joint ventures and Associates amounting to ₹ 4,480.22 Crores (March 31, 2021 ₹ 4,478.69 Crores) are measured at Cost in accordance with Ind AS 27.

### Note 44 (B): Fair Value measurements (Ind AS 113):

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in an orderly transaction in the principal (or most advantageous) market at measurement date under the current market condition regardless of whether that price is directly observable or estimated using other valuation techniques.

The Company has established the following fair value hierarchy that categorizes the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

- Level 1: This hierarchy uses quoted (unadjusted) prices in active markets for identical assets or liabilities. The fair value of all bonds which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.
- Level 2: The fair value of financial instruments that are not traded in an active market (For example traded bonds, over the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on company specific estimates. The mutual fund units are valued using the closing Net Asset Value. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.
- Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

₹ in Crores

Particulars	Fair Value	
	As at March 31, 2022	As at March 31, 2021
<b>Financial Assets at fair value through profit or loss</b>		
Investments – Level 2	5,779.72	11,722.46
Investments – Level 3	1,129.58	1,068.53
<b>Fair Value Hedging Instruments</b>		
Derivative assets – Level 2	405.94	462.12
<b>Total</b>	<b>7,315.24</b>	<b>13,253.11</b>

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

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

- The fair values of the quoted investments/units of mutual fund schemes are based on market price/net asset value at the reporting date.
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves and an appropriate discount factor.
- The fair value of forward foreign exchange contracts is calculated as the present value determined using forward exchange rates and interest rate curve of the respective currencies.
- The fair value of currency swap is calculated as the present value determined using forward exchange rates, currency basis spreads between the respective currencies, interest rate curves and an appropriate discount factor.
- The fair value of foreign currency option contracts is determined using the Black Scholes valuation model.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis. The discount rates used is based on management estimates.

The significant unobservable inputs used in the fair value measurement of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2022 and March 31, 2021 are as shown below:

#### Description of significant unobservable inputs to valuation:

Particulars	Valuation Technique	Significant unobservable inputs	Discounting Rate	Sensitivity of the input to fair value.
Investments in Unquoted instruments accounted for as fair value through Profit and Loss	DCF method	Average Cost of Borrowings to arrive at discount rate.	<b>March 31, 2022:</b> 8.5% <b>March 31, 2021:</b> 8.50%	0.5% (March 31 2021: 0.5%) increase / (decrease) would result in increase / (decrease) in fair value by ₹ 0.66 Crores (March 31 2021: ₹ (0.69) Crores)

#### Reconciliation of Level 3 Fair Value Measurements:

₹ in Crores

<b>Balance as at March 31, 2020</b>	<b>23.76</b>
Add: Change in Value of Investment in Preference Shares measured at FVTPL	0.09
Add: Purchase of Investment during the year	1,044.68
Less: Sale of Investment during the year	-
<b>Balance as at March 31, 2021</b>	<b>1,068.53</b>
Add: Change in Value of Investment in Preference Shares measured at FVTPL	37.67
Add: Investment during the year	23.42
Less: Sale of Investment during the year	(0.04)
<b>Balance as at March 31, 2022</b>	<b>1,129.58</b>

#### Note 45: Financial Risk Management Objectives (Ind AS 107)

The Company's principal financial liabilities, other than derivatives, comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets, other than derivatives include trade and other receivables, investments and cash and cash equivalents that derive directly from its operations.

The Company's activities expose it to market risk, liquidity risk and credit risk. The Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company. The Company uses derivative financial instruments, such as foreign exchange forward contracts, foreign currency option contracts, principal only swaps, cross currency swaps that are entered to hedge foreign currency risk exposure, interest rate swaps, coupon only swaps to hedge variable interest rate exposure and commodity fixed price swaps to hedge commodity price risks. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

#### The sources of risks that the Company is exposed to and their management is given below:

Risk	Exposure Arising From	Measurement	Management
<b>I) Market Risk</b>			
<b>A) Foreign Currency Risk</b>	Committed commercial transaction Financial asset and Liabilities not denominated in INR	Cash Flow Forecasting Sensitivity Analysis	(a) Forward foreign exchange contracts (b) Foreign currency options (c) Principal only/Currency swaps
<b>B) Interest Rate Risk</b>	Long Term Borrowings at variable rates Investments in Debt Schemes of Mutual Funds and Other Debt Securities	Sensitivity Analysis, Interest rate movements	(a) Interest Rate swaps, Coupon only swaps (b) Portfolio Diversification
<b>C) Commodity Price Risk</b>	Movement in prices of commodities mainly Imported Thermal Coal and Pet Coke	Sensitivity Analysis, Commodity price tracking	(a) Commodity Fixed Prices (b) Swaps/Options
<b>II) Credit Risk</b>	Trade receivables, Investments, Derivative Financial instruments, Loans and Bank balances	Ageing analysis, Credit Rating	(a) Diversification of mutual fund investments, (b) Credit limit & credit worthiness monitoring, (c) Criteria based approval process
<b>III) Liquidity Risks</b>	Borrowings and Other Liabilities and Liquid Investments	Rolling cash flow forecasts Broker Quotes	(a) Adequate unused credit lines and borrowing facilities (b) Portfolio Diversification

The Company has standard operating procedures and investment policy for deployment of surplus liquidity, which allows investment in debt securities, fixed deposits and mutual fund schemes of debt categories only and restricts the exposure in equity markets.

Compliances of these policies and principles are reviewed by the internal auditors/internal risk management committee on periodical basis.

The Corporate Treasury team updates the Audit Committee on a quarterly basis about the implementation of the above policies. It also updates the Risk Management Committee of the Company on periodical basis about the various risks to the business and status of various activities planned to mitigate the risks.

#### (I) Market Risk:

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings.

**(A) Foreign Currency Risk:**

Foreign currency risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the foreign currency borrowings, import of fuels, raw materials and spare parts, capital expenditure, exports of cement and the Company's net investments in foreign subsidiaries.

When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure.

The Company evaluates exchange rate exposure arising from foreign currency transactions. The Company follows established risk management policies and standard operating procedures. It uses derivative instruments like foreign currency swaps, options and forwards to hedge exposure to foreign currency risk.

In Crores		
Outstanding foreign currency exposure (Gross) as at	March 31, 2022	March 31, 2021
<b>Trade receivables</b>		
USD	1.29	2.31
<b>Trade Payables</b>		
USD	22.93	5.18
Euro	0.62	0.17
Others	0.46	0.03
<b>Borrowings</b>		
USD	40.00	54.64
<b>Investments</b>		
USD	25.14	25.14
LKR	0.65	0.65

**Foreign currency sensitivity on unhedged exposure:**

100 bps increase in foreign exchange rates will have the following impact on profit before tax.

₹ in Crores		
Particulars	As at March 31, 2022	As at March 31, 2021
USD	0.17	7.98
LKR	0.02	-

Note: If the rate is decreased by 100 bps profit will decrease by an equal amount.

**(B) Interest rate risk:**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowing with floating interest rates. For all long-term borrowings with floating rates, the risk of variation in the interest rates is mitigated through interest rate swaps. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

**Interest rate exposure:**

₹ in Crores				
Particulars	Total Borrowings	Floating Rate Borrowings	Fixed Rate Borrowings	Non-Interest Bearing Borrowings
INR Borrowing	6,859.41	383.84	6,129.02	346.55
USD Borrowing	3,031.70	-	3,031.70	-
<b>Total as at March 31, 2022</b>	<b>9,891.11</b>	<b>383.84</b>	<b>9,160.72</b>	<b>346.55</b>
INR Borrowing	13,323.63	5,132.79	7,799.48	391.36
USD Borrowing	3,994.94	-	3,994.94	-
<b>Total as at March 31, 2021</b>	<b>17,318.57</b>	<b>5,132.79</b>	<b>11,794.42</b>	<b>391.36</b>

Note: Interest rate risk hedged for Foreign Currency borrowings has been shown under Fixed Rate borrowings

**Interest rate sensitivities for unhedged exposure (impact on profit before tax due to increase in 100 bps):**

₹ in Crores		
Particulars	As at March 31, 2022	As at March 31, 2021
INR	(3.84)	(51.33)

Note: If the rate is decreased by 100 bps profit will increase by an equal amount.

Interest rate sensitivity has been calculated assuming the borrowings outstanding at the reporting date have been outstanding for the entire reporting period.

**Foreign Currency and Interest Rate Risk Management:**

**Forward Exchange and Interest Rates Swaps Contracts:**

**(A) Derivatives for hedging currency and interest rates, outstanding are as under:**

In Crores						
Particulars	Hedged Item	Currency	As at March 31, 2022	As at March 31, 2021	Cross Currency	
a. Forward Contracts	Imports	USD	35.1	32.49	Rupees	
	Imports	Euro	2.03	3.87	USD	
	Exports	USD	-	0.20	Rupees	
	Investment	USD	18.00	-	Rupees	
	Investment	AED	66.13	-	USD	
b. Other Derivatives:						
	i. Currency Options	FCB**	USD	20.00	20.00	Rupees
	ii. Currency & Interest Rate Swap (CIRS)	ECB*	USD	-	7.32	Rupees
	iii. Currency & Interest Rate Swap (CIRS)	Investment	USD	14.00	14.00	Rupees
	iv. Principal only Swap	ECB*/FCB**	USD	20.00	27.32	Rupees
v. Interest Rate Swap	ECB*	USD	-	7.32	USD	

\*\* Foreign Currency Bonds

\* External Commercial Borrowings

**(B) Cash Flow Hedges**

The Company has foreign currency external commercial borrowings / investments and to mitigate the risk of foreign currency and floating interest rates the Company has taken forward contracts, currency options, currency swaps, interest rates swaps and principal only swaps. The Company is following hedge accounting for all the foreign currency borrowings/ investments raised on or after April 01, 2015 based on qualitative approach.

The Company assesses hedge effectiveness based on following criteria:

- (i) an economic relationship between the hedged item and the hedging instrument;
- (ii) the effect of credit risk; and
- (iii) Assessment of the hedge ratio

The Company designates the derivatives to hedge its currency risk and generally applies a hedge ratio of 1:1. The Company's policy is to match the critical terms of the forward exchange contracts to match with the hedged item.

**Foreign currency cash flows:**

Particulars	As at	Average Exchange Rate (USD/INR)	Nominal Foreign Currency USD Crores	Fair Value Assets (Liabilities) ₹ in Crores
Buy Currency: (USD)	March 31, 2022			
- for External Commercial Borrowings		-	-	-
- for Foreign Currency Bonds		72.50	20.00	(0.92)

Particulars	As at	Average Exchange Rate (USD/INR)	Nominal Foreign Currency USD Crores	Fair Value Assets (Liabilities) ₹ in Crores
Buy Currency: (USD)	March 31, 2021			
- for External Commercial Borrowings		65.19	7.32	61.50
- for Foreign Currency Bonds		72.50	20.00	27.83

**Interest rates outstanding on Receive Floating and Pay Fix contracts:**

Particulars	As at	Average contracted fixed interest rates*	Nominal Amount USD Crores	Fair Value Assets (Liabilities) ₹ in Crores
0 to 2 years	March 31, 2022	-	-	-
0 to 2 years	March 31, 2021	7.63%	7.32	(17.73)

**Cross Currency and Interest rate Swaps:**

Particulars	As at	Average contracted fixed interest rates*	Average Exchange Rate (USD/INR)	Nominal Amount USD Crores	Fair Value Assets (Liabilities) ₹ in Crores
0 to 2 years	March 31, 2022	-	-		-
0 to 2 years	March 31, 2021	7.84%	67.53	7.32	36.86

\* Includes weighted average rate for Cross Currency Interest Rate Swaps, Principal Only Swap and Coupon Swaps

**Currency Options:**

Particulars	As at	Average Exchange Rate (USD/INR)	Nominal Amount USD Crores	Fair Value Assets (Liabilities) ₹ in Crores
2 to 10 years	March 31, 2022	72.52	20.00	396.68
2 to 10 years	March 31, 2021	72.52	20.00	345.78

**Cross Currency Swaps:**

Particulars	As at	Average contracted fixed interest rates*	Average Exchange Rate (USD/INR)	Nominal Amount USD Crores	Fair Value Assets (Liabilities) ₹ in Crores
2 to 5 years	March 31, 2022	5.19%	73.55	14.00	0.91
2 to 5 years	March 31, 2021	5.19%	73.55	14.00	7.41

The above Hedging Instruments are included in the Balance Sheet under the head "Other Financial Assets"/ "Other Financial Liabilities". Refer Statement of changes in equity for movement on OCI.

**Recognition of gains / (losses) under forward exchange, currency options and interest rates swaps contracts designated under cash flows hedges:**

Particulars	₹ in Crores			
	As at March 31, 2022		As at March 31, 2021	
	Effective Hedge (OCI)	Ineffective Hedge (Profit and Loss)	Effective Hedge (OCI)	Ineffective Hedge (Profit and Loss)
Gain/(Loss)	(8.92)	-	13.15	2.50

**(C) Commodity price risk management:**

Commodity price risk for the Company is mainly related to fluctuations in coal and pet coke prices linked to various external factors, which can affect the production cost of the Company. Since the Energy costs is one of the primary costs drivers, any adverse fluctuation in fuel prices can lead to drop in operating margin. To manage this risk, the Company enters into fixed price swaps/other derivatives for imported coal, enter into long-term supply agreement for pet coke, identifying new sources of supply etc. While fixed price swaps/other derivatives are available in the markets for coal but in case of pet coke no such derivative is available; it has to be procured at spot prices. Additionally, processes and policies related to such risks are reviewed and controlled by senior management and fuel requirement are monitored by the central procurement team.

**(II) Credit Risk Management:**

Credit risk arises when a customer or counterparty does not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing / investing activities, including deposits with banks/financial institutions, mutual fund investments, and investments in debt securities, foreign exchange transactions and financial guarantees. The Company has no significant concentration of credit risk with any counterparty.

**Trade receivables**

Trade receivables are consisting of a large number of customers. The Company has credit evaluation policy for each customer and based on the evaluation credit limit of each customer is defined. Wherever the Company assesses the credit risk as high the exposure is backed by either bank guarantee / letter of credit or security deposits.

## Notes to the Standalone Financial Statements

Total Trade receivable as on March 31, 2022 is ₹ 2,706.82 Crores (March 31, 2021 ₹ 2,285.99 Crores). The Company does not have higher concentration of credit risks to a single customer. A single largest customer has total exposure in sales 2.51% (March 31, 2021: 2.10%) and in receivables 11.6% (March 31, 2021: 10.7%)

As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

As per policy, receivables are classified into different buckets based on the overdue period ranging from 6 months – one year to more than two years. There are different provisioning norms for each bucket which are ranging from 25% to 100%.

### Movement of provision for doubtful debts:

Particulars	₹ in Crores	
	As at March 31, 2022	As at March 31, 2021
Opening provision	83.35	73.95
Add: Provided during the year	2.28	9.44
Less: Utilised during the year	(3.24)	(0.03)
Closing Provision	82.39	83.35

### Investments, Derivative Instruments, Cash and Cash Equivalent and Deposits with Banks/Financial Institutions

Credit Risk on cash and cash equivalent, deposits with the banks / financial institutions is generally low as the said deposits have been made with the banks / financial institutions who have been assigned high credit rating by international and domestic rating agencies.

Credit Risk on Derivative Instruments are generally low as Company enters into the Derivative Contracts with the reputed Banks and Financial Institutions.

Investments of surplus funds are made only with approved Financial Institutions / Counterparty. Investments primarily include investment in units of mutual funds, quoted Bonds, Non-Convertible Debentures issued by Government / Semi Government Agencies / PSU Bonds / High Investment grade corporates etc. These Mutual Funds and Counterparties have low credit risk.

Total Non-current and current investments excluding Subsidiaries, Joint Ventures and Associates as on March 31, 2022 is ₹ 6,114.72 Crores (March 31, 2021 ₹ 12,022.46 Crores)

### Financial Guarantees

The Company has given corporate guarantees amounting to ₹ 1,801.59 Crores in favour of its subsidiaries and joint ventures (Refer note 33 (c)).

### (III) Liquidity risk management:

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

## Notes to the Standalone Financial Statements

The table below provides details regarding the remaining contractual maturities of financial liabilities and investments held for managing the risk at the reporting date based on contractual undiscounted payments.

₹ in Crores				
As at March 31, 2022	Less than 1 Year	1 to 5 Years	More than 5 Years	Total
Borrowings (including current maturities of long-term debts)	4,588.11	2,123.55	3,179.45	9,891.11
Trade Payables	5,343.26	-	-	5,343.26
Interest accrued but not due on borrowings	76.29	-	-	76.29
Lease Liabilities	134.28	488.07	703.03	1,325.38
Other Financial Liabilities (excluding Derivative Liability)	3,442.88	-	-	3,442.88
Deferred Premium Payable	47.95	190.94	191.20	430.09
Derivative Liability	10.17	-	-	10.17
Investments	4,843.54	886.30	384.88	6,114.72

₹ in Crores				
As at March 31, 2021	Less than 1 Year	1 to 5 Years	More than 5 Years	Total
Borrowings (including current maturities of long-term debts)	6,634.01	3,812.27	6,872.29	17,318.57
Trade Payables	4,228.79	-	-	4,228.79
Interest accrued but not due on borrowings	165.76	-	-	165.76
Lease Liabilities	137.01	563.54	785.98	1,486.53
Other Financial Liabilities (excluding Derivative Liability)	2,609.10	-	-	2,609.10
Deferred Premium Payable	47.82	191.14	238.95	477.91
Investments	10,812.01	896.18	314.27	12,022.46

### Note 46: Distribution made and proposed (Ind AS 1)

₹ in Crores		
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Proposed dividends on Equity shares:</b>		
Final dividend for the year ended on March 31, 2022: ₹ 38.00 per share (March 31, 2021: ₹ 37.00 per share)	1,096.95	1,068.02
<b>Proposed dividends on Preference shares:</b>		
Final dividend for the year	0.01	0.01
<b>Total Dividend proposed</b>	<b>1,096.96</b>	<b>1,068.03</b>

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at March 31.

## Note 47: Financial Ratios

Sr. No.	Ratio	Numerator - Description	Denominator - Description	FY22	FY21	% Variance	Reason for variance
1	Current Ratio (in times)	Current Assets	Current Liabilities excluding Current Borrowings	1.30	1.77	(27)%	Ratio has improved on account of increase in trade payables
2	Debt-Equity Ratio (in times)	Total Debt	Equity	0.20	0.40	(50)%	Ratio has improved favourably on account of prepayment of loan from internal accruals and treasury surplus
3	Debt Service Coverage Ratio (in times)	Profit for the year+ Finance Costs + Depreciation and Amortisation Expense + Loss/(Gain) on sale of fixed assets	Gross Interest + Lease Payment + Repayment of Long Term Debt excluding pre-payments	3.11	5.94	(48)%	Ratio has improved favourably on account of prepayment of loan from internal accruals and treasury surplus
4	Return on Equity Ratio (in %)	Profit for the year	Average Net worth	15%	13%	17%	
5	Inventory Turnover Ratio (in times)	Sale of Products and Services	Average Inventory	11.19	11.30	(1)%	
6	Trade Receivables turnover Ratio (in times)	Sale of Products and Services	Average Trade Receivable	19.92	20.65	(4)%	
7	Trade Payables turnover Ratio (in times)	Cost of Sales	Average Trade Payable	8.30	8.87	(6)%	
8	Net Capital turnover ratio (in times)	Sale of Products and Services	Working Capital	11.30	4.26	166%	Ratio has improved on account of increase in sales by 17% and decrease in working capital by 56%, on account of higher payables
9	Net profit ratio (in %)	Profit for the year	Sale of Products and Services	14%	13%	14%	
10	Return on Capital employed (in times)	Profit for the year + Tax + Finance Costs	Networth + Current and Non current borrowings + Deferred Tax Liability	14%	14%	(1)%	
11	Return on Investment (in %)	Treasury Income	Weighted treasury investment	5%	6%	(20)%	

## Note 48: Capital Management (Ind AS 1):

The Capital management objective of the Company is to (a) maximise shareholder value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital.

For the purposes of the Company's capital management, capital/equity includes issued equity share capital, share premium and all other equity.

The Company monitors capital using debt-equity ratio, which is total debt less liquid investments and bank deposits divided by total equity.

₹ in Crores		
Particulars	As at March 31, 2022	As at March 31, 2021
Total Debt (Bank and other borrowings)	9,891.11	17,318.57
Equity	49,270.64	43,352.64
Liquid Investments and bank deposits	6,323.28	13,770.25
<b>Debt to Equity (Gross)</b>	<b>0.20</b>	<b>0.40</b>
<b>Debt to Equity (Net)</b>	<b>0.07</b>	<b>0.08</b>

In addition, the Company has financial covenants relating to the borrowing facilities that it has taken from the lenders to manage interest coverage service ratio, Debt to EBITDA, etc. which is maintained by the Company.

## Note 49: Research and Development

Revenue expenditure on Research and Development included in different heads of expenses in the Statement of Profit and Loss is ₹ 11.68 Crores. (March 31, 2021 ₹ 15.25 Crores).

## Note 50: Corporate Social Responsibility

₹ in Crores			
Sr No	Particulars	Year ended March 31, 2022	Year ended March 31, 2021
(i)	Gross Amount Required to be spent by the Group during the year ie.2% of average net profits for last three financial years, calculated as per section 198 of the Companies Act, 2013.	102.99	73.72
(ii)	Amount spent during the year ending on 31March:		
	Capital Expenditure	0.79	-
	Others- charged to Statement of Profit and Loss	95.61	120.68
(iii)	Excess / (Shortfall) during the year	(6.59)	46.96
(iv)	Balance carry forward	40.37	46.96
(v)	Total of previous years shortfall	Nil	Nil

The above capital expenditure is incurred on acquiring and owning assets, which are being used for the purpose of Corporate Social Responsibility. The amount spent under CSR is mainly for projects relating to school education, preventive health care, agriculture, rural infrastructure development, promotion of sports and culture, disaster relief programmes and protection of heritage art and culture.



## Note 51: Government Grant (Ind AS 20):

- (a) Other Operating Revenues include Incentives against capital investments, under State Investment Promotion Scheme of ₹ 456.43 Crores (March 31, 2021 ₹ 233.03 Crores).
- (b) Sales Tax deferment loan granted under State Investment Promotion Scheme has been considered as a government grant and the difference between the fair value and nominal value as on date is recognized as an income. Accordingly, an amount of ₹ 74.44 Crores (March 31, 2021: 48.83 Crores) has been recognized as an income. Every year change in fair value is accounted for as an interest expense.
- (c) Repairs and maintenance are net of subsidy received, under State Investment Promotion Scheme of ₹ 0.97 Crores. (March 31, 2021 ₹ 0.37 Crores).
- (d) Cost of materials consumed are net of grants received towards royalty expense amounting to ₹ 13.26 Crores (March 31, 2021 ₹ 12.26 Crores)

## Note 52: Assets held for Disposal (Ind AS 105):

The Company has identified certain assets like Land, Aggregate Mines, Coal Washery etc. which are available for sale in its present condition. The Company is committed to plan the sale of asset and an active programme to locate a buyer and complete the plan have been initiated. The Company expects to dispose off these assets in the due course.

## Note 53: Revenue (Ind AS 115)

- (A) The Company is primarily in the Business of manufacture and sale of cement and cement related products. The product shelf life being short, all sales are made at a point in time and revenue recognised upon satisfaction of the performance obligations which is typically upon dispatch/ delivery. The Company has a credit evaluation policy based on which the credit limits for the trade receivables are established, the Company does not give significant credit period resulting in no significant financing component. The Company, however, has a policy for replacement of the damaged goods.

## (B) Revenue recognised from Contract liability (Advances from Customers):

Particulars	₹ in Crores	
	As at March 31, 2022	As at March 31, 2021
Closing Contract liability	451.88	412.73

The Contract liability outstanding at the beginning of the year has been recognised as revenue during the year ended March 31, 2021.

## (C) Reconciliation of revenue as per contract price and as recognised in Statement of Profit or Loss:

Particulars	₹ in Crores	
	Year ended March 31, 2022	Year ended March 31, 2021
Revenue as per Contract price	56,552.49	47,980.88
Less: Discounts and incentives	(6,823.11)	(5,303.88)
Revenue as per statement of profit and loss	49,729.38	42,677.00

## Note 54

Exceptional item of ₹ 164.00 Crores for the year ended March 31, 2021 represents a one-time expense upon receiving an order dated July 17, 2020, issued by the Hon'ble Supreme Court denying the Company's claim of capital investment subsidy, sanctioned in 2010 under Rajasthan Investment Promotion Scheme -2003.

## Note 55: Information as per the requirement of Section 22 of The Micro, Small and Medium Enterprises Development Act, 2006

Sr No	Particulars	₹ in Crores	
		Year ended March 31, 2022	Year ended March 31, 2021
(a)	(i) The principal amount remaining unpaid to any supplier at the end of accounting year included in trade payables	117.48	65.26
	(ii) The interest due on above	0.16	0.02
	<b>The total of (i) &amp; (ii)</b>	<b>117.64</b>	<b>65.28</b>
(b)	The amount of interest paid by the buyer in terms of section 16 of the Act	-	-
(c)	The amount of the payment made to the supplier beyond the appointed day during the year	-	-
(d)	The amounts of interest accrued and remaining unpaid at the end of financial year	0.16	0.02
(e)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the due date during the year) but without adding the interest specified under this Act.	-	-
(f)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

The above information has been determined to the extent such parties have been identified on the basis of information available with the Company and the same has been relied upon by the auditors.

## Note 56: COVID-19 (Global Pandemic)

In the face of COVID – 19 pandemic the Company's operations across locations were stopped in line with the Government directives. This had an adverse impact on revenues during the quarter ended June 30, 2020, as expected.

Even before the formal announcement of the national lockdown, keeping in mind the well-being of its employees, the Company enabled 'work from home' for its employees and taken all necessary steps to ensure a seamless transition to the new ways of working for employees, while at the same time ensuring business continuity. The Company was in continuous engagement with all its stakeholders through various digital platforms. Critical Response Teams were set up across the organisation to plan scenarios and respond to the rapidly changing situation.

With the Government allowing select activities to operate, the Company gradually resumed operations at its establishments after obtaining necessary government approvals and ensuring compliance with the statutory guidelines in line with the standard operating procedure (SOP) announced by the Ministry of Home Affairs, Government of India.

With the easing of lockdown, operations gradually stabilised. The Company has the unique advantage of being able to cater to demand in different parts of the country.

The Company's recovery from the Covid-19 led disruption of the economy has been rapid. It Company managed the crisis with a sharp focus on operational efficiencies. It was able to recover the carrying amount of all its inventories, receivables and loans in the ordinary course of business. It was able to service all its debt obligations as per schedule, with its capital and financial resources remaining entirely protected and its liquidity position adequately covered.

## Note 57: Other Statutory Information

- (i) As on March 31, 2022 there is no utilised amounts in respect of any issue of securities and long term borrowings from banks and financial institutions. The borrowed funds have been utilised for the specific purpose for which the funds were raised.
- (ii) The Company do not have any transactions with struck off companies.
- (iii) The Company do not have any charges or satisfaction, which is yet to be registered with Registrar of Companies beyond the statutory period.
- (iv) The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- (v) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (vi) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (vii) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (viii) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the 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 Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- (ix) The Company have not any such 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

## Note 58

The figures for the previous periods have been regrouped / rearranged wherever necessary to conform to the current periods classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013 effective 1<sup>st</sup> April, 2021.

Signatures to Note '1' to '58'

In terms of our report attached.

For and on behalf of the Board of Directors

For **B S R & Co. LLP**  
Chartered Accountants  
Firm Registration No: 101248W/W-100022

For **Khimji Kunverji & Co LLP**  
Chartered Accountants  
Firm Registration No: 105146W/W-100621

**VIKAS R KASAT**  
Partner  
Membership No: 105317

**KETAN VIKAMSEY**  
Partner  
Membership No: 044000

**ATUL DAGA**  
Whole-time Director and CFO  
DIN: 06416619

**K. C. JHANWAR**  
Managing Director  
DIN: 01743559

Mumbai: April 29, 2022

**S. K. CHATTERJEE**  
Company Secretary

## To the Members of UltraTech Cement Limited

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the consolidated financial statements of UltraTech Cement Limited (hereinafter referred to as the "Holding Company" or the "Parent" or "the Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates and its joint venture, which comprise the consolidated balance sheet as at 31 March 2022, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of 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/consolidated financial statements/financial information of such subsidiaries, associates and joint venture as were audited by the other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and joint venture as at 31 March 2022, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year then ended.

#### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group, its associates and joint venture in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of reports of the other auditors referred to in paragraph (a) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

#### Emphasis of matter

- (a) We draw attention to Note 37(b) of the consolidated financial statements which refers to orders dated 31 August 2016 (Penalty of Rs.1,449.51 crores) and 19 January 2017 (Penalty of Rs.68.30 crores) of the Competition Commission of India ("CCI") against which the Company had filed appeal. Upon the National Company Law Appellate Tribunal ("NCLAT") disallowing its appeal against the CCI order dated 31 August 2016, the Company has filed an appeal before the Hon'ble Supreme Court of India, which has by its order dated 5 October 2018, granted a stay against the NCLAT order. Consequently, the Company has deposited an amount of Rs.144.95 crores equivalent to 10% of the penalty of Rs. 1,449.51 crores recorded as asset. The Company, backed by legal opinions, believes that it has a good case in both the matters basis which no provision has been recognised in the books of account. Our opinion is not modified in respect of these matters.
- (b) We draw attention to Note 37(b) of the consolidated financial statements, where in case of UltraTech Nathdwara Cement Limited ("UNCL"), a wholly owned subsidiary of the Parent, one of the joint auditors of the Company has audited the financial statements and without modifying their opinion on the audited consolidated financial statements of UNCL for the year ended 31 March 2022 reported that the Order dated 31 August 2016 (penalty of Rs. 167.32 crores) was passed by the Competition Commission of India ("CCI") against which UNCL had filed appeal. Upon the NCLAT disallowing its appeal against the CCI order dated 31 August 2016, UNCL filed an appeal before the Hon'ble Supreme Court of India, which has by its order dated 5 October 2018, granted a stay against the NCLAT order. Consequently, UNCL has deposited an amount of Rs. 16.73 crores equivalent to 10% of the penalty of Rs. 167.32 crores recorded as asset in the consolidated financial statements. Based on the legal opinion obtained

by the Parent Company on a similar matter, UNCL believes that it has a good case in this matter basis which, no provision has been recognised in the consolidated financial statements. Our opinion is not modified in respect of this matter.

#### Key Audit Matters

Key audit matters are those matters that, in our professional judgment and based on the consideration of reports of other auditors on separate/consolidated financial statements of components audited by them, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

#### Description of Key Audit Matter

The key audit matter	How the matter was addressed in our audit
<p><b>Revenue recognition – Discounts, incentives and rebates</b> [Refer note 1(B)(o) and 56 to the consolidated financial statements]</p> <ul style="list-style-type: none"> <li>Revenue is measured net of discounts, incentives, rebates etc. given to the customers on the Company's sales.</li> <li>The Company's presence across different marketing regions within the country and the competitive business environment makes the assessment of various types of discounts, incentives and rebates as complex and judgmental.</li> <li>Therefore, there is a risk of revenue being misstated as a result of variations in the assessment of discounts, incentives and rebates.</li> <li>Given the complexity and judgement required to assess the provision for discounts, incentives and rebates, this is a key audit matter.</li> </ul>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>We have assessed the Company's accounting policies relating to revenue, discounts, incentives and rebates by comparing with applicable accounting standards.</li> <li>We have assessed the design and implementation and tested the operating effectiveness of Company's internal controls over the provisions, approvals and disbursements of discounts, incentives and rebates.</li> <li>We have assessed the Company's computations for accrual of discounts, incentives and rebates, on a sample basis, and compared the accruals made with the approved schemes and underlying documents.</li> <li>We have verified, on a sample basis, the underlying documentation for discounts, incentives and rebates recorded and disbursed during the year.</li> <li>We have compared the historical trend of payments and reversal of discounts, incentives and rebates to provisions made to assess the current year accruals.</li> <li>We have examined the manual journals posted to discounts, rebates and incentives to identify unusual or irregular items.</li> </ul>
<p><b>Regulations - Litigations and claims</b> [Refer note 37 to the consolidated financial statements]</p> <ul style="list-style-type: none"> <li>The Company operates in various States within India and is exposed to different Central and State/Local laws, regulations and interpretations thereof. Due to a complex regulatory environment, there is an inherent risk of litigations and claims.</li> <li>Consequently, provisions and contingent liability disclosures may arise from indirect tax proceedings, legal proceedings, including regulatory and other government/ department proceedings, as well as investigations by authorities and commercial claims.</li> <li>The Company applies significant judgement in estimating the likelihood of the future outcome in each case and in determining the provisions or disclosures required for each matter.</li> <li>Resolution of tax and legal proceedings may span over multiple years due to the highly complex nature and magnitude of the legal matters involved and may involve protracted negotiation or litigation.</li> <li>These estimates could change significantly over time as new facts emerge and each legal case progresses.</li> <li>Given the inherent complexity and magnitude of potential exposures and the judgement necessary to estimate the amount of provisions required or to determine required disclosures, this is a key audit matter.</li> </ul>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>We understood the processes, evaluated the design and implementation of controls and tested the operating effectiveness of the Company's controls over the recording and re-assessment of uncertain legal positions, claims (including claims receivable) and contingent liabilities.</li> <li>We have gained an understanding of outstanding litigations against the Company from the Company's inhouse legal counsel and other key managerial personnel who have knowledge of these matters.</li> <li>We have read the correspondence between the Company and the various indirect tax/legal authorities and the legal opinions of external legal advisors, where applicable, for significant matters.</li> <li>We have tested the completeness of the litigations and claims by examining, on a sample basis, the Company's legal expenses and minutes of the board meetings.</li> <li>We have challenged the Company's estimate of the possible outcome of the disputed cases based on applicable indirect tax laws and legal precedence by involving our tax specialists.</li> <li>We have assessed the adequacy of the Company's disclosures in respect of contingent liabilities for indirect tax and legal matters.</li> </ul>

The key audit matter	How the matter was addressed in our audit
<p><b>Recognition and measurement of Income Taxes</b> [Refer notes 20 and 43 to the consolidated financial statements]</p> <ul style="list-style-type: none"> <li>The Company operates in a complex tax jurisdiction and is subject to periodic challenges by tax authorities on various matters relating to claims for tax exemptions / deductions.</li> <li>The determination of provision for income tax (including Minimum Alternate Tax) and deferred taxes including write backs of provisions involves significant judgements and estimates and interpreting the prevailing tax laws and rules.</li> <li>These also involve significant judgment to determine the possible outcome of the uncertain tax positions, consequently having an impact on related accounting and disclosures in the consolidated financial statements.</li> <li>Considering the complexity and significant level of estimation and judgement, this is a key audit matter.</li> </ul>	<p>Our audit procedures included:</p> <ul style="list-style-type: none"> <li>Our audit procedures to test uncertain tax positions included understanding processes, evaluation of design and implementation of controls and testing of operating effectiveness of the Company's controls over provision for taxation, assessment of uncertain tax positions and disclosure of contingencies.</li> <li>We have read and analysed select key correspondences, external legal opinions/ consultations obtained by the Company for key tax matters.</li> <li>We have critically challenged the key assumptions made by the Company in estimating current and deferred taxes by involving our tax specialists.</li> <li>We have challenged the Company's estimate of the possible outcome of the disputed tax cases by considering legal precedence and other judicial rulings by involving our tax specialists.</li> <li>We have assessed the adequacy of the Company's disclosures for income taxes in the consolidated financial statements.</li> </ul>

**Other Information**

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

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

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

**Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements**

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associates and joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and of its associates and joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its associates and joint venture are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern

basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Company's Management and Board of Directors of the companies included in the Group and of its associates and joint venture are responsible for overseeing the financial reporting process of each company.

**Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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

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 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 the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and joint venture to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements/financial information of such entities or business activities within the Group and its associates and joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements/financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Other Matters

- (a) We did not audit the financial statements / financial information of sixteen subsidiaries, whose financial statements/ financial information reflect total assets (before consolidation adjustments) of Rs. 3,836.62 crores as at 31 March 2022, total revenues (before consolidation adjustments) of Rs. 2,405.94 and net cash outflows (before consolidation adjustments) amounting to Rs. 31.87 crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit after tax (and other comprehensive income) of Rs. 1.69 crores for the year ended 31 March 2022, in respect of two associates and one joint venture, whose financial statements/financial information have not been audited by us. These financial statements/financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint venture and associates, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, joint venture and associates is based solely on the reports of the other auditors.
- (b) The consolidated financial statements include the audited financial statements of one subsidiary whose financial statements reflect Group's share of total assets (before consolidation adjustments) of Rs. 1,523.21 crores as at 31 March 2022, Group's share of total revenue (before consolidation adjustments) of Rs. 1,672.39 crores and Group's share of net cash inflows (before consolidation adjustments) of Rs. 0.64 crores for the year ended on that date, as considered in the consolidated financial statements, which have been audited by one of the joint auditors of the Parent. The independent auditor's report on the financial statements of this entity has been furnished to us by the management and our opinion financial statements, in so far as it relates to the amounts and disclosures included in respect of this entity, is based solely on the report of such auditors and the procedures performed by us as stated in the paragraph above.
- (c) The financial statements/financial information of seventeen subsidiaries, whose financial statements/financial information reflect total assets (before consolidation adjustments) of Rs. 70.69 crores as at 31 March 2022, total revenues (before consolidation adjustments) of Rs. Nil and net cash outflows (before consolidation adjustments) amounting to Rs. 0.14 crores for the year ended on that date, as considered in the consolidated financial statements, have not been audited either by us or by other auditors. The consolidated financial statements also include the Group's share of net profit after tax (and other comprehensive income) of Rs. 0.01 crores for the year ended 31 March 2022, as considered in the consolidated financial statements, in respect of one associate, whose financial statements/financial information have not been audited by us or by other auditors. These unaudited financial statements/financial information have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures 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 and associate, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the branch auditors and other auditors and the financial statements/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 Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. (A) As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate/consolidated financial statements of such subsidiaries, associates, and joint venture as were audited by other auditors, as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.
  - e) On the basis of the written representations received from the directors of the Holding Company as on 31 March 2022 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies, joint venture company incorporated in India, none of the directors of the Group companies, its associate companies, joint venture company incorporated in India is disqualified as on 31 March 2022 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company and its subsidiary companies, associate companies and joint venture companies incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate/ consolidated financial statements of the subsidiaries, associates and joint venture, as noted in the "Other Matters" paragraph:
  - a) The consolidated financial statements disclose the impact of pending litigations as at 31 March 2022 on the consolidated financial position of the Group, its associates and joint venture. Refer Note 37 to the consolidated financial statements.
  - b) Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 50 to the consolidated financial statements in respect of such items as it relates to the Group, its associates and joint venture.
  - c) There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies, associate companies and joint venture company incorporated in India during the year ended 31 March 2022.

- d) (i) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to accounts, 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 its subsidiary companies, associate companies and joint venture company incorporated in India to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:
- directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Holding Company or its subsidiary companies, associate companies and joint venture company incorporated in India or
  - provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (ii) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to accounts, no funds have been received by the Holding Company or its subsidiary companies, associate companies and joint venture company incorporated in India from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or its subsidiary companies, associate companies and joint venture company incorporated in India shall:
- directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Parties or
  - provide any guarantee, security or the like from or on behalf of the Ultimate Beneficiaries.
- (iii) Based on such audit procedures as 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 (d) (i) and (d) (ii) contain any material mis-statement.

e) The dividend declared or paid during the year by the Holding Company and its subsidiary companies, associate companies and joint venture company incorporated in India is in compliance with Section 123 of the Act.

(C) With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us and based on the reports of the statutory auditors of such subsidiary companies, associate companies and joint venture company incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies, associate companies and joint venture company to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Holding Company and its subsidiary companies, associate companies and joint venture company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**  
Chartered Accountants  
Firm's Registration No.: 101248W/W-100022

**Vikas R Kasat**  
Partner  
Membership No: 105317  
ICAI UDIN: 22105317AIBGZD1930

Mumbai  
29 April 2022

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

**Ketan Vikamsey**  
Partner  
Membership No: 044000  
ICAI UDIN: 22044000AIBLNU6817

Mumbai  
29 April 2022

## Annexure A to the Independent Auditors' Report on consolidated financial statements of UltraTech Cement Limited for the year ended 31 March 2022

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

In our opinion and according to the information and explanations given to us, there are no qualifications or adverse remarks by the respective auditors in the Companies (Auditor's Report) Order, 2020 reports of the companies incorporated in India and included in the consolidated financial statements.

The above does not include comments, if any, in respect of the following entities as the CARO report relating to them has not been issued by its auditor till the date of principal auditor's report:

Name of the entities	CIN	Subsidiary/ JV/ Associate
Dakshin Cements Ltd. (struck off w.e.f. 9 April 2021)	U26940TG1993PLC016002	Subsidiary
Swiss Merchandise Infrastructure Limited	U45400WB2010PLC154432	Subsidiary
Merit Plaza Limited	U70109WB2010PLC155943	Subsidiary
Bahar Ready Mix Concrete Limited (struck off w.e.f. 2 November 2021)	U45400WB2010PLC155265	Subsidiary
Smooth Energy Private Limited (struck off w.e.f. 26 October 2021)	U72200WB1996PTC171627	Subsidiary
Madanpur (North) Coal Company Private Limited	U10101CT2007PTC020161	Associate

For **B S R & Co. LLP**  
Chartered Accountants  
Firm's Registration No.: 101248W/W-100022

**Vikas R Kasat**  
Partner  
Membership No: 105317  
ICAI UDIN: 22105317AIBGZD1930

Mumbai  
29 April 2022

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

**Ketan Vikamsey**  
Partner  
Membership No: 044000  
ICAI UDIN: 22044000AIBLNU6817

Mumbai  
29 April 2022

# Annexure B to the Independent Auditors' Report on the consolidated financial statements of UltraTech Cement Limited for the year ended 31 March 2022

## Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

(Referred to in paragraph (A) (f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

### Opinion

In conjunction with our audit of the consolidated financial statements of UltraTech Cement Limited as of and for the year ended 31 March 2022, we have audited the internal financial controls with reference to consolidated financial statements of UltraTech Cement Limited (hereinafter referred to as "the Holding Company") and such companies incorporated in India under the Companies Act, 2013 which are its subsidiary companies, its associate companies and its joint venture company, as of that date.

In our opinion, the Holding Company and such companies incorporated in India which are its subsidiary companies, its associate companies and joint venture company, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at 31 March 2022, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

### Management's Responsibility for Internal Financial Controls

The respective Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as "the Act").

### Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors of the relevant subsidiary companies, associate companies and joint venture company in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

### Meaning of Internal Financial controls with Reference to Consolidated Financial Statements

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of 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 financial statements.

### Inherent Limitations of Internal Financial controls with Reference to consolidated Financial Statements

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

### Other Matters

Our aforesaid reports 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 five subsidiary companies and one associate company which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For **B S R & Co. LLP**  
Chartered Accountants  
Firm's Registration No.: 101248W/W-100022

**Vikas R Kasat**  
Partner  
Membership No: 105317  
ICAI UDIN: 22105317AIBGZD1930

Mumbai  
29 April 2022

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

**Ketan Vikamsey**  
Partner  
Membership No: 044000  
ICAI UDIN: 22044000AIBLNU6817

Mumbai  
29 April 2022

# Consolidated Balance Sheet

as at March 31, 2022

₹ in Crores

Particulars	Note No.	As at March 31, 2022	As at March 31, 2021
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Property, Plant and Equipment	2	42,592.19	42,291.09
Capital Work-in-Progress	2	4,777.25	1,680.96
Right of Use Assets	3	1,178.60	1,334.26
Goodwill	2	6,250.21	6,219.85
Other Intangible Assets	2	5,466.57	5,566.41
Intangible Assets under development	2	7.42	5.72
		<b>60,272.24</b>	<b>57,098.29</b>
Investments Accounted using Equity Method	4	30.17	28.80
<b>Financial Assets</b>			
Investments	5	1,342.26	1,255.44
Loans	6	9.59	4.54
Other Financial Assets	7	1,109.98	717.18
		<b>2,461.83</b>	<b>1,977.16</b>
Income Tax Assets (Net)		479.46	314.31
Deferred Tax Assets (Net)	8	16.35	7.16
Other Non-Current Assets	9	3,078.27	2,707.50
<b>Total Non-Current Assets</b>		<b>66,338.32</b>	<b>62,133.22</b>
<b>Current Assets</b>			
Inventories	10	5,595.58	4,017.97
<b>Financial Assets</b>			
Investments	11	4,963.34	10,893.87
Trade Receivables	12	3,071.61	2,571.73
Cash and Cash Equivalents	13	120.54	177.21
Bank Balances other than Cash and Cash Equivalents	14	238.64	1,830.34
Loans	6	6.86	5.22
Other Financial Assets	7	1,871.95	2,009.04
		<b>10,272.94</b>	<b>17,487.41</b>
Current Tax Assets (Net)		0.09	0.10
Other Current Assets	15	1,611.33	1,548.21
<b>Total Current Assets</b>		<b>17,479.94</b>	<b>23,053.69</b>
Assets included in disposal group(s) held-for-sale	55	9.53	996.60
<b>TOTAL ASSETS</b>		<b>83,827.79</b>	<b>86,183.51</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
Equity Share Capital	16 (a)	288.67	288.65
Other Equity	16 (b)	50,146.60	43,886.03
Non-Controlling Interest		(3.06)	5.72
		<b>50,432.21</b>	<b>44,180.40</b>
<b>LIABILITIES</b>			
<b>Non-Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	17	5,303.00	13,548.45
Lease Liability		978.20	1,119.05
Other Financial Liabilities	18	303.48	332.19
		<b>6,584.68</b>	<b>14,999.69</b>
Provisions	19	617.84	365.49
Deferred Tax Liabilities (Net)	20	6,033.24	6,040.68
Other Non-Current Liabilities	21	4.63	5.53
<b>Total Non-Current Liabilities</b>		<b>13,240.39</b>	<b>21,411.39</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	22	4,899.84	6,939.32
Lease Liability		117.76	112.57
Trade Payables			
Total outstanding dues of Micro and Small Enterprises	23	124.47	69.33
Total outstanding dues of creditors other than Micro and Small Enterprises	23	5,738.36	4,478.90
Other Financial Liabilities	18	3,608.55	2,848.42
		<b>14,488.98</b>	<b>14,448.54</b>
Other Current Liabilities	24	4,890.94	4,665.63
Provisions	19	247.98	521.85
Current Tax Liabilities (Net)		527.29	711.74
<b>Total Current Liabilities</b>		<b>20,155.19</b>	<b>20,347.76</b>
Liabilities included in disposal group (s) held-for-sale	55	-	243.96
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>83,827.79</b>	<b>86,183.51</b>
Significant Accounting Policies	1		

The accompanying notes form an integral part of the Consolidated Financial Statements

In terms of our report attached.

For **B S R & Co. LLP**

Chartered Accountants

Firm Registration No: 101248W/W-100022

For **Khimji Kunverji & Co LLP**

Chartered Accountants

Firm Registration No: 105146W/W-100621

For and on behalf of the Board of Directors

**VIKAS R KASAT**

Partner

Membership No: 105317

Mumbai: April 29, 2022

**KETAN VIKAMSEY**

Partner

Membership No: 044000

**ATUL DAGA**

Whole-time Director and CFO

DIN: 06416619

**K. C. JHANWAR**

Managing Director

DIN: 01743559

**S. K. CHATTERJEE**

Company Secretary

# Consolidated Statement of Profit and Loss

for the Year ended March 31, 2022

₹ in Crores

Particulars	Note No.	Year ended March 31, 2022	Year ended March 31, 2021
<b>Continuing Operations</b>			
Revenue from Operations	25	52,598.83	44,725.80
Other Income	26	507.81	734.17
<b>TOTAL INCOME (I)</b>		<b>53,106.64</b>	<b>45,459.97</b>
<b>EXPENSES</b>			
Cost of Materials Consumed	27	7,096.49	5,793.67
Purchases of Stock-in-Trade	28	1,251.66	841.99
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	29	(383.16)	450.15
Employee Benefits Expense	30	2,534.68	2,353.02
Finance Costs	31	944.71	1,485.65
Depreciation and Amortisation Expense	32	2,714.75	2,700.23
Power and Fuel		12,137.26	8,331.18
Freight and Forwarding Expense	33	11,712.33	10,043.32
Other Expenses	34	6,735.22	5,344.56
<b>TOTAL EXPENSES (II)</b>		<b>44,743.94</b>	<b>37,343.77</b>
<b>Profit from Continuing Operations before Exceptional Items and Tax Expense (I)-(II)</b>		<b>8,362.70</b>	<b>8,116.20</b>
<b>Exceptional Items</b>			
Rates and Taxes	57	-	(164.00)
Impairment on advances	57	-	(96.74)
		<b>8,362.70</b>	<b>7,855.46</b>
<b>Profit from Continuing Operations before Tax Expense and Share in Profit / (Loss) of Associate and Joint Venture</b>		<b>8,362.70</b>	<b>7,855.46</b>
Share in Profit / (Loss) of Associate and Joint Venture (net of Tax expense)		1.70	2.18
<b>Profit from Continuing Operations before Tax Expense</b>		<b>8,364.40</b>	<b>7,857.64</b>
<b>Tax Expense of continuing operations:</b>			
Current Tax		1,516.37	1,415.05
Excess Tax Provision related to prior years		(305.15)	-
Deferred Tax (Credit) / Charge	20	(21.16)	1,123.65
<b>Total Tax Expense</b>		<b>1,190.06</b>	<b>2,538.70</b>
<b>Profit for the Year from continuing operations (III)</b>		<b>7,174.34</b>	<b>5,318.94</b>
Profit / (Loss) attributable to Non-Controlling Interest		(10.05)	(1.25)
Profit attributable to Owners of the Parent		7,184.39	5,320.19
<b>Discontinued Operations</b>			
Profit before tax from discontinued operations		196.54	17.35
Exceptional Item (Net)	55	159.92	166.50
Less: Provision for Impairment of disposal group classified as held for sale		(67.42)	(25.73)
Tax expense of discontinued operations		129.12	15.21
<b>Profit after tax from discontinued operations (IV)</b>		<b>159.92</b>	<b>142.91</b>
<b>Profit for the year (V = III + IV)</b>		<b>7,334.26</b>	<b>5,461.85</b>
Profit / (Loss) attributable to Non-Controlling Interest		(10.05)	(1.25)
Profit attributable to Owners of the Parent		7,344.31	5,463.10
<b>Other Comprehensive Income/(Loss)</b>			
A (i) Items that will not be reclassified to Profit or Loss - Remeasurement Gain / (Loss) on Defined Benefit Plan		(12.84)	79.34
(ii) Income Tax Relating to Items that will not be reclassified to Profit or Loss		5.92	(28.82)
B (i) Items that will be reclassified to Profit or Loss - Cash flow Hedge, Net Investment Hedge and Foreign Currency Translation Reserve (FCTR)		54.82	(30.61)
(ii) Income Tax Relating to Items that will be reclassified to Profit or Loss		(0.07)	(3.31)
<b>Other Comprehensive Income/(Loss) for the Year (VI)</b>		<b>47.83</b>	<b>16.60</b>
Other Comprehensive Income/ (Loss) attributable to Non-Controlling Interest		1.27	(0.55)
Other Comprehensive Income/(Loss) attributable to Owners of the Parent		46.56	17.15
<b>Total Comprehensive Income for the Year (V+VI)</b>		<b>7,382.09</b>	<b>5,478.45</b>
Total Comprehensive Loss attributable to Non-Controlling Interest		(8.78)	(1.80)
Total Comprehensive Income attributable to Owners of the Parent		7,390.87	5,480.25
<b>Earnings Per Equity Share (Face Value ₹ 10 each) - Continuing Operations</b>	44		
Basic (in ₹)		249.09	184.44
Diluted (in ₹)		248.98	184.38
<b>Earnings Per Equity Share (Face Value ₹ 10 each) - Discontinued Operations</b>	44		
Basic (in ₹)		5.54	4.95
Diluted (in ₹)		5.54	4.95
<b>Earnings Per Equity Share (Face Value ₹ 10 each) - Continuing &amp; Discontinued Operations</b>	44		
Basic (in ₹)		254.64	189.40
Diluted (in ₹)		254.53	189.33
Significant Accounting Policies	1		

The accompanying notes form an integral part of the Consolidated Financial Statements

In terms of our report attached.

For **B S R & Co. LLP**

Chartered Accountants

Firm Registration No: 101248W/W-100022

For **Khimji Kunverji & Co LLP**

Chartered Accountants

Firm Registration No: 105146W/W-100621

For and on behalf of the Board of Directors

**VIKAS R KASAT**

Partner

Membership No: 105317

Mumbai: April 29, 2022

**KETAN VIKAMSEY**

Partner

Membership No: 044000

**ATUL DAGA**

Whole-time Director and CFO

DIN: 06416619

**K. C. JHANWAR**

Managing Director

DIN: 01743559

**S. K. CHATTERJEE**

Company Secretary



# Consolidated Statement of Changes in Equity

for the Year ended March 31, 2022

## A. Equity Share Capital

For the year ended March 31, 2022

₹ in Crores

Balance as at April 01, 2021	Changes in Equity Share Capital during the Year	Balance as at March 31, 2022
288.65	0.02	288.67

For the year ended March 31, 2021

₹ in Crores

Balance as at April 01, 2020	Changes in Equity Share Capital during the Year	Balance as at March 31, 2021
288.63	0.02	288.65

## B. Other Equity

For the year ended March 31, 2022

₹ in Crores

Particulars	Attributable to Owners of the Parent											Total Other Equity	
	Reserves & Surplus								Cash Flow Hedge Reserve	Exchange differences on translating the financial statements of foreign operations	Total Other Equity Attributable to Owners of the Parent		Attributable to Non Controlling Interest
	Capital Reserve	Securities Premium	Debenture Redemption Reserve	General Reserve	Share Option Outstanding Reserve <sup>f</sup>	Treasury Shares <sup>@@</sup>	Retained Earnings						
Balance as at April 01, 2021	170.72	5,469.67	247.50	31,324.73	43.62	(77.50)	6,573.56	(22.85)	156.58	43,886.03	5.72	43,891.75	
Profit for the period	-	-	-	-	-	-	7,344.31	-	-	7,344.31	(10.05)	7,334.26	
Other Comprehensive Income / (Loss) for the period													
Remeasurement gain / (loss) on defined benefit plan	-	-	-	-	-	-	(7.11)*	-	-	(7.11)	0.19	(6.92)	
Effective portion of gains / (loss) on hedging instruments and FCTR	-	-	-	-	-	-	(3.16) <sup>@</sup>	49.95	46.79	1.08	47.87		
Effective portion of gains / (loss) on Net investment hedging	-	-	-	-	-	-	-	6.88	6.88	6.88	6.88		
Total Comprehensive Income / (Loss) for the period	-	-	-	-	-	-	7,337.20	(3.16)	56.83	7,390.87	(8.78)	7,382.09	
Purchase of Treasury Shares	-	-	-	-	-	(91.19)	-	-	-	(91.19)	-	(91.19)	
Issue of Treasury Shares	-	-	-	-	-	14.40	-	-	-	14.40	-	14.40	
Contribution by and Distribution to Owners													
Dividend	-	-	-	-	-	-	(1,067.03) <sup>##</sup>	-	-	(1,067.03)	-	(1,067.03)	
Transfer to / from Retained Earnings	-	-	(210.00)	5,000.00	-	-	(4,790.00)	-	-	-	-	-	
Employees Stock Options Exercised	-	7.43	-	-	(8.92)	-	-	-	-	(1.49)	-	(1.49)	
Employees Stock Options Granted	-	-	-	-	15.01	-	-	-	-	15.01	-	15.01	
Total Contribution by and Distribution to Owners	-	7.43	(210.00)	5,000.00	6.09	-	(5,857.03)	-	-	(1,053.51)	-	(1,053.51)	
Balance as at March 31, 2022	170.72	5,477.10	37.50	36,324.73	49.71	(154.29)	8,053.73	(26.01)	213.41	50,146.60	(3.06)	50,143.54	

# Net of Deferred Employees Compensation Expenses ₹ 37.03 Crores.

@@ The Company has formed an Employee Welfare Trust for purchasing Company's share to be allotted to eligible employees under Employees Stock Options Scheme, 2018 (ESOS 2018). As per Ind AS 32 - Financial Instruments: Presentation, Reacquired equity shares of the Company are called Treasury Shares and deducted from equity.

\* Net of Tax amounting to ₹ 5.92 Crores.

@ Net of Deferred Tax amounting to ₹ 0.07 Crores.

## Dividend of ₹ 37/- per share

# Consolidated Statement of Changes in Equity

for the Year ended March 31, 2022 (Continued)

For the year ended March 31, 2021

₹ in Crores

Particulars	Attributable to Owners of the Parent											Total Other Equity	
	Reserves & Surplus								Cash Flow Hedge Reserve	Exchange differences on translating the financial statements of foreign operations	Total Other Equity Attributable to Owners of the Parent		Attributable to Non Controlling Interest
	Capital Reserve	Securities Premium	Debenture Redemption Reserve	General Reserve	Share Option Outstanding Reserve <sup>f</sup>	Treasury Shares <sup>@@</sup>	Retained Earnings						
Balance as at April 01, 2020	170.72	5,458.65	247.50	26,824.73	35.83	(84.29)	5,934.89	(30.54)	197.64	38,755.13	7.52	38,762.65	
Profit for the year	-	-	-	-	-	-	5,463.10	-	-	5,463.10	(1.25)	5,461.85	
Other Comprehensive Income / (Loss) for the year													
Remeasurement gain on defined benefit plan	-	-	-	-	-	-	50.52*	-	-	50.52	-	50.52	
Effective portion of gains / (loss) on hedging instruments and FCTR	-	-	-	-	-	-	-	7.69 <sup>@</sup>	(41.06)	(33.37)	(0.55)	(33.92)	
Total Comprehensive Income / (Loss) for the year	-	-	-	-	-	-	5,513.62	7.69	(41.06)	5,480.25	(1.80)	5,478.45	
Issue of Treasury Shares	-	-	-	-	-	-	6.79	-	-	6.79	-	6.79	
Contribution by and Distribution to Owners													
Dividend	-	-	-	-	-	-	(374.95) <sup>##</sup>	-	-	(374.95)	-	(374.95)	
Transfer from Retained Earnings	-	-	-	4,500.00	-	-	(4,500.00)	-	-	-	-	-	
Employees Stock Options Exercised	-	11.02	-	-	(4.05)	-	-	-	-	6.97	-	6.97	
Employees Stock Options Granted	-	-	-	-	11.84	-	-	-	-	11.84	-	11.84	
Total Contribution by and distribution to owners	-	11.02	-	4,500.00	7.79	-	(4,874.95)	-	-	(356.14)	-	(356.14)	
Balance as at March 31, 2021	170.72	5,469.67	247.50	31,324.73	43.62	(77.50)	6,573.56	(22.85)	156.58	43,886.03	5.72	43,891.75	

# Net of Deferred Employees Compensation Expenses ₹ 11.29 Crores.

@@ The Company has formed an Employee Welfare Trust for purchasing Company's share to be allotted to eligible employees under Employees Stock Option Scheme, 2018 (ESOS 2018). As per Ind AS 32 - Financial Instruments: Presentation, Required equity shares of the Company are called Treasury shares and deducted from equity.

\* Net of Tax amounting to ₹ 28.82 Crores.

@ Net of Deferred Tax amounting to ₹ 3.31 Crores.

## Dividend of ₹ 13/- per share.

### Significant Accounting Policies Note 1

The accompanying notes form an integral part of the Consolidated Financial Statements

In terms of our report attached.

For **B S R & Co. LLP**

Chartered Accountants

Firm Registration No: 101248W/W-100022

**VIKAS R KASAT**

Partner

Membership No: 105317

For **Khimji Kunverji & Co LLP**

Chartered Accountants

Firm Registration No: 105146W/W-100621

**KETAN VIKAMSEY**

Partner

Membership No: 044000

For and on behalf of the Board of Directors

**ATUL DAGA**

Whole-time Director and CFO

DIN: 06416619

**K. C. JHANWAR**

Managing Director

DIN: 01743559

Mumbai: April 29, 2022

**S. K. CHATTERJEE**

Company Secretary

# Consolidated Statement of Cash Flow

for the Year ended March 31, 2022

Particulars	₹ in Crores	
	Year ended March 31, 2022	Year ended March 31, 2021
<b>(A) Cash Flow from Operating Activities:</b>		
<b>Profit Before tax</b>	8,364.40	7,857.64
<b>Adjustments for:</b>		
Depreciation and Amortisation	2,714.75	2,700.23
Gain on Fair Valuation of Investments	(102.43)	(419.55)
Gain on Fair Valuation of SGST / VAT Deferment Loan	(74.44)	(48.83)
Unrealised Exchange Gain	(54.28)	(11.02)
Share in Profit on equity accounted investment	(1.70)	(2.18)
Compensation Expenses under Employees Stock Options Scheme	24.02	12.11
Allowances for credit losses on Advances / debts (net)	(9.39)	1.64
Bad Debts Written-off	3.85	0.35
Excess Provision / unclaimed liabilities written back (net)	(145.03)	(85.34)
Provision for Rates and Taxes (Exceptional Item- Refer Note 57)	-	136.57
Impairment on Advances Given (Exceptional Item- Refer Note 57)	-	96.74
Interest Income	(163.70)	(100.76)
Finance Costs	944.71	1,485.65
Profit on Sale / Retirement of Property, Plant and Equipment (net)	(3.22)	(4.11)
Profit on Sale of Current and Non-Current Investments (net)	(186.39)	(154.10)
	<b>11,311.15</b>	<b>11,465.04</b>
Movements in working capital:		
Increase in Trade payables and other Liabilities	2,076.90	2,867.81
(Decrease) / Increase in Provisions	(1.94)	49.97
(Increase) in Trade Receivables	(495.26)	(201.48)
(Increase) / Decrease in Inventories	(1,578.96)	165.38
(Increase) in Financial and Other Assets	(473.76)	(555.29)
<b>Cash generated from Operations</b>	<b>10,838.13</b>	<b>13,791.43</b>
Taxes paid (net of refund)	(1,554.89)	(1,291.00)
<b>Net Cash generated from Operating Activities (A)</b>	<b>9,283.24</b>	<b>12,500.43</b>
<b>(B) Cash Flow from Investing Activities:</b>		
Purchase of Property, Plant and Equipment	(5,613.41)	(1,922.39)
Sale of Property, Plant and Equipment	73.44	86.19
Payment for Cost of transfer of Assets	(66.18)	(2.71)
(Purchase) / Sale of Liquid Investment (net)	(1,373.53)	1,673.14
Purchase of Investments	(6,395.45)	(12,668.00)
Sale of Investments	13,965.44	5,427.68
(Investment) / Redemption in Non-Current Bank deposits	(35.77)	61.85
Investment/ (Redemption) in Joint Venture and Associates	0.33	(3.42)
Redemption of / (Investment) in Other Bank deposits and Others	1,553.76	(1,565.06)
Investment in other Corporate Bodies	(25.99)	(21.13)
Interest Received	174.37	77.37
<b>Net Cash used in Investing Activities (B)</b>	<b>2,257.01</b>	<b>(8,856.48)</b>
<b>(C) Cash Flow from Financing Activities:</b>		
Proceeds from Issue of Share Capital on exercise of ESOS	4.36	6.99
Purchase of Treasury Shares	(91.19)	-
Issue of Treasury Shares	8.67	6.79
Repayment of Non-Current Borrowings	(10,345.94)	(6,499.28)
Proceeds from Non-Current Borrowings	138.55	3,974.34
Proceeds from Current Borrowings (net)	36.29	128.43
Repayment of Lease Liability	(157.49)	(118.40)
Payment of Interest on Lease Liability	(65.24)	(49.72)
Interest Paid	(960.94)	(1,430.82)
Dividend Paid	(1,065.00)	(374.80)
<b>Net Cash used in Financing Activities (C)</b>	<b>(12,497.93)</b>	<b>(4,356.47)</b>
<b>(D) Net Decrease in Cash and Cash Equivalents (A + B + C)</b>	<b>(957.68)</b>	<b>(712.52)</b>
<b>(E) Cash and Cash Equivalents at the Beginning of the Year</b>	<b>177.21</b>	<b>147.23</b>
<b>(F) Effect of Exchange rate fluctuation on Cash and Cash Equivalents</b>	<b>(0.47)</b>	<b>0.33</b>
<b>(G) Cash flow from Continuing Operations</b>	<b>(780.94)</b>	<b>(564.96)</b>
<b>(H) Cashflow from Discontinued Operations:</b>		
Opening Cash & Cash Equivalents	-	31.12
Cash flows from Operating activities of discontinued operations	-	3.00

# Consolidated Statement of Cash Flow

for the Year ended March 31, 2022 (Continued)

Particulars	₹ in Crores	
	Year ended March 31, 2022	Year ended March 31, 2021
Cash flows from Investing activities of discontinued operations	-	740.32
Cash flows from Financing activities of discontinued operations	901.48	(32.27)
<b>Net cash inflows (H)</b>	<b>901.48</b>	<b>711.05</b>
<b>(I) Closing Cash &amp; Cash Equivalents</b>	<b>901.48</b>	<b>742.17</b>
<b>(J) Net Cash Flow Transferred from Discontinued Operations to Continuing Operations on account of Proceeds from sale of disposal group</b>	<b>(901.48)</b>	<b>(742.17)</b>
<b>Cashflow from Discontinued Operations (I + J)</b>	<b>-</b>	<b>-</b>
<b>Cash and Cash Equivalents at the end of the year (G+I) (Refer Note 13)</b>	<b>120.54</b>	<b>177.21</b>

## Notes:

- Cash flow statement has been prepared under the indirect method as set out in Ind AS - 7 specified under Section 133 of the Act.
- Purchase of Property, Plant and Equipment includes movements of capital work-in-progress (including capital advances) during the year.
- Changes in liabilities arising from financing activities

Particulars	₹ in Crores			
	As at March 31, 2021	Cashflows	Non-Cash Changes On account of foreign exchange rates	As at March 31, 2022
Non-Current Borrowing (including current maturities of Non-Current Borrowing)	16,252.64	(10,207.39)	(113.83)	5,931.42
Current Borrowing	4,235.13	36.29	0.00	4,271.42
	<b>20,487.77</b>	<b>(10,171.10)</b>	<b>(113.83)</b>	<b>10,202.84</b>

Particulars	₹ in Crores			
	As at March 31, 2020	Cashflows	Non-Cash Changes On account of foreign exchange rates	As at March 31, 2021
Non-Current Borrowing (including current maturities of Non-Current Borrowings)	18,912.84	(2,524.94)	(135.26)	16,252.64
Current Borrowing	4,106.12	128.43	0.58	4,235.13
	<b>23,018.96</b>	<b>(2,396.51)</b>	<b>(134.68)</b>	<b>20,487.77</b>

- Cashflow from Operating Activities includes ₹ 202.25 Crores (March 31, 2021 ₹ 180.01 Crores) towards short-term lease payments, payments for leases of low-value assets and variable lease payments not included in the measurement of the lease liability.

## Significant Accounting Policies Note 1

The accompanying notes form an integral part of the Consolidated Financial Statements

In terms of our report attached.

For **B S R & Co. LLP**  
Chartered Accountants  
Firm Registration No: 101248W/W-100022

For **Khimji Kunverji & Co LLP**  
Chartered Accountants  
Firm Registration No: 105146W/W-100621

For and on behalf of the Board of Directors

**VIKAS R KASAT**  
Partner  
Membership No: 105317

**KETAN VIKAMSEY**  
Partner  
Membership No: 044000

**ATUL DAGA**  
Whole-time Director and CFO  
DIN: 06416619

**K. C. JHANWAR**  
Managing Director  
DIN: 01743559

Mumbai: April 29, 2022

**S. K. CHATTERJEE**  
Company Secretary

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

## Note 1: Company Overview and Significant Accounting Policies:

### 1 (A) Company Overview

UltraTech Cement Limited ("the Holding Company") is a Public Limited Company incorporated in India having its registered office at Mumbai, Maharashtra, India. The Holding Company and its subsidiaries are engaged in the manufacture and sale of Cement and Cement related products. The Holding Company, its subsidiaries, associates, and joint venture together referred to as "the Company" or "the Group". The Company's shares are listed on the Bombay Stock Exchange (BSE), India, and the National Stock Exchange (NSE), India, Global Depository Receipts are listed on the Luxembourg Stock Exchange and Sustainability Linked Bonds are listed on the Singapore Exchange Securities Trading Limited.

### 1 (B) Significant Accounting Policies

#### (a) Statement of Compliance & Basis of Preparation and Presentation:

These consolidated financial statements (hereinafter referred to as "financial statements") are prepared in accordance with the Indian Accounting Standards ("Ind AS") as per the Companies (Indian Accounting Standards) Rules, 2015 and presentation requirements of Division II of Schedule III notified under Section 133 of Companies Act, 2013 ("the Act") and amendments thereto, other relevant provisions of the Act and guidelines issued by the Securities and Exchange Board of India ("SEBI"), as applicable.

The financial statements were authorised for issue by the Board of Directors of the Company at their meeting held on April 29, 2022.

#### Basis of Preparation

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities:

- (i) Derivative Financial Instruments measured at fair value
- (ii) Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
- (iii) Assets held for disposal – measured at the lower of its carrying amount and fair value less costs on disposal of assets and its value in use.

- (iv) Employee's Defined Benefit Plan as per actuarial valuation.
- (v) Assets and liabilities acquired under Business Combination measured at fair value; and
- (vi) Employee share based payments measured at fair value.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique. In determining the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

#### Functional and Presentation Currency

- (i) The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.
- (ii) Figures less than ₹ 50,000 have been shown at actual, wherever statutorily required to be disclosed, all other figures have been rounded off to the nearest ₹ in lakhs, unless otherwise stated.

#### Classification of Assets and Liabilities into Current/Non-Current

The Company has ascertained its operating cycle as twelve months for the purpose of Current / Non-Current classification of its Assets and Liabilities.

For the purpose of Balance Sheet, an asset is classified as current if:

- (i) It is expected to be realised, or is intended to be sold or consumed, in the normal operating cycle; or
- (ii) It is held primarily for the purpose of trading; or
- (iii) It is expected to realise the asset within twelve months after the reporting period; or
- (iv) The asset is a cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

All other assets are classified as non-current.

Similarly, a liability is classified as current if:

- (i) It is expected to be settled in the normal operating cycle; or
- (ii) It is held primarily for the purpose of trading; or
- (iii) It is due to be settled within twelve months after the reporting period; or
- (iv) The Company does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could result in its settlement by the issue of equity instruments at the option of the counterparty does not affect this classification.

All other liabilities are classified as non-current.

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

#### (b) Property, Plant and Equipment (PPE):

The initial cost of PPE comprises its purchase price, net of any trade discounts and rebates, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of decommissioning.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance cost are charged to the Statement of Profit and Loss during the period in which they were incurred.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

Material items such as spare parts, stand-by equipment and service equipment are classified as PPE when they meet the definition of PPE as specified in Ind AS 16 – Property, Plant and Equipment.

Any gain or loss on disposal of an item of PPE is recognised in the Statement of Profit and Loss.

PPE except freehold land are stated at their cost of acquisition/installation or construction net of accumulated depreciation, and impairment losses, if any. Freehold land is stated at cost less impairment losses, if any.

#### (c) Expenditure during construction period:

Expenditure/ Income during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) is included under Capital Work-in-Progress and the same is allocated to the respective PPE on the completion of their construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other non-current Assets".

#### (d) Depreciation:

Depreciation is the systematic allocation of the depreciable amount of PPE over its useful life and is provided on a straight-line basis over the useful lives as prescribed in Schedule II to the Act or as per technical assessment. Freehold Land with indefinite life is not depreciated.

Depreciable amount for PPE is the cost of PPE less its estimated residual value. The useful life of PPE is the period over which PPE is expected to be available for use by the Company, or the number of production or similar units expected to be obtained from the asset by the Company.

In case of certain classes of PPE, the Company uses different useful lives than those prescribed in Schedule II to the Act. The useful lives have been assessed based on technical advice, taking into account the nature of the PPE and the estimated usage of the asset on the basis of management's best estimation of obtaining economic benefits from those classes of assets. The estimated useful life are reviewed periodically, with the effect of any changes in estimate being accounted for on a prospective basis.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

Such classes of assets and their estimated useful lives are as under:

No	Nature	Estimated Useful life
1	Buildings	3-60 Years
2	Leasehold land	Over the lease agreement
3	Plant & Equipment	8-50 Years
4	Railway Sidings	4-30 Years
5	Office Equipment	4-7 Years
6	Furniture and Fixtures	7-12 Years
7	Mobile Phones	3 Years
8	Company Vehicles (other than those provided to the employees)	5-12 Years
9	Motor Cars given to the employees as per the Company's Scheme	4-5 Years
10	Servers and Networks	3 Years
11	Stores and Spares in the nature of PPE	8-30 Years
12	Assets individually costing less than or equal to ₹ 10,000	Fully Depreciated in the year of purchase

Depreciation on additions is provided on a pro-rata basis from the month of installation or acquisition and in case of Projects from the date of commencement of commercial production. Depreciation on deductions/ disposals is provided on a pro-rata basis up to the month preceding the month of deduction/disposal.

## (e) Intangible Assets and Amortisation:

### • Internally generated Intangible Assets:

Expenditure pertaining to research is expensed out as and when incurred. Expenditure incurred on development is capitalised if such expenditure leads to creation of an asset, otherwise such expenditure is charged to the Statement of Profit and Loss.

### • Intangible Assets acquired separately:

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment loss, if any. Cost comprises the purchase price (net of tax / duty credits availed wherever applicable) and any directly attributable cost of bringing the assets to its working condition for its intended use. The Company determines the amortisation period as the period over which the future economic benefits will flow to the Company

after taking into account all relevant facts and circumstances. The estimated useful life and amortisation method are reviewed periodically, with the effect of any changes in estimate being accounted for on a prospective basis. Class of intangible assets and their estimated useful lives / basis of amortisation are as under:

No	Nature	Estimated Useful life / Basis of amortization
1	Jetty Rights	Over the period of the relevant agreement such that the cumulative amortisation is not less than the cumulative rebate availed by the Company.
2	Mining Rights	Over the period of the respective mining agreement
3	Mining Reserve	On the basis of mineral material extraction (proportion of mineral material extracted per annum to total estimated mining reserve)
4	Software	3 Years
5	Brand Rights	18 Months

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from its use or disposal. Gains or losses arising from derecognition of an item of intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of such item of intangible asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.

## (f) Assets/ Disposal Group classified as held for sale:

The Company classifies assets as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. This condition is regarded as met only when the asset is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such asset and its sale is highly probable. Such assets or group of assets / liabilities are presented separately in the Balance Sheet, in the line "Assets/ Disposal Group held for sale" and "Liabilities/ Disposal Group held for sale" respectively. Once classified as held for sale, intangible assets and PPE are no longer amortised or depreciated.

Such assets or disposal groups held for sale are stated at the lower of carrying amount and fair value less costs to sell.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

## (g) Impairment of Non-Financial Assets

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in Statement of Profit and Loss.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

## (h) Inventories:

Inventories are valued as follows:

### • Raw materials, fuel, stores & spares and packing materials:

Valued at lower of cost and net realisable value (NRV). However, these items are considered to be realisable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost. Cost is determined on weighted average basis which includes expenditure incurred for acquiring inventories like purchase price, import duties, taxes (net of tax credit) and other costs incurred in bringing the inventories to their present location and condition.

### • Work-in-progress (WIP), finished goods, stock-in-trade and trial run inventories:

Valued at lower of cost and NRV. Cost of Finished goods and WIP includes cost of raw materials, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost of Stock-in Trade includes cost of purchase and other costs incurred in bringing the inventories to the present location and condition. Cost of inventories is computed on weighted average basis.

### • Waste / Scrap:

Waste / Scrap inventory is valued at NRV.

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

## (i) Employee Share based payments:

Equity-settled share-based payments to employees are measured at the fair value of the employee stock options at the grant date using an appropriate valuation model.

The fair value determined at the grant date of the equity-settled share-based payments is amortised over the vesting period, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in equity.

At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised

in the Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

For Stock Appreciation Rights ("SARs") which are cash-settled share-based payments, the fair value of liability is recognised for the services acquired over the period that the employees unconditionally become entitled to the payment. At the end of each reporting period until the liability is settled, and at the date of settlement, the liability is re-measured based on fair value of the SAR's and any changes in fair value of the liability are recognised in the Statement of Profit and Loss.

## (j) Treasury Shares:

The Company has formed an Employee Welfare Trust for purchasing the Company's shares to be allotted to eligible employees under Employee Stock Options Scheme, 2018. The Company has considered the said Employee Welfare Trust as its extension and shares held by the Trust is treated as Treasury Shares. As per Ind AS 32, the consideration paid for treasury shares including any directly attributable incremental cost is presented as a deduction from total equity, until they are cancelled, sold or reissued.

## (k) Borrowing Costs:

General and specific borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of such asset till such time the asset is ready for its intended use and borrowing costs are being incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred.

Borrowing cost includes interest expense, amortization of discounts, hedge related cost incurred in connection with foreign currency borrowings, ancillary costs incurred in connection with borrowing of funds and exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to the Interest cost.

## (l) Government Grants:

Government grants, related to assets, are recognised in the Statement of Profit and Loss on a systematic basis over the periods in which the Company

recognises the related costs for which the grants are intended to compensate.

Government grants related to income under State Investment Promotion Scheme linked with VAT / GST payment, are recognised in the Statement of Profit and Loss in the period in which they become receivable.

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates and is being recognised in the Statement of Profit and Loss.

## (m) Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised. A contingent asset is disclosed, in financial statements, where an inflow of economic benefits is probable.

## (n) Mines Restoration Provision:

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

## (o) Revenue Recognition:

### (i) Revenue from Contracts with Customers

- Revenue is recognized on the basis of approved contracts regarding the transfer of goods or services to a customer for an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.
- Revenue is measured at the fair value of consideration received or receivable taking into account the amount of discounts, incentives, volume rebates and outgoing taxes on sales. Any amounts receivable from the customer are recognised as revenue after the control over the goods sold are transferred to

the customer which is generally on dispatch / delivery of goods.

- Variable consideration - This includes incentives, volume rebates, discounts etc. It is estimated at contract inception considering the terms of various schemes with customers and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. It is reassessed at end of each reporting period.
- Significant financing component - Generally, the Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

- (ii) Dividend income is accounted for when the right to receive the income is established.
- (iii) Interest income is recognised using the Effective Interest Method.

## (p) Lease:

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

- (i) the contract involves the use of identified asset;
- (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of lease and;
- (iii) the Company has the right to direct the use of the asset.

### As a lessee

The Company recognizes a right-of-use asset ("ROU") and a lease liability at the lease commencement

date. The ROU is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

The ROU is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprises fixed payments, including in-substance fixed payments, amounts expected to be payable under a residual value guarantee and the exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option.

The lease liability is subsequently measured at amortised cost using the effective interest method, except those which are payable other than functional currency which is measured at fair value through profit or loss. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the ROU or is recorded in Statement of Profit or Loss if the carrying amount of the right-of-use asset has been reduced to zero.

'Lease Liabilities' and 'Right of Use Assets' have been presented separately in the Balance Sheet. Lease payments have been classified as financing activities in the Statement of Cash Flows.

#### Short-term leases and leases of low-value assets

The Company has elected not to recognise ROU and lease liabilities for short term leases that have a lease term of 12 months or lower and leases of low value assets. The Company recognises the lease payments associated with these leases as an expense over the lease term. The related cash flows are classified as Operating activities in the Statement of Cash Flows.

#### As a lessor

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right of use asset arising from the head lease.

#### (q) Employee benefits:

##### Defined Benefit Plans:

For defined benefit plans, the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuations being carried out by a qualified independent actuary at the end of each annual reporting period. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in Other Comprehensive Income (OCI) in the period in which they occur. Past service cost, both vested and unvested, is recognised as an expense on the plan amendment or when the curtailment or settlement occurs. The gain or loss on curtailment or settlement, is recognized immediately in the Statement of Profit and Loss when the plan amendment or when a curtailment or settlement occurs.

The retirement benefit obligations recognised in the balance sheet represents the present value of the defined benefit obligations reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to the present value of available refunds and reductions in future contributions to the scheme. The Company provides benefits such as gratuity, pension and provident fund to its employees which are treated as defined benefit plans.

#### Defined contribution plans:

Contributions to defined contribution plans are recognised as expense when employees have rendered services entitling them to such benefits. The Company provides benefits such as superannuation, provident fund (other than Company managed fund) to its employees which are treated as defined contribution plans.

#### Gratuity

The gratuity, a defined benefit plan, payable to the employees is based on the Employees' service and last drawn salary at the time of the leaving of the services of the Company and is in accordance with the Rules of the Company for payment of Gratuity. Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment. Interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset and is recognised in the Statement of Profit and Loss. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. The defined benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

#### Superannuation

Certain employees of the Company are eligible for participation in defined contribution plans such as superannuation and national pension fund. Contributions towards these funds are recognized as an expense periodically based on the contribution by the Company, since Company has no further obligation beyond its periodic contribution.

#### Provident Fund

The eligible employees of the Company are entitled to receive benefits in respect of provident fund, which is a defined benefit plan, for which both the employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The contributions as specified under the law are made to the approved provident fund which is set up by the Company. The Company is liable for annual contributions and any shortfall in the fund assets based on the government specified minimum rates of return and recognises such contributions and shortfall, if any, as an expense in the year incurred.

#### Other employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured using the projected unit credit method by a qualified independent actuary at the end of each annual reporting period, at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date. With reference to some employees, liability of other fixed long-term employee benefits is recognised at the present value of the future cash outflows expected to be made by the Company.

Remeasurement gains / losses are recognised in the Statement of Profit and Loss in the period in which they arise.

#### (r) Income Taxes:

Income Tax expenses comprise current tax and deferred tax charge or credit.

Current Tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws.

Deferred tax liabilities are recognised for taxable temporary differences and deferred tax asset are

recognised for deductible temporary differences, carry forward of unused tax losses, carry forward of unused tax credits at the reporting date. Deferred tax assets and liabilities are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted at the reporting date. Tax relating to items recognised directly in equity or OCI is recognised in equity or OCI and not in the Statement of Profit and Loss. Minimum Alternate Tax (MAT) Credits are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence it is grouped with Deferred Tax Asset. MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized except:

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

Deferred tax assets are reviewed at each reporting date and are recognised / reduced to the extent that it is probable / no longer probable respectively that the related tax benefit will be realised.

The Government of India, on September 20, 2019, vide the Taxation Laws (Amendment) Ordinance 2019, inserted a new Section 115BAA in the Income Tax Act, 1961, which provides an option to the Company for paying Income Tax at reduced rates as per the provisions/conditions defined in the said section. The Company is continuing with higher income tax rate option, based on the available outstanding MAT credit entitlement and different exemptions & deduction enjoyed by the Company. However, the Company has estimated and applied the lower income tax rate on the deferred tax assets / liabilities to the extent these are expected to be realized or settled in the future period when the Company may be subjected to lower tax rate.

#### (s) Earnings Per Share:

Basic Earnings Per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for treasury shares.

For the purpose of calculating diluted earnings per share, net profit / (loss) after tax for the year attributable to the equity shareholders is divided by the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares and is adjusted for the treasury shares held by the Company to satisfy the exercise of the share options by the employees.

#### (t) Foreign Currency transactions:

Transactions in currencies other than the Company's functional currency (i.e. foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate as at the date of initial transactions.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences relating to qualifying effective cash flow hedges and qualifying net investment hedges in foreign operations which are recognised in OCI.

#### (u) Foreign operations:

The assets and liabilities of foreign operations including goodwill and fair value adjustments arising on acquisition are translated into INR, the functional currency of the Company, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. Exchange differences are recognized in OCI and accumulated in equity (as exchange differences on translating the financial statements of a foreign operation), except to the extent that the exchange differences are allocated to NCI.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount of exchange differences related to that foreign operation recognized in OCI is reclassified to Statement of Profit and Loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is re-allocated to NCI. When the Group disposes of only a part of its interest in an associate or a joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to Statement of Profit and Loss.

#### (v) Financial Instruments:

A Financial Instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

#### Initial Recognition:

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss and ancillary costs related to borrowings) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are charged to the Statement of Profit and Loss over the tenure of the financial assets or financial liabilities.

#### Classification and Subsequent Measurement: Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, Fair Value through Other Comprehensive Income ("FVOCI") or Fair Value through Profit or Loss ("FVTPL") on the basis of following:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

#### Amortised Cost:

A financial asset shall be classified and measured at amortised cost if both of the following conditions are met:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

In case of financial assets classified and measured at amortised cost, any interest income, foreign exchange gains or losses and impairment are recognised in the Statement of Profit and Loss.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

## Fair Value through OCI:

A financial asset shall be classified and measured at fair value through OCI if both of the following conditions are met:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

## Fair Value through Profit or Loss:

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through OCI.

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

For financial assets at FVTPL, net gains or losses, including any interest or dividend income, are recognised in the Statement of Profit and Loss.

## Classification and Subsequent Measurement: Financial liabilities

Financial liabilities are classified as either financial liabilities at FVTPL or other financial liabilities.

## Financial Liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or is a derivative (except for effective hedge) or are designated upon initial recognition as FVTPL.

Gains or Losses, including any interest expense on liabilities held for trading are recognised in the Statement of Profit and Loss.

## Other Financial Liabilities:

Other financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an

integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the amortised cost on initial recognition.

Interest expense (based on the effective interest method), foreign exchange gains and losses, and any gain or loss on derecognition is recognised in the Statement of Profit and Loss.

## Impairment of financial assets:

Expected credit losses are recognized for all financial assets subsequent to initial recognition other than financial assets in FVTPL category. For financial assets other than trade receivables, as per Ind AS 109, the Company recognises 12 month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition.

The Company's trade receivables do not contain significant financing component and as per simplified approach, loss allowances on trade receivables are measured using provision matrix at an amount equal to life time expected losses i.e. expected cash shortfall.

The impairment losses and reversals are recognised in Statement of Profit and Loss.

## Derecognition of financial assets and financial liabilities:

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and recognises an associated liability for amounts it has to pay.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in OCI and accumulated in equity is recognised in the Statement of Profit and Loss.

The Company de-recognises financial liabilities when and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

## Financial Guarantee Contract Liabilities

Financial Guarantee Contract Liabilities are disclosed in financial statements in accordance with Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets.

## (w) Cash and cash equivalents:

Cash and cash equivalents comprise of cash at bank and in hand and short-term deposits with banks that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

## (x) Financial liabilities and equity instruments:

### • Classification as debt or equity

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

### • Equity instruments

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

## (y) Derivative financial instruments:

The Company enters into derivative financial instruments viz. foreign exchange forward contracts, interest rate swaps and cross currency swaps to manage its exposure to interest rate, foreign exchange rate risks and commodity prices. The Company

does not hold derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Statement of Profit and Loss immediately excluding derivatives designated as cashflow hedge or used in a net investment hedge.

## (z) Hedge accounting:

The Company designates certain hedging instruments in respect of foreign currency risk, interest rate risk and commodity price risk as cash flow hedges. At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the Company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

The effective portion of changes in the fair value of the designated portion of derivatives that qualify as cash flow hedges is recognised in OCI and accumulated under equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss.

Amounts previously recognised in OCI and accumulated in equity relating to effective portion as described above are reclassified to Statement of Profit or Loss in the periods when the hedged item affects the Statement of Profit or Loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued prospectively when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in OCI and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the Statement of Profit and Loss. When a forecast transaction is no longer



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

expected to occur, the gain or loss accumulated in equity is recognised immediately in the Statement of Profit and Loss.

The Group also hedges its risk of change in foreign exchange rates associated with net investment in certain foreign subsidiaries with a different functional currency than the Group's functional currency. Net investment hedges are accounted for similar to cash flow hedges and accordingly, any foreign exchange differences on the hedging instrument relating to the effective portion of the hedge is recognised in other comprehensive income as foreign currency translation reserve ("FCTR") so as to offset the change in the value of the net investment being hedged. The ineffective portion of the gain or loss on these hedges is immediately recognised in the Statement of Profit and Loss. The amounts accumulated in equity are included in the Statement of Profit and Loss when the foreign operation is disposed or partially disposed.

## (aa) Segment Reporting: Identification of Segments:

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available. Based on the management approach as defined in Ind AS 108, the CODM evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

## (bb) Goodwill:

Goodwill arising out of Consolidation of financial statements of subsidiaries are tested for impairment at each reporting date.

## (cc) Cash Flow Statement:

Cash flows are reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

## (dd) Business Combination and Goodwill:

The Company applies the acquisition method in accounting for business combinations. The consideration transferred by the Company to obtain control of a business is calculated as the sum of the fair values of assets transferred, liabilities incurred and the equity interests issued by the Company as at the acquisition date i.e. date on which it obtains control of the acquiree which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition-related costs are recognised in the Statement of Profit and Loss as incurred, except to the extent related to the issue of debt or equity securities.

Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values on acquisition-date.

Intangible Assets acquired in a business combination and recognised separately from Goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost).

Subsequent to initial recognition, intangible Assets acquired in a Business Combination are reported at cost less accumulated amortisation and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

Goodwill is measured as the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. A cash generating unit (CGU) 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 CGU 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. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a CGU and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the CGU retained. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the excess is termed as bargain purchase.

In case of a bargain purchase, before recognizing a gain in respect thereof, the Company determines whether there exists clear evidence of the underlying reasons for classifying the business combination as a bargain purchase thereafter, the Company reassesses whether it has correctly identified all the assets acquired and liabilities assumed and recognises any additional assets or liabilities that are so identified, any gain thereafter is recognised in OCI and accumulated in equity as Capital Reserve. If there does not exist clear evidence of the underlying reasons for classifying the Business combination as a bargain purchase, the Company recognises the gain, after reassessing and reviewing, directly in equity as Capital Reserve.

Contingent consideration is classified either as equity or financial liability. Amount classified as financial liability are subsequently re-measured to fair value with changes in fair value recognised in statement of profit and loss.

## (ee) Discontinued Operations:

A discontinued operation is a component of the Group's business, the operations and cashflows of which can be clearly distinguished from those of the rest of the Group and which represents a separate major line of business or geographical area of operations and

- Is a part of single coordinated plan to dispose of a separate major line of business or geographical area of operations; or
- Is a subsidiary acquired exclusively with a view to re-sale.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier.

When an operation is classified as a discontinued operation, the comparative Statement of Profit and Loss is represented as if the operation had been discontinued from the start of the comparative period.

## Note 1(C) Critical accounting judgements and key sources of estimation uncertainty:

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

### (a) Critical judgments in applying accounting policies:

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognised in the consolidated financial statements.

#### (i) Classification of Madanpur (North) Coal Company Private Limited as Investment in an Associate:

A Joint Venture Company (JV) "Madanpur (North) Coal Company Limited" was formed by allocatees of Madanpur North Coal Block. As per Ind AS 111, when all the parties, or a group of parties, considered collectively, are able to direct the activities that significantly affect the returns of the arrangement (i.e. the relevant activities), the parties control the arrangement collectively. Also, joint control exists only when decisions about the relevant activities require the unanimous consent of all the parties. In terms of the JV agreement between the parties, each JV partner has right to nominate one director on the board of JV and major decisions shall be taken by a majority of 75% of the directors present. Since there is no unanimous consent required from the parties, in the judgement of the management the Company does not have joint control over the JV. However, considering the Company's representation in the board and the extent of its ability to exercise the influence over the decision over the relevant activities, the JV has been considered as an associate and accounted under the equity method.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

## (b) Key assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

### (i) Useful Lives of Property, Plant & Equipment and Intangible Assets:

The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets. In case of certain mining rights the amortisation is based on the extracted quantity to the total mineral reserve.

### (ii) Recognition and measurement of deferred tax assets and liabilities:

Deferred tax assets and liabilities are recognised for deductible temporary differences and unused tax losses for which there is probability of utilisation against the future taxable profit. The Company uses judgement to determine the amount of deferred tax liability / asset that can be recognised, based upon the likely timing and the level of future taxable profits and business developments.

### (iii) Income Taxes:

The Company calculates income tax expense based on reported income and estimated exemptions / deduction likely available to the Company. The Company is continuing with higher income tax rate option, based on the available outstanding MAT credit entitlement and different exemptions & deduction enjoyed by the Company. However, the Company has applied the lower income tax rates on the deferred

tax assets / liabilities to the extent these are expected to realised or settled in the future when the Company may be subject to lower tax rate based on the future financials projections.

### (iv) Fair value measurement of financial instruments:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

### (v) Defined benefit plans:

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

### (vi) Mines Restoration Obligation:

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

### (vii) Share-based payments:

The Company measures the cost of equity-settled transactions with employees using Black-Scholes model and cash settled transactions with employees using binomial tree model to determine the fair value of the liability incurred on the grant date. Estimating fair value for share-based payment transactions requires

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant.

This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 48.

### (viii) Litigation and contingencies:

The Company has ongoing litigations with various regulatory authorities. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.

### (ix) Business Combination:

#### (a) Fair Valuation of Intangibles:

##### Mining Rights:

The Company has used royalty saved method for value analysis of limestone mining rights. The method estimates the value of future savings in royalty payments over the life of the mine accruing to the Company, by virtue of the transaction instead of obtaining the mining rights via the Government e-auction process.

The resulting post-tax cash flows for each of the years are recognised at their present value using a Weighted Average Cost of Capital ('WACC') relating to the risk of achieving the mine's projected savings.

##### Brand:

The Company has used relief from royalty method for value analysis of Brand. The method estimates the value as the present value of the after-tax projected revenues cash flows attributable to the Brand value.

The resulting post-tax cash flows for each of the years are recognised at their present value using a Weighted Average Cost of Capital ('WACC') relating to the risk associated with the Brand Name, which is higher than the overall business.

### (b) Fair Valuation of Tangibles:

#### Freehold land:

Freehold land was valued using the sales comparison method using prevailing rates of similar plots of land, circle rates provided by department of revenue and general market intelligence based on size of land parcel.

#### Leasehold land:

Leasehold land was valued basis the leasehold interest for the remaining duration of the lease.

#### Other Assets:

The cost approach has been adopted for fair valuing all the fixed assets except vehicles which have been measured at the old book values less depreciation.

The cost approach includes calculation of depreciated replacement cost using price trends applied to historical cost and capitalisation of all the indirect cost, these trends are on the basis of price indices obtained from recognized sources such as the RBI/ OEA or market intelligence. In the case of buildings in cement plants, appropriate weightages have been applied to cement, iron & steel and labour indices to arrive at the escalation factor and depreciating the same for past usage based on estimated total and remaining useful life of the asset.

### (x) Disposal Groups:

The Company has used comparable market multiple approach to assess the fair value of the disposal group.

Under the market multiple approach, enterprise value of a company is determined by using multiples derived from valuations of comparable companies, as manifested through stock market valuations of listed companies considering Enterprise Value/ Revenue and Enterprise value/

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

EBITDA multiples based on their market price and latest published financial information.

Appropriate adjustments are made (e.g. for debt and surplus assets) to arrive at the equity value of the disposal group.

## (xi) Classification of Lease Ind AS 116:

Ind AS 116 Leases requires a lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend

or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying lease to the Company's operations taking into account the location of the underlying asset and the availability of the suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

## Note 2: Property, Plant and Equipment and Other Intangible Assets

₹ in Crores

Particulars	Gross Block				As at March 31, 2022	Depreciation and Amortisation				Net Block	
	As at April 01, 2021	Other Adjustments*	Additions	Deductions/ Adjustments/ Held for Disposal		As at April 01, 2021	Other Adjustments*	For the year	Deductions/ Adjustments/ Held for Disposal	As at March 31, 2022	As at March 31, 2022
<b>(A) Tangible Assets<sup>®</sup></b>											
Land:											
Freehold Land	6,463.96	0.17	285.27	5.66	6,743.74	-	-	-	-	-	6,743.74
Leasehold Land	1,126.65	0.01	53.64	1.66	1,178.64	179.58	-	59.42	0.32	238.68	939.96
Buildings	5,516.00	6.44	230.27	18.46	5,734.25	1,084.25	0.54	227.32	7.19	1,304.92	4,429.33
Railway Sidings	958.73	(0.01)	33.61	3.34	988.99	256.81	-	58.80	0.59	315.02	673.97
Plant and Equipment:											
Own	38,455.13	44.52	1,964.81	63.57	40,400.89	9,017.78	6.15	1,950.07	25.88	10,948.12	29,452.77
Given on Lease	174.64	-	24.41	-	199.05	70.26	-	10.91	-	81.17	117.88
Office Equipment	289.18	(0.33)	55.43	8.76	335.52	179.63	(0.32)	44.92	7.38	216.85	118.67
Furniture and Fixtures	111.33	0.33	8.87	6.29	114.24	80.12	0.21	11.33	5.34	86.32	27.92
Vehicles	133.34	0.03	53.89	24.46	162.80	69.44	0.05	22.20	16.84	74.85	87.95
<b>Total Tangible Assets</b>	<b>53,228.96</b>	<b>51.16</b>	<b>2,710.20</b>	<b>132.20</b>	<b>55,858.12</b>	<b>10,937.87</b>	<b>6.63</b>	<b>2,384.97</b>	<b>63.54</b>	<b>13,265.93</b>	<b>42,592.19</b>
<b>(B) Capital Work-in-Progress</b>											<b>4,777.25</b>
<b>(C) Other Intangible Assets</b>											
Software	112.53	-	16.59	0.94	128.18	72.04	-	22.78	0.93	93.89	34.29
Mining Rights	233.69	-	32.68	-	266.37	60.60	-	30.52	-	91.12	175.25
Brand	155.21	-	-	-	155.21	155.21	-	-	-	155.21	-
Mining Reserve	5,486.86	-	-	-	5,486.86	352.98	-	105.83	-	458.81	5,028.05
Jetty Rights	224.43	-	22.38	-	246.81	40.75	-	9.85	-	50.60	196.21
Power Line Rights	57.25	2.10	-	-	59.35	21.98	0.87	3.73	-	26.58	32.77
<b>Total Intangible Assets</b>	<b>6,269.97</b>	<b>2.10</b>	<b>71.65</b>	<b>0.94</b>	<b>6,342.78</b>	<b>703.56</b>	<b>0.87</b>	<b>172.71</b>	<b>0.93</b>	<b>876.21</b>	<b>5,466.57</b>
<b>(D) Intangible Assets under Development</b>											<b>7.42</b>
<b>Total Assets (A+B+C+D)</b>	<b>59,498.93</b>	<b>53.26</b>	<b>2,781.85</b>	<b>133.14</b>	<b>62,200.90</b>	<b>11,641.43</b>	<b>7.50</b>	<b>2,557.68</b>	<b>64.47</b>	<b>14,142.14</b>	<b>52,843.43</b>

<sup>®</sup> Net Block of Tangible Assets, amounting to ₹ 5,685.99 Crores (March 31, 2021 ₹ 20,688.46 Crores) were pledged as security against the Secured Borrowings.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

## Note 2: Property, Plant and Equipment and Other Intangible Assets

Particulars	Gross Block					Depreciation and Amortisation					Net Block
	As at April 01, 2020	Other Adjustments*	Additions	Deductions/ Adjustments/ Held for Disposal	As at March 31, 2021	As at April 01, 2020	Other Adjustments*	For the year	Deductions/ Adjustments/ Held for Disposal	As at March 31, 2021	As at March 31, 2021
	₹ in Crores										
<b>(A) Tangible Assets</b>											
Land:											
Freehold Land	6,456.53	(0.15)	115.57	107.99	6,463.96	-	-	-	-	-	6,463.96
Leasehold Land	992.93	-	134.63	0.91	1,126.65	125.17	-	54.41	-	179.58	947.07
Buildings	5,420.70	(9.24)	109.40	4.86	5,516.00	861.43	(2.76)	228.78	3.20	1,084.25	4,431.75
Railway Sidings	905.51	-	53.22	-	958.73	201.39	-	55.42	-	256.81	701.92
Plant and Equipment:											
Own	38,227.86	(59.38)	379.74	93.09	38,455.13	7,151.44	(23.41)	1,948.75	59.00	9,017.78	29,437.35
Given on Lease	174.64	-	-	-	174.64	59.23	-	11.03	-	70.26	104.38
Office Equipment	264.53	(0.11)	29.90	5.14	289.18	141.74	(0.09)	41.83	3.85	179.63	109.55
Furniture and Fixtures	112.29	(0.45)	1.82	2.33	111.33	70.28	(0.31)	11.56	1.41	80.12	31.21
Vehicles	122.12	(0.38)	23.30	11.70	133.34	58.44	(0.33)	19.28	7.95	69.44	63.90
<b>Total Tangible Assets</b>	<b>52,677.11</b>	<b>(69.71)</b>	<b>847.58</b>	<b>226.02</b>	<b>53,228.96</b>	<b>8,669.12</b>	<b>(26.90)</b>	<b>2,371.06</b>	<b>75.41</b>	<b>10,937.87</b>	<b>42,291.09</b>
<b>(B) Capital Work-in-Progress</b>											<b>1,680.96</b>
<b>(C) Other Intangible Assets</b>											
Software	85.58	-	36.49	9.54	112.53	63.35	-	18.23	9.54	72.04	40.49
Mining Rights	183.01	-	50.93	0.25	233.69	54.47	-	6.13	-	60.60	173.09
Brand	155.21	-	-	-	155.21	155.21	-	-	-	155.21	-
Mining Reserve	5,483.35	-	3.51	-	5,486.86	232.45	-	120.53	-	352.98	5,133.88
Jetty Rights	212.68	-	11.75	-	224.43	37.57	-	3.18	-	40.75	183.68
Power Line Rights	59.25	(2.00)	-	-	57.25	18.96	(0.69)	3.71	-	21.98	35.27
<b>Total Intangible Assets</b>	<b>6,179.08</b>	<b>(2.00)</b>	<b>102.68</b>	<b>9.79</b>	<b>6,269.97</b>	<b>562.01</b>	<b>(0.69)</b>	<b>151.78</b>	<b>9.54</b>	<b>703.56</b>	<b>5,566.41</b>
<b>(D) Intangible Assets under Development</b>											<b>5.72</b>
<b>Total Assets (A+B+C+D)</b>	<b>58,856.19</b>	<b>(71.71)</b>	<b>950.26</b>	<b>235.81</b>	<b>59,498.93</b>	<b>9,231.13</b>	<b>(27.59)</b>	<b>2,522.84</b>	<b>84.95</b>	<b>11,641.43</b>	<b>49,544.18</b>

\* On account of Foreign Currency Translation

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>A) Depreciation and Amortisation</b>	<b>2,557.68</b>	<b>2,522.84</b>
Add: Obsolescence	36.94	54.62
Less: Depreciation transferred to Pre-operative Expenses	(8.19)	(0.82)
Add: Depreciation on ROU (Refer Note 3)	128.32	123.59
Depreciation as per Statement of Profit and Loss	2,714.75	2,700.23

- B) 1. Tangible Assets include assets for which ownership is not in the name of the Company - Gross Block of ₹ 528.28 Crores (March 31, 2021 ₹ 543.54 Crores).
2. Buildings include ₹ 12.13 Crores (March 31, 2021 ₹ 12.13 Crores) being cost of Debentures and Shares in a company entitling the right of exclusive occupancy and use of certain premises.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

3. Opening Gross Block includes Research and Development Assets (Building, Plant and Equipment, Furniture and Fixtures, Office Equipment and Intangible Assets) of ₹ 43.49 Crores (March 31, 2021 ₹ 43.19 Crores) and Net Block of ₹ 20.02 Crores (March 31, 2021 ₹ 21.19 Crores). Addition for the Research and Development Assets during the year is ₹ 1.55 Crores (March 31, 2021 ₹ 0.30 Crores).
4. Title of immovable properties having Gross Block of ₹ 2,103.68 Crores (March 31, 2021: ₹ 3,388.19 Crores) and Net Block of ₹ 2,051.20 Crores (March 31, 2021: ₹ 3,263.42 Crores) is yet to be transferred in the name of the Company.
5. The amount of expenditures recognised in the carrying amount of an item of PPE in the course of its construction:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Pre-operative expenses pending allocation:</b>		
Power and Fuel Consumed	0.49	-
Salary, Wages, Bonus, Ex-gratia and Provisions	67.58	12.09
Insurance	2.14	0.25
Depreciation on ROU	3.79	5.88
Depreciation	8.19	0.83
Finance Costs	61.22	2.06
Miscellaneous expenses	83.37	45.70
<b>Total Pre-operative expenses</b>	<b>226.78</b>	<b>66.81</b>
Less: Trial Run production transferred to Inventory	(2.18)	-
Add: Brought forward from Previous Year	140.43	74.44
Less: Capitalised / Charged during the Year	(45.92)	(0.82)
<b>Balance included in Capital Work-in-Progress</b>	<b>319.11</b>	<b>140.43</b>

## Movement in Goodwill:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Opening Balance</b>	<b>6,219.85</b>	<b>6,252.49</b>
Add: Exchange difference recognised in foreign currency translation reserve	30.36	(32.64)
<b>Closing Balance</b>	<b>6,250.21</b>	<b>6,219.85</b>

6. 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	
<b>As at March 31, 2022</b>					
Projects in progress	4,260.02	295.83	125.95	95.45	4,777.25
<b>Total</b>	<b>4,260.02</b>	<b>295.83</b>	<b>125.95</b>	<b>95.45</b>	<b>4,777.25</b>
<b>As at March 31, 2021:</b>					
Projects in progress	1,099.53	292.38	221.87	67.18	1,680.96
<b>Total</b>	<b>1,099.53</b>	<b>292.38</b>	<b>221.87</b>	<b>67.18</b>	<b>1,680.96</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

## 7. Ageing schedule of Intangible assets under development:

₹ in Crores

Particulars	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
<b>As at March 31, 2022</b>					
Projects in progress	2.47	4.79	-	0.16	7.42
<b>Total</b>	<b>2.47</b>	<b>4.79</b>	<b>-</b>	<b>0.16</b>	<b>7.42</b>
<b>As at March 31, 2021:</b>					
Projects in progress	5.44	0.12	0.16	-	5.72
<b>Total</b>	<b>5.44</b>	<b>0.12</b>	<b>0.16</b>	<b>-</b>	<b>5.72</b>

## Note 3: ROU Schedule As on March 31, 2022:

### As a lessee (Ind AS 116)

#### (a) Following are the carrying value of Right of Use Assets as at March 31, 2022:

₹ in Crores

Particulars	Gross Block				As at March 31, 2022	Depreciation and Amortisation				As at March 31, 2022	As at March 31, 2022
	As at April 01, 2021	Other Adjustments	Additions	Deductions		As at April 01, 2021	Other Adjustments	For the year	Deductions		
Leasehold Land	494.22	1.88	37.31	(1.46)	531.95	47.41	0.26	21.69	(0.79)	68.57	463.38
Leasehold Building	89.60	-	13.52	(6.22)	96.90	25.47	-	17.38	(2.86)	39.99	56.91
Plant and Machinery	199.43	5.88	30.07	(31.91)	203.47	61.00	4.16	18.81	(12.30)	71.67	131.80
Ships	830.11	(27.04)	0.71	(85.25)	718.53	145.22	(15.59)	74.23	(11.84)	192.02	526.51
<b>Total</b>	<b>1,613.36</b>	<b>(19.28)</b>	<b>81.61</b>	<b>(124.84)</b>	<b>1,550.85</b>	<b>279.10</b>	<b>(11.17)</b>	<b>132.11</b>	<b>(27.79)</b>	<b>372.25</b>	<b>1,178.60</b>
Less: Depreciation transferred to CWIP								3.79			
<b>Net Depreciation Charged to Statement of Profit &amp; Loss</b>								<b>128.32</b>			

#### As at March 31, 2021

₹ in Crores

Particulars	Gross Block				As at March 31, 2021	Depreciation and Amortisation				As at March 31, 2021	As at March 31, 2021
	As at April 01, 2020	Other Adjustments	Additions	Deductions		As at April 01, 2020	Other Adjustments	For the year	Deductions		
Leasehold Land	493.39	(2.32)	3.15	-	494.22	28.65	(0.56)	19.32	-	47.41	446.81
Leasehold Building	89.99	-	14.46	(14.85)	89.60	17.18	-	17.84	(9.55)	25.47	64.13
Plant and Machinery	140.98	(5.99)	64.44	-	199.43	44.48	(3.64)	20.16	-	61.00	138.43
Ships	716.74	(11.21)	136.44	(11.86)	830.11	77.38	(4.31)	72.15	-	145.22	684.89
<b>Total</b>	<b>1,441.10</b>	<b>(19.52)</b>	<b>218.49</b>	<b>(26.71)</b>	<b>1,613.36</b>	<b>167.69</b>	<b>(8.51)</b>	<b>129.47</b>	<b>(9.55)</b>	<b>279.10</b>	<b>1,334.26</b>
Less: Depreciation transferred to CWIP								5.88			
<b>Net Depreciation Charged to Statement of Profit &amp; Loss</b>								<b>123.59</b>			

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

## (b) Lease Expenses recognized in Statement of Profit and Loss, not included in the measurement of lease liabilities:

₹ in Crores

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Variable lease payments	73.44	56.43
Expenses relating to short-term leases	138.05	106.39
Expenses relating to leases of low-value assets, excluding short-term leases of low value assets	27.88	26.23

## (c) Maturity analysis of lease liabilities– contractual undiscounted cash flows:

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
Less than one year	168.74	169.97
One to five years	632.47	708.86
More than five years	848.33	930.50
<b>Total undiscounted lease liabilities</b>	<b>1,649.54</b>	<b>1,809.33</b>

## (d) The total cash outflow for leases for year ended March 31, 2022 is ₹ 222.73 Crores (March 31, 2021: ₹ 168.12 Crores)

## Note 4: Investments accounted for using Equity method:

₹ in Crores

Particulars	As at March 31, 2022		As at March 31, 2021	
	Nos.	Amount	Nos.	Amount
<b>Unquoted:</b>				
<b>Equity Instruments:</b>				
<b>Associates:</b>				
<b>Face value of ₹ 10 each fully paid:</b>				
Madanpur (North) Coal Company (P) Limited	1,152,560	1.08	1,152,560	1.07
Add: Share in Profit / (Loss) of Associate		0.01		0.01
Less: Provision for impairment in value of Investment		(0.22)		(0.22)
		<b>0.87</b>		<b>0.86</b>
Aditya Birla Renewables SPV 1 Limited	16,278,663	18.12	16,278,663	15.83
Add/(less): Share in Profit / (Loss) of Associate net of distributions		(0.31)		2.29
		<b>17.81</b>		<b>18.12</b>
Aditya Birla Renewable Energy Limited	4,615,650	4.58	3,419,000	3.42
Add: Share in Profit / (Loss) of Associate		0.37		(0.13)
		<b>4.95</b>		<b>3.29</b>
		<b>23.63</b>		<b>22.27</b>
<b>Joint Venture:</b>				
<b>Face value of ₹ 10 each fully paid:</b>				
Bhaskarpara Coal Company Limited	8,141,050	8.18	8,141,050	8.17
Add: Share in Profit of Joint Venture		0.01		0.01
Less: Provision for impairment in value of Investment		(1.65)		(1.65)
		<b>6.54</b>		<b>6.53</b>
		<b>30.17</b>		<b>28.80</b>
<b>Aggregate Value of:</b>				
Unquoted Investments		30.17		28.80
Aggregate amount of impairment in value of investments		1.87		1.87

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

## Note 5: Investments

₹ in Crores

Particulars	Non-Current		Current	
	Nos.	Amount	Nos.	Amount
<b>Unquoted</b>				
<b>Investments measured at Fair value through Profit or Loss</b>				
<b>Equity Instruments:</b>				
<b>Face value of ₹ 10 each fully paid:</b>				
Raj Mahal Coal Mining Limited	1,000,000	1.00	1,000,000	1.00
Green Infra Wind Power Generation Limited	192,000	0.19	192,000	0.19
Watsun Infrabuild Private Limited	642,600	0.64	296,000	0.30
Amplus Sunshine Private Limited	3,867,848	4.80	3,867,848	4.80
VSN Onsite Private Limited	7,852,649	10.15	2,125,387	2.75
Lalganj Power Private Limited	13,032,882	17.20	12,121,212	16.00
Amplus Dakshin Private Limited	11,690,777	11.69	459,000	0.46
Amplus Coastal Power Private Limited	1,712,279	1.76	1,712,279	1.76
Solbridge Energy Private Limited	1,738,490	2.21	-	-
Sunroot Energy Private Limited	510,000	0.51	-	-
VSV Offsite Private Limited	388,890	0.53	-	-
Amplus Alpha Solar Private Limited	2,598,864	2.60	-	-
NU Power Wind Farm Limited (Equity shares of ₹ 10 each aggregating to ₹ 20,000)	2,000	-	39,548	0.04
SBE Renewables Twenty Two C1 Private Limited (Equity shares of ₹ 10 each aggregating to ₹ 260)	-	-	26	-
SBE Renewables Twenty Two C2 Private Limited (Equity shares of ₹ 10 each aggregating to ₹ 260)	-	-	26	-
SBE Renewables Twenty Two C3 Private Limited (Equity shares of ₹ 10 each aggregating to ₹ 130)	-	-	13	-
		<b>53.28</b>		<b>27.30</b>
<b>Preference Shares:</b>				
<b>7% Non-Cumulative Non-Convertible Redeemable Preference Shares of ₹ 100 each fully paid</b>				
Aditya Birla Health Services Limited	2,000,000	17.80	2,000,000	17.69
<b>Units of Debt schemes of Various Mutual Funds</b>		697.60		62.58
		<b>768.68</b>		<b>107.57</b>
<b>Quoted:</b>				
<b>Investments measured at Fair value through Profit or Loss</b>				
Tax Free Bonds		282.75		290.44
Taxable Corporate Bonds		290.83		857.43
		<b>1,342.26</b>		<b>1,255.44</b>
<b>Aggregate Value of:</b>				
Quoted Investments		573.58		1,147.87
Unquoted Investments		768.68		107.57
		<b>1,342.26</b>		<b>1,255.44</b>
Aggregate Market Value of Quoted Investments		573.58		1,147.87

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

## Note 6: Loans

₹ in Crores

Particulars	Non-Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
<b>Considered good, Secured:</b>				
Loans against House Property (Secured by way of title deeds)	-	-	0.05	0.01
<b>Considered good, Unsecured:</b>				
Loans to Employees	9.59	4.54	6.81	5.21
	<b>9.59</b>	<b>4.54</b>	<b>6.86</b>	<b>5.22</b>

**Note 6.1** - No loans are due from directors or other officers of the Company or any of them either severally or jointly with any other person. Further, no loans are due from firms or private companies in which any director is a partner, a director or a member.

## Note 7: Other Financial Assets

₹ in Crores

Particulars	Non-Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Derivative Assets	367.89	384.53	38.26	84.94
Interest Accrued on Deposits and Investments	-	-	41.49	52.16
Fixed Deposits with Bank with maturity greater than twelve months*	38.72	2.95	-	-
Government grants receivable	529.96	167.10	1,018.83	1,152.90
Advances to Body Corporate	-	-	143.13	138.07
Security Deposits	173.41	162.60	156.20	109.43
Others (Includes Insurance Claims, Railway Claims and Other Receivables)	-	-	474.04	471.54
	<b>1,109.98</b>	<b>717.18</b>	<b>1,871.95</b>	<b>2,009.04</b>

\* Lodged as Security with Government Departments - ₹ 0.43 Crores (March 31, 2021: ₹ 0.36 Crores)

## Note 8: Deferred Tax Assets (Net)

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
	<b>Deferred Tax Assets:</b>	
Unabsorbed Losses	11.26	6.62
Others	7.04	3.60
	<b>18.30</b>	<b>10.22</b>
<b>Deferred Tax Liabilities:</b>		
Others	(1.95)	(3.06)
	<b>(1.95)</b>	<b>(3.06)</b>
<b>Net Deferred Tax Asset</b>	<b>16.35</b>	<b>7.16</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

## Note 9: Other Non-Current Assets

Particulars	₹ in Crores	
	As at March 31, 2022	As at March 31, 2021
Capital Advances	2,441.62	2,185.37
Less: Provision for Impairment	(12.36)	(18.56)
	<b>2,429.26</b>	<b>2,166.81</b>
Balance with Government Authorities	644.33	539.00
Prepaid Expenses	4.68	1.69
	<b>3,078.27</b>	<b>2,707.50</b>

## Note 10: Inventories: (Valued At Lower Of Cost And Net Realisable Value, Unless Otherwise Stated)

Particulars	₹ in Crores	
	As at March 31, 2022	As at March 31, 2021
Raw Materials {includes in transit ₹ 126.02 Crores, (March 31, 2021: ₹ 52.43 Crores)}	724.18	481.54
Work-in-progress	943.02	635.18
Finished Goods {includes in transit ₹ 66.14 Crores, (March 31, 2021: ₹ 96.52 Crores)}	530.11	451.20
Stock-in-trade {includes in transit ₹ 2.85 Crores, (March 31, 2021: ₹ 6.99 Crores)}	17.58	13.87
Stores & Spares {includes in transit ₹ 6.10 Crores, (March 31, 2021: ₹ 18.02 Crores)}	1,404.89	1,174.21
Fuel {includes in transit ₹ 514.73 Crores, (March 31, 2021: ₹ 279.15 Crores)}	1,788.94	1,094.99
Packing Materials {includes in transit ₹ 4.49 Crores, (March 31, 2021: ₹ 0.47 Crores)}	176.00	153.44
Scrap (valued at net realisable value)	10.86	13.54
	<b>5,595.58</b>	<b>4,017.97</b>

The Company follows suitable provisioning norms for writing down the value of Inventories towards slow moving, non-moving and surplus inventory. Provision as on date is ₹ 50.65 Crores (March 31, 2021 ₹ 49.38 Crores).

## Note 11: Current Investments

Particulars	₹ in Crores	
	As at March 31, 2022	As at March 31, 2021
<b>Quoted:</b>		
<b>Investments measured at Fair value through Profit or Loss</b>		
Taxable Corporate Bonds	90.97	50.23
Tax Free Bonds	-	5.89
Government Securities	119.80	81.86
<b>Unquoted:</b>		
<b>Investments measured at amortised Cost:</b>		
Fixed Deposits with Financial Institution with Maturity less than twelve months	335.00	300.00
<b>Investments measured at Fair value through Profit or Loss:</b>		
Units of Debt Schemes of Various Mutual Funds	4,417.57	10,455.89
	<b>4,963.34</b>	<b>10,893.87</b>
<b>Aggregate Book Value of:</b>		
Quoted Investments	210.77	137.98
Unquoted Investments	4,752.57	10,755.89
	<b>4,963.34</b>	<b>10,893.87</b>
<b>Aggregate Market Value of Quoted Investments</b>	<b>210.77</b>	<b>137.98</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

## Note 12: Trade Receivables

Particulars	₹ in Crores	
	As at March 31, 2022	As at March 31, 2021
Considered good, Secured (Refer note 42)	758.35	594.19
Considered good, Unsecured	2,313.26	1,977.54
Significant increase in Credit Risk and Credit impaired	145.28	148.47
	<b>3,216.89</b>	<b>2,720.20</b>
Less: Allowances for credit losses	(145.28)	(148.47)
	<b>3,071.61</b>	<b>2,571.73</b>

## Note 12.1: Trade Receivables Ageing Schedule

Particulars	Receivable but not due	Outstanding from due date of Payment					Total
		Less than 6 Months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
<b>As at March 31, 2022:</b>							
(i) Undisputed Trade receivables – considered good	2,395.98	641.22	24.50	3.58	0.43	2.93	3,068.64
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	1.12	7.50	4.39	0.01	0.01	13.03
(iii) Undisputed Trade Receivables – credit impaired	-	-	2.65	3.07	21.33	21.70	48.75
(iv) Disputed Trade Receivables– considered good	-	-	0.03	0.43	0.48	2.03	2.97
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	0.01	0.61	-	-	0.62
(vi) Disputed Trade Receivables – credit impaired	-	-	-	0.10	52.71	30.07	82.88
<b>Total</b>	<b>2,395.98</b>	<b>642.34</b>	<b>34.69</b>	<b>12.18</b>	<b>74.96</b>	<b>56.74</b>	<b>3,216.89</b>
<b>As at March 31, 2021:</b>							
(i) Undisputed Trade receivables – considered good	1,978.14	509.51	5.18	60.43	11.10	4.10	2,568.46
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	0.38	2.86	8.82	0.14	0.08	12.28
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	10.69	14.45	26.55	51.69
(iv) Disputed Trade Receivables– considered good	-	0.05	0.27	2.05	0.07	0.83	3.27
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	0.09	3.70	0.04	0.33	4.16
(vi) Disputed Trade Receivables – credit impaired	-	-	-	50.48	10.72	19.14	80.34
<b>Total</b>	<b>1,978.14</b>	<b>509.94</b>	<b>8.40</b>	<b>136.17</b>	<b>36.52</b>	<b>51.03</b>	<b>2,720.20</b>

There are no unbilled trade receivables, hence the same is not disclosed in the ageing schedules.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

## Note 13: Cash And Cash Equivalents

₹ in Crores

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Balance with banks (Current Account)		97.00		147.83
Cheques on hand		22.05		28.19
Cash on hand		1.49		1.19
		<b>120.54</b>		<b>177.21</b>

## Note 14: Bank Balances Other Than Cash and Cash Equivalents

₹ in Crores

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Balance with banks #		-		1.70
Fixed Deposits with Banks* (Maturity more than three months and upto twelve months)		226.02		1,818.06
Earmarked Balance with Bank for Unpaid Dividends		12.62		10.58
		<b>238.64</b>		<b>1,830.34</b>

# Bank accounts frozen by Govt. Authorities, the balance of which is not available to the Company.

\* Lodged as security with Government Departments ₹ 0.88 Crores (March 31, 2021 ₹ 21.82 Crores). Earmarked for specific purpose ₹ 161.68 Crores (March 31, 2021 ₹ 163.59 Crores).

## Note 15: Other Current Assets

₹ in Crores

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount
Advances to related parties (Refer Note 42)		11.09		40.65
Balance with Government Authorities		566.06		682.45
Less: Provision for Doubtful Receivables		(48.26)		(48.26)
		<b>517.80</b>		<b>634.19</b>
Advances to suppliers		832.35		534.65
Prepaid Expenses		70.59		128.10
Others (Receivable from Gratuity Trust & Other Receivables)		179.50		210.62
		<b>1,611.33</b>		<b>1,548.21</b>

## Note 16(a): Equity Share Capital

₹ in Crores

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount
<b>Authorised</b>				
Equity Shares of ₹ 10 each	78,00,00,000	780.00	78,00,00,000	780.00
<b>Issued, Subscribed and Fully Paid-up</b>				
Equity Shares of ₹ 10 each fully paid-up	28,86,70,847	288.67	28,86,53,398	288.65

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

₹ in Crores

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of Shares	Amount	No. of Shares	Amount
<b>(a) Reconciliation of the Shares Outstanding at the beginning and at the end of the year</b>				
Outstanding at the beginning of the year	28,86,53,398	288.65	28,86,25,105	288.63
Add: Shares issued under Employees Stock Options Scheme (ESOS)	17,449	0.02	28,293	0.02
<b>Outstanding at the end of the year</b>	<b>28,86,70,847</b>	<b>288.67</b>	<b>28,86,53,398</b>	<b>288.65</b>
<b>(b) Shares held by Holding Company</b>				
Grasim Industries Limited	16,53,35,150	165.34	16,53,35,150	165.34
<b>(c) List of shareholders holding more than 5% of Paid-up Equity Share Capital</b>	<b>No. of Shares</b>	<b>% Holdings</b>	<b>No. of Shares</b>	<b>% Holdings</b>
Grasim Industries Limited	16,53,35,150	57.27%	16,53,35,150	57.28%
	<b>No. of Shares</b>	<b>Amount</b>	<b>No. of Shares</b>	<b>Amount</b>
<b>(d) Equity Shares of ₹ 10 each reserved for issue under ESOS</b>	41,931	0.04	59,380	0.06
<b>(e) Aggregate number of Shares issued for consideration other than cash during the period of five years immediately preceding the reporting date</b>				
Equity Shares of ₹ 10 each issued as fully paid up to the shareholders of Century Textiles and Industries Limited, pursuant to the Scheme of Demerger of Cement Division	1,39,61,960	13.96	1,39,61,960	13.96

(f) The Company has only one class of Equity Shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held except for Global Depository Receipts. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(g) Shares held by Promoters:

Promoter Name	As at March 31, 2022		As at March 31, 2021		% change during the year
	No of Shares	% of total shares	No of Shares	% of total shares	
Mr. Kumar Mangalam Birla	1,80,132	0.06%	1,80,132	0.06%	0.00%
Grasim Industries Limited	16,53,35,150	57.27%	16,53,35,150	57.28%	-0.01%
<b>Total</b>	<b>16,55,15,282</b>	<b>57.33%</b>	<b>16,55,15,282</b>	<b>57.34%</b>	<b>-0.01%</b>

Promoter Name	As at March 31, 2021		As at March 31, 2020		% change during the year
	No of Shares	% of total shares	No of Shares	% of total shares	
Mr. Kumar Mangalam Birla	1,80,132	0.06%	3,837	0.00%	0.06%
Grasim Industries Limited	16,53,35,150	57.28%	16,53,35,150	57.28%	0.00%
<b>Total</b>	<b>16,55,15,282</b>	<b>57.34%</b>	<b>16,53,38,987</b>	<b>57.28%</b>	<b>0.06%</b>



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

## Note 16(b): Other Equity

Particulars	₹ in Crores	
	As at March 31, 2022	As at March 31, 2021
Capital Reserve	170.72	170.72
Securities Premium	5,477.10	5,469.67
Debenture Redemption Reserve	37.50	247.50
General Reserve	36,324.73	31,324.73
Share Option Outstanding Reserve	49.71	43.62
Treasury Shares	(154.29)	(77.50)
Retained Earnings	8,053.73	6,573.56
Cash Flow Hedge Reserve	(26.01)	(22.85)
Exchange differences on translating the financial statements of foreign operations	213.41	156.58
<b>Total Other Equity</b>	<b>50,146.60</b>	<b>43,886.03</b>

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

- a) **Capital Reserve:** Company's capital reserve is mainly on account of acquisition of cement business of Larsen & Toubro Ltd., Gujarat Units of Jaypee Cement Corporation Ltd (JCCL) and cement capacities of 21.2 MTPA of Jaiprakash Associates Ltd (JAL) and JCCL, being excess of the net assets acquired over the consideration paid.
- b) **Securities Premium:** Securities premium is credited when shares are issued at premium. It is utilised in accordance with the provisions of the Act, to issue bonus shares, to provide for premium on redemption of shares or debentures, equity related expenses like underwriting costs, etc.
- c) **Debenture Redemption Reserve (DRR):** The Company has issued redeemable non-convertible debentures. Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), requires the company to create DRR out of profits of the company available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued. However, this requirement is no more applicable w.e.f. April 1, 2018 as per the amendment in the Companies (Share capital and Debentures) Rules, 2014 vide dated August 16, 2019; accordingly the Company has not made any new addition in the said reserve and accounted the reversal of outstanding reserve linked to payment of specific non-convertible debentures.
- d) **General reserve:** The Company has transferred a portion of the net profit of the Company before declaring dividend to general reserve pursuant to the earlier provision of Companies Act, 1956. Mandatory transfer to general reserve is not required under the Act.
- e) **Shares Options Outstanding Reserve:** The Company has three share option schemes under which options to subscribe for the Company's shares have been granted to certain executives and senior employees. The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees, including key management personnel, as part of their remuneration.
- f) **Treasury Shares:** The Company has formed an Employee Welfare Trust for purchasing Company's shares to be allotted to eligible employees under Employees Stock Options Scheme, 2018 (ESOS 2018). As per Ind AS 32 - Financial Instruments: Presentation, Reacquired equity shares of the Company are called Treasury Shares and deducted from equity.
- g) **Cashflow Hedge Reserve:** The Company has designated its hedging instruments as cash flow hedges and any effective portion of cashflow hedge is maintained in the said reserve. In case the hedging becomes ineffective, the amount is recognised to the Statement of Profit and Loss.
- h) **Exchange differences on translating the financial statements of foreign operations:** Exchange variation in Opening Equity Share Capital, Reserves and Surplus, Assets and Liabilities of UltraTech Cement Lanka (Pvt.) Ltd, UltraTech Cement Middle East Investments Ltd, PT UltraTech Mining Indonesia and PT UltraTech Investment Indonesia is accounted under this reserve.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

## Note 17: Non-Current Borrowings

Particulars	₹ in Crores			
	Non-Current		Current Maturities of Long-Term debts *	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
<b>Secured:</b>				
Non-Convertible Debentures - Note (a1)	500.00	500.00	-	550.00
Term Loans from Banks:				
In Foreign Currency - Note (b1)	-	365.55	-	-
In Local Currency - Note (c)	-	7,444.81	-	99.75
	-	<b>7,810.36</b>	-	<b>99.75</b>
Sales Tax Deferment Loan - Note (d1)	159.04	119.29	34.60	45.02
	<b>659.04</b>	<b>8,429.65</b>	<b>34.60</b>	<b>694.77</b>
<b>Unsecured:</b>				
Non-Convertible Debentures - Note (a2)	1,500.00	1,750.00	250.00	1,010.00
Foreign Currency Bonds- Note (e)	3,031.70	2,924.40	-	-
Term Loans from Banks:				
In Foreign Currency - Note (b2)	-	292.45	303.17	924.32
Sales Tax Deferment Loan - Note (d2)	112.26	151.95	40.65	75.10
	<b>4,643.96</b>	<b>5,118.80</b>	<b>593.82</b>	<b>2,009.42</b>
<b>Total</b>	<b>5,303.00</b>	<b>13,548.45</b>	<b>628.42</b>	<b>2,704.19</b>

\* Amount disclosed under the head 'Current Borrowings' (Refer Note 22).

### (a1) Non-Convertible Debentures (NCDs):

Particulars	Repayment Schedule	₹ in Crores	
		As at March 31, 2022	As at March 31, 2021
<b>Secured:</b>			
7.53% NCDs	Redeemable at par on August 21, 2026	500.00	500.00
7.15% NCDs	Redeemed at par on October 18, 2021	-	300.00
7.57% NCDs	Redeemed at par on August 06, 2021	-	250.00
		<b>500.00</b>	<b>1,050.00</b>
Less: Current Portion of NCDs shown under Current Borrowings		-	(550.00)
<b>Total</b>		<b>500.00</b>	<b>500.00</b>

The NCDs are secured by way of first charge, having pari passu rights, on the Company's fixed assets (save and except stocks and book debts), both present and future, situated at certain locations, in favour of Debenture Trustees.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

## (a2) Non-Convertible Debentures (NCDs):

₹ in Crores			
Particulars	Repayment Schedule	As at March 31, 2022	As at March 31, 2021
<b>Unsecured:</b>			
6.68% NCDs	Redeemable at par on February 20, 2025	250.00	250.00
7.64% NCDs	Redeemable at par on June 04, 2024	250.00	250.00
6.72% NCDs	Redeemable at par on December 09, 2022	250.00	250.00
6.93% NCDs	Redeemed at par on November 25, 2021	-	250.00
6.99% NCDs	Redeemed at par on November 24, 2021	-	400.00
8.36% NCDs	Redeemed at par on June 07, 2021	-	360.00
4.57% NCDs	Redeemable at par on December 29, 2023	1,000.00	1,000.00
		<b>1,750.00</b>	<b>2,760.00</b>
Less: Current Portion of NCDs shown under Current Borrowings		(250.00)	(1,010.00)
<b>Total</b>		<b>1,500.00</b>	<b>1,750.00</b>

## (b1) Term Loans from Banks in Foreign Currency:

₹ in Crores			
Particulars	Repayment Schedule	As at March 31, 2022	As at March 31, 2021
<b>Secured:</b>			
State Bank of India, New York (US Dollar: Nil; March 31, 2021: 1.00 Crores)	Repaid in March 2022	-	73.11
State Bank of India, New York (US Dollar: Nil; March 31, 2021: 2.00 Crores)	Repaid in February 2022	-	146.22
State Bank of India, New York (US Dollar: Nil; March 31, 2021: 2.00 Crores)	Repaid in February 2022	-	146.22
<b>Total</b>		<b>-</b>	<b>365.55</b>

The above mentioned loans are secured by way of first charge, having pari passu rights, on the Company's fixed assets, both present and future, situated at certain locations, in favour of Company's lenders / trustees.

## (b2) Term Loans from Banks in Foreign Currency:

₹ in Crores			
Particulars	Repayment Schedule	As at March 31, 2022	As at March 31, 2021
<b>Unsecured:</b>			
Export Development, Canada (US Dollar: Nil; March 31, 2021: 4.64 Crores)	Repaid in June 2021	-	339.44
Export Development, Canada (US Dollar: Nil; March 31, 2021: 5.00 Crores)	Repaid in May 2021	-	365.55
Export Development Canada (USD Dollars: 4.00 Crores; March 31, 2021: 7.00 Crores)	June 2022	303.17	511.78
		<b>303.17</b>	<b>1,216.77</b>
Less: Current Portion of Foreign Currency Loans shown under Current Borrowings		(303.17)	(924.32)
<b>Total</b>		<b>-</b>	<b>292.45</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

## (c) Term Loans from Banks in Local Currency:

₹ in Crores			
Particulars	Repayment Schedule	As at March 31, 2022	As at March 31, 2021
<b>Secured:</b>			
Axis Bank Ltd	Repaid in July 2021	-	507.08
HDFC Bank Ltd	Repaid in July 2021	-	1,803.79
State Bank of India	Repaid in July 2021	-	300.00
State Bank of India	Repaid in July 2021	-	2,000.00
Axis Bank Ltd	Repaid in July 2021	-	150.00
HDFC Bank Ltd	Repaid in July 2021	-	131.25
HDFC Bank Ltd	Repaid in Oct 2021	-	2,652.44
		<b>-</b>	<b>7,544.56</b>
Less: Current Portion of Term Loans shown under Current Borrowings		-	(99.75)
<b>Total</b>		<b>-</b>	<b>7,444.81</b>

The above mentioned loans were secured by way of first charge, having pari passu rights, on the Company's fixed assets, both present and future, situated at certain locations, in favour of Company's lenders / trustees.

## (d1) Sales Tax Deferment Loan:

₹ in Crores			
Particulars	Repayment Schedule	As at March 31, 2022	As at March 31, 2021
<b>Secured:</b>			
Uttar Pradesh Financial Corporation	Varied Annual Payments from August 2019 to December 2024	84.95	123.76
Department of Industries and Commerce, Karnataka	Varied Annual Payments from August 2032 to March 2034	108.69	40.55
Less: Current Portion shown under Current Borrowings		(34.60)	(45.02)
<b>Total</b>		<b>159.04</b>	<b>119.29</b>

Sales Tax Deferment Loan is secured by bank guarantee backed by hypothecation of Inventories and book debts of the Company.

## (d2) Sales Tax Deferment Loan:

₹ in Crores			
Particulars	Repayment Schedule	As at March 31, 2022	As at March 31, 2021
<b>Unsecured:</b>			
Department of Industries and Commerce, Haryana	Varied Annual Payments from January 2017 to October 2022	11.01	58.43
Commercial Tax Department, Hyderabad	Varied Annual payments from October 2012 to October 2026	141.90	164.60
Commercial Tax Department, Chhattisgarh		-	4.02
		<b>152.91</b>	<b>227.05</b>
Less: Current Portion of Sales tax deferment loan shown under Current Borrowings		(40.65)	(75.10)
<b>Total</b>		<b>112.26</b>	<b>151.95</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

## (e) Foreign Currency Bonds:

₹ in Crores

Particulars	Repayment Schedule	₹ in Crores	
		As at March 31, 2022	As at March 31, 2021
<b>Unsecured:</b>			
2.80% Sustainability Linked Bonds (US Dollar: 40.00 Crores; March 31, 2021: US Dollar: 40.00 Crores)	February 2031	3,031.70	2,924.40
		<b>3,031.70</b>	<b>2,924.40</b>

The Company had issued unsecured fixed rate US Dollar denominated notes (in the form of "Sustainability Linked Bonds"), aggregating to USD 400 million, due on February 16, 2031, bearing coupon of 2.80% per annum payable semi-annually. The Bonds are linked to 'Sustainability Performance Target (SPT) of reducing Scope 1 GHG emissions by 22.2% from a 2017 baseline. If SPT is not achieved by observation date in 2030, the coupon will step-up by 0.75% for last two coupons. The Bonds are listed on the Singapore Exchange Securities Trading Limited.

## Note 18: Other Financial Liabilities

₹ in Crores

Particulars	Non-Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
Interest Accrued but not due on Borrowings	-	-	76.32	180.79
Deferred Premium Payable	303.48	332.19	28.87	27.21
Derivative Liability	-	-	10.51	6.34
Liability for Capital Goods	-	-	690.60	186.75
Security Deposit	-	-	2,033.20	1,845.31
Salary, Wages, Bonus and Other Employee Payables	-	-	319.68	298.78
Investor Education and Protection Fund, will be credited with following amounts (as and when due)				
Unpaid Dividends	-	-	12.62	10.59
Unpaid Fractional liability on issue of shares pursuant to scheme of Demerger	-	-	0.42	0.42
Others (Retention money, Liquidated Damages, etc.)	-	-	436.33	292.23
	<b>303.48</b>	<b>332.19</b>	<b>3,608.55</b>	<b>2,848.42</b>

## Note 19: Provisions

₹ in Crores

Particulars	Non-Current		Current	
	As at March 31, 2022	As at March 31, 2021	As at March 31, 2022	As at March 31, 2021
<b>Provision for Employee Benefits:</b>				
For Employee Benefits (Refer Note 40)	290.63	69.47	61.94	269.63
<b>Others:</b>				
For Mines Restoration Expenditure	327.21	296.02	-	-
For Cost of transfer of Assets	-	-	186.04	252.22
	<b>617.84</b>	<b>365.49</b>	<b>247.98</b>	<b>521.85</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

## Note 19.1 - Movement of provisions during the year as required by Ind AS - 37 "Provisions, Contingent Liabilities and Contingent Assets" specified under Section 133 of the Companies Act, 2013:

₹ in Crores

Particulars	₹ in Crores	
	As at March 31, 2022	As at March 31, 2021
<b>(a) Mines Restoration Expenditure:</b>		
Opening Balance	296.02	169.57
Add: Provision / (Reversal) during the year	10.47	106.27
Add: Unwinding of discount on Mine Restoration Provision	22.28	20.18
Less: Utilisation during the year	(1.56)	0.00
<b>Closing Balance</b>	<b>327.21</b>	<b>296.02</b>
<b>(b) Provision for Cost of Transfer of Assets:</b>		
Opening Balance	252.22	254.93
Less: Utilisation during the year	(66.18)	(2.71)
<b>Closing Balance</b>	<b>186.04</b>	<b>252.22</b>

## Note 20: Deferred Tax Liabilities (Net)

₹ in Crores

Particulars	₹ in Crores				
	As at March 31, 2022	As at March 31, 2021	Recognised in Statement of Profit and Loss	Recognised in OCI	Recognised directly in Other Equity
<b>Deferred Tax Assets:</b>					
Provision allowed under tax on payment basis	(234.37)	(235.34)	0.97	-	-
Others	(122.40)	(105.69)	(16.78)	0.07	-
	<b>(356.77)</b>	<b>(341.03)</b>	<b>(15.81)</b>	<b>0.07</b>	-
<b>Deferred Tax Liabilities:</b>					
Tangible and Intangible Assets	6,328.20	6,274.39	53.81	-	-
Fair valuation of Investments	28.36	88.54	(60.18)	-	-
Others	33.45	18.78	14.67	-	-
	<b>6,390.01</b>	<b>6,381.71</b>	<b>8.30</b>	-	-
<b>Net Deferred Tax Liability</b>	<b>6,033.24</b>	<b>6,040.68</b>	<b>(7.51)</b>	<b>0.07</b>	-

₹ in Crores

Particulars	₹ in Crores				
	As at March 31, 2021	As at March 31, 2020	Recognised in Statement of Profit and Loss	Recognised in OCI	Recognised directly in Other Equity
<b>Deferred Tax Assets:</b>					
MAT Credit Entitlement	-	(1,047.25)	1,047.25	-	-
Provision allowed under tax on payment basis	(235.34)	(182.34)	(53.00)	-	-
Others	(105.69)	(148.55)	39.55	3.31	-
	<b>(341.03)</b>	<b>(1,378.14)</b>	<b>1,033.80</b>	<b>3.31</b>	-
<b>Deferred Tax Liabilities:</b>					
Tangible and Intangible Assets	6,274.39	6,203.25	71.14	-	-
Fair valuation of Investments	88.54	73.64	14.90	-	-
Others	18.78	13.24	5.54	-	-
	<b>6,381.71</b>	<b>6,290.13</b>	<b>91.58</b>	-	-
<b>Net Deferred Tax Liability</b>	<b>6,040.68</b>	<b>4,911.99</b>	<b>1,125.38</b>	<b>3.31</b>	-

During the year ended March 31, 2022, pursuant to completion of prior income tax assessments, the Company has (i) reversed accumulated provision for tax amounting to ₹ 303.92 Crores and same has been utilized in current year and (ii) accrued Minimum Alternate Tax Credit Entitlement of ₹ 1,213.94 Crores which has been utilised against the current year tax expense.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

## Note 21: Other Non-Current Liabilities

Particulars	₹ in Crores	
	As at March 31, 2022	As at March 31, 2021
Deferred Income on Government Grants	3.83	4.00
Others (Including Employee Share based payments)	0.80	1.53
<b>Total</b>	<b>4.63</b>	<b>5.53</b>

## Note 22: Current Borrowings

Particulars	₹ in Crores	
	As at March 31, 2022	As at March 31, 2021
<b>Secured:</b>		
Current Maturities of Long Term debts (Refer Note 17)	34.60	694.77
Loans repayable on demand: From Banks - Cash Credits / Working Capital Borrowings	8.14	4.14
	<b>42.74</b>	<b>698.91</b>
<b>Unsecured:</b>		
Redeemable preference shares issued	1,000.10	1,000.10
Current Maturities of Long Term debts (Refer Note 17)	593.82	2,009.42
Loans repayable on demand: From Banks - Cash Credits / Working Capital Borrowings	384.26	241.51
Others		
From Banks (includes commercial paper)	1,210.23	1,621.00
From Others (commercial paper)	1,668.69	1,368.38
	<b>4,857.10</b>	<b>6,240.41</b>
	<b>4,899.84</b>	<b>6,939.32</b>

## Note 23: Trade Payables

Particulars	₹ in Crores	
	As at March 31, 2022	As at March 31, 2021
<b>Dues of Micro and Small Enterprises</b>	124.47	69.33
<b>Dues of creditors other than Micro and Small Enterprises</b>		
Other Trade Payables	5,732.60	4,475.71
Due to Related Party (Refer Note 42)	5.76	3.17
Due to Others	-	0.02
	<b>5,738.36</b>	<b>4,478.90</b>
	<b>5,862.83</b>	<b>4,548.23</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

## Note 23.1: Trade Payables Ageing Schedule

Particulars	Unbilled	Outstanding but not due	Outstanding for the following periods from the due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
			₹ in Crores				
<b>As on March 31, 2022:</b>							
(i) Micro and Small Enterprises	-	114.67	9.80	-	-	-	124.47
(ii) Other than Micro and Small Enterprises	1,296.95	1,950.52	2,485.40	0.12	-	-	5,732.99
(iii) Disputed- Micro and Small Enterprises	-	-	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	2.00	3.02	0.35	5.37
<b>Total as on March 31, 2022</b>	<b>1,296.95</b>	<b>2,065.19</b>	<b>2,495.20</b>	<b>2.12</b>	<b>3.02</b>	<b>0.35</b>	<b>5,862.83</b>
<b>As on March 31, 2021:</b>							
(i) Micro and Small Enterprises	-	67.34	1.99	-	-	-	69.33
(ii) Other than Micro and Small Enterprises	1,368.93	1,649.98	1,440.68	15.14	0.01	0.33	4,475.07
(iii) Disputed- Micro and Small Enterprises	-	-	-	-	-	-	-
(iv) Disputed Dues- Others	-	-	-	3.28	0.55	-	3.83
<b>Total as on March 31, 2021</b>	<b>1,368.93</b>	<b>1,717.32</b>	<b>1,442.67</b>	<b>18.42</b>	<b>0.56</b>	<b>0.33</b>	<b>4,548.23</b>

## Note 24: Other Current Liabilities

Particulars	₹ in Crores	
	As at March 31, 2022	As at March 31, 2021
Advance from Customers and Others	465.08	415.08
Deferred Revenue	0.17	0.17
Others (including Provision for Expenses, Statutory liabilities)	4,425.69	4,250.38
	<b>4,890.94</b>	<b>4,665.63</b>

## Note 25: Revenue from Operations (Refer Note 56)

Particulars	₹ in Crores	
	Year ended March 31, 2022	Year ended March 31, 2021
<b>Sale of Products and Services</b>		
Sale of Manufactured Products	48,058.22	41,250.10
Sale of Traded Products	3,648.25	2,988.90
Sale of Services	1.38	0.33
	<b>51,707.85</b>	<b>44,239.33</b>
<b>Other Operating Revenues</b>		
Scrap Sales	122.69	72.31
Lease Rent	0.23	0.16
Insurance Claim	27.33	23.45
Provision no longer required written back	59.10	50.12
Unclaimed Liabilities written back	85.93	35.22
Government Grants	530.87	281.86
Miscellaneous Income / Receipts	64.83	23.35
	<b>890.98</b>	<b>486.47</b>
	<b>52,598.83</b>	<b>44,725.80</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

## Note 26: Other Income

₹ in Crores		
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Interest Income on</b>		
Government and Other Securities	23.63	21.70
Bank and Other Accounts	140.07	79.06
	<b>163.70</b>	<b>100.76</b>
Exchange Gain (net)	-	24.65
Profit on Sale of Property, Plant & Equipment (net)	3.22	4.11
Gain on Fair valuation of Investments through Profit or loss	102.43	419.55
Profit on Sale of Current and Non-Current Investments	186.39	154.10
Others	52.07	31.00
	<b>507.81</b>	<b>734.17</b>

## Note 27: Cost of Materials Consumed

₹ in Crores		
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Opening Stock	481.54	367.90
Add: Exchange rate fluctuation on account of average rate transferred to currency translation reserve	0.80	(0.64)
Purchases	7,337.55	5,908.84
	<b>7,819.89</b>	<b>6,276.10</b>
Less: Exchange rate fluctuation on account of average rate transferred to currency translation reserve	(0.78)	0.89
Less: Closing Stock	724.18	481.54
	<b>7,096.49</b>	<b>5,793.67</b>

## Note 28: Purchase of Stock-in-Trade

₹ in Crores		
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Grey Cement	549.63	286.84
Others (Ultratech Building Solution)	702.03	555.15
	<b>1,251.66</b>	<b>841.99</b>

## Note 29: Changes in Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade

₹ in Crores		
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Closing Inventories</b>		
Work-in-progress	943.02	635.18
Finished Goods	522.75	451.20
Stock in Trade	17.58	13.87
Add / (Less): Exchange rate fluctuation on account of average rate transferred to currency translation reserve	2.62	0.98
	<b>1,485.97</b>	<b>1,101.23</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

₹ in Crores		
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Opening Inventories</b>		
Work-in-progress	635.18	797.37
Finished Goods	451.20	738.22
Stock in Trade	13.87	16.71
Add / (Less): Exchange rate fluctuation on account of average rate transferred to currency translation reserve	0.38	(0.92)
	<b>1,100.63</b>	<b>1,551.38</b>
(Increase) / Decrease in Inventories	(385.34)	450.15
Add: Stock Transfer from Pre-Operative Account	2.18	-
	<b>(383.16)</b>	<b>450.15</b>

## Note 30: Employee Benefits Expense

₹ in Crores		
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries, Wages and Bonus	2,278.44	2,131.71
Contribution to Provident and Other Funds		
- Contribution to Gratuity Fund and Other Defined Benefit Plans	94.89	111.09
- Contribution to Superannuation and Other Defined Contribution Funds	25.19	26.63
Expenses on Employees Stock Options Scheme	24.02	12.11
Staff Welfare Expenses	112.14	71.48
	<b>2,534.68</b>	<b>2,353.02</b>

## Note 31: Finance Costs

₹ in Crores		
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest Expense:		
On Borrowings (at amortised cost)	739.99	1,327.20
Others (including interest on deposits from dealers and contractors)	103.02	80.39
Interest on Sales Tax Deferral Loan	16.38	17.41
Interest on Lease Liability	65.24	49.72
Unwinding of discount on Mine Restoration Provision	22.28	20.18
	<b>946.91</b>	<b>1,494.90</b>
Exchange (Gain)/ Loss on revaluation of Lease Liability	45.56	(12.32)
Other Borrowing Cost (Finance Charges)	13.46	5.13
Less: Finance Costs Capitalised	(61.22)	(2.06)
	<b>944.71</b>	<b>1,485.65</b>

Borrowing costs are capitalised using rates based on specific borrowings ranging from 4.57% to 6.93 % per annum. (For the year ended March 31, 2021: 4.57% to 7.86% per annum)

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

## Note 32: Depreciation and Amortisation Expense

Particulars	₹ in Crores	
	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation	2,376.78	2,370.24
Depreciation on ROU Assets (Refer Note 3)	128.32	123.59
Amortisation	172.71	151.78
Obsolescence	36.94	54.62
	<b>2,714.75</b>	<b>2,700.23</b>

## Note 33: Freight and Forwarding Expense

Particulars	₹ in Crores	
	Year ended March 31, 2022	Year ended March 31, 2021
On Finished Products	10,026.63	8,542.68
On Clinker Transfer	1,685.70	1,500.64
	<b>11,712.33</b>	<b>10,043.32</b>

## Note 34: Other Expenses

Particulars	₹ in Crores	
	Year ended March 31, 2022	Year ended March 31, 2021
Consumption of Stores, Spare Parts and Components	1,033.22	865.37
Consumption of Packing Materials	1,798.08	1,358.28
Repairs to Plant and Machinery, Building and Others	1,058.37	843.73
Insurance	128.73	122.24
Rent	154.61	127.39
Rates and Taxes	161.37	152.58
Directors' Fees	0.32	0.31
Directors' Commission	10.00	10.00
Advertisement	488.15	313.83
Sales Promotion and Other Selling Expenses	630.55	498.39
Exchange Loss (net)	64.77	-
Miscellaneous Expenses	1,264.75	1,075.85
	<b>6,792.92</b>	<b>5,367.97</b>
Less: Captive Consumption of Cement	(57.70)	(23.41)
	<b>6,735.22</b>	<b>5,344.56</b>

## Note 35: Principles of Consolidation:

These consolidated financial statements are prepared on the following basis in accordance with Ind AS on "Consolidated Financial Statements" (Ind AS – 110), "Investments in Associates and Joint Ventures" (Ind AS – 28) and "Disclosure of interests in other entities" (Ind AS – 112), specified under Section 133 of the Companies Act, 2013.

### (i) Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in these consolidated financial statements from the date on which controls commences until the date on which control ceases.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

### (ii) Non-controlling interest (NCI)

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

### (iii) Loss of control

When the Company loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognized in the Statement of Profit or Loss.

### (iv) Equity accounted investees

The Group's interests in equity accounted investees comprise interest in associates and joint venture.

An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and joint venture are accounted for using equity method. They are initially recognized at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and OCI of equity accounted investees until the date on which significant influence or joint control ceases.

### (v) Transactions eliminated on consolidation

The financial statements of the Company, its Subsidiaries, Joint Venture and Associates used in the consolidation procedure are drawn upto the same reporting date i.e. March 31, 2022.

The consolidated financial statements of the Group and its subsidiary companies are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses. Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment. The Group follows uniform accounting policies for like transactions and other events in similar circumstances.

The Consolidated Financial Statements are comprised of the financial statements of the members of the Group as under:

Name of the Company	Principal Place of Business	% Shareholding and Voting Power	
		As at March 31, 2022	As at March 31, 2021
<b>(i) Subsidiary Companies:</b>			
(a) Dakshin Cements Limited (struck off w.e.f. April 9, 2021)	India	-	100%
(b) UltraTech Cement Lanka Private Limited (UCLPL)	Sri Lanka	80%	80%
(c) Harish Cement Limited	India	100%	100%
(d) PT UltraTech Mining Indonesia	Indonesia	80% <sup>1</sup>	80% <sup>1</sup>
(e) PT UltraTech Investments Indonesia	Indonesia	100% <sup>2</sup>	100% <sup>2</sup>
(f) UltraTech Cement Middle East Investments Limited (UCMEIL)	United Arab Emirates	100%	100%
(g) Star Cement Co. LLC, Dubai *	United Arab Emirates	100% <sup>3</sup>	100% <sup>3</sup>
(h) Star Cement Co. LLC, Ras-Al-Khaimah*	United Arab Emirates	100% <sup>3</sup>	100% <sup>3</sup>
(i) Al Nakhla Crusher LLC, Fujairah*	United Arab Emirates	100% <sup>3</sup>	100% <sup>3</sup>
(j) Arabian Cement Industry LLC, Abu Dhabi*	United Arab Emirates	100% <sup>3</sup>	100% <sup>3</sup>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

Name of the Company	Principal Place of Business	% Shareholding and Voting Power	
		As at March 31, 2022	As at March 31, 2021
(k) UltraTech Cement Bahrain Company WLL, Bahrain *	Bahrain	100%^	100%^
(l) Bhagwati Limestone Company Private Limited (BLCPL)	India	100%	100%
(m) Gotan Limestone Khanij Udyog Private Limited	India	100%	100%
(n) PT UltraTech Cement Indonesia#	Indonesia	99%	99%
(o) PT UltraTech Mining Sumatera#	Indonesia	100%	100%
(p) UltraTech Nathdwara Cement Limited (UNCL)	India	100%	100%
(q) Smooth Energy Private Limited (struck off w.e.f. October 26, 2021)	India	-	100% <sup>!!</sup>
(r) Bahar Ready Mix Concrete Limited (struck off w.e.f. November 2, 2021)	India	-	100% <sup>!!</sup>
(s) Merit Plaza Limited	India	100% <sup>!!</sup>	100% <sup>!!</sup>
(t) Swiss Merchandise Infrastructure Limited	India	100% <sup>!!</sup>	100% <sup>!!</sup>
(u) Krishna Holdings PTE Limited (KHPL) (under liquidation)	Singapore	100% <sup>&amp;&amp;</sup>	100% <sup>&amp;&amp;</sup>
(v) Bhumi Resources PTE Limited (BHUMI)	Singapore	100% <sup>!!</sup>	100% <sup>!!</sup>
(w) Murari Holdings Limited (MUHL)	British Virgin Islands	100% <sup>!!</sup>	100% <sup>!!</sup>
(x) Mukundan Holdings Limited (MHL)	British Virgin Islands	100% <sup>!!</sup>	100% <sup>!!</sup>
(y) Star Super Cement Industries LLC (SSCILLC) \$	United Arab Emirates	100% <sup>@@</sup>	100% <sup>@@</sup>
(z) Binani Cement (Tanzania) Limited	Tanzania	100% <sup>***</sup>	100% <sup>***</sup>
(aa) BC Tradelink Limited., Tanzania	Tanzania	100% <sup>***</sup>	100% <sup>***</sup>
(ab) Shandong Binani Rongan Cement Company Limited (SBRCC), China (Up to July 30, 2020) ^^	Republic of China	-	-
(ac) PT Anggana Energy resources (Anggana), Indonesia	Indonesia	100% <sup>^^^</sup>	100% <sup>^^^</sup>
(ad) Binani Cement (Uganda) Limited	Uganda	100% <sup>***</sup>	100% <sup>***</sup>
(ae) 3B Binani Glassfibre Sarl (3B) (Upto March 31, 2022) <sup>!!</sup>	Luxembourg	-	100% <sup>****</sup>
(af) Project Bird Holding II Sarl (merged with 3B w.e.f. April 12, 2021) <sup>##</sup>	Luxembourg	-	100% <sup>****</sup>
(ag) 3B-Fibreglass Srl (Upto March 31, 2022) <sup>###</sup>	Belgium	-	100% <sup>****</sup>
(ah) 3B-FibreGlass A/s Norway (Upto March 31, 2022) <sup>###</sup>	Norway	-	100% <sup>****</sup>
(ai) Tunfib Sarl (Upto March 31, 2022) <sup>!!!</sup>	Tunisia	-	67% <sup>****</sup>
(aj) Goa Glass Fibre Ltd. (Upto March 31, 2022) <sup>##</sup>	India	-	100% <sup>****</sup>
<b>(ii) Joint Operations:</b>			
Bhaskarpara Coal Company Limited (BCCL)	India	47.37%	47.37%
<b>(iii) Associate:</b>			
Madanpur (North) Coal Company Private Limited (MNCCPL)	India	11.17%	11.17%
Aditya Birla Renewable Energy Limited (w.e.f. April 13, 2020)	India	26.00%	26.00%
Aditya Birla Renewable SPV 1 Limited	India	26.00%	26.00%

<sup>!</sup> 4% Shareholding of UCMEIL

<sup>&</sup> 5% Shareholding of UCMEIL

\* Subsidiaries of UCMEIL

<sup>\$</sup> 51% held by nominee as required by local law for beneficial interest of the Company

<sup>^</sup> 1 share held by employee as nominee for the beneficial interest of the Company

<sup>#</sup> Subsidiary of PT UltraTech Investments Indonesia

<sup>!!</sup> Wholly owned subsidiary of UNCL

<sup>&&</sup> 55.54% held by UNCL and 44.46% held by MHL

<sup>\*\*\*</sup> Wholly owned subsidiary of SSCILLC

<sup>^^</sup> Subsidiary of KHPL

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

<sup>^^</sup> Wholly owned subsidiary of BHUMI

<sup>@@</sup> Earlier 51% held by MHL through nominee as required by local law for beneficial interest of the Company and 49% held by MUHL; Subsidiary of UCMEIL w.e.f. November 23, 2020

<sup>\*\*\*\*</sup> With effect from March 12, 2021

<sup>##</sup> Wholly owned subsidiary of 3B Binani Glassfibre Sarl

<sup>###</sup> Wholly owned subsidiary of Project Bird Holding II Sarl which was merged with 3B w.e.f. April 12, 2021

<sup>!!!</sup> 67% held by Project Bird Holding II Sarl which was merged with 3B w.e.f. April 12, 2021

## Note 36: Goodwill on Consolidation:

Goodwill represents the difference between the Company's share in the net worth of subsidiaries and the cost of acquisition at each point of time of making the investment in the subsidiaries. For this purpose, the Company's share of net worth is determined on the basis of the latest financial statements prior to the acquisition after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition.

## Note 37: Contingent Liabilities (to the extent not provided for) (Ind AS 37):

### (a) Claims against the Group not acknowledged as debt:

₹ in Crores			
Particulars	Brief Description of Matter	Year ended March 31, 2022	Year ended March 31, 2021
(a) Excise Duty and Service Tax Matters	Related to valuation matter (Rule 8 vs. Rule 4), Denial of Cenvat credit on Input Service Distributor and others	1,614.32	1,518.50
(b) GST/ Sales-tax/ VAT / Entry Tax Matters	Related to stock transfer treated as interstate sales, Demand on freight component and levy of purchase tax on exempted supply, Demand of Entry Tax and others	1,033.87	1,016.31
(c) Royalty on Limestone/ Marl / Shale	Based on fixed conversion factor on limestone, royalty rate difference on Marl and additional royalty on mines transfer	373.47	364.81
(d) Land Related Matters	Demand of Higher Compensation	273.86	255.64
(e) Electricity Duty / Energy Development Cess	Related to electricity duty, Minimum power consumption, Energy development cess and denial of electricity duty exemption	691.91	548.93
(f) Customs	Related to classification dispute	250.53	234.39
(g) Stamp duty	Related to stamp duty on debt and name change	353.08	355.49
(h) Others	Related to Fly ash matters, claim raised by vendor/ supplier, Road Tax matter, Income Tax matters and others	362.42	334.85

Cash outflows for the above are determinable only on receipt of judgments pending at various forums / authorities.

### (b) The Company had filed appeals against the orders of the Competition Commission of India (CCI) dated 31 August 2016 (Penalty of ₹ 1,449.51 Crores) and 19 January 2017 (Penalty of ₹ 68.30 Crores). Upon the National Company Law Appellate Tribunal ("NCLAT") disallowing its appeal against the CCI order dated 31 August 2016, the Company filed an appeal before Hon'ble Supreme Court which has, by its order dated 5 October 2018, granted a stay against the NCLAT order. Consequently, the Company has deposited an amount of ₹ 144.95 crores equivalent to 10% of the penalty of ₹ 1,449.51 Crores. The Company, backed by legal opinions, believes that it has a good case in both the matters and accordingly no provision has been recognised in the financial statements.

UltraTech Nathdwara Cement Limited (UNCL) has also filed an appeal before Hon'ble Supreme Court against a similar CCI order dated August 31, 2016 and has deposited an amount of ₹ 16.73 Crores equivalent to 10% of the penalty amount of ₹ 167.32 crores. The Company, backed by legal opinion, believes that it has a good case in the said matter and accordingly no provision has been recognised in the financial statements.

### (c) Guarantees:

The Company has issued corporate guarantee in favour of the Banks / Lenders on behalf of its Joint Venture (JV), as mentioned below, for general corporate purposes:

- Bhaskarpara Coal Company Limited (JV) ₹ 1.70 crores (March 31, 2021 ₹ 1.70 crores).

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

- (d) In one of the case, UCLPL filed the appeal against the Director General of Customs and the inquiring officer appointed in terms of the Customs Ordinance for the customs case No PCAD/HQO/091/2016 initiated at the Sri Lanka customs, on the alleged basis that UCLPL has not declared the unloading charges (stevedoring charges) paid to the Sri Lanka Ports Authority in relation to imported cement. The Company has filed a case in the Court of Appeal and the matter is scheduled for argument.

## Note 38: Capital and other commitments:

Estimated amount of contracts remaining to be executed on capital account, not provided for (net of advances) ₹ 2,175.50 crores. (March 31, 2021 ₹ 2,329.48 crores).

## Note 39

The Supreme Court of India has allowed an appeal filed by the State of Rajasthan in a matter relating to transfer of mining lease in the name of the Company's wholly-owned subsidiary, Gotan Lime Stone Khanij Udyog Private Limited ("GKUPL") and has directed the State of Rajasthan to frame and notify its policy relating to transfer of mining lease and thereafter pass appropriate order in respect of the mining lease of GKUPL. State Government has notified the new policy related to transfer of new mining lease, based on which the Company has requested the State Government to consider reinstatement of the mines in its favour.

## Note 40: Employee Benefits (Ind AS 19):

### (a) Gratuity:

The gratuity payable to employees is based on the employee's service and last drawn salary at the time of leaving the services of the Company and is in accordance with the Rules of the Company for payment of gratuity.

#### Inherent Risk

The plan is defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, this exposes the Company to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employee in future. Since the benefits are lump sum in nature the plan is not subject to any longevity risks.

### (b) Pension:

The Company considers pension for some of its employees at senior management based on the period of service and contribution for the Company. There is no material risk associated with this plan.

### (c) Post-Retirement Medical Benefits:

The Company provides post-retirement medical benefits to certain ex-employees who were transferred under the Scheme of arrangement for acquiring Larsen & Toubro cement business and eligible for such benefits from earlier Company. There is no material risk associated with this plan.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

₹ in Crores

Particulars	As at March 31, 2022				As at March 31, 2021			
	Gratuity (Funded)		Pension	Post-Retirement Medical Benefits	Gratuity (Funded)		Pension	Post-Retirement Medical Benefits
	Funded	Others			Funded	Others		
<b>(i) Change in defined benefit obligation</b>								
Balance at the beginning of the year	687.73	29.83	6.18	0.56	711.42	27.38	7.14	0.59
Adjustment of:								
Current Service Cost	51.63	2.95	-	-	55.45	2.78	-	-
Past Service Cost	1.33	0.25	-	-	0.83	-	-	-
Interest Cost	46.04	1.03	0.44	0.04	44.98	1.32	0.49	0.04
Actuarial (gains) losses recognised in Other Comprehensive Income:								
- Change in Financial Assumptions	11.90	(2.39)	(0.07)	0.01	(25.94)	5.31	0.07	(0.01)
- Adjustment for Past service cost	-	-	-	-	4.78	-	-	-
- Change in Demographic Assumptions	(28.80)	-	-	-	-	-	-	-
- Experience Changes	38.14	0.46	(0.01)	0.01	(58.06)	(1.43)	(0.61)	0.02
Benefits Paid	(58.13)	(4.12)	(0.91)	(0.06)	(45.73)	(4.63)	(0.91)	(0.08)
Foreign Currency Fluctuation	-	1.09	-	-	-	(0.90)	-	-
<b>Balance at the end of the year</b>	<b>749.84</b>	<b>29.10</b>	<b>5.63</b>	<b>0.56</b>	<b>687.73</b>	<b>29.83</b>	<b>6.18</b>	<b>0.56</b>
<b>(ii) Change in Fair Value of Assets</b>								
Balance at the beginning of the year	760.50	-	-	-	709.00	-	-	-
Expected Return on Plan Assets	50.19	-	-	-	44.43	-	-	-
Re measurements due to:								
Actual Return on Plan Assets less interest on Plan Assets	6.03	-	-	-	6.71	-	-	-
Contribution by the employer	52.61	-	-	-	46.08	-	-	-
Benefits Paid	(58.13)	-	-	-	(45.72)	-	-	-
<b>Balance at the end of the year</b>	<b>811.20</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>760.50</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(iii) Net Asset / (Liability) recognised in the Balance Sheet</b>								
Present value of Defined Benefit Obligation	(749.84)	(29.10)	(5.63)	(0.56)	(687.73)	(29.83)	(6.18)	(0.56)
Fair Value of Plan Assets	811.20	-	-	-	760.50	-	-	-
Amount not recognised due to Asset Ceiling	(0.82)	-	-	-	(2.04)	-	-	-
<b>Net Asset / (Liability) in the Balance Sheet</b>	<b>60.54</b>	<b>(29.10)</b>	<b>(5.63)</b>	<b>(0.56)</b>	<b>70.73</b>	<b>(29.83)</b>	<b>(6.18)</b>	<b>(0.56)</b>
<b>(iv) Change in Asset Ceiling</b>								
Balance at the beginning of the year	2.04	-	-	-				
Interest	0.14	-	-	-				
Remeasurement due to change in surplus/deficit	(1.36)	-	-	-	2.04	-	-	-
<b>Balance at the end of the year</b>	<b>0.82</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2.04</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(v) Expenses recognised in the Consolidated Statement of Profit and Loss</b>								
Current Service Cost	51.63	2.95	-	-	55.45	2.78	-	-
Past Service Cost	-	0.25	-	-	0.83	-	-	-
Interest Cost	45.24	1.03	0.44	0.04	44.98	1.32	0.49	0.04
Expected Return on Plan Assets	(50.22)	-	-	-	(44.43)	-	-	-
Transferred to Pre-Operative Expenses	(0.63)	-	-	-				
<b>Amount charged to the Consolidated Statement of Profit and Loss</b>	<b>46.02</b>	<b>4.23</b>	<b>0.44</b>	<b>0.04</b>	<b>56.83</b>	<b>4.10</b>	<b>0.49</b>	<b>0.04</b>



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

₹ in Crores

Particulars	As at March 31, 2022				As at March 31, 2021			
	Gratuity (Funded)		Pension	Post-Retirement Medical Benefits	Gratuity (Funded)		Pension	Post-Retirement Medical Benefits
	Funded	Others			Funded	Others		
<b>(vi) Re-measurements recognised in Other Comprehensive Income (OCI):</b>								
Changes in Financial Assumptions	11.90	(2.39)	(0.07)	0.01	(25.94)	5.31	0.07	(0.01)
Changes in Demographic Assumptions	(28.80)	-	-	-	-	-	-	-
Experience Adjustments	38.14	0.46	(0.01)	0.01	(58.06)	(1.43)	(0.61)	0.02
Actual return on Plan assets less interest on plan assets	(5.05)	-	-	-	(5.51)	-	-	-
Adjustment of Past Service Cost	-	-	-	-	4.78	-	-	-
Adjustment to recognise the asset ceiling impact	(1.36)	-	-	-	2.04	-	-	-
<b>Amount recognised in Other Comprehensive Income (OCI):</b>	<b>14.83</b>	<b>(1.93)</b>	<b>(0.08)</b>	<b>0.02</b>	<b>(82.69)</b>	<b>3.88</b>	<b>(0.54)</b>	<b>0.01</b>
<b>(vii) Maturity profile of defined benefit obligation:</b>								
Within the next 12 months	97.94	2.72	1.05	0.06	69.31	2.79	1.10	0.06
Between 1 and 5 years	252.94	6.44	3.29	0.24	219.19	6.20	3.49	0.24
Between 5 and 10 years	267.08	10.69	2.24	0.21	245.35	9.30	2.54	0.22
10 Years and above	946.25	33.03	1.90	0.39	1,034.98	31.88	2.21	0.42
<b>(viii) Sensitivity analysis for significant assumptions: *</b>								
Increase/(Decrease) in present value of defined benefits obligation at the end of the year								
1% increase in discount rate	(59.47)	(2.55)	(0.32)	(0.03)	(59.12)	(2.65)	(0.35)	(0.03)
1% decrease in discount rate	69.04	2.96	0.35	0.03	69.10	3.10	0.40	0.04
1% increase in salary escalation rate	66.94	2.94	-	-	67.33	3.05	-	-
1% decrease in salary escalation rate	(58.97)	(2.58)	-	-	(58.84)	(2.65)	-	-
1% increase in employee turnover rate	(22.63)	0.11	-	-	(22.67)	(0.08)	-	-
1% decrease in employee turnover rate	26.56	(0.14)	-	-	26.76	0.21	-	-
<b>(ix) The major categories of plan assets as a percentage of total plan<sup>®</sup></b>								
Insurer Managed Funds	96%	N.A	N.A	N.A	89%	N.A	N.A	N.A
Debt, Equity and Other Instruments	4%	N.A	N.A	N.A	11%	N.A	N.A	N.A
<b>(x) Actuarial Assumptions:</b>								
Discount Rate (p.a.)	6.85% - 7.25%	2.72% - 15.00%	6.85%	6.85%	6.97% - 7.05%	5% - 11.28%	7.05%	7.05%
Turnover Rate	2%-8%	1% - 10%	-	-	1.5%-8.0%	1.00% - 12.00%	-	-
Mortality tables	Indian Assured Lives Mortality (2012-14)	GA 1983 Mortality table / UK Mortality Table AM92 [UK] & Indian Assured Lives Mortality (2006-08) Ult table	S1PA mortality table adjusted suitably		Indian Assured Lives Mortality (2012-14)/ Indian Assured Lives Mortality (2006-08)	**	S1PA mortality table adjusted suitably	
Salary Escalation Rate (p.a.)	7% - 8%	2.5% - 10%	-	-	6.00% - 8.00%	3.00%- 10.00%	-	-
Retirement age:	58-60 Yrs	58-60 Yrs	-	-	58-60 Yrs.	55-60 Yrs.	-	-
<b>(xi) Weighted Average duration of Defined benefit obligation</b>	9.3- 11.0 Yrs	7.0 - 12.9 Yrs	5.9 Yrs	5.7 Yrs	9.3-14.0 Yrs	6.2 - 14.3 Yrs	6.1 Yrs	5.8 Yrs

\* These Sensitivities have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analyses.

<sup>®</sup> The plan does not invest directly in any property occupied by the Group nor in any financial securities issued by the Group.

\*\* GA 1983 Mortality Table / UK Mortality Table AM92[UK] & Indian Assured Lives Mortality (2006-08) Ult table

## (xii) Discount Rate:

The discount rate is based on the prevailing market rates of Indian government securities for the estimated term of obligations.

## (xiii) Salary Escalation Rate:

The estimates of future salary increases are considered taking into account inflation, seniority, promotion and other relevant factors.

## (xiv) Asset Liability matching strategy:

The money contributed by the Group to the Gratuity fund to finance the liabilities of the plan has to be invested.

The trustees of the plan have outsourced the investment management of the fund to an insurance Company. The insurance Company in turn manages these funds as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations. Due to the restrictions in the type of investments that can be held by the fund, it is not possible to explicitly follow an asset liability matching strategy.

There is no compulsion on the part of the Group to fully prefund the liability of the Plan. The Group's philosophy is to fund these benefits based on its own liquidity and the level of underfunding of the plan.

**(xv)** The Group's expected contribution during next year is ₹ 1.43 Crores. (March 31, 2021 ₹ 2.40 Crores).

## (d) Provident Fund:

The Company is liable for any shortfall in the fund assets based on the Government specified rate of return. Such shortfall, if any, is recognised in the Statement of Profit and Loss as an expense in the year of incurring the same.

Amount recognized as an expense under the head "Contribution to Provident and other Funds" of Statement of Profit and Loss ₹ 93.63 Crores (March 31, 2021: ₹ 91.72 Crores).

The actuary has provided for a valuation and based on the below provided assumptions there is Nil shortfall as at March 31, 2022 (March 31, 2021: Nil)

₹ in Crores

Particulars	As at March 31, 2022	As at March 31, 2021
<b>(a) Plan Assets at Fair Value</b>	2,093.98	1,736.24
<b>(b) Present value of defined benefit obligation at year end</b>	2,083.74	1,730.75
<b>(c) Surplus available</b>	-	-
<b>(d) Liability recognised in Balance Sheet</b>	Nil	Nil
<b>(e) Assumptions used in determining the present value obligation of interest rate guarantee under the Deterministic Approach</b>		
Government of India bond yield for the outstanding term of liabilities	6.85%	7.05%
Remaining term of the maturity of Investment Portfolio	13.45 Yrs	13.03 Yrs
Discount Rate for the remaining term of the maturity of Investment Portfolio	8.12%	8.30%
Expected Guaranteed Interest Rate	8.10%	8.50%

## (d) Contribution to Other Funds:

Amount recognized as an expense under the head "Contribution to Other Funds" of Statement of Profit and Loss ₹ 29.16 Crores (March 31, 2021: ₹ 28.98 Crores).

**(A)** Amount recognized as an expense in respect of Compensated Absences is ₹ 52.62 Crores (March 31, 2021: ₹ (6.76) Crores).

**(B)** Amount recognized as expense for other long-term employee benefits is ₹ 0.44 Crores (March 31, 2021: ₹ 0.86 Crores).

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

## Note 41: Segment Reporting (Ind AS 108):

The Group is exclusively engaged in the business of cement and cement related products. As per Ind AS 108 "Operating Segments", there are no reportable segments applicable to the Group.

The Group's revenue from continuing operations from external customers by location of operations and information about its non-current assets by location of assets are detailed below.

₹ in Crores

Particulars	Revenue from External Customers		Non-Current Assets	
	Year Ended March 31, 2022	Year Ended March 31, 2021	Year Ended March 31, 2022	Year Ended March 31, 2021
India (Country of Domicile)	49,476.21	42,285.81	60,857.57	57,272.40
Others	2,231.64	1,953.52	2,492.94	2,533.39
<b>Total</b>	<b>51,707.85</b>	<b>44,239.33</b>	<b>63,350.51</b>	<b>59,805.79</b>

## Note 42: Related party disclosures (Ind AS 24):

### Names of Related Parties with whom transactions were carried out during the period:

Name of the Related Party	Relationship
<b>Grasim Industries Limited</b>	Holding Company
Samruddhi Swastik Trading and Investments Limited	Fellow Subsidiary
Aditya Birla Sun Life Insurance Company Limited	Fellow Subsidiary
Aditya Birla Health Insurance Limited	Fellow Subsidiary
Aditya Birla Housing Finance Limited	Fellow Subsidiary
ABNL Investment Limited	Fellow Subsidiary
Aditya Birla Power Composites Limited	Fellow Subsidiary
Aditya Birla Renewable SPV 1 Limited	Associate
Aditya Birla Renewable Energy Limited	Associate
Bhaskarpara Coal Company Limited	Joint Venture
UltraTech Cemco Provident Fund	Post-Employment Benefit Plan
Aditya Birla Management Corporation Private Limited	Other related party in which Directors are interested
Mr. Kumar Mangalam Birla – Non-Executive Chairman	Key Management Personnel (KMP)
Mrs. Rajashree Birla – Non-Executive Director	Key Management Personnel (KMP)
Mr. K.K. Maheshwari – Vice Chairman and Non-Executive Director	Key Management Personnel (KMP)
Mr. Arun Adhikari – Independent Director	Key Management Personnel (KMP)
Mrs. Alka Bharucha – Independent Director	Key Management Personnel (KMP)
Mrs. Sukanya Kripalu – Independent Director	Key Management Personnel (KMP)
Mrs. Usha Sangwan- Independent Director (from January 10,2020 till May 16,2020)	Key Management Personnel (KMP)
Mr. S.B. Mathur – Independent Director	Key Management Personnel (KMP)
Mr. Sunil Duggal – Independent Director w.e.f August 14, 2020	Key Management Personnel (KMP)
Mr. K.C. Jhanwar – Managing Director	Key Management Personnel (KMP)
Mr. Atul Daga – Whole-time Director and CFO	Key Management Personnel (KMP)
Mrs. Kritika Daga	Relative of KMP (Wife of Mr. Atul Daga)

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

## (a) The following transactions were carried out with the related parties in the ordinary course of business:

₹ in Crores

Nature of Transaction/Relationship	Year ended March 31, 2022	Year ended March 31, 2021
<b>Sale of Goods:</b>		
Grasim Industries Limited	14.48	8.76
Aditya Birla Power Composites Limited	0.35	-
<b>Total</b>	<b>14.83</b>	<b>8.76</b>
<b>Purchase of Goods:</b>		
Grasim Industries Limited	1.56	1.56
Aditya Birla Renewables SPV 1 Limited	36.30	30.63
Aditya Birla Renewables Energy Limited	8.03	0.54
<b>Total</b>	<b>45.89</b>	<b>32.73</b>
<b>Sale of Property, Plant and Equipment:</b>		
Grasim Industries Limited	0.54	0.03
<b>Purchase of Property, Plant and Equipment:</b>		
Grasim Industries Limited	-	0.30
Aditya Birla Housing Finance Limited	0.08	-
Aditya Birla Management Corporation Private Limited	0.06	-
<b>Total</b>	<b>0.14</b>	<b>0.30</b>
<b>Services received from:</b>		
Grasim Industries Limited	0.27	0.78
Samruddhi Swastik Trading and Investments Limited	1.13	0.96
Aditya Birla Health Insurance Limited	(0.06)	(0.28)
ABNL Investment Limited	2.90	2.30
Aditya Birla Renewables Energy Limited	-	0.01
Aditya Birla Sun Life Insurance Company Limited	16.83	4.42
KMP	22.51	26.93
Aditya Birla Management Corporation Private Limited	364.93	231.19
Relative of KMP	0.01	0.08
<b>Total</b>	<b>408.52</b>	<b>266.40</b>
<b>Services rendered to:</b>		
Grasim Industries Limited	1.58	1.22
Aditya Birla Housing Finance Limited	0.06	-
Aditya Birla Management Corporation Private Limited	-	0.06
<b>Total</b>	<b>1.64</b>	<b>1.28</b>
<b>Dividend Paid:</b>		
Grasim Industries Limited	611.74	214.94
<b>Contribution to:</b>		
Post-Employment Benefit Plan	54.79	50.00
<b>Investments:</b>		
Aditya Birla Renewable Energy Limited	1.29	3.42
<b>Deposit given to Fellow Subsidiary:</b>		
ABNL Investment Limited	0.18	-

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

## (b) Outstanding balances:

₹ in Crores		
Nature of Transaction/Relationship	Year ended March 31, 2022	Year ended March 31, 2021
<b>Loans and Advances:</b>		
Grasim Industries Limited	0.61	3.48
Aditya Birla Renewables SPV 1 Limited	-	0.25
Samruddhi Swastik Trading and Investments Limited	0.72	0.37
Aditya Birla Health Insurance Limited	0.01	0.07
Aditya Birla Sun Life Insurance Company Limited	0.36	0.11
KMP	-	2.60
Aditya Birla Management Corporation Private Limited	6.90	29.60
Bhaskarpara Coal Company Limited	2.49	2.49
<b>Total</b>	<b>11.09</b>	<b>38.97</b>
<b>Trade Receivables:</b>		
Grasim Industries Limited	0.51	0.60
Aditya Birla Hosing Finance Limited	0.05	-
<b>Total</b>	<b>0.56</b>	<b>0.60</b>
<b>Trade Payables:</b>		
Grasim Industries Limited	0.31	0.37
Aditya Birla Renewable Energy Limited	-	0.20
Aditya Birla Renewables SPV 1 Limited	5.45	2.60
<b>Total</b>	<b>5.76</b>	<b>3.17</b>
<b>Deposit:</b>		
Relative of KMP	5.00	5.00
ABNL Investment Limited	1.86	1.68
<b>Total</b>	<b>6.86</b>	<b>6.68</b>
<b>Corporate Guarantees:</b>		
Bhaskarpara Coal Company Limited	1.70	1.70

## (c) Compensation of KMP of the Company:

₹ in Crores		
Nature of Transaction	Year ended March 31, 2022	Year ended March 31, 2021
Short-term employee benefits	19.07	13.26
Post – employment benefits	3.40	3.40
Share based payment	3.71	3.39
<b>Total compensation paid to KMP</b>	<b>26.18</b>	<b>20.05</b>

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

### Terms and Conditions of transactions with Related Parties:

The sales to and purchases from related parties are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the end of the period are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

For the year ended March 31, 2022 and March 31, 2021, the Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

## Note 43: Income Taxes (Ind AS 12)

### (i) Reconciliation of Effective Tax Rate:

In %		
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Applicable tax rate	34.94	34.94
Effect of Tax Exempt Income	(0.08)	(0.09)
Effect of Non-Deductible expenses	0.52	0.61
Effect of Allowances for tax purpose	(2.46)	(1.20)
Effect of Tax paid at a lower rate	-	(1.36)
Effect of changes in Tax rate (deferred)	(0.31)	(0.73)
Effect of Previous year adjustments	-	0.04
Effect of Lower Jurisdiction Tax Rate	(0.30)	(0.39)
Others	0.07	0.49
<b>Effective Tax Rate</b>	<b>32.38</b>	<b>32.31</b>
Effect of Reversal of Provision for Tax and Recognition of MAT credit of previous years (Refer Note 20)	(18.15)	-
<b>Net Effective Tax Rate</b>	<b>14.23</b>	<b>32.31</b>

- (ii) At March 31, 2022 a deferred tax liability of ₹ 90.40 Crores (March 31, 2021 ₹ 81.06 Crores) in respect of temporary differences related to undistributed profit in subsidiaries has not been recognized because the Group controls the dividend policy of its subsidiaries and management is satisfied that they are not expecting to distribute profit in the foreseeable future.
- (iii) The Company has not recognized Deferred Tax Assets on the unabsorbed Depreciation, business losses and other temporary differences amounting to ₹ 1,055.73 Crores (March 31, 2021 ₹ 1,205.90 Crores) in respect of a Subsidiary, since it is not probable that future taxable income will be available wherein such deferred tax assets can be realized in normal course of business.

## Note 44: Earnings per Share (EPS) (Ind AS 33)

₹ in Crores		
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Net Profit attributable to Equity Shareholders</b>		
(i) Net Profit attributable to Equity Shareholders from Continuing Operations	7,184.39	5,320.19
(ii) Net Profit attributable to Equity Shareholders from Discontinued Operations	159.92	142.91
<b>(iii) Net Profit attributable to Equity Shareholders ((i) +(ii))</b>	<b>7,344.31</b>	<b>5,463.10</b>
<b>(A) Basic EPS:</b>		
(i) Weighted average number of Equity Shares outstanding (Nos.)	288,668,720	288,641,300
(ii) Less: Treasury Shares acquired by the Company under Trust	(243,799)	(192,586)
(iii) Weighted average number of Equity Shares outstanding for calculation of Basic EPS (Face Value ₹10/Share)	288,424,921	288,448,714
<b>Basic EPS (₹) – Continuing Operations {(i)/A(iii)}</b>	<b>249.09</b>	<b>184.44</b>
<b>Basic EPS (₹) – Discontinued Operations {(ii)/A(iii)}</b>	<b>5.54</b>	<b>4.95</b>
<b>Basic EPS (₹) – Continuing and Discontinued Operations {(iii)/A(iii)}</b>	<b>254.64</b>	<b>189.40</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

₹ in Crores

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>(B) Diluted EPS:</b>		
(i) Weighted average number of Equity Shares Outstanding (Nos.)	288,424,921	288,448,714
(ii) Add: Potential Equity Shares on exercise of options (Nos.)	122,663	103,823
(iii) Weighted average number of Equity Shares Outstanding for calculation of Dilutive EPS (i+ii) (Face Value ₹ 10/Share)	288,547,584	288,552,537
<b>Diluted EPS (₹) – Continuing Operations {(i)/B(iii)}</b>	<b>248.98</b>	<b>184.38</b>
<b>Diluted EPS (₹) – Discontinued Operations {(ii)/B(iii)}</b>	<b>5.54</b>	<b>4.95</b>
<b>Diluted EPS (₹) – Continuing and Discontinued Operations {(iii)/B(iii)}</b>	<b>254.53</b>	<b>189.33</b>

## Note 45: Summarised Financial information of individually immaterial Associates and Joint Ventures:

The Company's interests in below mentioned associates and joint venture are accounted for using the equity method in the consolidated financial statements. The summarized financial information below represents amounts shown in the associate's financial statements prepared in accordance with Ind AS adjusted by the Company for equity accounting purposes:

### Madanpur (North) Coal Company Private Limited:

₹ in Crores

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit or Loss from continuing Operations	0.01	0.01
Post-tax Profit or Loss from discontinued Operations	-	-
Other Comprehensive Income	-	-
<b>Total Comprehensive Income</b>	<b>0.01</b>	<b>0.01</b>

### Aditya Birla Renewable SPV 1 Limited:

₹ in Crores

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit or Loss from continuing Operations	0.94	2.47
Post-tax Profit or Loss from discontinued Operations	-	-
Other Comprehensive Income	0.37	(0.18)
<b>Total Comprehensive Income</b>	<b>1.31</b>	<b>2.29</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

### Aditya Birla Renewable Energy Limited:

₹ in Crores

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit or Loss from continuing Operations	0.31	0.06
Post-tax Profit or Loss from discontinued Operations	-	-
Other Comprehensive Income	0.06	(0.19)
<b>Total Comprehensive Income</b>	<b>0.37</b>	<b>(0.13)</b>

### Bhaskarpara Coal Company Limited:

₹ in Crores

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit or Loss from continuing Operations	0.01	0.01
Post-tax Profit or Loss from discontinued Operations	-	-
Other Comprehensive Income	-	-
<b>Total Comprehensive Income</b>	<b>0.01</b>	<b>0.01</b>

## Note 46: Auditor's remuneration including remuneration for Subsidiaries Auditors (excluding service tax/GST) and expenses:

₹ in Crores

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>(a) Statutory Auditors:</b>		
Audit fees (including Quarterly Limited Reviews)	5.66	5.61
Tax audit fees	0.30	0.28
Fees for other services	0.29	2.04
Fees for Taxation Matters	-	0.02
Expenses reimbursed	0.03	0.02
<b>(b) Cost Auditors:</b>		
Audit fees	0.34	0.30
Expenses reimbursed (FY 2022: ₹ 15,000; FY2021: ₹ 15,000)	0.00	0.00

## Note 47

The following expenses are included in the different heads of expenses in the Consolidated Statement of Profit and Loss:

₹ in Crores

Particulars	Year ended March 31, 2022			Year ended March 31, 2021		
	Raw Materials Consumed	Power and Fuel Consumed	Total	Raw Materials Consumed	Power and Fuel Consumed	Total
Stores and Spares Consumed	178.90	72.62	251.52	122.17	50.70	172.87
Royalty and Cess	1,008.56	-	1,008.56	1,123.10	-	1,123.10

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

## Note 48: Share Based Payments (Ind AS 102):

The Company has granted 1,24,616 options (including Restricted Stock units) to its eligible employees in various ESOS Schemes, details are as under:

### (A) Employee Stock Option Scheme (ESOS 2013) including Stock options and Restricted Stock Units (RSU):

Particulars	Tranche I		Tranche II		Tranche III	
	RSU	Stock Options	RSU	Stock Options	RSU	Stock Options
Nos. of Options	84,056	237,953	12,313	34,859	2,218	6,280
Vesting Plan	100% on 19.10.2016	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 18.10.2017	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 28.01.2018	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets
Exercise Period	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting
Grant Date	19.10.2013	19.10.2013	18.10.2014	18.10.2014	28.01.2015	28.01.2015
Exercise Price (₹ per share)	10	1,965	10	2,318	10	3,122
Fair Value on the date of Grant of Option (₹ per share)	1,862	750	2,241	870	3,048	1,207
Method of Settlement	Equity	Equity	Equity	Equity	Equity	Equity

Particulars	Tranche IV		Tranche V		Tranche VI	
	RSU	Stock Options	RSU	Stock Options	RSU	Stock Options
Nos. of Options	9,059	25,645	5,313	15,042	10,374	29,369
Vesting Plan	100% on 19.10.2018	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 13.04.2019	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 27.01.2020	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets
Exercise Period	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting
Grant Date	19.10.2015	19.10.2015	13.04.2016	13.04.2016	27.01.2017	27.01.2017
Exercise Price (₹ per share)	10	2,955	10	3,167	10	3,681
Fair Value on the date of Grant of Option (₹ per share)	2,897	1,728	3,108	1,810	3,608	2,080
Method of Settlement	Equity	Equity	Equity	Equity	Equity	Equity

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

### (B) Employee Stock Option Scheme (ESOS 2018) including Stock options, Restricted Stock Units (RSU) and Stock Appreciation Rights Scheme – 2018 (SAR 2018) including Stock options and RSU

Particulars	Tranche I (ESOS, 2018)		Tranche II (ESOS, 2018)		Tranche III (ESOS, 2018)	
	RSU	Stock Options	RSU	Stock Options	RSU	Stock Options
Nos. of Options	43,718	1,58,304	917	3,320	3,482	12,620
Vesting Plan	100% on 18.12.2021	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 23.12.2022	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 04.03.2023	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets
Exercise Period	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting
Grant Date	18.12.2018	18.12.2018	23.12.2019	23.12.2019	04.03.2020	04.03.2020
Exercise Price (₹ per share)	10	4,009.30	10	4,120.45	10	4,299.90
Fair Value on the date of Grant of Option (₹ per share)	3,942	1,476	4,080	1,865	4,258	1,939
Method of Settlement	Equity	Equity	Equity	Equity	Equity	Equity

Particulars	Tranche IV (ESOS, 2018)		Tranche V (ESOS, 2018)	
	RSU	Stock Options	RSU	Stock Options
Nos. of Options	594	2,152	564	2,040
Vesting Plan	100% on 21.10.2023	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 27.03.2024	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets
Exercise Period	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting
Grant Date	21.10.2020	21.10.2020	27.03.2021	27.03.2021
Exercise Price (₹ per share)	10	4,544.35	10	6,735.25
Fair Value on the date of Grant of Option (₹ per share)	4,500	1,943	6,673	2,903
Method of Settlement	Equity	Equity	Equity	Equity

Particulars	Tranche VI (ESOS, 2018)			Tranche VII (ESOS, 2018)		
	RSU-FY22 Plan	RSU-FY21 Plan	Stock Options	RSU-FY22 Plan	RSU-FY21 Plan	Stock Options
Nos. of Options	7299	11570	63,684	3838	4700	33,525
Vesting Plan	100% on 22.07.2024	Graded Vesting - 50% every year after completion of 1 year form date of grant	Graded Vesting - 33% every year after 1 year from date of grant, subject to achieving performance targets	100% on 26.10.2024	Graded Vesting - 50% every year after completion of 1 year form date of grant	Graded Vesting - 33% every year after 1 year from date of grant, subject to achieving performance targets
Exercise Period	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting
Grant Date	22.07.2021	22.07.2021	22.07.2021	27.10.2021	27.10.2021	27.10.2021
Exercise Price (₹ per share)	10	10	7,424.70	10	10	7,269.10
Fair Value on the date of Grant of Option (₹ per share)	7,373	7,379	2,357	7,194	7,211	2,309
Method of Settlement	Equity	Equity	Equity	Equity	Equity	Equity

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

Particulars	Tranche I (SAR, 2018)		Tranche II (SAR, 2018)		
	RSU	Stock Options	RSU-FY22 Plan	RSU-FY21 Plan	Stock Options
Nos. of Options	1,084	3,924	159	320	1,398
Vesting Plan	100% on 18.12.2021	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 22.07.2024	Graded Vesting - 50% every year after completion of 1 year from date of grant	Graded Vesting - 33% every year after 1 year from date of grant, subject to achieving performance targets
Exercise Period	3 Years from the date of Vesting	3 Years from the date of Vesting	3 Years from the date of Vesting	3 Years from the date of Vesting	3 Years from the date of Vesting
Grant Date	18.12.2018	18.12.2018	22.07.2021	22.07.2021	22.07.2021
Exercise Price (₹ per share)	10	4,009.30	10	10	7,424.70
Fair Value on the date of Grant of Option (₹ per share)	3,946	1,539	6,837	7,160	1,387
Method of Settlement	Cash	Cash	Cash	Cash	Cash

## (C) Movement of Options Granted including RSU along with weighted average exercise price (WAEP):

Particulars	As at March 31, 2022		As at March 31, 2021	
	Nos.	WAEP (₹)	Nos.	WAEP (₹)
Outstanding at the beginning of the year	2,49,454	2978.09	2,97,479	2963.45
Granted during the year	1,24,616	5752.11	5,350	4398.30
Exercised during the year	(53,437)	2436.02	(45,184)	3049.39
Forfeited during the year	(8,412)	3349.62	(8,191)	2980.46
Outstanding at the end of the year	3,12,221	4168.05	2,49,454	2978.09
Options exercisable at the end of the year	1,15,617	2899.18	1,23,620	3237.00

The weighted average share price at the date of exercise for options was ₹ 7,024.74 per share (March 31, 2021 ₹ 5,759.93 per share) and weighted average remaining contractual life for the share options outstanding as at March 31, 2022 was 4.62 years (March 31, 2021: 5.10 years).

The weighted average remaining contractual life for SAR is 2.87 years (March 31, 2021: 3.22 years).

The exercise price for outstanding options and SAR is ₹ 10 per share for RSU's and ranges from ₹ 1,965 per share to ₹ 7,424.70 per share for options.

## (D) Fair Valuation:

1,24,616 share options were granted during the year. Weighted Average Fair value of the options granted during the year is ₹ 3,435.96 per share (March 31, 2021 ₹ 3,091.60 per share).

The fair value of option has been done by an independent firm of Chartered Accountants on the date of grant using the Black-Scholes Model / Binomial Model.

The Key assumptions in the Black-Scholes Model for calculating fair value as on the date of grant:

### (a) For ESOS 2013:

- Risk Free Rate - 8.5% (Tranche I), 7.8% (Tranche II-III), 8.56% (Tranche IV) 7.6% (Tranche V), 6.74% (Tranche VI)
- Option Life - (a) For Options - Vesting period (1 Year) + Average of exercise period  
(b) For RSU - Vesting period (3 Years) + Average of exercise period

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

- Expected Volatility\* - Tranche-I: 0.29, Tranche-II: 0.27, Tranche-III: 0.28, Tranche-IV: 0.60, Tranche-V: 0.60, Tranche-VI: 0.61
- Expected Growth in Dividend - Tranche -I: 20%, Tranche II-III: 15%, Tranche-IV: 5%, Tranche-V: 5%, Tranche-VI: 5%

### (b) For ESOS 2018:

- Risk Free Rate - 7.47% (Tranche I) ; 5.69% (Tranche VI); 5.62% (Tranche VII)
- Option Life - (a) For Options - Vesting period (1 Year) + Average of exercise period  
(b) For RSU under FY21 plan- Vesting Period (2 years) + Average of exercise period  
For other RSU - Vesting period (3 Years) + Average of exercise period
- Expected Volatility\* - Tranche-I: 0.24; Tranche-VI: 0.25; Tranche-VII: 0.26
- Dividend Yield - Tranche -I: 0.46%, Tranche VI: 0.19%, Tranche VII: 0.20%

### (c) For ESOS- SAR 2018:

- Risk Free Rate - 5.31% (Tranche II);
- Option Life - (a) For Options - Vesting period (1 Year) + Average of exercise period  
(b) For RSU under FY21 plan- Vesting Period (2 years) + Average of exercise period  
For other RSU - Vesting period (3 Years) + Average of exercise period
- Expected Volatility\* - Tranche-II: 0.25,
- Dividend Yield - Tranche- II: 0.19%

\*Expected volatility on the Company's stock price on National Stock Exchange based on the data commensurate with the expected life of the options/RSU's up to the date of grant.

The Key assumptions in the Binomial Tree Model for calculating fair value as on the date of grant:

### (a) For ESOS - SAR - 2018:

- Risk Free Rate - 7.47% (Tranche I);
- Option Life - (a) For Options - Vesting period (1 Year) + Average of exercise period  
(b) For RSU - Vesting period (3 Years) + Average of exercise period
- Expected Volatility\* - Tranche-I: 0.25,
- Dividend Yield - Tranche -I: 0.46%;

### (b) For ESOS 2018:

- Risk Free Rate - 6.78% (Tranche II), 6.72% (Tranche III), 5.84% (Tranche IV & V)
- Option Life - (a) For Options - Vesting period (1 Year) + Average of exercise period  
(b) For RSU - Vesting period (3 Years) + Average of exercise period
- Expected Volatility\* - Tranche-II: 0.26, Tranche- III: 0.26, Tranche-IV & V: 0.26
- Dividend Yield - Tranche -II & III: 0.27%; Tranche IV & V: 0.27%

\*Expected volatility on the Company's stock price on National Stock Exchange based on the data commensurate with the expected life of the options/RSU's up to the date of grant.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

## (F) Details of Liabilities arising from Company's cash settled share based payment transactions:

	₹ in Crores	
	As at March 31, 2022	As at March 31, 2021
Other non-current liabilities	0.47	0.60
Other current liabilities	0.54	0.20
<b>Total carrying amount of liabilities</b>	<b>1.01</b>	<b>0.80</b>

## Note 49(A): Classification of Financial Assets and Liabilities (Ind AS 107):

Particulars	As at March 31, 2022		As at March 31, 2021	
	Carrying Value	Fair Value	Carrying Value	Fair Value
<b>Financial Assets at amortised cost</b>				
Trade Receivables	3,071.61	3,071.61	2,571.73	2,571.73
Loans	16.45	16.45	9.76	9.76
Investments	335.00	335.00	300.00	300.00
Cash and Bank Balances	359.18	359.18	2,007.55	2,007.55
Other Financial Assets	2,575.78	2,575.78	2,256.75	2,256.75
<b>Financial Assets at fair value through profit or loss</b>				
Investments	5,970.60	5,970.60	11,849.31	11,849.31
<b>Fair Value Hedging Instruments</b>				
Derivative Assets	406.15	406.15	469.47	469.47
<b>Total</b>	<b>12,734.77</b>	<b>12,734.77</b>	<b>19,464.57</b>	<b>19,464.57</b>
<b>Financial liabilities at amortised cost</b>				
Non-Convertible Debentures	2,250.00	2,282.52	3,810.00	3,859.27
Term Loan from Banks	-	-	7,544.56	7,544.56
Cash Credits / Working Capital Borrowing	392.40	392.40	245.65	245.65
Commercial Papers and Others	2,878.92	2,878.92	2,989.38	2,989.38
Sales Tax Deferment Loan	346.55	346.55	391.36	391.36
Trade Payables	5,862.83	5,862.83	4,548.23	4,548.23
Preference Shares	1,000.10	1,000.10	1,000.10	1,000.10
Other Financial Liabilities	3,901.52	3,901.52	3,174.27	3,174.27
Foreign Currency Borrowings	303.17	303.17	1,582.32	1,582.32
Foreign Currency Bonds	3,031.70	2,687.60	2,924.40	2,758.59
Lease Liability	420.59	420.59	405.83	405.83
<b>Financial Liability at fair value through Profit or Loss</b>				
Lease Liability payable in Foreign Currency	675.37	675.37	825.79	825.79
<b>Fair Value Hedging Instrument</b>				
Derivative Liability	10.51	10.51	6.34	6.34
<b>Total</b>	<b>21,073.66</b>	<b>20,762.08</b>	<b>29,448.23</b>	<b>29,331.69</b>

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

## Note 49 (B): Fair Value Measurements (Ind AS 113):

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in an orderly transaction in the principal (or most advantageous) market at measurement date under the current market condition regardless of whether that price is directly observable or estimated using other valuation techniques.

The Group has established the following fair value hierarchy that categorizes the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

- Level 1: This hierarchy uses quoted (unadjusted) prices in active markets for identical assets or liabilities. The fair value of all bonds which are traded in the stock exchanges is valued using the closing price or dealer quotations as at the reporting date.
- Level 2: The fair value of financial instruments that are not traded in an active market (For example traded bonds, over the counter derivatives) is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on company specific estimates. The mutual fund units are valued using the closing Net Asset Value. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.
- Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Particulars	Fair Value	
	As at March 31, 2022	As at March 31, 2021
<b>Financial Assets at fair value through profit or loss</b>		
Investments – Level 2	5,899.52	11,804.32
Investments – Level 3	71.08	44.99
<b>Fair value Hedge Instruments</b>		
Derivative Assets – Level 2	406.15	469.47
<b>Total</b>	<b>6,376.75</b>	<b>12,318.78</b>
<b>Fair value Hedge Instruments</b>		
Derivative Liability – Level 2	10.51	6.34
<b>Total</b>	<b>10.51</b>	<b>6.34</b>

The management assessed that the carrying amounts of cash and bank balances, trade receivables, loans, trade payables, cash credits, commercial papers and other financial assets and liabilities approximate their fair values largely due to the short-term maturities of these instruments.

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

- The fair values of the quoted investments/units of mutual fund schemes are based on market price/net asset value at the reporting date.
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves and an appropriate discount factor.
- The fair value of forward foreign exchange contracts is calculated as the present value determined using forward exchange rates and interest rate curve of the respective currencies.
- The fair value of currency swap is calculated as the present value determined using forward exchange rates, currency basis spreads between the respective currencies, interest rate curves and an appropriate discount factor.
- The fair value of foreign currency option contracts is determined using the Black Scholes valuation model.
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis. The discount rates used is based on management estimates.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

The significant unobservable inputs used in the fair value measurement of the fair value hierarchy together with a quantitative sensitivity analysis as at March 31, 2022 and March 31, 2021 are as shown below:

## Description of significant unobservable inputs to valuation:

Particulars	Valuation Technique	Significant unobservable inputs	Discounting Rate	Sensitivity of the input to fair value.
Investments in Unquoted instruments accounted for as fair value through Profit and Loss	DCF method	Average Cost of Borrowings to arrive at discount rate.	<b>March 31, 2022:</b> 8.5% <b>March 31, 2021:</b> 8.50%	0.5% (March 31 2021: 0.5%) increase / (decrease) would result in increase / (decrease) in fair value by ₹ (0.66) Crores (March 31 2021: ₹ (0.69) Crores)

## Reconciliation of Level 3 Fair Value Measurements:

	₹ in Crores
<b>Balance as at March 31, 2020</b>	<b>23.76</b>
Add: Change in Value of Investment in Preference Shares measured at FVTPL	0.09
Add: Purchase of Investment during the year	21.14
Less: Sale of Investment during the year	-
<b>Balance as at March 31, 2021</b>	<b>44.99</b>
Add: Change in Value of Investment in Preference Shares measured at FVTPL	0.11
Add: Purchase of Investment during the period	26.02
Less: Sale of Investment during the period	(0.04)
<b>Balance as at March 31, 2022</b>	<b>71.08</b>

## Note 50: Financial Risk Management Objectives (Ind AS 107):

The Group's principal financial liabilities, other than derivatives, comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets, other than derivatives include trade and other receivables, investments and cash and cash equivalents that derive directly from its operations.

The Group's activities expose it to market risk, liquidity risk and credit risk. The Group's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the group. The group uses derivative financial instruments, such as foreign exchange forward contracts, foreign currency option contracts, principal only swaps, cross currency swaps that are entered to hedge foreign currency risk exposure, interest rate swaps, coupon only swaps to hedge variable interest rate exposure and commodity fixed price swaps to hedge commodity price risks. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

## The several sources of risks which the Group is exposed to and their management are given below:

Risk	Exposure Arising From	Measurement	Management
<b>I) Market Risk</b>			
<b>A) Foreign Currency Risk</b>	Committed commercial transaction Financial asset and Liabilities not denominated in INR	Cash Flow Forecasting Sensitivity Analysis	(a) Forward foreign exchange contracts (b) Foreign currency options (c) Principal only/Currency swaps
<b>B) Interest Rate Risk</b>	Long Term Borrowings at variable rates Investments in Debt Schemes of Mutual Funds and Other Debt Securities	Sensitivity Analysis, Interest rate movements	(a) Interest Rate swaps, Coupon only swaps (b) Portfolio Diversification
<b>C) Commodity Price Risk</b>	Movement in prices of commodities mainly Imported Thermal Coal and Pet Coke	Sensitivity Analysis, Commodity price tracking	(a) Commodity Fixed Prices (b) Swaps/Options

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

Risk	Exposure Arising From	Measurement	Management
<b>II) Credit Risk</b>	Trade receivables, Investments, Derivative Financial instruments, Loans and Bank balances	Ageing analysis, Credit Rating	(a) Diversification of mutual fund investments, (b) Credit limit & credit worthiness monitoring, (c) Criteria based approval process
<b>III) Liquidity Risks</b>	Borrowings and Other Liabilities and Liquid Investments	Rolling cash flow forecasts Broker Quotes	(a) Adequate unused credit lines and borrowing facilities (b) Portfolio Diversification

The Group has standard operating procedures and investment policy for deployment of surplus liquidity, which allows investment in debt securities, fixed deposits and mutual fund schemes of debt categories only and restricts the exposure in equity markets.

Compliances of these policies & principles are reviewed by the internal auditors on periodical basis.

The Corporate Treasury team updates the Audit Committee on a quarterly basis about the implementation of the above policies. It also updates the Risk Management Committee of the Group on periodical basis about the various risks to the business and status of various activities planned to mitigate the risks.

## I) Market Risk:

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings.

### A) Foreign Currency Risk:

Foreign currency risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the foreign currency borrowings, import of fuels, raw materials & spare parts, capital expenditure, exports of cement and the Company's net investments in foreign subsidiaries.

When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure.

The Company evaluates exchange rate exposure arising from foreign currency transactions. The Company follows established risk management policies and standard operating procedures. It uses derivative instruments like foreign currency swaps and forwards to hedge exposure to foreign currency risk.

	In Crores	
Outstanding foreign currency exposure (Gross) as at	March 31, 2022	March 31, 2021
<b>Trade and advances receivables</b>		
USD	1.29	2.31
<b>Trade Payables</b>		
USD	23.03	5.21
Euro	0.62	0.20
Others	0.46	0.06
<b>Borrowings</b>		
USD	40.00	54.64
<b>Investments</b>		
USD	25.14	25.14
LKR	0.65	0.65



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

## Foreign currency sensitivity on unhedged exposure:

100 bps increase in foreign exchange rates will have the following impact on profit before tax.

Particulars	In Crores	
	As at March 31, 2022	As at March 31, 2021
USD	0.17	7.98
LKR	0.02	-

Note: If the rate is decreased by 100 bps profit will decrease by an equal amount.

## (B) Interest rate risk:

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's short term borrowing (excluding commercial paper) with floating interest rates. For all long-term borrowings with floating rates, the risk of variation in the interest rates is mitigated through interest rate swaps. The Group constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

## Interest rate exposure:

Particulars	₹ in Crores			
	Total Borrowings	Floating Rate Borrowings	Fixed Rate Borrowings	Non-Interest Bearing Borrowings
INR	6,867.55	391.98	6,129.02	346.55
USD	3,335.29	303.59	3,031.70	-
<b>Total as at March 31, 2022</b>	<b>10,202.84</b>	<b>695.57</b>	<b>9,160.72</b>	<b>346.55</b>
INR	15,980.21	7,789.37	7,799.48	391.36
USD	4,506.72	-	4,506.72	-
BHD	0.84	0.84	-	-
<b>Total as at March 31, 2021</b>	<b>20,487.77</b>	<b>7,790.21</b>	<b>12,306.20</b>	<b>391.36</b>

Note: Interest rate risk hedged for foreign currency borrowings has been shown under Fixed Rate borrowings.

## Interest rate sensitivities for unhedged exposure (impact on profit before tax due to increase in 100 bps):

Particulars	₹ in Crores	
	As at March 31, 2022	As at March 31, 2021
INR	(3.92)	(77.89)
USD	(3.04)	-
BHD	-	(0.01)

Note: If the rate is decreased by 100 bps profit will increase by an equal amount.

Interest rate sensitivity has been calculated assuming the borrowings outstanding at reporting date have been outstanding for the entire reporting period.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

## Foreign Currency and Interest Rate Risk Management:

### Forward Exchange and Interest Rates Swaps Contracts:

#### (A) Derivatives for hedging currency and interest rates, outstanding are as under:

Particulars	Hedged Item	Currency	In Crores		
			As at March 31, 2022	As at March 31, 2021	Cross Currency
a. Forward Contracts	Imports	USD	35.10	32.49	Rupees
	Loan receivable	USD	0.48	11.00	Rupees
	Imports	Euro	2.03	3.87	USD
	Exports	USD	-	0.20	Rupees
	Investment	USD	18.00	-	Rupees
	Investment	AED	66.13	-	USD
b. Other Derivatives:					
i. Currency Options	FCB**	USD	20.00	20.00	Rupees
ii. Currency & Interest Rate Swap (CIRS)	ECB*	USD	-	7.32	Rupees
iii. Principal only Swap	ECB*/FCB**	USD	20.00	27.32	Rupees
iv. Interest Rate Swap	ECB*	USD	-	7.32	USD
	ECB*	USD	7.00	7.00	AED

\*\* Foreign Currency Bonds

\* External Commercial Borrowings

#### (B) Cash Flow Hedges

The Company has raised foreign currency external commercial borrowings and to mitigate the risk of foreign currency and floating interest rates the Company has taken forward contracts, currency swaps, interest rates swaps and principal only swaps. The Company is following hedge accounting for all the foreign currency borrowings raised on or after April 01, 2015 based on qualitative approach.

The Company assesses hedge effectiveness based on following criteria:

- an economic relationship between the hedged item and the hedging instrument;
- the effect of credit risk; and
- assessment of the hedge ratio

The Company designates the derivatives to hedge its currency risk and generally applies a hedge ratio of 1:1. The Company's policy is to match the critical terms of the forward exchange contracts to match with the hedged item.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

## Foreign currency cash flows:

Particulars	As at	Average Exchange Rate (USD/INR)	Nominal Foreign Currency USD Crores	Fair Value Assets (Liabilities) ₹ in Crores
Buy Currency: (USD)	March 31, 2022			
- for External Commercial Borrowings		-	-	-
- for Foreign Currency Bonds		72.50	20.00	(0.92)
Buy Currency: (USD)	March 31, 2021			
- for External Commercial Borrowings		65.19	7.32	61.50
- for Foreign Currency Bonds		72.50	20.00	27.83

## Interest rates outstanding on Receive Floating and Pay Fix contracts:

Particulars	As at	Average contracted fixed interest rates*	Nominal Amount USD Crores	Fair Value Assets (Liabilities) ₹ in Crores
0 to 2 years	March 31, 2022	1.04%	7.00	(0.34)
2 to 5 years	March 31, 2022	-	-	-
0 to 2 years	March 31, 2021	5.36%	14.32	(21.51)
2 to 5 years	March 31, 2021	-	-	-

## Cross Currency and Interest rate Swaps:

Particulars	As at	Average contracted fixed interest rates*	Average Exchange Rate (USD/INR)	Nominal Amount USD Crores	Fair Value Assets (Liabilities) ₹ in Crores
2 to 5 years	March 31, 2022	-	-	-	-
2 to 5 years	March 31, 2021	7.84%	67.53	7.32	36.86

## Currency Options

Particulars	As at	Average Exchange Rate (USD/INR)	Nominal Amount USD Crores	Fair Value Assets (Liabilities) ₹ in Crores
2 to 10 years	March 31, 2022	72.52	20.00	396.68
2 to 10 years	March 31, 2021	72.52	20.00	345.78

\*Includes weighted average rate for Cross Currency Interest Rate Swaps, Principal Only Swap and Coupon Swaps.

The above Hedging Instruments are included in the Balance Sheet under the head "Other Financial Assets"/ "Other Financial Liabilities". Refer Statement of changes in equity for movement on OCI.

## Recognition of gains / (losses) under forward exchange, currency options and interest rates swaps contracts designated under cash flows hedges:

Particulars	As at March 31, 2022		As at March 31, 2021	
	Effective Hedge (OCI)	Ineffective Hedge (Profit and Loss)	Effective Hedge (OCI)	Ineffective Hedge (Profit and Loss)
Gain/(Loss)	(5.40)	-	11.00	2.50

₹ in Crores

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

## C) Hedge of net investments in foreign operations:

Derivative asset as at March 31, 2022 includes forward contracts of AED 661.31 millions which has been designated as a hedge of the net investment in the Company's subsidiary UltraTech Cement Middle East Investments Limited (UCMEIL). This derivative is being used to hedge the Group's exposure to AED foreign exchange risk on these investments. Gains or losses on the retranslation of these derivatives are transferred to OCI to offset any gains or losses on translation of the net investments in the subsidiaries. There is no ineffectiveness during the year ended March 31, 2022. The Group has not entered into any hedge of net investments in foreign operation during the year ended March 31, 2021.

There is an economic relationship between the hedged item and the hedging instrument as the net investment creates a translation risk that will match the foreign exchange risk on the forward contracts.

Particulars	As at March 31, 2022
Currency exchange risk hedged	AED to INR
Nominal amount of hedging instruments	AED 661.31 Million
Maturity date	March 2023
Carrying value of hedging instruments (Derivative Assets)	₹ 9.19 Cr
Change in the fair value of the hedging instrument during the year	₹ 9.19 Cr
Fair value gain on effective hedge	₹ 9.19 Cr

The hedging gain recognised in OCI before tax is equal to the change in fair value used for measuring effectiveness. There is no ineffectiveness recognised in the Statement of Profit or Loss.

## D) Commodity price risk management:

Commodity price risk for the Company is mainly related to fluctuations in coal and pet coke prices linked to various external factors, which can affect the production cost of the Company. Since the Energy costs is one of the primary costs drivers, any fluctuation in fuel prices can lead to drop in operating margin. To manage this risk, the Company enters into forward covers for imported coal, enter into long-term supply agreement for pet coke, identifying new sources of supply etc. While forward covers are prevailing in the markets for coal but in case of pet coke no such derivative is available; it has to be procured at spot prices. Additionally, processes and policies related to such risks are reviewed and controlled by senior management and fuel requirement are monitored by the central procurement team.

## II) Credit Risk Management:

Credit risk arises when a customer or counterparty does not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing / investing activities, including deposits with banks/financial institutions, mutual fund investments, and investments in debt securities, foreign exchange transactions and financial guarantees. The Group has no significant concentration of credit risk with any counterparty.

### Trade receivables

Trade receivables are consisting of a large number of customers. The Group has credit evaluation policy for each customer and based on the evaluation credit limit of each customer is defined. Wherever the Group assesses the credit risk as high the exposure is backed by either bank guarantee / letter of credit or security deposits.

Total Trade receivables as on March 31, 2022 is ₹ 3,071.61 Crores (March 31, 2021: ₹ 2,571.73 Crores)

The Group does not have higher concentration of credit risks to a single customer. Single largest customer has total exposure in sales of 2.4% (March 31, 2021: 2.0%) and in receivables of 10.2% (March 31, 2021: 9.5%).

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

As per policy receivables are classified into different buckets based on the overdue period ranging from 6 months – one year to more than two years. There are different provisioning norms for each bucket which are ranging from 25% to 100%.

## Movement of provision for doubtful debts:

₹ in Crores		
Particulars	March 31, 2022	March 31, 2021
<b>Opening provision</b>	148.47	135.85
Add: Provided during the year	3.38	22.78
Less: Utilised during the year	(8.64)	(8.20)
Add: Effect of Foreign Currency Conversion	2.07	(1.96)
<b>Closing Provision</b>	<b>145.28</b>	<b>148.47</b>

## Investments, Derivative Instruments, Cash and Cash Equivalent and Bank Deposit

Credit Risk on cash and cash equivalent, deposits with the banks / financial institutions is generally low as the said deposits have been made with the banks / financial institutions who have been assigned high credit rating by international and domestic rating agencies.

Credit Risk on Derivative Instruments is generally low as Group enters into the Derivative Contracts with the reputed Banks and Financial Institutions.

Investments of surplus funds are made only with approved Financial Institutions / Counterparty. Investments primarily include investment in units of mutual funds, quoted Bonds, Non-Convertible Debentures issued by Government / Semi Government Agencies / PSU Bonds / High Investment grade corporates etc. These Mutual Funds and Counterparties have low credit risk.

Total Non-current and current investments as on March 31, 2022 is ₹ 6,234.52 Crores (March 31, 2021 ₹ 12,104.32 Crores)

## Financial Guarantees:

The company has given corporate guarantees of ₹ 1.70 crores. (Refer Note 37(c)).

## III) Liquidity risk management:

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

The table below provides details regarding the remaining contractual maturities of financial liabilities and investments held for managing the risk at the reporting date based on contractual undiscounted payments.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

₹ in Crores				
As at March 31, 2022	Less than 1 Year	1 to 5 Years	More than 5 Years	Total
Borrowings (including current maturities of long-term debts)	4,899.84	2,123.55	3,179.45	<b>10,202.84</b>
Trade Payables	5,862.83	-	-	<b>5,862.83</b>
Interest accrued but not due on borrowings	76.32	-	-	<b>76.32</b>
Lease Liability	168.74	632.47	848.33	<b>1,649.54</b>
Other Financial Liabilities (excluding Derivative Liability)	3,492.85	-	-	<b>3,492.85</b>
Deferred Premium Payable	47.95	190.94	191.20	<b>430.09</b>
Derivative Liability	10.51	-	-	<b>10.51</b>
Investments	4,963.34	886.30	384.88	<b>6,234.52</b>

₹ in Crores				
As at March 31, 2021	Less than 1 Year	1 to 5 Years	More than 5 Years	Total
Borrowings (including current maturities of long-term debts)	6,939.32	4,492.85	9,055.60	20,487.77
Trade Payables	4,548.23	-	-	4,548.23
Interest accrued but not due on borrowings	180.79	-	-	180.79
Lease Liability	169.97	708.86	930.51	1,809.33
Other Financial Liabilities (excluding Derivative Liability)	2,634.08	-	-	2,634.08
Deferred Premium Payable	47.82	191.14	238.95	477.91
Derivative Liability	6.34	-	-	6.34
Investments	10,893.87	896.18	314.27	12,104.32

## Note 51: Distribution made and proposed (Ind AS 1)

₹ in Crores		
Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Proposed dividends on Equity shares:</b>		
Final dividend for the year ended on March 31, 2022: ₹ 38.00 per share (March 31, 2021: ₹ 37.00 per share)	1,096.95	1,068.02
<b>Proposed dividends on Preference shares:</b>		
Final dividend for the year ended	0.01	0.01
<b>Total Dividend proposed</b>	<b>1,096.96</b>	<b>1,068.02</b>

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at March 31.

## Note 52: Capital Management (Ind AS 1)

The capital management of the Company is to (a) maximise shareholder value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital.

For the purposes of the Group's capital management, capital includes issued equity share capital, share premium and all other equity.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

The Group monitors capital using debt-equity ratio, which is total debt less liquid investments and bank deposits divided by total equity.

Particulars	₹ in Crores	
	As at March 31, 2022	As at March 31, 2021
Total Debt (Bank and other Borrowings)	10,202.84	20,487.77
Equity	50,435.27	44,174.68
Liquid Investments and bank deposits	6,460.54	13,922.38
<b>Debt to Equity (Net)</b>	<b>0.07</b>	<b>0.15</b>

In addition, the Group has financial covenants relating to the borrowing facilities that it has taken from the lenders to manage interest coverage service ratio, Debt to EBITDA, etc. which is maintained by the Group.

## Note 53: Research and Development:

Revenue expenditure on Research and Development included in different heads of expenses in the Statement of Profit and Loss is ₹ 11.68 Crores. (March 31, 2021 ₹ 15.25 Crores).

## Note 54: Government Grant (Ind AS 20):

- Other Operating Revenues include Incentives against capital investments, under State Investment Promotion Scheme of ₹ 456.43 Crores (March 31, 2021 ₹ 233.03 Crores).
- Sales Tax deferment loan granted under State Investment Promotion Scheme has been considered as a government grant and the difference between the fair value and nominal value as on date is recognised as an income. Accordingly, an amount of ₹ 74.44 Crores (March 31, 2021: ₹ 48.83 Crores) has been recognised as an income. Every year change in fair value is accounted for as an interest expense.
- Repairs and maintenance are net of subsidy received, under State Investment Promotion Scheme of ₹ 0.97 Crores (March 31, 2021 ₹ 0.37 Crores).
- Cost of Materials consumed includes grants towards royalty expense amounting to ₹ 13.26 Crores (March 31, 2021 ₹ 12.26 Crores).

## Note 55: Non Current Assets / Disposal group held for sale (Ind AS 105):

- Consequent to the acquisition of UltraTech Nathdwara Cement Limited ("UNCL") during the year ended March 31, 2019, the Group had identified disposal groups (foreign subsidiaries of UNCL) that meet the criteria to be classified as held for sale on acquisition, as these were not considered core to the Group's ongoing business activities and an active plan to locate a buyer was still in progress and the Group remained committed to sell these assets and continued to classify these assets as held for sale as per Ind AS 105. The disposal groups had also been considered as discontinued operations. During the year ended March 31, 2021:
  - UNCL through its subsidiary, Krishna Holdings Pte. Ltd., a company incorporated in Singapore, has completed the divestment of its entire equity shareholding of 92.5% in its cement subsidiary which was classified as asset held for sale at a net consideration of USD 94.70 million and has recorded net gain on divestment of ₹ 437.68 crores.
  - UNCL's wholly owned subsidiary, SSCILLC was previously classified as 'held for sale'. During the period, it has been decided to make it a part of the continuing operations considering the synergies available with the existing capacity. Consequently, the Company has changed its plan to sell SSCILLC and instead continued its business operations. UNCL has sold SSCILLC to UltraTech Cement Middle East Investments Limited ("UCMEIL"), which is a wholly owned subsidiary of the Company, on November 23, 2020. Accordingly, SSCILLC

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

has ceased to be classified as 'held for sale' and the financial results of SSCILLC previously presented as discontinued operations have been reclassified as per Ind AS 105 'Non-current Assets Held for Sale and Discontinued Operations' and included in income from continuing operations for all periods presented and required adjustments have been made to the carrying amount of assets and liabilities of SSCILLC.

- In terms of the National Company Law Appellate Tribunal's (NCLAT) order dated 14<sup>th</sup> November 2018, approving the Resolution Plan submitted by the Company under the Insolvency and Bankruptcy Code, 2016 for acquisition of Binani Cement Limited, subsequently renamed UltraTech Nathdwara Cement Limited, ("UNCL"), a loan of USD 230.4 mn in 3B Binani Glassfibre SARL, ("3B") a company registered in Luxembourg was assigned to UNCL from IDBI Bank Limited which has been classified as "Assets/ Disposal Group Held for Sale". Assignment of the loan was along with securities which included pledge over certain assets and shares of 3B in various forms in favour of UNCL. Since 3B has been in continuous default in servicing the loan, UNCL has enforced its pledge of 3B shares, consequent to which 3B has become a wholly owned subsidiary of UNCL w.e.f. March 12, 2021. The above asset held for sale was recorded at its fair value of ₹ 741.56 crores as on March 31, 2021 based on an independent valuation report after considering an impairment of ₹ 271.18 crores for the year ended March 31, 2021.

Further, during the year ended March 31, 2022, UNCL entered into an agreement with Galata Chemicals Holding GmbH, Germany ("Galata") as per which Galata along with its affiliates has made necessary payments to UNCL for the purposes of refinancing the loans given to 3B and acquisition of entire shareholding of UNCL in 3B and UNCL has, inter alia, transferred its entire shareholding in 3B to Galata as on March 31, 2022. Consequent to the transaction, 3B has ceased to be a wholly-owned subsidiary of the company and recognised ₹ 159.92 crores as exceptional gain for the year ended March 31, 2022.

- The Company has identified certain assets like Land, Aggregate Mines, Coal Washery, Wagon Tippler, etc. which are available for sale in its present condition. The Company is committed to plan the sale of asset and an active programme to locate a buyer and complete the plan has been initiated. The Company expects to dispose off these assets in the due course.
- UCMEIL has identified one of the assets "Waste Heat Recovery System" (WHRS) which is not useful anymore as it is not productive and not giving the desired result. The realizable value after considering the impairment, scrap and dismantling cost is reclassified as assets for disposal. UCMEIL is committed to plan the sale of this asset, is in the process of discussion with vendors and contractor, and expects the same to be disposed off within the due course.

## Note 56: Revenue (Ind AS 115)

- The Company is primarily in the Business of manufacture and sale of cement and cement related products. The product shelf life being short, all sales are made at a point in time and revenue recognised upon satisfaction of the performance obligations which is typically upon dispatch/ delivery. The Company has a credit evaluation policy based on which the credit limits for the trade receivables are established, the Company does not give significant credit period resulting in no significant financing component. The Company, however, has a policy for replacement of the damaged goods.

### (B) Reconciliation of revenue recognised from Contract liability:

Particulars	₹ in Crores	
	As at March 31, 2022	As at March 31, 2021
Closing Contract liability-Advances from Customers	458.69	397.30

The Contract liability outstanding at the beginning of the year has been recognised as revenue during the year ended March 31, 2021.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

## (C) Reconciliation of revenue as per contract price and as recognised in statement of profit and loss:

Particulars	₹ in Crores	
	Year ended March 31, 2022	Year ended March 31, 2021
Revenue as per Contract price	58,578.95	49,593.01
Less: Discounts and incentives	(6,871.10)	(5,353.68)
Revenue as per statement of profit and loss	<b>51,707.85</b>	<b>44,239.33</b>

### Note 57

Exceptional item of ₹ 164.00 crores for the year ended March 31, 2021 represents a one-time expense upon receiving an order dated July 17, 2020, issued by the Hon'ble Supreme Court denying the Company's claim of capital investment subsidy, sanctioned in 2010 under Rajasthan Investment Promotion Scheme -2003 and an impairment provision of ₹ 96.74 crores has been made towards old advances for purchase of certain land wherein the Company has reassessed its ability to recover such advances for the year ended March 31, 2021.

### Note 58: Additional Information as required by Paragraph 2 of Part III - General Instruction for Preparation of CFS of Schedule III of the Companies Act, 2013.

Sr. No	Name of the entity in the group	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
		As % of consolidated net assets	Amount (₹ Crores)	As % of consolidated profit / loss	Amount (₹ Crores)	As % of consolidated OCI	Amount (₹ Crores)	As % of consolidated TCI	Amount (₹ Crores)
<b>1</b>	<b>Parent</b>	95.42%	48,124.12	95.65%	7,015.07	34.78%	16.63	95.25%	7,031.70
<b>2</b>	<b>Subsidiaries</b>								
	<b>Indian</b>								
(i)	Harish Cement Limited	0.31%	154.56	0.00%	-	0.00%	-	0.00%	-
(ii)	Bhagwati Limestone Company Private Limited	0.00%	2.48	0.00%	(0.05)	0.00%	-	0.00%	(0.05)
(iii)	Gotan Lime Stone Khanij Udyog Private Limited	0.04%	18.88	-0.01%	(0.64)	0.00%	-	-0.01%	(0.64)
(iv)	Ultratech Nathdwara Cement Limited	1.21%	611.53	3.91%	286.79	6.34%	3.03	3.93%	289.82
	<b>Foreign</b>								
(i)	UltraTech Cement Lanka (Private) Limited	0.31%	157.45	-0.68%	(49.67)	1.57%	0.75	-0.66%	(48.92)
(ii)	UltraTech Cement Middle East Investments Limited	2.65%	1,335.69	1.25%	91.71	56.92%	27.22	1.61%	118.93
(iii)	PT UltraTech Mining Indonesia	0.00%	0.05	-0.01%	(0.58)	0.00%	-	-0.01%	(0.58)
(iv)	PT UltraTech Investment Indonesia	0.00%	0.33	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
<b>3</b>	<b>Non-Controlling Interests in Subsidiaries</b>								
	<b>Foreign</b>								
(i)	UltraTech Cement Lanka (Private) Limited	-0.01%	(2.94)	-0.14%	(9.93)	0.40%	0.19	-0.13%	(9.74)
(ii)	PT UltraTech Mining Indonesia	0.00%	(0.05)	0.00%	(0.12)	0.00%	-	0.00%	(0.12)
(iii)	PT UltraTech Investment Indonesia	0.00%	(0.07)	0.00%	-	0.00%	-	0.00%	-

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

Sr. No	Name of the entity in the group	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
		As % of consolidated net assets	Amount (₹ Crores)	As % of consolidated profit / loss	Amount (₹ Crores)	As % of consolidated OCI	Amount (₹ Crores)	As % of consolidated TCI	Amount (₹ Crores)
<b>4</b>	<b>Joint Venture-Indian</b>								
	Bhaskarpara Coal Company Limited	0.01%	6.54	0.00%	0.01	0.00%	-	0.00%	0.01
<b>5</b>	<b>Associate-Indian</b>								
(i)	Madanpur (North) Coal Company Private Limited	0.00%	0.87	0.00%	0.01	0.00%	-	0.00%	0.01
(ii)	Aditya Birla Renewable SPV 1 Limited	0.04%	17.81	0.02%	1.31	0.00%	-	0.02%	1.31
(iii)	Aditya Birla Renewable Energy Limited	0.01%	4.95	0.01%	0.37	0.00%	-	0.01%	0.37
	<b>Total</b>	<b>100.00%</b>	<b>50,432.20</b>	<b>100.00%</b>	<b>7,334.26</b>	<b>100.00%</b>	<b>47.83</b>	<b>100.00%</b>	<b>7,382.09</b>

### Note 59: COVID-19 (Global Pandemic)

In the face of COVID – 19 pandemic the Company's operations across locations were stopped in line with the Government directives. This had an adverse impact on revenues during the quarter ended June 30, 2020, as expected.

Even before the formal announcement of the national lockdown, keeping in mind the well-being of its employees, the Company enabled 'work from home' for its employees and had taken all necessary steps to ensure a seamless transition to the new ways of working for employees, while at the same time ensuring business continuity. The Company was in continuous engagement with all its stakeholders through various digital platforms. Critical Response Teams were set up across the organization to plan scenarios and respond to the rapidly changing situation.

With the Government allowing select activities to operate, the Company gradually resumed operations at its establishments after obtaining necessary government approvals and ensuring compliance with the statutory guidelines in line with the standard operating procedure (SOP) announced by the Ministry of Home Affairs, Government of India.

With the easing of lockdown, operations gradually stabilised. The Company has the unique advantage of being able to cater to demand in different parts of the country.

The Company's recovery from the Covid-19 led disruption of the economy has been rapid. The Company managed the crisis with a sharp focus on operational efficiencies. It was able to recover the carrying amount of all its inventories, receivables and loans in the ordinary course of business. It was able to service all its debt obligations as per schedule, with its capital and financial resources remaining entirely protected and its liquidity position adequately covered.

### Note 60: Other Statutory Information

- As on March 31, 2022 there is no utilised amounts in respect of any issue of securities and long term borrowings from banks and financial institutions. The borrowed funds have been utilised for the specific purpose for which the funds were raised.
- The Company do not have any transactions with struck off companies.
- The Company do not have any charges or satisfaction, which is yet to be registered with Registrar of Companies (ROC) beyond the statutory period.
- The Company is in compliance with the number of layers prescribed under clause (87) of section 2 of the Companies Act read with the Companies (Restriction on number of Layers) Rules, 2017.
- The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2022 (Continued)

- (vi) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (vii) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
  - (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (viii) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the 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 Funding Party (Ultimate Beneficiaries) or
  - (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries
- (ix) The Company have not any such 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)

## Note 61:

The figures for the previous periods have been regrouped / rearranged wherever necessary to conform to the current periods classification in order to comply with the requirements of the amended Schedule III to the Companies Act, 2013 effective 1<sup>st</sup> April, 2021.

Signatures to Note '1' to '61'

In terms of our report attached.

For **B S R & Co. LLP**  
Chartered Accountants  
Firm Registration No: 101248W/W-100022

For **Khimji Kunverji & Co LLP**  
Chartered Accountants  
Firm Registration No: 105146W/W-100621

For and on behalf of the Board of Directors

**VIKAS R KASAT**  
Partner  
Membership No: 105317

**KETAN VIKAMSEY**  
Partner  
Membership No: 044000

**ATUL DAGA**  
Whole-time Director and CFO  
DIN: 06416619

**K. C. JHANWAR**  
Managing Director  
DIN: 01743559

Mumbai: April 29, 2022

**S. K. CHATTERJEE**  
Company Secretary



# ONE HOME. ONE CHANCE. BUILD IT WITH INDIA'S NO.1 CEMENT



Your home is your identity, your pride and you get only one chance to build it. Therefore choose only India's No.1 Cement – **UltraTech**. The trust of majority of Indians has made **UltraTech** India's No.1 Cement.

'UltraTech, India's No.1 Cement' - visit [ultratechcement.com](http://ultratechcement.com) for claim details.



**UltraTech Cement Limited**  
B Wing, Ahura Centre, 2<sup>nd</sup> Floor,  
Mahakali Caves Road, Andheri (East),  
Mumbai - 400 093

[www.ultratechcement.com](http://www.ultratechcement.com)