ISO 9001 : 2008 (Excl.Design)
ISO 14001 2004
OHSAS 18001 : 2007
SA 8000 : 2008
BUREAU VERITAS Certification

PRISM JOHNSON LIMITED

Ref : ASK/UD/Annual Report 2020 July 23, 2020

The National Stock Exchange (India) Ltd., Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051.	BSE Limited, Corporate Relationship Department, P. J. Towers, Dalal Street, Fort, Mumbai – 400 023.
Code : PRSMJOHNSN	Code : 500338

Dear Sir,

Sub.: Compliance under Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Annual Report for the Financial Year 2019-20

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit the Annual Report of the Company for the financial year 2019-20, along with the Notice of 28th Annual General Meeting.

The Annual Report for the Financial Year 2019-20 along with the Notice of 28th AGM is available on the Company's website www.prismjohnson.in.

The aforesaid documents are being dispatched today electronically to those Members whose email IDs are registered with the Company/KFin Technologies Private Limited (Registrar and Transfer Agent of the Company) or the Depositories.

Kindly take on record.

Thanking you,

Yours faithfully,

for **PRISM JOHNSON LIMITED**

A S Kulkarni

ANEETA S. KULKARNI
COMPANY SECRETARY

PRISM JOHNSON LIMITED

TIDES OF CHANGE, PLAY TO YOUR STRENGTHS

ANNUAL REPORT **2019-20**

PRISM CEMENT
दूर की सोच

JOHNSON
Not just tiles, Lifestyles.

PRISM RMC
Complete Concrete Solutions

OUR PRESENCE

Disclaimer :
The information provided in the above map are to be used for reference purpose only.

Annual Report
2019-20

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TIDES OF CHANGE

The economic scenario all over the world is in the cusp of a major transformation. Population growth patterns are changing, Information flow has become superefficient, the giant corporations of today are much more powerful than the most dominant companies of the previous era, the old order of capitalism is giving way to new one and the definition of resources and what are the most valuable assets is undergoing a shift. The incremental change per unit time period is getting bigger and bigger, in every subsequent timeframe. The adage 'change is the only constant' may have become a cliché, but it is even more valid in current times.

Prism Johnson has exhibited courage and determination during these challenging times and ensured that the business stays true to its promise of excellence and integrity. Our EBITDA for FY19-20 was at ₹539.2 Crores, which underlines how effective the Company was during tough economic conditions. All our business verticals are safeguarded for the future, which will ensure the sustainability of the business. This year we gained new customers and voyaged markets where we created a lasting impression. Prism Johnson continued its dedication for a safer environment by taking steps which ensure a green atmosphere in-site and around us.

The Cement Division remains one of the important pillars of our Company. A few economic factors halted the revival of the industry, however optimism is not lost as the sector will be back on its feet once things settle down. The government

is looking to launch initiatives which will give a much-needed push to the infrastructure sector in the near term. Our presence and demand in the market continues to be prominent through our dealer networks and cost-effective strategies.

The Ready-Mixed Concrete Division continues its run of hope and focus is being laid on motivating its development with better products. H&R Johnson is one of the most popular names in the tiles industry, and the division garnered much appreciation from the customers in FY20. With product expansion and more experience centers in the pipeline, this division is primed for growth.

The beginning of FY21 will mark numerous challenges for all kinds of businesses. But these are the times which define the commitment of an organization towards its vision and ethics. A change in numerous business processes is imminent and Prism Johnson is confident in becoming a part of it. Within a few quarters, the demand for our products will rise with the growth in housing and construction projects. We set our eyes towards the horizon as we embark on a new journey, on the back of a rejoiced assurance after striding well through turbulent tides.

PLAY TO YOUR STRENGTHS

Change and crisis are usually perceived as degrees of transformation over time. However, opportunity is one such aspect which is similar in both. They both help in giving rise to a new approach or solution, ultimately taking the world forward. Every change and crisis bring with them new areas of growth and renewed perspective. The times now call for circumspection and relevant steps to ensure the adaptability of the business and voyaging towards the future with confidence and optimism.

In FY21, it is important for Prism Johnson to capitalize on its strengths. Focusing on business efficiency and the macro economic environment will help us connect the dots for emerging trends. The infrastructure and real estate industry will have blips, but they are core for a nation which is perpetually starved of good quality roads, ports and airports, acceptable quality of accommodation for population and urban infrastructure. All our businesses remain at the core of these industries and there are only small time delays possible on projects and demand for our products, no indefinite postponement is likely. The economic recovery might be delayed, but once things settle down, the Company is well-placed to benefit from the opportunities which arise.

These are also the times when the companies with strong balance sheets will get even stronger. The enterprises with financial strength will get even more successful at the marketplace because they will have the resources to benefit from the opportunities which arise. In retrospect, our focus on 'financial deleveraging' over the last few years and the strategy to bring down debt looks even more timely and appropriate. We are in a far better position on our balance

sheet today than any other recent time in history. Though we have invested significantly in waste heat recovery capex and other initiatives over the last twelve months, we remain in a comfortable position to deal with this economic challenge the Indian economy is undergoing.

With both short and long-term strategies in place, optimized costs, lower power consumption and expansion of premium products, the Cement Division continues to be a promising aspect of the Company. As a result, the Cement Division posted EBITDA of ₹889 per ton, despite numerous challenges. The Ready-Mixed Concrete and HRJ sectors, meanwhile, continue to grow on the success of the past few years and retain customer satisfaction. With wide range of products and focus on marketing and retail chains, our business verticals are on the right track for a run of growth and prospect.

These are exceptional times but we are fully aware of business situations for our industry and other related end user industries. After an objective assessment of the external environment and internal systems and processes, we are fully confident that we can tide through this crisis. We are playing to our strengths and using this opportunity to consolidate our gains from previous years. We are optimistic that while the business environment is the same for everyone, we on the back of our fundamental strengths will not only be able to survive but will also emerge much stronger. Prism Johnson has continuously shown the determination and commitment towards upholding its ethics and values. With optimal decisions and necessary initiatives taken during the year, we look forward to taking the Company further ahead and increasing its value for all the stakeholders.

LETTER FROM THE MANAGING DIRECTOR

Dear Shareholders,

I am pleased to share with you all the annual performance of your Company for the fiscal year 2019-20. The year was marked with new prospects, unexpected challenges, fresh insights and important lessons for future. Prism Johnson has been able to steer itself amid turbulent economic challenges, which were spread throughout the year. Crests and troughs are a part of business and your Company has plans to ensure the progress and sustenance of all the three business divisions: Cement, Ready-Mixed Concrete and Tiles.

Since the last quarter of the recently concluded fiscal, the world has been dealing with the pandemic outbreak of COVID-19. The accelerated spread of the virus has touched the human life without any exceptions and this has directly affected all businesses. It is leading to an economic crisis much bigger than that of Global Financial Crisis of 2008. Healthcare workers and civil servants around the globe, with the combined efforts of Governments and non-Government Organizations, are working tirelessly to ensure safety and health of people. We express our sincere thanks and gratitude to all the people who are the frontline of this combat, their selfless effort is making the belief in humanity even stronger for the entire world.

Considering the situation at hand, the time to total health and economic recovery might be long. It is expected that the disruptions to the Indian economy would also be felt.

> During FY20, your Company continued to work hard towards catering demand from underserved areas, expanding the consumer base and identify emerging trends, which will shape business.

Government has announced slew of measures, which might ensure slow and steady improvement. At Prism Johnson, we continue to monitor the situation at ground level. With the mutual trust and motivation to fight the pandemic across the organization, we have displayed the grit and unity amongst all of us. To further accelerate the testing of COVID-19, Prism Johnson has contributed a high-speed Corona Virus testing machine worth ₹ 65 Lakhs to the Government of Madhya Pradesh.

During FY20, your Company continued to work hard towards catering demand from underserved areas, expanding the consumer base and identify emerging trends, which will shape business. To achieve this, we have a robust distribution network and continue delivering improved and high- quality products. With technological advancements, a wide retailer network and wide range of products, we aim to ensure sustainable growth of all three business divisions - Cement, Ready-Mixed Concrete and Tiles.

Considering the challenges posed by the difficult economic scenario, it is clear that Prism Johnson performed satisfactorily to earn the trust of its customers and shareholders. In FY20, your Company also paid a dividend of ₹ 1.00 per share (10% of Face Value).

I will also briefly comment on the Company's performance across all three divisions. Cement volumes de-grew by 3% on account of lockdown in March. Else Cement volumes would have grown as they were up marginally by 1% for the first 11 months. Overall Cement & Clinker Division clocked volume of 5.72mn tons, a decline of 9% in volumes. Cement EBITDA per ton improved to ₹ 889 in FY20 from ₹ 834 in FY19 backed by higher realizations, off setting higher overall costs. Key other highlights are as under:

- Cement Division utilization levels were at 82%
- 'Champion Plus' and 'Duratech', our premium products, have performed well contributing ~22% of overall cement volumes in FY20.
- Division has been declared as the Winner of Special Commendation for 'Golden Peacock Environment Management Award' for the year 2019.
- Variable cost of Cement Division is likely to come down in the foreseeable future on account of commissioning of WHRS & solar power, fuel mix change and benign fuel cost.

The consolidated revenues of H & R Johnson (India) were nearly flat at ₹ 1,823 Crores. The bathroom segment revenue continues to shine underlined by their growth of 9%. The Division has been able to sustain itself due to the hard work by your employees and the continued reliance of the loyal customers on the brand. The initiatives undertaken over the last few years have resulted in better operating performance and future strategies will be laid to capitalize on our brand presence.

- The EBITDA has grown marginally to ₹ 70 Crores, in comparison to ₹ 60 Crores in FY19 and margins increased to 3.8%.
- The Division continues to invest in marketing and distribution activities and has added eight large format Experience Centres taking the total to 19, spread across India. These Centres provide a more personalized experience to the customers and give us an edge in the market.
- To ensure brand outreach and market presence, your Company held launch events and numerous marketing campaigns of its tiles products.
- Tiles export revenues (Consolidated) more than doubled to ₹ 119 Crores.
- Engineered Marbles & Quartz export revenues jumped by ~50% to ₹ 117 Crores.
- A composite scheme of arrangement and amalgamation has been undertaken to simplify the corporate structure.

The Ready-Mixed Concrete (India) Division has performed slightly below expectations this year and reported a decline in volumes by 14%. This was largely due to prolonged monsoon, liquidity tightness and slowdown in the real estate sector. The NGT ban on construction and volatility in cement prices also proved crucial to the industry. However labour shortage and self distancing norms due to COVID-19 pandemic could turn into an opportunity for Ready-Mixed Concrete manufacturers by replacing site mix, which is labour intensive. The Division's EBITDA was at ₹ 23 Crores. Strategies are being made to improve market presence, improving utilization levels and increase in value added products in the Individual Housing Segment.

After four years of reduction, standalone debt (net) has increased by ~ ₹ 90 Crores to ~ ₹ 1,475 Crores mainly due to capex in WHRS and significant blockage of working capital due to sudden lockdown. It is likely that the COVID-19 will have a significant impact on Indian economy resulting in sudden change in the business environment. We are looking at COVID-19 as an opportunity to emerge as a leaner and stronger organization once businesses start to normalize.

Measures for cost efficiency/ stability

- HRJ Division's variable cost is likely to come down due to lower gas cost
- All the three Divisions have identified several significant fixed cost saving initiatives. A good part of this cost savings would be sustainable
- To review inefficient and unprofitable manufacturing assets and undertake appropriate measures
- Capex are being scaled down in all the three divisions resulting in better cash flows
- Over the years, the Company has been proactively managing its liquidity profile. During FY20 too, the Company had created liquidity buffer to take care of its financial obligations during H1FY21. Given the current challenges, the Company continues to explore its strategy of pre-payment / refinancing so as to fulfill financial obligations till the end of FY22.
- We believe that the rural and Individual Housing Segment demand to normalize and pick up better than Urban demand. Hence Cement demand is likely to come at normalize level much sooner than Tile and Ready-Mixed Concrete demand, which is likely to see demand revival by year end

Prism Johnson is committed towards achievement and maintenance of high standards of Environment, Health and Safety issues at all plants and offices. The Company actively looks for opportunity to replace fossil fuels with green / renewable energy. During FY21, the Company is likely to commission WHRS in a phased manner and 30 MW of solar power. This apart, Company continues to focus on increasing usage of alternate fuels and usage of bio-diesel. With the objective of giving back to the society several initiatives were conducted during the quarter at pan India level. The Company also places great importance on CSR and our commitment to the sustainable model of development.

Board of Directors of the Company had approved divestment of its 51% stake in Raheja QBE General Insurance Company Limited ('RQBE'), to QORQL Private Limited, a technology Company with majority shareholding of Vijay Shekhar Sharma and remaining held by Paytm, for an aggregate consideration of ₹ 289.68 Crores, subject to receipt of approval by the shareholders of the Company and all other requisite approvals ('Divestment'). The divestment would further accelerate Company's on-going efforts to de-leverage Balance sheet and improve financial ratios.

As we enter the new financial year, I am filled with cautious optimism, at the same time fully aware of short term challenges. The country's young generation backed by progressive initiatives of the government will pave the way for progress in both industrial and social avenues. At Prism Johnson, we will continue to work hard and take your Company to new levels of success. I would like to express my gratitude to our valued shareholders, the customers, employees and everyone associated with our growth.

Best Regards,
Vijay Aggarwal

CORPORATE INFORMATION

Board of Directors

Mr. Shobhan M. Thakore
Chairman

Mr. Rajan Raheja
Director

Mr. Vijay Aggarwal
Managing Director

Mr. Vivek K. Agnihotri
Executive Director & CEO (Cement)

Mr. Sarat Chandak
Executive Director & CEO (HRJ)

Mr. Atul Desai
Executive Director & CEO (RMC)

Ms. Ameeta Parpia
Director

Dr. Raveendra Chittoor
Director

Chief Financial Officer

Mr. Manish Bhatia

Chief Legal Officer

Mr. Rajnish Sacheti

Chief Strategy Officer

Mr. Harsha Saksena

Company Secretary

Ms. Aneeta S. Kulkarni

Investor Relations

Mr. Munzal Shah
General Manager
Tel:+91 22 6675 4142-46
Email: investorrelations@prismjohnson.in

Corporate Office

'Rahejas', Main Avenue, 2nd Floor, V. P. Road,
Sanatacruz (West), Mumbai-400 054.

Registerd Office

305, Laxmi Niwas Apartments, Ameerpet,
Hyderabad-500 016.

Registrar & Transfer Agent

KFin Technologies Private Limited,
Unit : Prism Johnson Limited,
Selenium Tower B,
Plot 31-32, Financial District,
Nanakramguda,
Serilingampally Mandal,
Hyderabad-500 032,
Telangana

Bankers

Axis Bank Limited

ICICI Bank Limited

Indian Overseas Bank

IndusInd Bank Limited

Kotak Mahindra Bank Limited

Bank of Baroda

Yes Bank Limited

Standard Chartered Bank

HDFC Bank Limited

RBL Bank Limited

Auditors

G. M. Kapadia & Co.,
Mumbai

THE WORLD OF PRISM JOHNSON

Prism Johnson is an integrated building materials Company that operates the business in three main segments, that is, Cement, Tiles & Bathware and Ready-Mixed Concrete.

CEMENT

- PPC
- OPC

HRJ

- Tiles
- Engineered Marble
- Quartz
- IPNR
- Sanitaryware
- Faucets

RMC

- Ready-Mixed Concretes
- Aggregates
- Manufactured Sand

List of Institutional Shareholding more than 1% *(as on 31st March, 2020)*

Shareholder	%
SBI Large & Midcap Fund	3.8
Jupiter India Fund	2.2
DSP Small Cap Fund	1.4
Hdfc Trustee Co Ltd A/C HDFC Housing Opportunities Fund	1.2
IDFC Sterling Value Fund	1.1

THE WORLD OF PRISM JOHNSON

RAHEJA QBE

Raheja QBE is a joint venture of Prism Johnson with QBE group of Australia, with your Company having 51% stake in the partnership. The General Insurance industry in India has grown at a CAGR of 17% during the last 2 decades and is continuing its climb, meanwhile India is currently the 4th largest non-life insurance Asian market.

The vision of the venture is to become a trusted name in the market on the back of best-in-class services and strong bond with customers. Raheja QBE recently had a liability led specialist insurance focus. There are plans in place for the development in the personal lines space by expanding the product offerings for the end customer in health and motor insurance. The leadership team responsible for the success of this initiative has joined in and all-round efforts are being made to prepare Raheja QBE's retail push.

Raheja QBE has recognized and begun implementing the technological solutions which will prove crucial to its growth prospects in the coming 5 years. A new brand identity has been introduced with the core message of 'Your Kind of Insurance'. The following products have been approved by the regulator:

- Private Car Bundled Policy
- Private Car Addon Covers - Annual
- Group Hospital Daily Cash
- Pravasi Bhartiya Bima Yojana
- Arogya Sanjeevani
- Health Qube

Raheja QBE will, in the near future, start business with MISP's (Dealers) dealing in Hyundai (Private Car), Tata Motors (Private Car and Commercial Vehicle), Jeep (Private Car) among others.

The gross written premium for the Company grew to ₹ 180 Crores a growth of 39% in the financial year 2019-20. Raheja QBE focusses to strengthen its capabilities, processes and technology to build the foundation for long term profitable and sustainable growth.

Consolidated
FY20

(₹ Crores)

Revenues
₹ 5,956

EBITDA
₹ 539

Networth
₹ 1,049

PAT (post non-controlling interest)
₹ 1.7

Cement Dealers
3,900+

HRJ Dealers
1,000+

Experience Centers
19

Ready-Mixed Concrete Plants
99

Plants of aggregates & manufactured sand
7

Market Capitalisation
(As of 31st March, 2020)
₹ 1,522 Crores

Contribution to Ex-Chequer
₹ ~970 Crores

FINANCIAL HIGHLIGHTS

Consolidated Financial (₹ Crores)

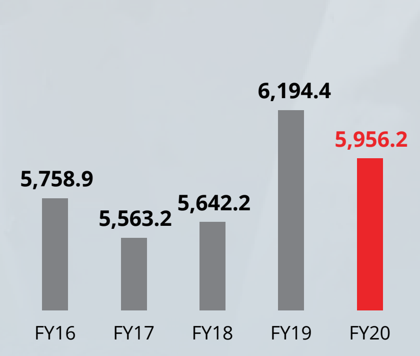
Particulars	FY20	FY19	FY18	FY17	FY16
Total Revenue from Operations (net)	**5,956.2**	6,194.4	5,642.2	5,563.2	5,758.9
EBITDA	**539.2**	601.1	443.1	356.7	340.9
EBITDA Margin (%)	**9.1**	9.7	7.9	6.4	5.9
EBIT	**316.8**	427.6	324.5	256.8	309.1
EBIT Margin (%)	**5.3**	6.9	5.8	4.6	5.4
PAT (Adjusted For Minority interest)	**1.7**	116.4	42.5	(1.8)	2.9
Net Profit Margin (%)	**0.0**	1.9	0.8	0.0	0.1
Net Worth	**1,049.0**	1,126.1	1,037.9	994.9	998.2
Gross Block	**3,538.9**	3,386.1	3,213.3	2,862.9	2,724.2
Current Investments	**149.8**	109.8	33.2	52.9	116.9
Cash & Cash Equivalents	**417.9**	73.8	77.4	82.7	131.1
ROCE (%)	**12.2**	14.0	10.6	8.6	9.6
Book Value per Share (₹)	**20.8**	22.4	20.6	19.8	19.8

Note:

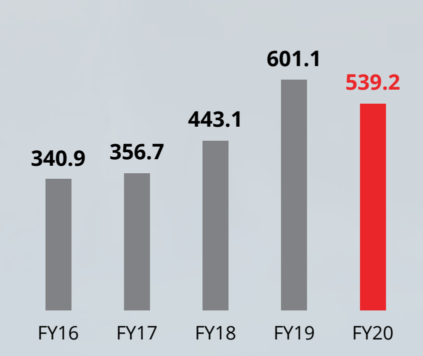
Previous year's numbers are re-grouped wherever necessary.

(₹ Crores)

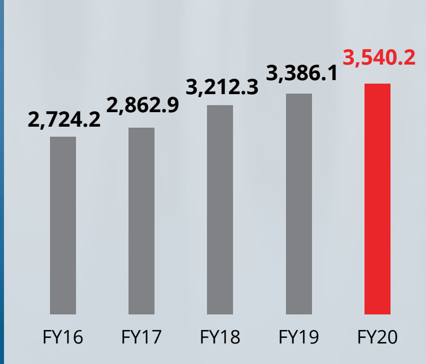
Revenue from Operations (net)



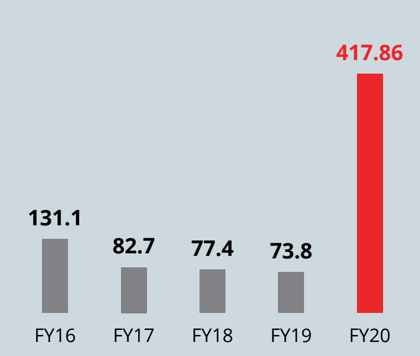
EBITDA



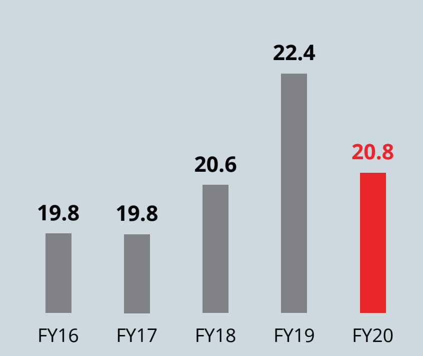
Gross Block



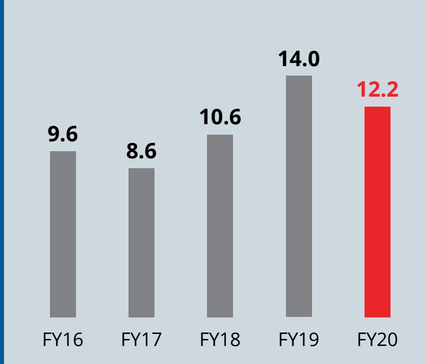
Cash & Cash Equivalents



Book Value Per Share (₹)



ROCE (%)



MANAGEMENT DISCUSSION & ANALYSIS

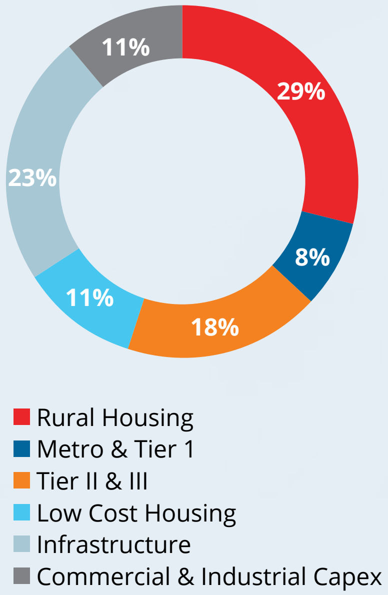
Industry Outlook:

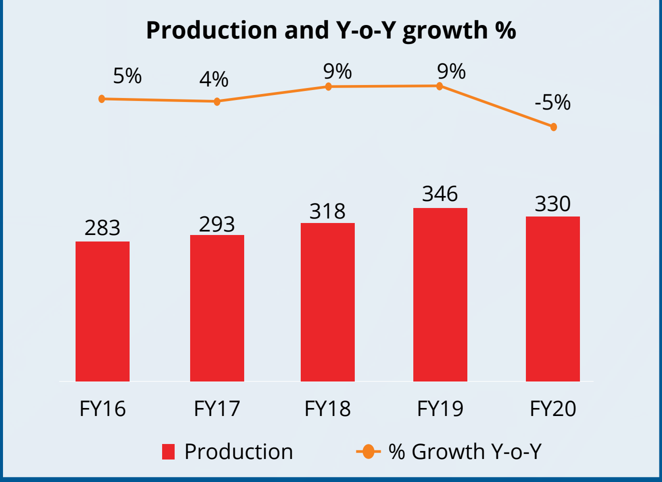
Cement:

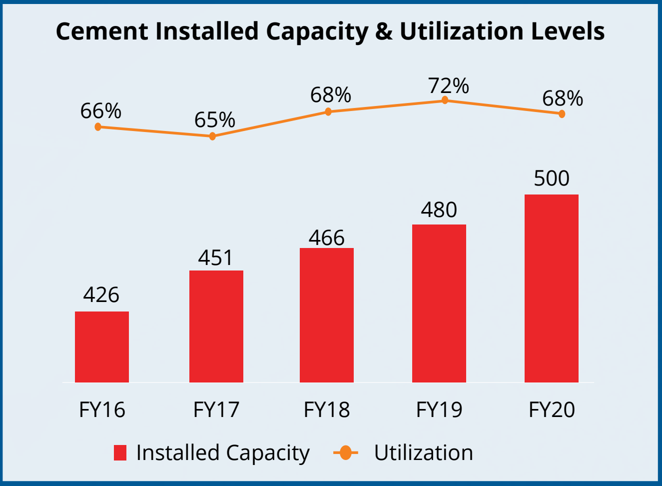
After a promising growth in FY19, the cement sector experienced a slowdown in the beginning of FY20. With the slowdown only increasing due to challenging macro conditions and reduced consumption from infrastructure and real estate projects, there was an impact on the demand and consumption of cement. The factors contributing to such a scenario were unseasonal rains in parts of the country, reduced expenditure by the government and buyers locating away from prime real estate markets.

However, there are hopes that in a country which is still far away from achieving an optimal infrastructure needed to support growth and facilitate the expansion of other dependent sectors, activity will pick up sooner than later. The Cement demand should recover once the economy turns a corner. The basic need for its product makes the Cement Industry fundamental given the vast extent of infrastructure and housing requirements of the country. From time to time, both State and Central Government have laid emphasis on forming policies and strategies for developing the manufacturing, housing and irrigation sectors. Apart from few blips and fluctuations, the Cement demand in India will rise at a CAGR of ~6-7% in the medium to long term. Much needed support will be provided by the government's initiative of affordable housing schemes, progress in private sector housing and expenditure towards better infrastructure.

Cement demand user segment







(Source: Industry Data)

Key Demand Drivers

Housing for All

An outlay of ₹ 27,500 Crores (US$ 3.93 Billion) has been allotted under Pradhan Mantri Awas Yojana in Union Budget 2020-21. A total of 15.4mn rural homes were constructed in the last five years under PMAY-G, and 19.5mn houses are planned for construction in the second phase of FY19-22E. Under PMAY-U, the government has set a target of building about 10-11mn houses by FY22 in developed areas.

Public Infrastructure

Government initiatives that are expected to be crucial in driving industry growth are the construction of concrete roads and highways through the innovative Bharatmala Project, the development of rural roads under the Pradhan Mantri Gram Sadak Yojana, metro networks in many cities, bullet trains, etc., all of which will drive long-term growth for the cement industry.

Government Initiatives

The Honorable Finance Minister unveiled the National Infrastructure Pipeline (NIP) which will oversee the execution of numerous infra projects with an estimated capex of ₹ 105trn by the year 2025. The government will closely inspect the status of the projects with a dedicated monitoring mechanism. This will help in ensuring the timely completion of the projects. Such a push for the growth of the industry will reap growing demands for cement over both medium and long-term.

Ready-Mixed Concrete

Due to the rapid development in the construction industry, the market size of Ready-Mixed Concrete (RMC) is projected to see growth in the coming years.

The RMC industry is witnessing a sweeping change in the customer mindset and is expected to grow faster than cement due to several factors that include greater convenience than other traditional methods and a more structured market existence. In addition, the Indian Government has undertaken many important initiatives such as the Smart City project, Housing for All, NESIDS (North East Special Infrastructure Development Scheme), Pradhan Mantri Awas Yojana to improve the country's construction and infrastructure growth. The Conventional Concrete is being replaced by RMC in many of these initiatives and gradually for more and more segments because of better efficiency, ease of use, productivity and greater convenience. Moreover, the RMC industry is moving steadily and spreading to all corners covering metros, Tier 2 and Tier 3 cities. The total production of RMC in India stands at 10-12% much lesser than the developed economies where it contributes 50-70% of the total cement consumption volume. The RMC industry is quite fragmented as the unorganised players hold ~50% of the market share.

Labour shortage and self distancing norms due to COVID-19 pandemic could turn into an opportunity for Ready-Mixed Concrete manufacturers by replacing site mix, which is labour intensive.

Tiles

The global market size for ceramics is expected to hit USD 243.12 Billion over the next five years exhibiting an 8 % CAGR over the forecast period. Tiles play a crucial role in interior design from an aesthetic point of view and are available in countless colors and designs. For the ceramics industry the long-term trajectory tends to remain on an upward curve. Nevertheless, it is clear that the demand for tiles has remained somewhat sluggish in recent times in India due to weakness in the real estate sector, especially urban and ongoing slowdown in the overall economy.

Exports have played a major role in offsetting partially the impact of the persistent real estate slowdown in the domestic market. Domestic consumption grew at a CAGR of 4%, whereas exports grew at 35% in the last five years. In fact, exports grew ten times in the last ten years and currently contribute 26% to the overall domestic production and 10% to the overall global Tiles exports. Of India's total Tiles exports, about 40% is exported to GCC countries. Nonetheless, Morbi players started reducing dependency on GCC since last year by increasing distribution in USA and ASEAN markets. Tiles exports to USA have quadrupled in FY19 and has a good scope to improve due to low base anti-dumping duty on Chinese tiles and rupee depreciation.

The domestic industry size is estimated to be at ₹ 320 Billion for FY 20-21, with share of organized players and unorganized players at 40% and 60% respectively. The organized industry in India will benefit as the regulatory and enforcement processes become more rigorous and there is increased exposure to environmental emission standards. In addition, the NGT ban on Morbi players for the use of coal gasifiers, tightening GST standards and the recent challenges faced by China will help the industry's branded players.

Government is also planning to build 100 smart cities with the goal of improving social, economic, and public infrastructure in 2020. This is anticipated to push the demand for products such as tiles, sanitary ware, and bathroom fittings in India.

Sanitary Ware and Bath Fittings

The Indian sanitary ware and faucets industry stands at ~₹ 14,300 Crores and is growing at a CAGR of 12-15%. With sustained public and private initiatives over the past few years, combined with enhanced living standards, India's level of sanitation has increased in multiples. Such initiatives have created an enormous demand for items used to construct public sanitation facilities, as well as domestic bathrooms, including bathroom fittings and sanitary ware.

Bathrooms have introduced versatility along with usability over the past few years and have started to represent a person's lifestyle. The demand for tiles, sanitary ware and bathroom fittings has proliferated across the country to improve the appearance of the bathrooms. Such goods are also undergoing rapid transformation, thanks to numerous industry developments. Motion sensors, for example, are embedded in taps, flushes and toilets to help keep the bathrooms hygienic and hassle-free.

Manufacturers are catering for a one-stop shop solution for all sanitary-ware and fittings specifications due to rise in the popularity of designer washrooms. In addition, as in-store experience has gained enormous significance, manufacturers are setting up experiential centers where consumers can see a virtual version of the bathroom before it undergoes a complete renovation. The number of these experiential centers acts as one of the vital factors that encourages consumers to invest in premium bathroom items, thereby reinforcing the growth of the Indian tiles, sanitary ware and bathroom fittings industry.

SEGMENT REVIEW

Cement

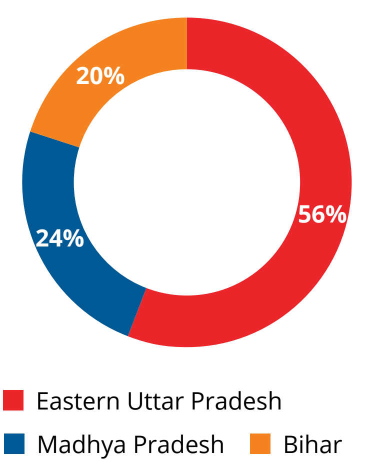
Demand from the Cement industry remained depressed for a large part of the year before showing signs of revival earlier this year. This recovery, however, took a serious hit in the midst of the government ordering nationwide lockdown to contain COVID-19's spread. The lockdown coincides with the peak of construction period and the demand months for Cement Industry, making the impact severe.

Prism Johnson is a prominent player in Central India, 7mt capacity at Satna, Madhya Pradesh. Due to a favorable demand supply dynamics, capacity utilization in the Central Region has been much better over the year than in other regions. The Company produces Portland Pozzolana Cement (PPC) under three separate brand names - 'Champion,' 'Champion Plus' & 'DURATECH' and Ordinary Portland Cement (OPC). We sell our products to regions in Eastern Uttar Pradesh, Madhya Pradesh and Bihar with an average lead distance of ~380 km for cement from our plant located in Satna, Madhya Pradesh.

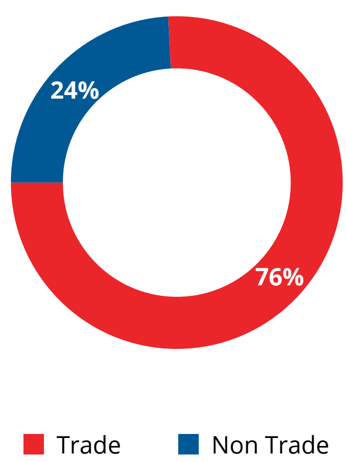
Operational Review:

- During the year, Overall Cement & Clinker volumes declined 9%, as Clinker volumes were down sharply.
- Our premium products segment contributed 22% of overall volumes in FY20.
- Commissioning of 22.5MW Waste Heat Recovery System (WHRS) in a phased manner by November 20. Further Installation of 25MW Solar Power plants in FY21 should help in cost rationalization for power and fuel.
- Cement Division EBITDA per tonne increased marginally to ₹ 889 /- as compared to ₹ 834/- in FY19
- Power cost have declined due to sourcing of power from third party at lower cost and part implementation of Solar Power. Fuel cost have come down partly due to change in fuel mix and benign Pet-coke prices
- Freight and forwarding has come down due to reduction in lead distance and optimization of freight rates
- Rural and Individual Housing Segment demand to normalize and pick up better than Urban demand. Hence Cement demand is likely to come at normalize level much sooner than Tile and RMC demand, which is likely to see demand revival by year end

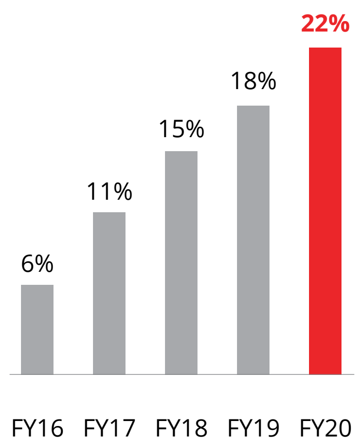
Region Wise Cement Sales Mix



Cement Sales Channel Mix



Share of Value Added Products



Financial Review

Particulars	FY20	FY19	FY18	FY17	FY16
Sales volume (Cement & Clinker) - Lakh tons	**57.2**	62.7	56.4	54.1	52.9
Revenues (₹ Crores)	**2,584**	2,773	2,372	2,009	1,886
EBITDA (₹ Crores)	**509**	523	349	306	197
Margin (%)	**19.7**	18.9	14.7	15.3	10.4
EBITDA per Ton (₹)	**889**	834	619	567	372

Notes:

- All numbers mentioned herein exclude clinker sales for third-party processing, if any.
- Previous year's numbers are re-grouped wherever necessary.

CEMENTING RELATIONSHIP

Ready-Mixed Concrete (India)

After a double-digit rise in FY19, the RMC Division saw a marginal decline in revenue of 5%. With 106 RMC manufacturing facilities and quarries across 45 cities, the RMC Division continues to concentrate on developing new markets. Labour shortage and self-distancing norms due to COVID-19 pandemic could turn into an opportunity for Ready-Mixed Concrete manufacturers by replacing site mix, which is labour intensive.

The Commercial Concrete Vertical is the core business of RMC Divison, which not only addresses the needs of metro cities and semi-urban areas but also serves as a steadfast contributor to urban India's prolific growth. As always, RMC Division has been leading the way and setting higher standards in the Ready-Mixed Concrete industry for plant and machinery, development and quality systems. We have also prioritized providing our customers with high standards of quality control. Our Ready-Mixed Concrete Division has had its technical laboratories certified by NABL and BIS to adhere to strict quality controls. The Plant Health Index continues to improve with more focus on safety and maintenance.

RMC Specials Value-added Concrete:

- Dyecrete® comprises an eye-catching array of concrete that are suitable for a wide variety of architectural and decorative applications.
- Perviouscrete® is 'Rainwater harvesting' concrete.
- FRCcrete® is fibre reinforced concrete. Fibres include steel, glass or synthetic fibres. Used in terrace slabs, warehouses, container yards, railway platforms, airports etc.
- Repaircrete™ ready to use wet Micro Concrete (M40 & M60) for structural strengthening & retrofitting. It eases concreting in areas with limited accessibility.
- Elitecrete® is light-weight concrete with densities varying from 800 to 1800 kg/m3.

Operational Review:

- The RMC Division revenue declined by 5% YoY, due to extended monsoon, volatility in cement prices and restriction by NGT on construction activities.
- The RMC Division focuses on enhancing utilization levels and adding more value-added products in the Individual Housing Segment.
- There is an effective cost management program in place which will reap benefits both in the medium and longer term.
- The government's emphasis on the development of the infrastructure segment signals a rise in the demand of RMC business. Infra development is the need of the hour
- During the year, your Company received a Bureau of Indian Standards certification for its 16 RMC plants.

Financial Review

Particulars	FY20	FY19	FY18	FY17	FY16
Revenues (₹ Crores)	**1,413**	1,481	1,364	1,229	1,288
EBITDA (₹ Crores)	**23**	39	28	38	52
Margin (%)	**1.6**	2.6	2.0	3.1	4.0

Note:
• Previous year's numbers are re-grouped wherever necessary.

DEMAND FORERUNNER

Elitecrete®

Dyecrete®

Repaircrete™

FRCcrete®

Perviouscrete®

H & R Johnson (India)

Set up in 1958, HRJ Division offers wide range of tiles, sanitaryware & faucets, engineered marbles & quartz and construction chemical. With its more than six decades of existence, this division aims to provide its customers with complete solutions across various product categories. HRJ is known to deliver end-to-end lifestyle solutions covering Tiles, Sanitaryware & Bath Fittings, Engineered Marble and Quartz. Tiles are sold under four brands Johnson, Johnson Marbonite, Johnson Porselano, and Johnson Endura to bring in greater focus and better performance. Today, we are a brand name that is closely associated with high quality products that are design-led. HRJ has a tile capacity of 63 mn sq. Mtr per year, spread across 11 manufacturing facilities across the country, which is one of India's largest manufacturing capacities. We also opened 8 large format experience centers during the year, bringing the total to 19 experience centres. During the year, product innovations and development were carried out in the Tiles and Bathroom segment to further increase our product offerings. This division aims to invest in marketing and distribution networks to increase the demand for its quality goods and to improve their rate of usage and efficiencies. Johnson Aspire is the Division's initiative to connect with specifier community.

Operational Review:

- Turnaround visible however full year performance impacted by lockdown.
- Complimentary business continue to grow – Bathroom segment revenues grew~9%.
- Sales organisation sub classified into 4 verticals viz Johnson, Marbonite, Endura, Porselano bringing in greater focus leading to better performance
- Product innovation and developments – large format, germfree, R series, SRI cool roofs amongst others in tile segment and Johnson International in Bathroom segment
- Channel expansion - ensuring presence in every district
- Renewed focus on cost control and productivity measures

Consolidated Exports Revenues in :

Tiles

₹ 119 Crores increase by **125%** in FY20

Engineered Marble & Quartz

₹ 117 Crores increase by **51%** in FY20

Financial Review Consolidated

Particulars	FY20	FY19	FY18	FY17	FY16
Revenues (₹ Crores)	**1,823**	1,827	1,685	1,715	2,228
EBITDA (₹ Crores)	**70**	60	63	8	77
Margin (%)	**3.8**	3.3	3.7	0.5	3.4

Note:

• Previous year's numbers are re-grouped wherever necessary.

CUSTOMER ENGAGEMENT

THIRUVANANTHAPURAM

VARANASI

CONSOLIDATED FINANCIAL REVIEW

During the year, net revenue from operations stood at ₹ 5,956 Crores as against ₹ 6,194 crores in FY19, a decline of 4%. The Cement Division revenues de-grew by 7% to ₹ 2,584 Crores, while the HRJ Division revenues stood at ₹ 1,823 Crores. The RMC Division de-grew marginally at 5% to ₹ 1,414 Crores during the year.

Overall EBITDA declined by 10% to ₹ 539 Crores in FY20. EBITDA margins were at 9.1% in FY20 as compared to 9.7% in FY19. The decline is attributed to nationwide shutdown impacting the sales volume in fourth quarter of the fiscal year and adverse economic conditions. Profit before tax and Profit after tax stood at ₹ 62 Crores and ₹ 1.7 Crores respectively. The Return on Capital Employed (ROCE) was at 12.2% for the year FY20.

Significant changes (i.e. change of 25% or more as compared to last year) in key financial ratios:

Sr. No	Particulars	FY19-20	FY18-19	% change Y-o-Y
1	Debtors Turnover Ratio (Days)	43.73	42.55	3%
2	Interest Coverage Ratio (x)	2.24	2.83	-21%
3	Current Ratio (x)	1.12	1.00	13%
4	Debt Equity Ratio (x)	1.41	1.33	6%
5	Operating Profit Margin (%)	9.43	9.98	-6%
6	Net Profit Margin (%)	-0.35	1.76	-120%
7	Return on Networth (%)	-1.97	9.73	-120%

Outlook:

Given the unprecedented situation, growth forecasts will largely rely on COVID-19's "speed, spread and length." The unavailability of labour and a downturn in discretionary spending foresees a challenging period for the economy as a whole. The growth in the medium to long term will be better led by gradual pick up in Government's spending for infrastructure and affordable housing projects apart from pick-up in rural housing demand.

With the Government's increased emphasis on to strengthen the rural economy and infrastructure, rural demand is expected normalize and pick up better than urban. Further, the Government is strongly focused across verticals of infrastructure projects to boost economic growth should further aid demand for Cement, Tiles and Ready-Mixed Concrete.

Cement Demand is reasonably good in rural sector due to the support of government and Individual House Building segment. Non-Trade sales is picking up slowly with government push towards job creation through infrastructure and highways. Further, the road and infrastructure cess on diesel and petrol being raised could augur demand from the road sector. The HRJ Division is continuing to invest in expanding its distribution networks, ensuring the brand identity in its consumers' minds, increasing the premium product mix in its tiles and bathroom segments. Going ahead, the division looks to explore export opportunities especially in USA, Europe and China. The segment continues its demand generation activities such as the engagement of influencers, channel expansion and plumbers connect program in the near term. Rural housing and Pradhan Mantri Awas Yojana are the initiatives which will drive the demand for this Division.

The Ready-Mixed Concrete Industry in India has a lot of growth potential in the infrastructure and construction sector and is expected to benefit significantly from this. The impetus for the infrastructure sector also augurs well for the division, as this can result in demand, especially in Tier II and Tier III cities. The Division has taken steps which will help boost operational performance and profitability in the future. The volatility in cement prices across different regions may have a significant impact on margins.

Prism Johnson will continue to focus on increasing the range and value of its product offerings to provide a better product mix, maximize utilization levels and expand to new regions. This will lead to better cost optimization, ultimately maximizing the value for our shareholders and customers.

Risks & Mitigation:

Economic Risk:

A slump in economic growth may severely impact the real estate and infrastructure sectors, ultimately affecting the Company's performance.

Mitigation:

The Company has strategies in place for countering economic slowdown. With the government emphasizing investment in infrastructure and real estate, Prism Johnson has numerous long-term growth opportunities.

Political Risk:

Any delay in the government's approval for numerous projects, land acquisition may affect the Company's growth.

Mitigation:

Your Company is making efforts to widen its product range and customer base nationally and not depending upon one single project or location.

Credit Risk:

Client delays in payments may hamper the Company's cash flow. These factors influence the Company's finances, affecting several other capital-dependent activities.

Mitigation:

The Company has put tremendous emphasis on controlling its working capital to overcome this. At Prism Johnson, we have built strong processes to continuously track debtor's profile, cash inflow and minimize such risks.

Cost Risk:

The rise in the price of raw materials, such as fuel, and our peers' competitive pricing may threaten the business.

Mitigation:

Prism Johnson has made efforts over the years to implement cost-optimization techniques, Company is implementing new projects to reduce power cost such as solar power plant deployment and WHRS. The Company has introduced the use of an enhanced fuel mix to combat the increasing fuel costs. In addition, the Company has created a team dedicated to tracking the pricing of various fuels.

HR Risk:

The Company's operation may get affected due to not having the right people in place with the skills required to compete, innovate or grow.

Mitigation:

The most significant commodity in our business is our labor force. The business focuses on creating a group of driven people who are passionate and zealous about working hard and excelling in industry. We pay attention to each employee's needs, ensure a good working environment and encourage integrity and productivity. Training and team-building exercises are carried out regularly to minimize fatigue and increase performance.

HUMAN RESOURCE

We recognise & appreciate the role of Human Resource as a strategic business partner. Its role in supporting and driving business strategy is as important as product or technology innovation. It is our continuous endeavour to provide the right talent the right position at the right place and at the right time. We also ensure that the work environment is conducive for growth of employees and enables the factors which help in operating business without any obstruction/ impediments. In the year 2019-2020 we have taken significant HR initiatives which have impacted people and business in a Positive and Big way.

Performance Management

Performance Management is the most critical tool in the Company to drive performance and productivity & accordingly given utmost importance. This is the most critical area of HR, in which a manger provides feedback to his team members, assesses the performance and rewards them accordingly. Annual Performance Management Process comprises Goal Setting, Self-Assessment, Managerial Appraisal and Review and Overall rating with feedback. Based on the ratings given, each employee is provided increment & incentives.

SAKSHAM -SAP SUCCESS FACTORS

We believe in being agile, adaptive, responsive & digital to stay relevant and an integrated part of the Business Management. The cloud based HRMS system SAP SUCCESS FACTORS – has been deployed successfully under the brand name of 'SAKSHAM'. The modules like Employee Central (Employee Database Management), Learning Management System (LMS), Recruitment & On-Boarding have been implemented.

Employee Engagement & Communication

To facilitate the open channels of communication and feedback within the organisation, we have instituted various communication forums & platforms like Open Forums from ED, Employee connect Session with Business Leaders and HR team. All the Zonal Heads connect with employees in their respective zones, once in a month, to understand their issues and provide solutions.

HSE Initiatives

The entire workforce has been trained and educated from time to time on various safety and environment norms. The campaign "Tobacco Free Zone" has been carried out rigorously to ensure that all the plants and offices are tobacco-free and employees are leading healthy lives. Our work and efforts in the area of HSE have been acknowledged by the "National Safety Council of India Safety Award" for "meritorious occupational safety & Health performance & commitment to reduce workplace injuries, implementation of best OSH practices and continual improvement".

Also, in the current difficult situation of COVID-19 pandemic, we are trying to take the utmost care of our employees by observing all the preventive measures. We have been engaging with all our employees on a day-to-day basis to keep them engaged and help them by resolving issues, if any.

Internal control systems

Prism Johnson has an adequate system for internal controls to ensure effectiveness and efficiency of the operations, timely preparation and delivery of accounting records in adherence to the Company's policies. It plays a significant role in the process of risk identification and its mitigation. During the year, such controls were tested, and no reportable material weaknesses in the design or operation were noticed. The Company has taken various safety and quality control measures at all its premises.

In addition to the in-house Internal Audit team, the Company has appointed external auditors to monitor the internal control system efficiently. The findings of the internal audit report are then provided to the senior management for their appropriate corrective action in case of any deficiency. A risk based program of internal audits provides assurance to the Audit Committee regarding the adequacy and effectiveness of internal controls. The Company has laid down properly documented policies, guidelines and procedures for this purpose.

CORPORATE SOCIAL RESPONSIBILITY

Infrastructure development

We believe that infrastructure development has a lasting impact and drives society towards growth. During FY19, the Company was dedicated towards this direction and built Water Bound Macadam roads, cremation sheds and carried out other rural infrastructure developments. We also provided basic infrastructure services for the development of the community by constructing roads, bus shelter and culverts at Chulhi, Bairiha and Baghai Villages. Till date, we have served 30,000 villagers with all our infrastructural initiatives.

- Construction of toilets to make villages open defecation free (ODF), improve health as well as support Swatch Bharat Abhiyan.
- Organized a health camp for truck drivers, in association with Samaritan Social Service Society Satna.

Drinking Water

The Company has been distributing clean water supply to the community by distributing borewell water through mobile tankers and operates water booths at strategic points in villages during summers. Installation of hand pumps, cleaning of rivers, deepening of ponds and construction of water harvesting structures are the focus of the Company.

- During the year the Company supplied water tanks and installed hand pumps at Chulhi, Majhiyar, Bairiha and Baghai villages.
- Installation of RO at Government Degree College at Rampur Baghelan.

Education

The Company is creating social awareness on health, education, gender equality, environment, water conservation and drug abuse by slogan writing. Moreover, we are supporting schools by developing infrastructures, distribution of uniforms and providing furniture to government schools in nearby villages. As a result, renovating schools with block toilets and improved seating arrangement resulted in reduced absenteeism and encouraged children to attend School.

Environment Conservation

The Company is aware of its responsibility towards environmental sustainability. For this reason,we are promoting the planting of saplings in villages and mine areas. The Company also provides saplings to villagers and students, grouting tree guards and conducts awareness programs on environment sustainability.

- During the year, the Company constructed a new stop dam at Baghai for water conservation.
- The Company installed solar lights across villages. This led to an enhanced water table as well as increased green cover with oxygen enriching trees around the villages shall help improve the living conditions of the families in villages.

Skill Development

The Company prioritizes women empowerment as we believe in promoting equal rights and opportunities for all. For the unemployed youth, the Company arranges drivers training, basic computer training and farmers trainings for agricultural development.

Professional Training - 460 persons

Livelihood Training - 170 persons

- Training provided in collaboration with Madhya Pradesh day State Rural Livelihood Mission.
- Distribution of sewing machines at Gadab village, Maharashtra
- Madhya Pradesh day State Rural Livelihood Mission will provide back end support for order and marketing.

This will improve the livelihood opportunities by developing skills through training amongst youth in different fields and reduce unemployment.

Sports

By promoting a healthy lifestyle amongst youths of adjoining villages, the Company plays a significant role to enhance sports activities by sponsoring different tournaments like cricket, football, badminton, volleyball etc. Development of playgrounds and sport facilities in rural areas is also conducted.

- Sponsored 4 Cricket, Football and Kabaddi tournaments.
- Constructed 115 & 120 meters playground boundary wall at Baghai and Mankahari.
- Sponsoring sports activities, especially solar driven car races for two years in succession in nearby villages improving the congenial relationship with local villagers.

Social Development

The Company is supporting charitable trusts, NGO's and other such other institutions engaged in social welfare and developmental activities. The Company is also providing support to overcome natural calamities and disasters by rescuing marooned villagers, providing logistics, food & shelters as well as medical aid.

- Support to differently-abled by providing 35 wheelchairs to District Administration, Satna.
- Pilgrimage Tour to Varanasi, Prayagraj and Vindhyavasani Devi for 150 villagers.
- Provided 100 dustbins to Municipal Corporation at Chitrakoot and Dhawari in Satna to support Swachh Bharat Abhiyan.

ESG INITIATIVE

In the context of 'sustainability' and 'responsibility' of an organization, one of the most popular concepts in recent times has been 'ESG' (where E stands for Environmental, S for Social and G for Governance). What has made ESG more relevant for the organizations is that this doesn't work in isolation with no associated objectives and benefits, and progress made by an organization in the direction of 'ESG' gets rewarded by the investors and stock markets. This acts as an important incentive for the organization to critically think about these issues. Both organizations and investors are now realizing that ESG cannot be ignored for long. There are challenges though and there is no consensus on several important issues on ESG and Sustainability. But this is an important concept to assess ourselves on how we are doing and where we need to get better.

Sustainability of the environment is paramount to us, as natural resources empower our lives. However, at Prism Johnson, it is our strive to ensure minimal carbon footprint and numerous other habits which help in conserving the nature. The dedication of HRJ Division towards Environment, Health and Safety is unwavering. Your Company is the first to achieve the following accomplishments:

- Install gas turbine and use 100% heat as fuel
- Get Carbon Credit in India
- Start LNG by road in association with IOCL amongst others

Prism Johnson is motivated to reduce its dependence on kinds of fossil fuels/non-renewable energy. The Cement Division has commissioned 12.5 MW solar power and plans are in place to commission a total of 25 MW by March 2021. WHRS will be commissioned in a phased manner by November 2020. The HRJ Division has envisioned to commission ~5 MW solar power by December 2020. Additionally, the Company will be taking the following steps:

- Increasing the reliance on alternate sources of energy.
- Bio-diesel to be used by all three divisions for transportation equipment.
- Initiatives to enhance the biodiversity in mined-out and peripheral areas.
- Rainwater harvesting systems in and around the cement plant.
- Conducting safety and training program in the RMC Division as an ongoing initiative.

RMC Division has been a winner amongst Yearly declared Winning Plants. Total 58 RMC Plants have received the status of National Recognition by Ministry of Labour and Employment in consultation with National Safety Council of India.

REPORT ON CORPORATE GOVERNANCE

Company's Philosophy on Corporate Governance

The Company's commitment to good corporate governance is based on four pillars – accountability, transparency, independence and fairness. This is achieved by maintaining a simple and transparent corporate structure, which promotes the long-term interests of stakeholders, strengthens Board and management accountability and helps build public trust in the Company.

The Company and its Board of Directors firmly believe that strong governance is integral to creating value on a sustainable basis. Good corporate governance practices have enabled the Company to have better access to external finance, lower interest rates, improved performance and compliance of laws and regulations.

Corporate governance is a system of varied rules, practices and processes which is adopted and implemented by the Company on a continuous basis that provides the foundation for the day-to-day operations of the Company. Corporate Governance encompasses every aspect of operations and management including internal controls, risk management and stakeholder services.

Governance Codes

a. Code of Conduct

The Board of Directors of the Company has laid down two separate Codes of Conduct - one for Directors and the other for Senior Management & Employees. These Codes are hosted on the Company's website www.prismjohnson.in/investors/disclosures-under-SEBI-LODR-regulations/policies. All Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year under review. Declaration to this effect signed by the Managing Director is annexed to this report.

b. Insider Trading Code

In compliance with the SEBI Regulations on prohibition of insider trading, as amended from time to time, the Company has adopted the following Codes :

i. Code of Conduct for Prohibition of Insider Trading in Securities of Prism Johnson Limited to regulate, monitor and report trading by Insiders, Designated Persons and their immediate relatives and such other persons to whom this Code is applicable.

ii. Code for Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information. The Code is uploaded on the website of the Company www.prismjohnson.in/investors/disclosures-under-SEBI-LODR-regulations/policies.

iii. Policy and Procedures for Inquiry in case of Leak or Suspected Leak of Unpublished Price Sensitive Information.

The Codes, *inter alia*, prohibit trading in the securities of the Company by Insiders/Designated persons and their immediate relatives while in possession of unpublished price sensitive information in relation to the Company.

1. Board of Directors

Composition and Attendance

The Board has a good combination of Executive and Non-executive Directors including Independent Directors. It consists of Directors with the appropriate balance of skills, experience, independence and knowledge of the Company which enable it to discharge its responsibilities and provide effective leadership to the business. The Non-executive Directors and Independent Directors on the Board are experienced, competent and renowned persons from the fields of manufacturing, finance, economics, law, etc.

As on March 31, 2020, the total strength of the Board is eight Directors comprising four Executive Directors and four Non-executive Directors, of which three are independent. The Chairman of the Board is a Non-executive Independent Director. During the year ended March 31, 2020, eleven Board Meetings were held on May 10, 2019, July 5, 2019, July 30, 2019, September 11, 2019, September 25, 2019, October 9, 2019, October 23, 2019, November 5, 2019, November 25, 2019, January 24, 2020 and February 11, 2020.

Attendance at Board Meetings and at the last Annual General Meeting

Name & Designation	Category of Directorship	DIN	Particulars of Attendance	
			Board Meeting	Last AGM
Mr. Shobhan M. Thakore *Chairman*	Non-executive Independent	00031788	11	Yes
Mr. Rajan B. Raheja	Non-executive Non-independent	00037480	10	No
Mr. Vijay Aggarwal *Managing Director*	Executive Non-independent	00515412	10	Yes
Mr. Vivek K. Agnihotri *Executive Director & CEO (Cement)*	Executive Non-independent	02986266	8	Yes

Name & Designation	Category of Directorship	DIN	Particulars of Attendance	
			Board Meeting	Last AGM
Mr. Atul R. Desai *Executive Director & CEO (RMC)*	Executive Non-independent	01918187	10	Yes
Mr. Sarat Chandak *Executive Director & CEO (HRJ)*	Executive Non-independent	06406126	11	Yes
Ms. Ameeta A. Parpia	Non-executive Independent	02654277	10	Yes
Dr. Raveendra Chittoor	Non-executive Independent	02115056	4	Yes

None of the Directors on the Board :

(i) is a member on more than ten Audit Committees/Stakeholders Relationship Committees of public listed companies and chairman of more than five such Committees across all the public listed companies in which he/she is a director.

(ii) serves as a director in more than eight listed entities.

(iii) serves as an independent director in more than seven listed companies.

(iv) have any inter-se relation among themselves and/or with any employee of the Company.

None of the Executive Directors serves as an Independent Director in more than three listed companies and none of the Non-executive Directors have any material pecuniary relationship or transactions with the Company.

Other Directorships

The following table gives details for the financial year 2019-20 of Directorships, number of memberships of Board/Committees of other public companies :

Name & Designation	* Number of Directorship(s) held in Indian public limited companies (excluding Prism Johnson Limited)	** Committee(s) position (excluding Prism Johnson Limited)	
		Member	Chairman
Mr. Shobhan M. Thakore *Chairman*	5	5	1
Mr. Rajan B. Raheja	4	1	—
Mr. Vijay Aggarwal *Managing Director*	3	1	2
Mr. Vivek K. Agnihotri *Executive Director & CEO (Cement)*	—	—	—
Mr. Atul R. Desai *Executive Director & CEO (RMC)*	—	—	—
Mr. Sarat Chandak *Executive Director & CEO (HRJ)*	—	—	—
Ms. Ameeta A. Parpia	4	4	2
Dr. Raveendra Chittoor	—	—	—

* *Excludes directorship in private limited companies, foreign companies and companies under Section 8 of the Companies Act, 2013.*

** *Only Audit Committee and Stakeholders Relationship Committee positions considered.*

Details of the listed entities in which other directorship is held :

Name of the Director	Name of the Company	Category
Mr. Shobhan M. Thakore	1. Alkyl Amines Chemicals Limited 2. Bharat Forge Limited 3. Sharda Cropchem Limited	Non-executive Independent
Mr. Rajan B. Raheja	1. Exide Industries Limited	Non-executive Non-independent
	2. Supreme Petrochem Limited	Non-executive Promoter
Mr. Vijay Aggarwal	1. Aptech Limited	Non-executive Independent
Ms. Ameeta A. Parpia	1. Supreme Petrochem Limited 2. Hathway Cable & Datacom Limited 3. Supreme Industries Limited	Non-executive Independent

Core skills/expertise/competencies identified by the Board of Directors as required in the context of its business(es) for it to function effectively and those actually available with the Board and the Directors

The Board is responsible for ensuring that it has represented on it the skills, knowledge and experience needed to effectively steer the Company forward. Building the right Board requires an understanding of Director competencies, which involves consideration of the Directors' experience, skills, attributes and capabilities. It is important to acknowledge that not all Directors will possess each necessary skill, but the Board as a whole must possess them.

Pursuant to the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('SEBI LODR'), the core skills/expertise/competencies identified by the Board of Directors as required in the context of the Company's businesses for it to function effectively and those available with the Board were broadly categorised last year. Based on the categorisation and pursuant to the SEBI LODR, the table below sets out the details of Directors who have some or most of the skills/expertise/competencies, respectively, required for the effective functioning of the Board :

Personal details :

Name	Shobhan Thakore	Rajan Raheja	Vijay Aggarwal	Vivek Agnihotri	Atul Desai	Sarat Chandak	Ameeta Parpia	Raveendra Chittoor
Age - years	72	67	51	60	58	49	55	53
Qualifications	B. A. (Politics), LL.B, Advocate & Solicitor	B.Com	B.Tech (IIT-Delhi), PGDBM (IIM - Ahd.)	B.A. - Economics (Hons), MBA - Marketing, University of Delhi	B.E. (Chemical), Gujarat University, MBA (Marketing) - South Gujarat University	B.Sc. (Hons), Sambalpur University, PGD - Systems Management, NIIT - Nagpur and MBA-Marketing, Pune University	B. A. LL.B, Advocate & Solicitor	MBA - IIM (Ahd.), Fellow in Management - IIM (Calcutta)
Category of Director	Independent Non-executive	Non-independent Non-executive	Non-independent Executive	Non-independent Executive	Non-independent Executive	Non-independent Executive	Independent Non-executive	Independent Non-executive
Core skills/Expertise/Competencies :								
Corporate Governance & Expertise								
Ability to think strategically	✓	✓	✓	✓	✓	✓	✓	✓
Analyse key financial statements	✓	✓	✓	✓	✓	✓	✓	✓
Safeguard the interest of the Company	✓	✓	✓	✓	✓	✓	✓	✓
Guide on complex legal issues	✓						✓	
Knowledge and practical experience in best practices pertaining to transparency, accountability, corporate governance keeping in view the best interest of all stakeholders	✓	✓	✓	✓	✓	✓	✓	✓

Name	Shobhan Thakore	Rajan Raheja	Vijay Aggarwal	Vivek Agnihotri	Atul Desai	Sarat Chandak	Ameeta Parpia	Raveendra Chittoor
Broad range of commercial / business experience.		✓	✓	✓	✓	✓		
Technical/ Industrial Skills - Knowledge of and experience in the building material industry/cement/ ready mixed concrete/tile and bath industry/ infrastructure industry, experience in marketing products and services.		✓	✓	✓	✓	✓		
Behavioral Competencies - includes Integrity, leadership skills, high ethical standards, communication and interpersonal skills, adaptability, decision making abilities, etc.	✓	✓	✓	✓	✓	✓	✓	✓

Board Meetings

The Board meets at regular intervals to review, *inter alia*, the financial performance of the Company and on other matters requiring its decisions and directions. The tentative yearly calendar of the meetings is finalised before the beginning of the year. Additional meetings are held as and when necessary. The Chairperson of various Board Committees brief the Board on all the important matters discussed and decided at their respective Committee meetings, which are generally held prior to the Board meetings.

The Board of Directors have full access to any information about the Company. The agenda for the Board and its Committee meetings includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision and in exceptional cases, additional items of agenda are tabled at the meeting. However, in case of special and urgent business needs, the Board/Committee approval is taken by passing resolutions by circulation, as permitted by law, which is noted and confirmed at the subsequent Board/Committee meeting.

The Company has developed an in-house application for transmitting Board/Committee agenda and supporting documents. The Directors of the Company receive the agenda and supporting documents in electronic form through this application. The application meets requisite standards of security and integrity that is required for storage and transmission of Board/Committee agenda and supporting documents in electronic form.

The Independent Directors take active part at the Board and Committee meetings by providing valuable guidance to the Management on various aspects of the business, policy matters, governance, compliance, etc., and strategic issues which aid in the decision making process of the Board.

The Board periodically reviews matters such as strategy and business plans, annual operating and capital expenditure budgets, adoption of quarterly/half-yearly/annual financial results, investors' grievances, borrowings and investments, issue of securities, compliance certificates, minutes of meetings of the Committees of Directors of the Board and the subsidiary companies including agenda suggested in Schedule II to the SEBI LODR and to the extent applicable. A detailed operations report is also presented at quarterly Board Meetings.

The Company Secretary and the Chief Financial Officer are invited to attend all the Board Meetings.

Independent Directors

- **Familiarisation**

  The Company has formulated a policy to familiarise the Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc., through various programmes. Upon appointment, Directors receive a letter of appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments.

Presentations are regularly made to the Board Members covering, *inter alia*, business environmental scan, the business strategies, operations review, quarterly/half-yearly/annual financial results, budgets, review of internal audit reports, statutory compliances, risk management, operations of subsidiaries and joint ventures, etc. In addition, the Independent Directors are also taken through various business and functional sessions in the Board meetings to discuss strategy.

The details of familiarisation programme for Independent Directors have been disclosed on the website of the Company www.prismjohnson.in/investors/disclosures-under-SEBI-LODR-regulations/policies.

- **Meeting**

During the year under review, a meeting of the Independent Directors of the Company was held on February 10, 2020, *inter alia*, to discuss the evaluation of the performance of Non-independent Directors and the Board as a whole, evaluation of the performance of the Chairman of the Company, taking into account the views of Executive and Non-executive Directors and evaluation of the quality, quantity and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform their duties. The Directors expressed their satisfaction with the evaluation process and the performance was found to be satisfactory.

The meeting was attended by all the Independent Directors.

- **Confirmation of Independence**

Based on the declarations received from all the Independent Directors and also in the opinion of the Board, the Independent Directors fulfil the conditions specified in the SEBI LODR and the Companies Act, 2013 ('the Act') and are independent of the management.

Pursuant to a notification dated October 22, 2019 issued by the Ministry of Corporate Affairs, all directors have completed the registration with the Independent Directors Databank. Requisite disclosures have been received from the Directors in this regard.

2. Board Committees

The Board has constituted Committees to deal with specific areas and functions which concern the Company and require closer review. The constitution of the Committees, fixing of terms of reference, appointment of members, etc., are determined by the Board. Recommendations of these Committees are submitted to the Board for approval. These Committees meet from time to time and the minutes of their meetings are periodically placed for the review of the Board.

Apart from the Board members, the Chief Financial Officer is invited to attend the Committee Meetings. Other senior management executives and advisors/consultants are called as and when necessary, to provide additional inputs for the items being discussed by the Committee(s).

The Company Secretary acts as the Secretary to all the Committees.

The Board currently has the following Committees :

A. Audit Committee

The Audit Committee of the Company is constituted pursuant to the provisions of the Act and the SEBI LODR. As on March 31, 2020, the Audit Committee comprised of three Non-executive Independent Directors, viz. Ms. Ameeta A. Parpia - Chairperson, Mr. Shobhan M. Thakore and Dr. Raveendra Chittoor. All the members have the requisite qualification for appointment on the Committee and possess sound knowledge of finance, accounting practices and internal controls.

The Audit Committee has met eleven times during the year ended March 31, 2020 on May 9, 2019, May 10, 2019, July 29, 2019, July 30, 2019, October 9, 2019, October 23, 2019, November 4, 2019, November 5, 2019, November 25, 2019, February 10, 2020 and February 11, 2020. The details of attendance of the Committee Members are as follows :

Name of Member	Category	No. of Meetings
Ms. Ameeta A. Parpia	Non-executive Independent	11
Mr. Shobhan M. Thakore	Non-executive Independent	11
Dr. Raveendra Chittoor	Non-executive Independent	8

The terms of reference of the Audit Committee cover the matters specified in Section 177 of the Act to, *inter alia*, include :

- The recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- Review and monitor the auditor's independence and performance and effectiveness of audit process.
- Examination of the financial statements and the auditors' report thereon.
- Approval or any subsequent modification of transactions of the Company with related parties.
- Evaluation of internal financial controls and risk management systems.
- Scrutiny of inter-corporate loans and investments.
- Valuation of undertakings or assets of the Company, wherever it is necessary.
- Monitoring the end use of funds raised through public offers and related matters.

The terms of reference and powers of the Committee are also in accordance with the requirements of the SEBI LODR and, *inter alia,* include :

- 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.
- Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
- Approval of payment to auditors for any other services rendered by them.
- Review of the internal control systems with the management, internal auditors and auditors.
- Review with the management the annual financial statements before submission to the Board for approval, with special emphasis on accounting policies and practices, disclosure of related party transactions, qualifications in the draft audit report, if any, compliance and other legal requirements concerning financial statements.
- Review with the management, the quarterly financial statements before submission to the Board for approval.
- Review the adequacy of internal audit function, significant internal audit findings and follow-ups thereon.
- Review Management Discussion and Analysis.
- Review the functioning of the Whistle Blower mechanism.
- Review and discuss with the Management the internal financial controls and risk management systems.
- Review transactions with related parties and grant omnibus approval for transactions which are in the normal course of business and on an arm's length basis and to review and approve such transactions subject to the approval of the Board, wherever necessary.
- Approval of appointment of CFO after assessing the qualifications, experience and background, etc., of the candidate.
- Review financial statements and investment of unlisted subsidiary companies.
- Reviewing the utilisation of loans and/or advances from/ investment by the holding company in the subsidiary exceeding ₹ 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans/ advances/ investments.
- Any other terms of reference as may be included from time to time.

The Committee has, during the year ended March 31, 2020, reviewed each area as laid down in the terms of reference stipulated by the Board and the applicable regulations.

The representative of the Auditors is invited to all the Audit Committee Meetings which have been attended by them. The representatives of the Internal Auditors and the Cost Auditors are invited for the Audit Committee Meetings at which their respective reports are placed. All the Audit Committee Meetings are generally attended by Senior Management Executives of the Company.

B. Nomination & Remuneration Committee

As on March 31, 2020, the Nomination & Remuneration Committee ('NRC') comprises of three Non-executive members of the Board viz. Ms. Ameeta A. Parpia - Chairperson, Mr. Rajan B. Raheja and Dr. Raveendra Chittoor.

The terms of reference are as per the Act and the SEBI LODR and, *inter alia*, include the following :

a. Identifying persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board their appointment and removal.

b. Formulate and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other Employees ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully, relationship of remuneration to performance is clear and meets appropriate performance benchmarks and that remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

c. Formulate the criteria for evaluating the performance of the Independent Directors and the Board of Directors.

d. Formulate the criteria for determining qualifications, positive attributes and independence of a Director.

e. Recommend to the Board all remuneration, in whatever form, payable to Senior Management.

During the year ended March 31, 2020, three meetings of the NRC were held on May 10, 2019, July 30, 2019 and November 5, 2019. The details of attendance of the Committee Members are as follows :

Name of Member	Category	No. of Meetings
Ms. Ameeta A. Parpia	Non-executive Independent	3
Mr. Rajan B. Raheja	Non-executive Non-independent	3
Dr. Raveendra Chittoor	Non-executive Independent	3

Evaluation

In accordance with the provisions of the Act, the SEBI LODR and the Policy framed by the Board for Performance Evaluation, the Board has carried out the annual evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees. The performance evaluation of the Independent Directors was carried out by the entire Board with regard to performance and fulfilment of the independence criteria as specified in the regulations and their independence from the management. The performance evaluation of the Chairman, the Non-independent Directors and the Board as a whole was carried out by the Independent Directors.

The structured questionnaires as formulated by the NRC and prepared in line with the SEBI Guidance Note on Board Evaluation covering various aspects such as structure, attendance at the meetings, participation and contribution, functions, knowledge and competency, initiative, commitment, team work, discussions at the Board/Committee Meetings, understanding of the business of the Company, strategy and quality of decision making, etc. were used for the said purpose. The Directors expressed their satisfaction with the performance and the evaluation process.

Remuneration Policy

The purpose of the Remuneration Policy of the Company for members of the Board of Directors, Key Managerial Personnel, Senior Management and other Employees is to focus on enhancing the value, to retain and motivate Employees and Directors for achieving the objectives of the Company and to place the Company in a leadership position.

The Policy is guided by a reward framework and set of principles and objectives as more fully and particularly envisaged under Section 178 of the Act and criteria pertaining to qualifications, positive attributes, integrity and independence of Directors, etc.

a. Criteria of making payments to Non-executive Directors

The Non-executive Directors ('NEDs') shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board/Committee/ General Body meetings and commission as under :

(i) The NEDs are paid sitting fees for attending the Board and Audit Committee meetings as may be approved by the Board of Directors within the overall limits prescribed under the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. NEDs are currently paid sitting fees of ₹ 50,000/- for attending every meeting of the Board and ₹ 40,000/- for attending every meeting of the Audit Committee.

(ii) Apart from this, NEDs are entitled to be paid commission not exceeding 1% of the net profits of the Company. The distribution of commission amongst the NEDs shall be approved by the NRC/Board.

(iii) The details of sitting fees paid and commission provided for NEDs for the year ended March 31, 2020 are as under :

₹ Crores

Name of Director	Sitting Fees	Commission	Total
Mr. Rajan B. Raheja	0.05	—	0.05
Ms. Ameeta A. Parpia	0.10	0.15	0.25
Mr. Shobhan M. Thakore	0.10	0.20	0.30
Dr. Raveendra Chittoor	0.05	0.10	0.15

Notes :

1. *Sitting fees paid for Board and Audit Committee Meetings.*
2. *The Commission for the financial year ended March 31, 2020 will be paid to Independent Directors, subject to deduction of tax, after adoption of financial statements by the Members at the AGM to be held on August 14, 2020.*

b. Executive Directors

- The term of office and remuneration of Managing Director and Executive Director & CEOs are subject to the approval of the NRC/Board of Directors and shareholders, as may be required and the limits laid down under the Act and Schedule V thereto, from time to time.
- The remuneration for the Managing Director and Executive Director & CEOs is designed to remunerate them fairly and responsibly. The remuneration comprises of salary, perquisites and performance based incentive, wherever applicable, apart from retirement benefits such as provident fund, annuity funds, gratuity, ex-gratia, leave encashment, etc., as per rules of the Company and as may be mutually agreed to by the Managing Director/Executive Director & CEO(s) and the NRC/Board.
- While considering the appointment and remuneration of the Managing Director and Executive Director & CEOs, the NRC considers the industry benchmarks, merit and seniority of the person. The NRC also aims to motivate personnel to deliver Company's key business strategies, create a strong performance-oriented environment and reward achievement of meaningful targets over the short and long term.
- The tenure of the Managing Director and Executive Director & CEOs is for three years and can be terminated by either party by giving six months' notice in writing.
- The Company does not pay any sitting fees, severance fee and no stock option is granted to the Managing Director/Executive Director & CEOs.

Details of the remuneration paid for the year ended March 31, 2020 are as under :

₹ Crores

Name	Designation	Remuneration	Date of Appointment
Mr. Vijay Aggarwal	Managing Director	7.80	March 3, 2019
Mr. Vivek K. Agnihotri	Executive Director & CEO (Cement)	3.14	August 17, 2018
Mr. Atul R. Desai	Executive Director & CEO (RMC)	3.02	August 29, 2019
Mr. Sarat Chandak	Executive Director & CEO (HRJ)	2.79	March 3, 2019

Remuneration includes salary, allowances, perquisites, contribution to provident and annuity funds, gratuity, ex-gratia and leave encashment on actual payment, etc. : ₹ 15.64 Crores and performance incentive : ₹ 1.11 Crores.

c. Senior Management Employees

The Company while deciding the remuneration of the Senior Management employees takes into consideration, *inter alia*, the merit and seniority of the person, employment scenario and industry benchmarks.

The remuneration of the Senior Management employees is based on :

1. A fixed base salary - set at a level aimed at attracting and retaining executives with professional and personal competence, showing good performance towards achieving Company goals.
2. Perquisites - in the form of house rent allowance/ accommodation, reimbursement of medical expenses, insurance, conveyance, telephone, leave travel, etc., as may be mutually agreed and applicable as per Company rules.
3. Retirement benefits - contribution to provident fund, superannuation, annuity funds, gratuity, etc., as may be applicable as per Company rules.
4. Motivation/Reward - a performance appraisal is carried out annually and promotions/increments/ rewards are decided based on the appraisal and recommendation of the Managing Director/concerned Executive Director & CEO, wherever applicable, as per Company rules.

d. Details of shares of the Company held by the Directors as on March 31, 2020 are as under :

Name	No. of shares
Mr. Rajan B. Raheja	5,14,06,327
Ms. Ameeta A. Parpia	76,000

None of the other Directors hold any shares in the Company. None of the Directors hold any convertible instruments in the Company.

C. Stakeholders Relationship Committee

As on March 31, 2020, the Stakeholders Relationship Committee comprises of Ms. Ameeta A. Parpia, Independent Director as the Chairperson, Mr. Vijay Aggarwal, Managing Director and Dr. Raveendra Chittoor, Independent Director, as members of the Committee. The terms of reference, *inter alia*, include :

a. Resolving the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings, etc.

b. Review of measures taken for effective exercise of voting rights by shareholders.

c. Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar & Transfer Agent.

d. Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

The Committee has met twice during the year ended March 31, 2020 on May 10, 2019, and July 30, 2019. The details of attendance of the Committee Members are as follows :

Name of Member	Category	No. of Meetings
Ms. Ameeta A. Parpia	Non-executive Independent	2
Mr. Vijay Aggarwal	Executive Non-independent	2
Dr. Raveendra Chittoor	Non-executive Independent	2

The Board has designated Ms. Aneeta S. Kulkarni, Company Secretary, as Compliance Officer. During the year ended March 31, 2020, six complaints were received from shareholders, which were resolved satisfactorily. As on March 31, 2020, there were no pending investor complaints.

D. Securities Allotment & Transfer Committee

The Company's securities are traded in the dematerialised form on the Stock Exchanges. The Committee is responsible, *inter alia*, for issue and allotment of securities, issue of duplicate/split/consolidated certificates, transmissions and related applications received from investors. As on March 31, 2020, the Committee comprises of Mr. Vijay Aggarwal - Chairman, Mr. Vivek K. Agnihotri - Member, Mr. Atul R. Desai - Member and Mr. Sarat Chandak - Member.

The Committee has met once during the year ended March 31, 2020 on May 10, 2019. The meeting was attended by all the Committee Members.

Officers of the Company have been authorised to review all other matters connected with the Company's securities.

E. Corporate Social Responsibility Committee

The Board of Directors has constituted a Corporate Social Responsibility ('CSR') Committee with the following objectives :

(i) To formulate and recommend a CSR policy to the Board and the amount of expenditure to be incurred on CSR activities;

(ii) To monitor the implementation of the CSR policy of the Company from time to time;

(iii) To institute a transparent monitoring mechanism for implementation of the CSR projects or programmes or activities undertaken by the Company.

During the year ended March 31, 2020, two meetings of the CSR Committee were held on May 9, 2019 and February 10, 2020. As on March 31, 2020, the composition of the CSR Committee and the details of attendance at the meetings are as under :

Name of Member	Designation	No. of meetings
Mr. Vijay Aggarwal	Chairman	2
Ms. Ameeta A. Parpia	Member & Independent Director	2
Mr. Vivek K. Agnihotri	Member	2
Mr. Atul R. Desai	Member	2
Mr. Sarat Chandak	Member	2

F. Risk Management Committee

Risk management is integral to the Company and is controlled through awareness, training, discipline, commitment and prudent risk management strategies. The risk management framework is designed to assess, measure and control risks, including procedures for mitigating concerns, monitoring compliance with standards and reporting results to the appropriate operations and management groups.

The Board of Directors has constituted a Risk Management Committee with the following broad objectives :

- Assess and provide oversight to the management relating to the identification and evaluation of major strategic, operational, regulatory, cyber security, information and external risks inherent in the business of the Company and the control processes with respect to such risks.
- Overseeing the risk management, compliance and control activities of the Company, including without limitation, the development and execution by management of strategies to mitigate risks.
- Overseeing the integrity of the Company's systems of operational controls regarding legal and regulatory compliance.
- Overseeing compliance with legal and regulatory requirements, including, without limitation, with respect to the conduct of the Company's business.
- Obtaining assurance from the Management that all known and expected risks are identified and mitigation steps are taken.

During the year ended March 31, 2020, four meetings of the Risk Management Committee were held on May 9, 2019, July 29, 2019, November 4, 2019 and February 10, 2020. The composition of the Risk Management Committee as at March 31, 2020 and the details of attendance at the meetings of the Committee is as under :

Name of Member	Designation	No. of Meetings
Mr. Vijay Aggarwal	Chairman	4
Ms. Ameeta A. Parpia	Member	4
Mr. Vivek K. Agnihotri	Member	4
Mr. Atul R. Desai	Member	4
Mr. Sarat Chandak	Member	4
Mr. Manish Bhatia	Member	4
Ms. Aneeta S. Kulkarni	Member	4

3. Whistle Blower Policy

The Company is committed to conducting its business in accordance with applicable laws, rules and regulations and the highest standards of business ethics, honesty, integrity and ethical conduct. Accordingly, the Board has established a vigil mechanism by adopting a 'Whistle Blower Policy' for stakeholders including Employees and Directors and their representatives to freely communicate their concerns about illegal or unethical practices.

The Whistle Blower Policy provides a mechanism for stakeholders including Employees and Directors and their representatives to approach the Corporate Governance Cell/Chairman of the Company/Chairperson of the Audit Committee of the Company. The Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern. The Policy is hosted on the website of the Company www.prismjohnson.in/investors/disclosures-under-SEBI-LODR-regulations/policies.

4. Prevention of Sexual Harassment

The Company has framed a policy on Prevention of Sexual Harassment of Women at workplace. As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules made thereunder, the Company has constituted an Internal Committee to inquire into complaints of sexual harassment and recommend appropriate action.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 for the year ended March 31, 2020 are as under :

a.	Number of complaints pending at the beginning of the financial year	Nil
b.	Number of complaints filed during the financial year	Nil
c.	Number of complaints disposed of during the financial year	Nil
d.	Number of complaints pending as on end of the financial year	Nil

5. Subsidiary Company

All subsidiary companies are Board managed with their Boards exercising the duties and powers to manage such companies in the best interest of their stakeholders. The Company has formulated a policy for determining 'material' subsidiaries and the same is disclosed on the website of the Company www.prismjohnson.in/investors/disclosures-under-SEBI-LODR-regulations/policies. As on March 31, 2020, Raheja QBE General Insurance Company Limited ('RQBE'), is an unlisted material subsidiary in terms of the SEBI LODR.

Ms. Ameeta A. Parpia and Mr. Shobhan M. Thakore, Independent Directors of the Company, are appointed as Independent Directors on the Board of RQBE.

The operations and performance of the subsidiary companies are reviewed on a quarterly basis as under :

(i) The minutes of the meetings of the Board of Directors of all subsidiary companies are placed before the Board of Directors of the Company and the attention of the Directors is drawn to all significant transactions and arrangements entered into by the unlisted subsidiary companies.

(ii) The Audit Committee of the Company reviews the financial statements, in particular, the investments made by the subsidiary companies.

6. Related Party Transactions

The Board has approved a policy on materiality of related party transactions and dealing with related party transactions which has been uploaded on the Company's website www.prismjohnson.in/investors/disclosures-under-SEBI-LODR-regulations/policies.

The Company's major related party transactions are generally with its subsidiaries, joint ventures and associates to further the Company's business interest.

All transactions entered into with related parties, as defined under the Act and the SEBI LODR, during the financial year were in the ordinary course of business and on an arm's length basis and do not attract the provisions of Section 188 of the Act. There were no materially significant transactions with related parties during the year ended March 31, 2020 which were in conflict with the interests of the Company. Details of such related party transactions are given in Note 4.09 of the Standalone Financial Statements forming part of this Annual Report.

7. Disclosures

1) There are no penalties or strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matters related to capital markets during the last three years.

2) The Board of Directors has established a vigil mechanism by adopting a Whistle Blower Policy for the Company which is available on the Company's website. No personnel had been denied access to the Audit Committee.

3) The Company has complied with the disclosures of corporate governance requirements specified in Regulations 17 to 27 and Clauses (b) to (i) of sub-Regulation (2) of Regulation 46 of the SEBI LODR.

4) (i) **Mandatory Requirements**

The Company has complied with all the mandatory requirements of the SEBI LODR.

(ii) **Discretionary Requirements**

a. Non-executive Chairman's Office : The Chairman's office is maintained by himself.

b. As the quarterly and half-yearly financial performance along with significant events are published in the newspapers and are also posted on the Company's website and the websites of BSE and NSE, the same are not being sent separately to the shareholders.

c. The annual financial statements of the Company are unmodified.

d. The Internal Auditors have access to the Audit Committee.

5) The Company has followed all relevant Accounting Standards prescribed under the Act and Rules thereunder and the guidelines issued by Securities Exchange Board of India while preparing Financial Statements.

8. CEO/CFO Certification

Pursuant to provisions of Regulation 17(8) of the SEBI LODR, the Managing Director and the Chief Financial Officer of the Company have certified to the Board regarding their review on the Financial Statements, Cash Flow Statements and other matters related to internal controls for the year ended March 31, 2020.

9. General Body Meetings

(i) Location and time where last three Annual General Meetings were held :

Date of Meeting	Time of Meeting	Venue
July 31, 2019	10.00 a.m.	National Institute for Micro, Small and Medium Enterprises (ni-msme), Auditorium Hall, 2nd Floor, Training Block, Yousufguda, Hyderabad - 500045, Telangana.
August 8, 2018	10.00 a.m.	
August 9, 2017	11.00 a.m.	

(ii) Two special resolutions were passed at the Annual General Meeting held on August 9, 2017, four special resolutions were passed at the Annual General Meeting held on August 8, 2018 and six special resolutions were passed at the Annual General Meeting held on July 31, 2019.

(iii) Two special resolutions are proposed to be passed at the ensuing Annual General Meeting with regard to :

- issue of Non-convertible Debentures on private placement basis.
- divestment of stake in Raheja QBE General Insurance Company Limited.

(iv) No special resolutions were passed through postal ballot last year and no special resolutions have been proposed to be passed through postal ballot at the AGM to be held on August 14, 2020.

10. Means of Communication

- The quarterly/half-yearly/annual financial results of the Company are filed with BSE and NSE where the Company's securities are listed.
- The results are thereafter given by way of a press release to various news agencies/analysts and published in Economic Times (English) and Nava Telangana (Telegu) and are displayed on the Company's website www.prismjohnson.in/investors/financials.
- The Company also informs, by way of intimation to BSE and NSE, all price sensitive matters or such other matters, which in its opinion are material and of relevance to the investors.
- The quarterly/half-yearly/annual financial results, shareholding pattern, quarterly compliances and all other corporate communication are filed electronically on BSE and NSE on-line portals.
- A separate dedicated section under 'Investors' on the Company's website gives information on unclaimed dividends, financial results, annual reports, quarterly compliance reports, communications with the Stock Exchanges, investor presentations and updates and other relevant information of interest to the investors/public and as mandated by the SEBI LODR and the Act.
- The official press releases and presentations made to institutional investors/analysts, if any, are also available on the Company's website and are submitted to BSE and NSE.

11. **Management Discussion and Analysis** is a part of the Annual Report and is annexed separately.

12. General Shareholder Information

A. Annual General Meeting

Date and Time : August 14, 2020 at 10.30 a.m.

Venue : The meeting will be held through Video Conference/Other Audio Visual Means and the deemed venue of the AGM shall be the Registered Office at 305, Laxmi Niwas Apartments, Ameerpet, Hyderabad - 500 016.

B. Financial Calendar

– **Reporting for the Quarter ending** :

June 30, 2020	–	Within 45 days from the close of the quarter.
September 30, 2020	–	
December 31, 2020	–	
March 31, 2021	–	Within 60 days from the close of the financial year.

– **Annual General Meeting for the year 2021** – Within six months from the close of the financial year.

C. Listing on Stock Exchanges

(i) The Company's equity shares are listed on the following Stock Exchanges :

Name & Address of Stock Exchange	Stock Code/ Symbol
BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001.	500338
National Stock Exchange of India Limited, Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051.	PRSMJOHNSN

(ii) The listing fees for the year 2020-21 has been paid to the aforesaid Stock Exchanges.

(iii) The Non-convertible Debentures issued on private placement basis by the Company are listed on BSE Limited.

(iv) The Company has not issued any Global Depository Receipts or American Depository Receipts or warrants or any convertible instruments.

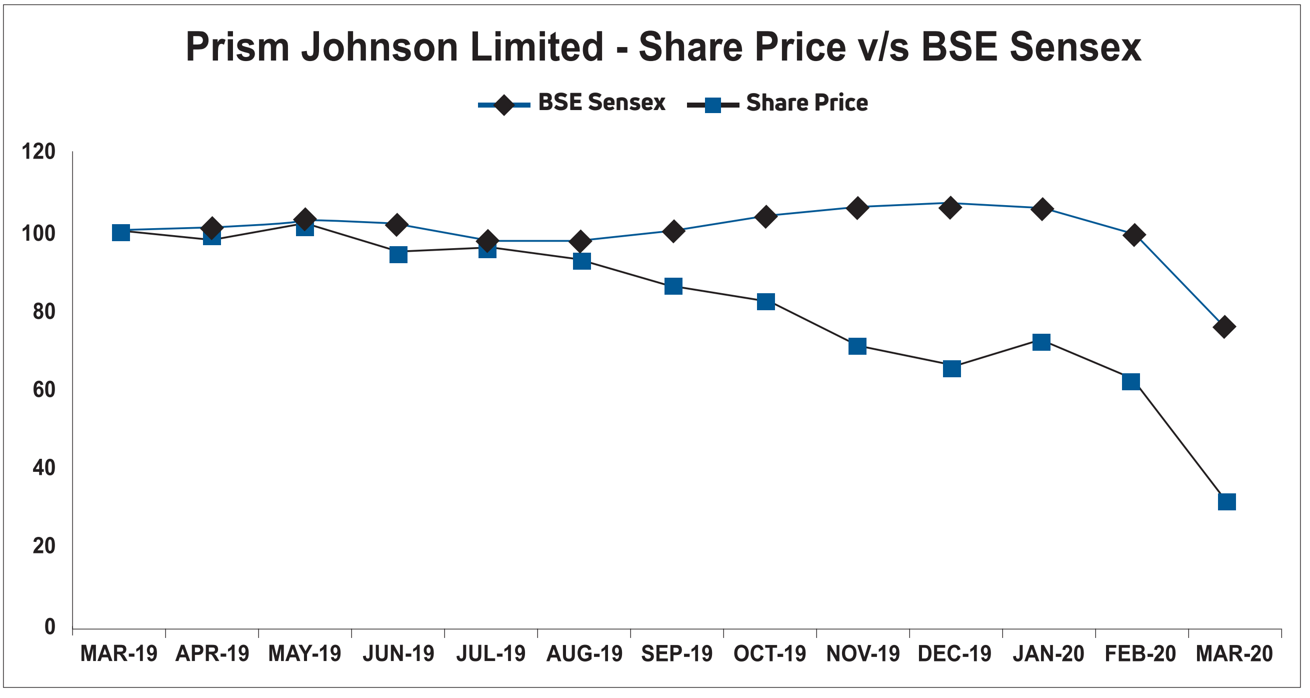
D. Market price data for the year ended March 31, 2020

Month	BSE Prices		NSE Prices	
	High ₹	Low ₹	High ₹	Low ₹
April 2019	101.00	93.10	101.15	93.10
May 2019	99.80	84.20	99.70	84.45
June 2019	99.40	90.35	99.35	90.30
July 2019	95.00	90.90	95.00	90.95
August 2019	91.40	79.50	91.30	79.55
September 2019	89.40	80.25	89.25	80.20
October 2019	79.95	73.60	79.95	73.50
November 2019	83.20	66.10	83.20	66.10
December 2019	68.25	59.85	68.15	59.85
January 2020	73.05	63.30	73.00	63.30
February 2020	68.10	60.40	68.20	60.40
March 2020	59.80	27.75	59.90	27.55

Performance in comparison to BSE Sensex :

Closing value of Company's share price v/s BSE Sensex on the last trading day of the month.

Base is considered to be 100 as on March 31, 2019.



[Source : www.bseindia.com]

E. Registrar & Transfer Agent

KFin Technologies Private Limited,
Unit : Prism Johnson Limited, Selenium Tower B,
Plot 31-32, Financial District, Nanakramguda,
Serilingampally Mandal, Hyderabad – 500 032, Telangana
e-mail : einward.ris@kfintech.com
website : www.kfintech.com
Tel. No. : +91-40-6716 1500/6716 1562
Fax No. : +91-40-2343 1551
Toll Free No. : 1800 345 4001

F. Share Transfer System

Requests for dematerialisation of shares are processed and confirmation thereof is given to the respective depositories within the statutory time limit from the date of receipt of share certificates provided the documents are complete in all respects.

In terms of requirements to amendments to Regulation 40 of the SEBI LODR w.e.f April 1, 2019, shares can be transferred only in dematerialised form.

Half-yearly Share Transfer Audit in terms of the SEBI LODR is regularly carried out by an independent practicing Company Secretary.

Dealing with securities which have remained unclaimed

Pursuant to Regulation 39 of the SEBI LODR, unclaimed and postal returned equity shares have been transferred to the Unclaimed Suspense Account of the Company and shall be transferred to the concerned shareholder upon making a claim to the Company's Registrar & Transfer Agent. The voting rights on these shares shall remain frozen till the rightful owner claims the shares.

Details of the account are as under :

	Particulars	No. of shareholders	No. of shares
(i)	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the beginning of the year.	40	10,500
(ii)	Number of shareholders who approached the Company for transfer of shares from the Unclaimed Suspense Account during the year.	Nil	Nil
(iii)	Number of shareholders to whom shares were transferred from the Unclaimed Suspense Account during the year.	Nil	Nil
(iv)	Number of shares transferred to IEPF Authority.	18	4,800
(v)	Aggregate number of shareholders and the outstanding shares lying in the Unclaimed Suspense Account at the end of the year.	22	5,700

G. Transfer of Unpaid/Unclaimed Dividend Amounts/Shares to Investor Education & Protection Fund

➢ ***Transfer of unclaimed equity shares into Investor Education & Protection Fund***

Pursuant to the provisions of Section 125 of the Act read with Investor Education & Protection Fund ('IEPF') Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, ('the Rules') the Company shall transfer the shares in respect of which dividends have remained unclaimed for a period of seven consecutive years to the IEPF Account established by the Central Government on the specified date.

In accordance with the Rules and its amendments, 11,56,369 shares were transferred during the financial year 2019-20 to the IEPF.

➢ ***Transfer of Unpaid/Unclaimed Dividend Amounts to Investor Education & Protection Fund***

Pursuant to the provisions of Sections 124 and 125 of the Act and Investor Education & Protection Fund ('IEPF') Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules') dividends not encashed/claimed within seven years from the date of declaration are to be transferred to the IEPF.

The Company has transferred all such unpaid/unclaimed dividend to the IEPF. No claim lies against the Company in respect thereof.

The Company has uploaded full details of shares as well as unclaimed dividends transferred to IEPF on the website of the Company www.prismjohnson.in/investors/IEPF. The Company has appointed Nodal Officers under the provisions of IEPF, the details of which are available on the website of the Company.

Both, the unclaimed dividends and the shares transferred to the IEPF can be claimed by the concerned shareholders from IEPF Authority after complying with the procedure prescribed under the IEPF Rules.

H. Distribution of shareholding and shareholding pattern as of March 31, 2020 :

Distribution of Shareholding

Category (shares)	No. of shareholders	% of Shareholders	Total Shares	% of Shares
1 - 5000	71,159	98.55	2,36,73,044	4.70
5001 - 10000	510	0.71	37,68,107	0.75
10001 - 20000	253	0.35	36,23,707	0.72
20001 - 30000	80	0.12	19,92,396	0.40
30001 - 40000	26	0.03	9,08,452	0.18
40001 - 50000	26	0.03	11,74,429	0.23

Category (shares)	No. of shareholders	% of Shareholders	Total Shares	% of Shares
50001 - 100000	55	0.07	40,40,928	0.80
100001 & Above	97	0.14	46,41,75,517	92.22
Total	**72,206**	**100**	**50,33,56,580**	**100**

Shareholding Pattern

Category	No. of Shares	% Shareholding
Promoters	37,68,81,169	74.87
FPIs/NRIs	2,02,81,797	4.02
Bodies Corporate	1,00,17,816	1.99
Financial Institutions/ Banks/Mutual Funds	3,82,88,157	7.61
Indian Public	5,42,67,173	10.79
IEPF	36,20,468	0.72
Total	**50,33,56,580**	**100**

I. Dematerialisation of Shares

Trading of the Company's shares is compulsorily in dematerialised form for all investors. As of March 31, 2020, equity shares representing 99.50% have been dematerialised with the following depositories :

Description	ISIN	Depositories
Equity shares	INE010A01011	NSDL & CDSL

J. Commodity price risk or foreign exchange risk and hedging activities

The Company does not have any exposure to commodity price risk. During the year 2019-20, the Company had managed the foreign exchange risk and hedged to the extent considered necessary. The Company enters into forward contracts for hedging foreign exchange exposures against exports and imports. The details of foreign currency exposure are disclosed in Note No. 4.08 of the standalone financial statements forming part of this Annual Report.

K. Addresses

Plant Location

The Company's cement manufacturing facilities are located at Satna, Madhya Pradesh. The tile manufacturing facilities are located at Pen, Maharashtra; Dewas, Madhya Pradesh; Kunigal, Karnataka and Karaikal, Puducherry. RMC (India) Division currently operates 99 Ready Mixed Concrete plants spread across 45 locations in the country and 7 aggregate crushers.

Correspondence

Shareholders' correspondence may be addressed to the Registrar & Transfer Agent at Hyderabad and also at einward.ris@kfintech.com. Investors can also mail their queries to the Company at investor@prismjohnson.in for redressal.

Shareholders holding shares in electronic mode should address all their correspondence to their respective Depository Participants (DPs).

L. Details of Debenture Trustee

Axis Trustee Services Limited,
The Ruby, 2nd Floor, SW,
29, Senapati Bapat Marg,
Dadar (West), Mumbai - 400 028
e-mail : debenturetrustee@axistrustee.com
website : www.axistrustee.com
Tel. No. : +91-22-6230 0451
Fax No. : +91-22-6230 0700

M. Details of Credit Ratings

The Company has obtained rating from ICRA Ltd. and India Ratings and Research Pvt. Ltd. for debt instruments/ financial facilities during the year ended March 31, 2020. There has been no change in the credit ratings given by them. The details of Credit Rating are available on the website at www.prismjohnson.in/investors/disclosures-under-SEBI-LODR-regulations/credit ratings.

Rating Agency	Instrument	Rating	Outlook
ICRA Ltd.	Debt Instruments	ICRA A -	Stable
India Ratings and Research Pvt. Ltd.		IND A	
India Ratings and Research Pvt. Ltd.	Term Loans/ Fund based Working Capital	IND A	Stable
India Ratings and Research Pvt. Ltd.	Non-fund Based Limits - Working Capital / Unsecured Short Term Loans	IND A1	–

N. Audit Fees

The total fees for all services paid by the Company and its subsidiaries on a consolidated basis, to the Statutory Auditors for the year ended March 31, 2020 is ₹ 1.44 Crores.

DECLARATION

As provided under Schedule V(D) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, we confirm that the Board Members and Senior Management of the Company have confirmed compliance with the Code of Conduct for the year ended March 31, 2020.

For **PRISM JOHNSON LIMITED**

Place : Mumbai
Date : May 28, 2020

VIJAY AGGARWAL
Managing Director

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

1. This certificate is issued in accordance with our terms of engagement with Prism Johnson Limited ('the Company')

2. We have examined the compliance of conditions of Corporate Governance by the Company, for the financial year ended on March 31, 2020, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of Chapter IV of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

MANAGEMENT'S RESPONSIBILITY

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

AUDITORS' RESPONSIBILITY

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

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

6. We have carried out the examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ('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.

7. 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.

OPINION

8. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2) and paragraphs C, D and E of Schedule V of Chapter IV of the Listing Regulations for the year ended March 31, 2020.

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

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W

Atul Shah
Partner
Membership No. 039569
UDIN : 20039569AAAADQ7241

Place : Mumbai
Date : May 28, 2020

SECRETARIAL AUDITORS CERTIFICATE

Certificate of Non-disqualification of Directors

[Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

The Members,
Prism Johnson Limited

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Prism Johnson Limited bearing CIN : L26942TG1992PLC014033 and having its registered office at 305, Laxmi Niwas Apartments, Ameerpet, Hyderabad - 500016 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN
1	Shobhan M. Thakore	00031788
2	Rajan B. Raheja	00037480
3	Vijay Aggarwal	00515412
4	Vivek K. Agnihotri	02986266
5	Atul R. Desai	01918187
6	Sarat Chandak	06406126
7	Ameeta A. Parpia	02654277
8	Raveendra Chittoor	02115056

Ensuring the eligibility of the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

for **Savita Jyoti Associates**
Company Secretaries

CS Savita Jyoti
FCS No. : 3738 ; CP No. : 1796
UDIN : F003738B000355751

Place : Hyderabad
Date : May 28, 2020

DIRECTORS' REPORT

To the Shareholders,

The Directors present the Twenty-eighth Annual Report together with the audited Statement of Accounts of the Company for the year ended March 31, 2020.

FINANCIAL RESULTS (Standalone)

₹ Crores

Particulars	2019-20	2018-19
Revenue from operations	5,572.29	5,955.57
Other income	26.46	20.73
Total income	5,598.75	5,976.30
Expenses	5,467.11	5,746.25
Profit before tax	131.64	230.05
Tax expenses	75.19	84.07
Profit for the year	56.45	145.98
Surplus - opening balance	376.08	246.82
Amount available for appropriation	432.53	392.80
Dividend & Dividend Distribution Tax	60.68	30.34
Transfer from Debenture Redemption Reserve	96.25	12.98
Other Comprehensive Income/(Loss) - net of tax	(14.36)	0.64
Surplus - closing balance	453.74	376.08

RESERVES

Pursuant to the amendment to the Companies (Share Capital and Debentures) Rules, 2014, the Company is not required to create a Debenture Redemption Reserve for its outstanding Non-convertible Debentures. Accordingly, the Company has transferred an amount of ₹ 96.25 Crores from the Debenture Redemption Reserve to the Retained Earnings during the year under review. An amount of ₹ 453.74 Crores is proposed to be retained in the Statement of Profit and Loss.

DIVIDEND

In compliance with the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('SEBI LODR'), the Board of Directors of the Company has approved a Dividend Distribution Policy. The objective of the policy is to lay down the criteria to be considered by the Board before recommending dividend to its shareholders for a financial year and to provide clarity to stakeholders on the profit distribution of the Company. The Board shall consider distribution of profits in accordance with the business strategies, provisions of the applicable regulations and seek to balance the benefit to shareholders of the Company with the comparative advantages of retaining profits in the Company which would lead to greater value creation for all stakeholders.

The Policy is uploaded on the Company's website at www.prismjohnson.in/investors/disclosures-under-SEBI-LODR-regulations/policies.

During the year, the Company has paid an interim dividend of ₹ 1/- (@ 10%) per equity share of ₹ 10/- each. The total outflow for the year ended March 31, 2020 towards Dividend is ₹ 50.34 Crores and Dividend Distribution Tax is ₹ 10.34 Crores.

OPERATIONS

The Covid-19 global pandemic which set foot in India in March 2020 has impacted the country's economy across industries and businesses. The Company is not immune to this crisis. To ensure the safety of its employees and workers and to combat the Covid-19 pandemic in compliance with the containment directives of the Government, the Company had shut down its facilities at all locations towards the end of March 2020.

A cross-functional Task Force was constituted under the Managing Director of the Company which has been constantly reviewing the rapidly changing situation to ensure that measures are continuously implemented to keep employees safe at all times while also attempting to ensure business continuity.

Whilst manufacturing and sales came to a standstill, supply chains and revenues had been under severe stress with the lockdown restrictions in place. The Management has been hands-on to re-evaluate its strategies to overcome the unprecedented situation. With major focus on preserving cash and reducing fixed costs, and resumption of operations in a phased manner since April 20, 2020, all efforts are being made to tide over this challenging time and bounce back.

All statutory obligations have been paid within time limit allowed by the Government with relaxations as announced. The Company has been monitoring cash inflows with continuous follow up with customers during the lock down period and managing vendor payments. Due to rigorous follow-up, trade collections have been better. The Company has not opted for moratorium with any banks/FIs for principal or interest payments and has made TDS and all payments in time.

During the year ended March 31, 2020, revenue from operations decreased to ₹ 5,572 Crores from ₹ 5,956 Crores in the previous year due to impact of the lockdown on volumes in the last quarter. The Company earned a profit before tax of ₹ 131.64 Crores and profit after tax of ₹ 56.45 Crores during the year ended March 31, 2020 as against profit before tax of ₹ 230.05 Crores and profit after tax of ₹ 145.98 Crores during the year ended March 31, 2019.

The consolidated loss after tax for the year ended March 31, 2020 of the Company and its subsidiary/joint venture companies amounted to ₹ 20.65 Crores as against profit after tax of ₹ 109.60 Crores for the previous year ended March 31, 2019.

No other material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which the financial statements relate and the date of this report.

SHARE CAPITAL

The paid-up equity share capital was ₹ 503.36 Crores as on March 31, 2020. During the year under review, the Company has not issued shares with differential voting rights neither granted any stock options nor sweat equity.

FIXED DEPOSITS

The Company has discontinued acceptance of any fixed deposits and also the renewal of its fixed deposits on maturity. During the year ended March 31, 2020, 175 deposits amounting to ₹ 0.57 Crores had matured and had not been claimed as on that date.

There has been no default in the repayment of the deposits or payment of interest thereon during the year under review. All deposits accepted by the Company were in compliance with the requirement of the Companies Act, 2013 and the Rules thereunder.

FINANCE

The Company has repaid/prepaid loans of ₹ 439.37 Crores and tied-up fresh loans of ₹ 822.92 Crores during the year under review to finance, *inter alia*, its repayment of debts, ongoing long term working capital and capital expenditure. The loans were used for the purpose they were sanctioned by the respective banks/financial institutions.

During the year ended March 31, 2020, the Company raised ₹ 199 Crores by way of privately placed Secured/ Unsecured Redeemable Non-convertible Debentures ('NCDs'), to finance, *inter alia*, its refinancing of debt, long term working capital and general corporate purpose detailed as under :

Coupon Rate	Date of Allotment	No. of NCDs	Total Amount ₹ Crores	Tenor	Maturity Date
10.70% Unsecured NCDs Tranche - XIV	26.07.2019	1150	115.00	36 months	25.07.2022
10% Unsecured NCDs Tranche - XV	31.01.2020	840	84.00	36 months	31.01.2023

The aforesaid debentures are listed on BSE Limited. The proceeds of the NCDs issue have been fully utilised for the purpose of the issue.

During the year under review, NCDs aggregating ₹ 171.90 Crores were redeemed in accordance with the terms of the issue.

TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

During the year, the Company has transferred a sum of ₹ 0.39 Crores to the Investor Education and Protection Fund in compliance with provisions of the Companies Act, 2013 which represents unclaimed/unpaid dividend, unclaimed fixed deposits and unclaimed interest on the fixed deposits.

SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANIES

Pursuant to the provisions of Section 129(3) of the Companies Act, 2013, a statement containing salient features of financial statements of subsidiary, joint venture and associate companies in Form AOC-1 is attached to the Accounts.

The Company has 5 subsidiaries, 3 step-down subsidiaries, 6 joint ventures and 4 associate companies as on March 31, 2020. The subsidiaries and joint ventures have performed satisfactorily during the year under review. The details of subsidiaries, joint ventures and associates of the Company are given in Form MGT-9, extract of the Annual Return, annexed herewith as Annexure 'F'.

Silica Ceramica Private Limited ('Silica') : The Company acquired 62,500 equity shares representing 0.07% in the total paid-up equity share capital of Silica, a subsidiary of the Company, for ₹ 0.16 Crores during the year under review. Consequent to the aforesaid acquisition, Silica became a wholly owned subsidiary of the Company effective October 9, 2019.

Sunspring Solar Private Limited ('Sunspring Solar') : During the year under review, the Company has acquired 14,78,412 equity shares of ₹ 10/- each aggregating to ₹ 1.48 Crores constituting 27% in the total paid-up equity share capital of Sunspring Solar due to which it has become an associate of the Company. Sunspring Solar is engaged in the business of providing solar power solutions comprising of consulting, design, engineering, fabrication, installation, commissioning, distribution, operation & maintenance and monitoring of distributed rooftop and ground mounted solar power plants primarily for captive consumption of commercial and industrial customers in India. Sunspring Solar will supply power to the Company's tile manufacturing facilities resulting in reduction of power costs thereby increasing the cost competitiveness.

Spectrum Johnson Tiles Private Limited, Joint Venture of the Company, decided to permanently close its wall manufacturing plant with capacity of 5 MSM per annum with effect from March 1, 2020 due to an aged unviable plant. Adequate cost effective arrangements have already been made for transition to outsourced vendor(s) so that there is full continuity with better profitability and no impact on sales.

Sanskar Ceramics Private Limited ('Sanskar') : The Company acquired 15% equity stake for ₹ 5.25 Crores in Sanskar, for supply of wall and vitrified tiles. Sanskar is engaged in manufacturing of ceramic tiles, at Morbi, Gujarat. Sanskar is a joint venture of Small Johnson Floor Tiles Private Limited, a joint venture of the Company. With this investment, Sanskar has become an associate of the Company. This arrangement is expected to increase the Company's footprint in Morbi.

Prism Power and Infrastructure Private Limited ('PPIPL') : The Company has made an application for striking-off of the name of PPIPL, an associate in which the Company holds 49% equity stake, from the Register of Companies as per applicable provisions of the Companies Act, 2013. PPIPL was incorporated in 2006 with the object to carry on the business of generation of electrical power by conventional, non-conventional methods, etc. PPIPL is not doing/carrying on any business right from the date of its incorporation and there is no intention to do any business or commercial activity as laid down in the main objects of its Memorandum of Association in future.

TBK Samiyaz Tile Bath Kitchen Private Limited, became wholly owned step down subsidiary with effect from October 14, 2019.

There has been no material change in the nature of the business of the other subsidiaries, joint ventures and associates during the year under review.

Composite Scheme of Arrangement and Amalgamation

The Board of Directors had, at its meeting held on October 23, 2019, considered and approved a Composite Scheme of Arrangement and Amalgamation as under :

a. Demerger of retail/trading business undertakings of TBK Rangoli Tile Bath Kitchen Private Limited, TBK Venkataramiah Tile Bath Kitchen Private Limited and TBK Samiyaz Tile Bath Kitchen Private Limited, into its holding company H. & R. Johnson (India) TBK Limited ('HRJ TBK') and subsequent demerger of retail/trading business undertaking of HRJ TBK into the Company.

b. Subsequent amalgamation of Milano Bathroom Fittings Private Limited and Silica Ceramica Private Limited, with the Company.

The application is pending before the NCLT, Hyderabad.

CONSOLIDATED FINANCIAL STATEMENTS

The audited consolidated financial statements of the Company, prepared in accordance with the Companies Act, 2013 and the applicable Indian Accounting Standards, alongwith all relevant documents and the Auditors' Report form part of this Annual Report.

The separate audited financial statements in respect of each subsidiary company is also available on the website of the Company at www.prismjohnson.in/investors/disclosures-under-SEBI-LODR-regulations/financials.

DIRECTORS

Pursuant to Section 152 of the Companies Act, 2013, Mr. Rajan B. Raheja and Mr. Vijay Aggarwal retire by rotation at the forthcoming Annual General Meeting of the Company and being eligible, have offered themselves for re-appointment.

In accordance with the requirements of the Companies Act, 2013, the shareholders on August 9, 2017 have appointed Dr. Raveendra Chittoor and on July 31, 2019 have appointed Mr. Shobhan M. Thakore and Ms. Ameeta A. Parpia as Independent Directors for a term of five consecutive years from July 3, 2017 and July 31, 2019, respectively.

The Company has received declarations from Ms. Parpia, Mr. Thakore and Dr. Chittoor, Independent Directors of the Company, confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under the SEBI LODR. The terms and conditions of appointment of the Independent Directors are placed on the website of the Company www.prismjohnson.in/investors/disclosures-under-SEBI-LODR-regulations/policies.

The details of familiarisation programme for Independent Directors have been disclosed in the Report on Corporate Governance and on the website of the Company www.prismjohnson.in/investors/disclosures-under-SEBI-LODR-regulations/policies.

As required, the requisite details of Directors seeking appointment/re-appointment are included in this Annual Report.

Meetings

The Board of Directors met 11 times during the year ended March 31, 2020. Additionally, several Committee Meetings were held including the Audit Committee, which met 11 times during the year. Details of the meetings are included in the Report on Corporate Governance.

Evaluation

Pursuant to the provisions of the Companies Act, 2013 and the SEBI LODR, the Board has carried out an annual performance evaluation during the year under review. Details of the same is given in the Report on Corporate Governance.

Remuneration Policy

The policy on Director's appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Director and also remuneration for Key Managerial Personnel, Senior Management and other employees forms part of the Report on Corporate Governance and is also available on the website of the Company at www.prismjohnson.in/investors/disclosures-under-SEBI-LODR-regulations/policies.

KEY MANAGERIAL PERSONNEL

There were no changes in the Key Managerial Personnel of the Company during the year under review.

COMPOSITION OF AUDIT COMMITTEE

The Board has constituted an Audit Committee, details of the same is stated in the Report on Corporate Governance.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has established a vigil mechanism by adopting a Whistle Blower Policy to report concerns about illegal or unethical practices, if any. The details of the Policy is explained in the Report on Corporate Governance and is also available on the website of the Company at www.prismjohnson.in/investors/disclosures-under-SEBI-LODR-regulations/policies.

PREVENTION OF SEXUAL HARASSMENT

The Company offers equal employment opportunity and is committed to creating a healthy working environment that enables employees to work without fear of prejudice, gender bias and sexual harassment. The Company has also framed a policy on Prevention of Sexual Harassment of Women at workplace. As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 and Rules made thereunder, the Company has constituted an Internal Committee to inquire into complaints of sexual harassment and recommend appropriate action.

During the financial year 2019-20, no complaint was received.

RISK MANAGEMENT

The Company has constituted a Risk Management Committee. The details of the Committee and its terms of reference are set out in the Report on Corporate Governance.

The Company works across a wide range of products i.e. Cement, Tiles, Bath and Ready Mixed Concrete. Several of the product lines have their own unique business and operating models. These businesses operate in an evolving and challenging business environment.

The Risk Management Policy framed by the Company details the objectives and principles of risk management along with an overview of the risk management process, procedures and related roles and responsibilities. The risk management process includes identifying types of risks and its assessment, risk handling and monitoring, reporting and controlling/mitigation.

The Committee on timely basis informed members of the Audit Committee and the Board of Directors about risk assessment and minimisation procedures and in their opinion there was no risk that may threaten the existence of the Company.

CORPORATE SOCIAL RESPONSIBILITY ('CSR')

The Company has adopted a CSR Policy based on which its future CSR initiatives shall be developed and implemented. The Company policy is focussed on CSR initiatives in areas such as water, health and sanitation, energy conservation, pollution-free atmosphere, clean technologies and primary health care for the villagers in the vicinity of the plants. The Policy is available on the Company's website at www.prismjohnson.in/investors/disclosures-under-SEBI-LODR-regulations/policies.

During the financial year 2019-20, the Company has spent ₹ 2.80 Crores (2.05% of the average net profits of the last three financial years) towards CSR activities.

Requisite disclosure including composition of the CSR Committee has been made in the prescribed form annexed herewith as Annexure 'A'.

BUSINESS RESPONSIBILITY REPORTING

A separate section on Business Responsibility Reporting forms part of this Annual Report as required under Regulation 34(2)(f) of the SEBI LODR annexed herewith as Annexure 'B'.

LOANS, GUARANTEES AND INVESTMENTS

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to Financial Statements.

RELATED PARTY TRANSACTIONS

All related party transactions are placed before the Audit Committee as also the Board, wherever required, for prior approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseen and repetitive nature. A statement giving details of all related party transactions entered into pursuant to the omnibus approval is placed before the Audit Committee for their review on a quarterly basis. The statement is supported by a Certificate from the Managing Director, Executive Director & CEOs and the Chief Financial Officer.

The Policy on Related Party Transactions as approved by the Audit Committee and the Board of Directors is available on the website of the Company at www.prismjohnson.in/investors/disclosures-under-SEBI-LODR-regulations/policies.

There was no material related party transaction made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. None of the Directors have any pecuniary relationships or transactions vis-à-vis the Company.

Attention of the members is drawn to the disclosure of related party transactions set out in Note 4.09 of the Standalone Financial Statements forming part of this Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) of the Companies Act, 2013, to the best of their knowledge and belief and according to the information and explanations obtained by them, the Directors confirm :

a. That in the preparation of the annual financial statements for the year ended March 31, 2020, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b. That they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020 and of the profit of the Company for the year ended on that date;

c. That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d. That the annual financial statements have been prepared on a going concern basis;

e. That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;

f. That systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

EMPLOYEE REMUNERATION

Disclosures pertaining to remuneration and other details 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 are forming part of this report as Annexure 'C'.

The information required under Section 197 of the Companies Act, 2013 and Rule 5(2) & 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this Report. Having regard to the provisions of the first proviso to Section 136(1) of the Act, the Annual Report excluding the aforesaid information is being sent to the members of the Company. Any shareholder interested in obtaining a copy of the statement may send an e-mail to investor@prismjohnson.in.

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

The information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Section 134 of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, is given in Annexure 'D' forming part of this Report.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report for the year under review as stipulated under the SEBI LODR is presented in a separate section forming part of this Annual Report.

CORPORATE GOVERNANCE

As per the SEBI LODR, a separate section on Corporate Governance together with a certificate from the Company's Auditors confirming compliance forms part of this Annual Report.

INTERNAL FINANCIAL CONTROL SYSTEMS

The Company has established set of standards, processes and structure which enable it to implement adequate internal financial controls and ensure that the same are operating effectively. The internal financial control systems of the Company are commensurate with its size and the nature of its operations. The Company has well defined delegation of authority limits for approving revenue as well as expenditures. The Company uses an established ERP system to record day to day transactions for accounting and financial reporting.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, the work done by the Internal, Statutory, Cost and Secretarial Auditors and the reviews of the Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2019-20.

AUDITORS

Statutory Auditors

The shareholders at the 26th Annual General Meeting appointed M/s. G. M. Kapadia & Co., Chartered Accountants, Mumbai as the Company's Auditors upto conclusion of the 31st Annual General Meeting of the Company. The Auditors have confirmed their eligibility under Section 141 of the Companies Act, 2013 and the Rules framed thereunder. As required under the SEBI LODR, the Auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The Report given by the Auditors on the financial statements of the Company are part of this Annual Report. There is no qualification, reservation, adverse remark or disclaimer given by the Auditors in their Report.

Cost Auditors

Pursuant to Section 148 of the Companies Act, 2013 read with the Rules thereunder, as amended, the Company needs to maintain the cost records and such accounts and records are maintained for its businesses. The Board of Directors of the Company has, on the recommendation of the Audit Committee, at its meeting held on May 28, 2020, appointed M/s. D. C. Dave & Co., Cost Accountants as the Cost Auditors for the year ending March 31, 2021 and has recommended their remuneration to the shareholders for their ratification.

Secretarial Auditors

The Company has appointed Ms. Savita Jyoti, M/s. Savita Jyoti Associates, Practising Company Secretary, Hyderabad to undertake the Secretarial Audit of the Company pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. There was no qualification, reservation or adverse remarks given by Secretarial Auditor of the Company. The Report of the Secretarial Auditor in Form MR-3 is annexed herewith as Annexure 'E'.

Secretarial Audit of Material Unlisted Subsidiaries

For the Financial year 2019-20, Raheja QBE General Insurance Company Limited ('RQBE') is the material unlisted subsidiary of the Company. In terms of Regulation 24A of SEBI LODR read with Section 204 of the Companies Act, 2013, Secretarial Audit of the RQBE has been conducted for the year 2019-20 by Practicing Company Secretary. The said Audit Report which does not contain any qualification, reservation or adverse remark or disclaimer has been annexed to RQBE's Board Report.

ANNUAL RETURN

The Annual Return of the Company has been placed on the website of the Company and can be accessed at www.prismjohnson.in/investors/annual-return. The extract of the Annual Return in Form MGT - 9 is furnished in Annexure 'F' attached to this Report.

GENERAL

1. No significant and material orders were passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.
2. During the year, no revision was made in the previous financial statement of the Company.
3. No fraud has been reported during the audit conducted by the Statutory Auditors, Internal Auditors, Secretarial Auditor and Cost Auditors of the Company.
4. The Company is in compliance with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India and approved by the Central Government under Section 118(10) of the Companies Act, 2013.
5. For the financial year ended on March 31, 2020, the Company has complied with provisions relating to the

constitution of Internal Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ACKNOWLEDGEMENTS

The Directors thank the shareholders, various Central and State Government departments/agencies, banks and other business associates for their valuable services and continued support during the year under review. The Board also takes this opportunity to express its sincere appreciation of the contribution and dedicated work of all the employees of the Company.

For and on behalf of the Board of Directors

Place : Mumbai
Date : May 28, 2020

SHOBHAN M. THAKORE
Chairman

ANNEXURE 'A' TO THE DIRECTORS' REPORT

Annual Report on Corporate Social Responsibility Activities

[Pursuant to Companies (Corporate Social Responsibility Policy) Rules, 2014]

1. **A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.**

The Company remains committed to carry the responsibility of sustainable growth by transforming the challenges it faces into value creation opportunities. The principles of sustainable growth extend to our CSR initiatives, which focus on holistic development of the local community and create social, ecological and economic value to the society.

In its commitment to CSR initiatives, the Company has been making available medical and education assistance to economically disadvantaged and socially weaker sections of the society. In addition, the Company independently carries out a variety of social initiatives in the areas of education, healthcare and environment where it actively involves its employees.

The Company is aware about its environment sustainability responsibility and conducts its manufacturing operations in a highly efficient manner without compromising with the ecological sustenance. For conservation of environment, the Company works towards planting of saplings in villages and mines areas around its plants. The Company provides saplings to villagers and students, grouting tree guards and conducts awareness programs on environment sustainability.

As part of the Company's focus on healthcare, vaccination camps, blood donation drives, general health and eye check-up camps are regularly conducted for construction workers and their families and disadvantaged communities around its operational sites. Similarly, at certain locations close to the Company's operations, school book distributions are carried out for the children of local residents. Apart from these, awareness programmes on health, safety and hygiene are also carried out from time-to-time for labourers.

The Company believes that infrastructure development has a lasting impact and drives society towards growth. In a step towards this direction, building WBM roads, construction of cremation sheds, bus shelters, toilets and other rural infrastructure developments works are carried out in the nearby villages. Repairing, maintenance and white wash of nearby government school buildings is also undertaken.

The Company recognises women empowerment as a priority segment. Hence, the Company arranges different vocational trainings like beautician course, bag, incense sticks and candle making, providing sewing machine etc. for the women residing in nearby villages. For unemployed youth, the Company arranges drivers training and basic computer training.

The Company has been distributing drinking water to the community by installation of bore well pumps, water purifiers and operates water booths at strategic points in villages in the peak of summer season. Cleaning of rivers, deepening of pond and construction of water harvesting structures are the focus area of the Company.

The Company is creating social awareness on health & hygiene, education, self-reliance, gender equality, environment, water conservation and drug abuse by slogan writing.

Promoting a healthy life style amongst youth of adjoining villages, the Company plays a significant role to enhance sports activities by financial assistance to sports associations like cricket, kabaddi, football, badminton, volleyball, etc. Development of playgrounds and sport facilities in rural areas is also carried out.

The Company is supporting charitable trusts, NGOs and such other institutions engaged in social welfare and development activities. The Company is also providing their support to overcome natural calamities and disasters by rescuing villagers marooned in floods, providing logistics, food & shelters as well as medical aid.

The CSR Policy is available on the Company's website at www.prismjohnson.in/investors/disclosures-under-SEBI-LODR-regulations/policies.

2. **The composition of the CSR Committee**.

The composition of the CSR Committee as on March 31, 2020 is as under :

- Mr. Vijay Aggarwal, *Chairman*
- Ms. Ameeta A. Parpia, *Member & Independent Director*
- Mr. Vivek K. Agnihotri, *Member*
- Mr. Atul R. Desai, *Member*
- Mr. Sarat Chandak, *Member*

3. Average net profits of the Company for last three financial years.

₹ 136.79 Crores.

4. Prescribed CSR expenditure (two per cent of the amount as in item No. 3 above)

₹ 2.74 Crores.

5. Details of CSR spent during the financial year :

(a) Total amount to be spent for the financial year 2019-20 : ₹ 2.74 Crores.

(b) The actual amount spent by the Company for the financial year 2019-20 : ₹ 2.80 Crores

(c) Amount unspent, if any : Nil.

(d) Manner in which the amount spent during the financial year 2019-20 is detailed below :

₹ ***Lakhs***

Sr. No.	CSR project or activity Identified	Sector in which the project is covered	Projects or program location	Amount outlay (budget) project or program wise	Amount spent on the projects or programs	Cumulative expenditure up to the reporting period	Amount spent : Direct / Through implementing agency
1.	Construction and repairing of roads, bus shelters, cremation sheds and other rural infrastructure development activities	Rural Infrastructure Development	Dist. Satna, Madhya Pradesh	49.91	49.91	49.91	Direct
2.	Organisation of mega medical camp, eye camp for cataract patients and construction, repairing & maintenance of ODF Toilets	Health & Hygiene	Dist. Satna, Madhya Pradesh	34.93	30.27	34.93	Direct
					1.66		Shri Sadguru Seva Sangh Trust Chitrakoot, Satna (M.P.)
			District Raigad Maharastra		3.00		Direct
3.	Availability of potable water through installation of hand pumps with bore well and water tanker	Health & Hygiene	Dist. Satna, Madhya Pradesh	6.88	6.88	6.88	Direct
4.	Repairing & Maintenance of School Buildings and Anganwadies, health & hygiene awareness programmes, providing of table, chairs, mats, uniforms, creating public library schools/college	Promoting Education	Dist. Satna, Madhya Pradesh	28.99	27.99	28.99	Direct
			District Raigad Maharastra		1.00		Direct
5.	Installation of tree guards with plants, distribution of fruit plant saplings and plantation, construction of water harvesting structures, deepening of ponds, construction of stop dam, etc.	Environment Conservation	Dist. Satna, Madhya Pradesh	104.05	104.05	104.05	Direct
6.	Vocational training programs for women, youth, students & farmers	Vocational Skill Development	Dist. Satna, Madhya Pradesh	24.33	3.83	24.33	Direct
					3.00		Bhavan's Prism School, Satna
					12.75		Bhavani Ajivika, Satna
					3.75		Slim Beauty & Shine, Satna
			District Raigad Maharastra		1.00		Direct

₹ *Lakhs*

Sr. No.	CSR project or activity Identified	Sector in which the project is covered	Projects or program location	Amount outlay (budget) project or program wise	Amount spent on the projects or programs	Cumulative expenditure up to the reporting period	Amount spent : Direct / Through implementing agency
7.	Development of Playground - Construction of Boundary wall at Playgrounds, sponsorship of sports activities	Promotion of Sports	Dist. Satna, Madhya Pradesh	18.54	16.60	18.54	Direct
					0.44		Mahatma Jyotiba Phule Khel Aum Samajik Sanstha
					1.50		District Amateur Kabaddi Association
8.	Social Welfare	Social Welfare	Dist. Satna, Madhya Pradesh	12.29	2.51	12.29	Direct
					6.00		Dr. Lalta Prasad Khare Public Charitable Trust 'Chandrashaya'
					0.52		Amalgamated Special Fund District Soldier Welfare Office
					1.51		Maa Bhagwati Jan Kalyan Samiti
			Dist. Palghar, Maharashtra		1.75		Shri Gurudeo Samajik Sanstha
	Total			**279.92**	**279.92**	**279.92**	

6. **In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report**.

   Not Applicable

7. **A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company**.

The CSR Committee confirms that the implementation and monitoring of the CSR activities of the Company shall be in compliance with the CSR objectives and CSR Policy of the Company.

For and on behalf of the Board

VIJAY AGGARWAL
Managing Director &
Chairman of the CSR Committee

Place : Mumbai
Date : May 28, 2020

ANNEXURE 'B' TO THE DIRECTORS' REPORT

BUSINESS RESPONSIBILITY REPORT

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1.	**Corporate Identity Number (CIN) of the Company**	L26942TG1992PLC014033
2.	**Name of the Company**	PRISM JOHNSON LIMITED
3.	**Registered address**	305, Laxmi Niwas Apartments, Ameerpet, Hyderabad - 500 016
4.	**Website**	www.prismjohnson.in
5.	**E-mail id**	investor@prismjohnson.in
6.	**Financial Year reported**	2019-20

7.	**Sector(s) that the Company is engaged in (industrial activity code-wise)**	23942 - Portland Cement 23939 - Tiles 23952 - Ready Mixed Concrete 23941 - Clinkers
8.	**List three key products that the Company manufactures (as in balance sheet)**	● Portland Cement ● Tiles ● Ready Mixed Concrete
9.	**Total number of locations where business activity is undertaken by the Company**	
(a)	**Number of International Locations (Provide details of major 5)**	One office at Sri Lanka
(b)	**Number of National Locations**	One Cement Plant (2 Units), 4 Tile Plants, 99 Ready Mixed Concrete Plants, 7 Aggregate Crusher Plants and Offices across the Country including Registered Office, Corporate Office, Division Head Offices and Regional Marketing/Sales Offices.
10.	**Markets served by the Company - Local/State/ National/International**	Local/State/National/International

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1.	**Paid up Capital**	₹ 503.36 Crores
2.	**Total Turnover**	₹ 5,572.29 Crores
3.	**Total profit after taxes**	₹ 56.45 Crores
4.	**Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%) average net profit after taxes in the previous three financial years**	2.05% (₹ 2.80 Crores)
5.	**List of activities in which expenditure in 4 above has been incurred :**	Details given in Annexure 'A' to the Directors' Report.

SECTION C: OTHER DETAILS

1.	**Does the Company have any Subsidiary Company/ Companies?**	Yes, the Company has five subsidiaries and three step-down subsidiaries. Details given in the Directors' Report.
2.	**Do the Subsidiary Company/ Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)**	The subsidiaries of the Company have their own Board of Directors having rights and obligations to manage such companies in the best interest of the company. The Company encourages its subsidiaries to formulate and practise their own BR initiatives based on their individual priorities. These initiatives and policies are mainly applicable to the subsidiaries which are engaged in manufacturing activities.
3.	**Do any other entity/entities (e.g. suppliers, distributors, etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/ entities? [Less than 30%, 30 -60%, More than 60%]**	We do not mandate that our suppliers, distributors, etc., participate in the Company's BR. However, they are encouraged to do so.

SECTION D: BR

1.	**Details of Director/Directors responsible for BR**		
(a)	**Details of the Director/Director responsible for implementation of the BR policy/policies**		
	1.	**DIN Number**	00515412
	2.	**Name**	Mr. Vijay Aggarwal
	3.	**Designation**	Managing Director
(b)	**Details of the BR head :**		
	1.	**DIN Number (if applicable)**	The Executive Committee comprising, *inter alia*, of the Executive Director & CEO of each Division of the Company oversee the implementation of the BR policy.
	2.	**Name**	
	3.	**Designation**	
	4.	**Telephone number**	+ 91-22-66754142
	5.	**e-mail id**	brr.info@prismjohnson.in

2. Principle-wise (as per NVGs) BR Policy/policies

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 under :

P1 - Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

P2 - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

P3 - Businesses should promote the well-being of all employees.

P4 - Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.

P5 - Businesses should respect and promote human rights.

P6 - Businesses should respect, protect and make efforts to restore the environment.

P7 - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

P8 - Businesses should support inclusive growth and equitable development.

P9 - Businesses should engage with and provide value to their customers and consumers in a responsible manner.

(a) Details of compliance (Reply in Y/N)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	Do you have a policy/ policies for....	Y	Y The policy is embedded in the Company's quality and environment policies which, *inter alia*, relate to safe and sustainable products	Y	Y	Y The policy is embedded in the Company's Code of Conduct, HR policies and various other HR practices	Y	N	Y The policy is embedded in the Company's CSR policy and various other social initiatives undertaken	N
2.	Has the policy being formulated in consultation with the relevant stakeholders?	Y	—	Y	Y	Y	Y	—	Y	—
3.	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Y	Y Bureau of Indian Standard/ Generally accepted standards	Y	Y	Y	Y Conforms to guidelines, norms and directives of different State and Central Government	—	Y Conforms to guidelines of the Companies Act, 2013	—
4.	Has the policy being approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	—	Y	N	—	Y	—	Y	—
5.	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y At Executive Committee Meetings	Y	Y	Y	Y	—	Y	—

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
6.	Indicate the link for the policy to be viewed online?	*	*	—	—	—	*	—	*	—
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Communicated to key stakeholders of the Company. The communication is an on-going process to cover all internal and external stakeholders.								
8.	Does the company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	—	Y	—	Y	—
9.	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	—	Y	—
10.	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	Y	Y	Y	N	N	Y	N	Y	—

** Company's website: www.prismjohnson.in*

(b) If answer to the question at serial number 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1.	The company has not understood the Principles	—	—	—	—	—	—	—	—	—
2.	The company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles	—	—	—	—	—	—	—	—	—
3.	The company does not have financial or manpower resources available for the task	—	—	—	—	—	—	—	—	—
4.	It is planned to be done within next 6 months	—	—	—	—	—	—	—	—	—

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
5.	It is planned to be done within the next 1 year	—	—	—	—	—	—	—	—	—
6.	Any other reason (please specify)	—	—	—	—	—	—	The need for a written policy has not been felt. Suitable decision will be taken at the appropriate time.	—	The Company has a redressal mechanism for all customer complaints.

3. **Governance related to BR :**

   (a) **Indicate the frequency with which the Board of Directors, Committee of the Board or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year**

   3-6 months

   (b) **Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?**

   The Company publishes a Business Responsibility Report which forms part of the Annual Report and is available on the website of the Company www.prismjohnson.in/investors/disclosures-under-SEBI-LODR-regulations/financials.

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1 - Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.

1. **Does the policy relating to ethics, bribery and corruption cover only the company? Yes/No. Does it extend to the Group/Joint Ventures/Suppliers/Contractors/NGOs Others?**

   The Company's philosophy on Corporate Governance is to conduct its business in a manner, which is ethical and transparent with all stakeholders in the Company, including shareholders, lenders, creditors and employees.

   The Company has a Code of Conduct and Whistle Blower Policy which pertain to ethics, bribery and corruption. These are applicable to all Board members and employees of the Company. The Code of Conduct governs the manner in which the Company carries out its activities and interacts with its stakeholders. An annual confirmation is obtained from all Directors and Senior Management employees in compliance of the Code. The Whistle Blower Policy encompasses various stakeholders of the Company like employees, suppliers, contractors and their employees.

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.**

   During the year under review, six complaints were received from shareholders and investors. All complaints have been resolved to the satisfaction of the complainants and no investor complaint was pending at the end of the year.

Principle 2 - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

1. **List up to 3 of your products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

   Blended Cement viz. Pozzolana Portland Cement, Ready Mixed Concrete viz. Envirocrete®, Perviouscrete®, Elitecrete®, Repaircrete™ and Portacrete® and Tiles, viz. Tac Tiles for the visually challenged, Cool Roof Tiles in order to keep the roof cool by reflecting the heat back, Care Tile (Germ Free) for hygiene which is anti-bacterial, Anti-static tiles for safety in arms and ammunitions warehouses, IT data centres, etc., Thin Tiles using lesser resources. Total of 19 categories of Johnson Tiles meet the requirements of GreenPro Ecolabelling and qualifies as Green Tiles. The Company uses alternate materials such as industrial by-products, soya husk and biomass as Alternative Fuel and Raw Materials, solar/small hydro/biomass green power to replace portions of conventional power and ensures water conservation measures such as rain harvesting, etc. The Company is installing the solar power plants for its captive use.

2. **For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional) :**

(a) **Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?**

   Energy consumption is constantly monitored and analysed for process optimisation at the mines, plants and townships with the help of EnMS software to achieve overall reduction.

   Cement

Consumption per unit of production	2019-20	2018-19
Specific Heat Consumption (Kcal/ Kg of Clinker)	728.8	725.8
Water Consumption (Ltr/Ton of Clinker)	170.7	205.7

4.14% of total power consumption for cement production has been sourced from green renewable resources such as biomass/bagasse/small hydro/solar.

Used water is reclaimed and re-used in order to conserve water. Water is treated before discharging via treatment plants. Partial recycling of treated effluent water is carried out for horticultural purposes. 14 structures which includes 7 Rooftop RWH structures, 4 GW recharge structures with abandoned bore wells and 3 Run-off/Storm water recharge structure has been installed to recharge ground water. Natural sewage water treatment plants have been created at multiple places.

Tiles

Reduction of around 5-10% of raw material through production of thin tiles.

RMC

There is reduction in usage of cement by using cement replacement products like Flyash & Granulated Ground Blast Furnace Slag ('GGBS') which protects the environment. Use of recycled water while manufacturing concrete. Close monitoring of power factor to optimise power consumption. Installation of water meters at plants to monitor & thereby control water consumption through Plant Health Index.

(b) Reduction during usage by consumers (energy, water) has been achieved since the previous year?

The Company's products are used for variety of purposes and by diverse consumers. It is therefore not feasible to measure the usage (energy, water) by consumers.

3. Does the company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

The Company has in place procedures for supplier sustainability and has an established process for vendor selection. All inputs are sourced sustainably. The Company uses Alternative Fuel and Raw Materials in its manufacturing processes which helps in conservation of natural resources.

The Company's cement plants are located near limestone reserves, which helps in minimising transportation. The Company also adopts sustainable mining practices. Normally bulk materials are received by rail transport. Flyash used in manufacture of Pozzolana Portland Cement is a waste product of power plants.

Commissioning of Waste Heat Recovery System (WHRS) based power generating system for 22.45 MW from waste flue gases (which are currently vented to atmosphere) is at advance stage. It will reduce demand side generation by equivalent MW and result in carbon foot print reduction.

Cement Division has commissioned 12.50 MW Solar Power and plans to commission total of 25 MW by March 2021. H & R Johnson (India) Division has plans to commission ~5 MW solar power by December 2020. In addition, the Company has tied up with biomass/bagasse based non-solar green power generators, for sourcing from sustainability point of view.

The Company uses de-oiled cashew shells (waste from cashew oil plants) soya husk from nearby farmers as fuel in some of its tile plants.

As a practice, ethical performance is one of the criteria for selection of vendors. For transportation contracts, compliance of safety and environmental norms is one of the parameters and also efficient usage of fuel is another criteria used in the selection of vendors. Raw materials such as Flyash and GGBS, which are waste products of power and steel plants respectively, are used as cement replacements in the manufacture of Ready Mixed Concrete. The RMC (India) Division of the Company has started using Bio-Diesel in Transit Mixers/Trucks for concrete transport by blending with Diesel as per its environment friendly and cost optimisation initiatives.

The Company has long-term contracts with its vendors, both goods and transportation included. Apart from this, frequent meetings are arranged with the vendors, thus maintaining a cordial customer-vendor relationship and ensuring sustainability.

4. Has the company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

Yes, the Company procures products and services from local producers/small scale vendors and communities surrounding its operations. The contractors who are engaged in operations, packaging, transportation, maintenance, horticulture and housekeeping mostly employ workmen from the nearby villages. For Aggregates, the Company has implemented the concept of Capacity Buying. This ensures certain capacity of the vendors plants are secured for selling.

5. Does the company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

- In FY 2019-20, around 82% of cement manufactured by the Company were blended cements, produced by using Fly ash, which is waste material of other industries. Waste water generated from the cement plants and colony is recycled and used in gardening, horticulture, sprinkling for dust suppression, etc. Also 4.14% of total power consumption was sourced from renewable sources.
- Less than 5% recycle products and waste are used in the manufacture of tiles. Fired Pitcher is grinded and used in tile body up to 3%. Dust/tile particles recovered from Effluent Treatment Plant Waste in the form of slurry is re-used in wall tiles body up to 3%.
- In view of the simple manufacturing process for Ready Mixed Concretes, there are no by-products. However, Flyash and GGBS are used as replacement of cement in concrete which are by products of power and steel industry. During FY 2019-20, the Company used 19.44% of Flyash and 8.16% of GGBS of the total Cementitious content.

Principle 3 - Businesses should promote the wellbeing of all employees

1. **Total number of employees**

   5,418

2. **Total number of employees hired on temporary/ contractual/ casual basis**

   4,967

3. **Number of permanent women employees**

   250

4. **Number of permanent employees with disabilities**

   Six

5. **Do you have an employee association that is recognised by management**

   Yes, there are recognised trade unions affiliated to various central/state union bodies depending on their presence at respective locations.

6. **What percentage of your permanent employees is members of this recognised employee association?**

   Around 30%. Most of the workmen are members of the different registered Trade Unions operating in the plants/ units.

7. **Please indicate the Number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment in the last financial year and pending, as on the end of the financial year.**

Sr. No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of the financial year
(a)	Child labour/forced labour/involuntary labour	Nil	Nil
(b)	Sexual harassment	Nil	Nil
(c)	Discriminatory employment	Nil	Nil

8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

Sr. No.	Category	Safety	Skilled
(a)	Permanent employees	52%	59%
(b)	Permanent women employees	32%	42%
(c)	Casual/Temporary/Contractual employees	87%	64%
(d)	Employees with disabilities	33%	—

Based on identified needs of employees, training and development, at all levels, is given due priority by the Company for holistic growth of the individual as well as Company effectiveness. The Company selectively nominates its employees for specialised training programmes/workshops/seminars/conferences organised by reputed professional organisations and Institutes.

Principle 4 - Businesses should respect the interests of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.

1. **Has the company mapped its internal and external stakeholders? Yes/No**

   Yes, the Company has mapped its internal and external stakeholders.

2. **Out of the above, has the company identified the disadvantaged, vulnerable & marginalised stakeholders.**

   The Company has identified the disadvantaged, vulnerable and marginalised stakeholders, namely the communities around its manufacturing units, its worker/contractual labour and truck drivers. The needs of the vulnerable and marginalised stakeholders of the community are considered while designing community development initiatives. This is carried out through continuous interaction and engagement with the stakeholders during the course of implementation of various social programmes.

3. **Are there any special initiatives taken by the company to engage with the disadvantaged, vulnerable and marginalised stakeholders. If so, provide details thereof, in about 50 words or so.**

   The Company takes various initiatives to engage with disadvantaged or marginalised stakeholders. The Company arranges healthcare medical camps for medical treatment, eye checking, blood donation, etc., in the communities around its manufacturing units. The Company has also joined the initiatives arranged by local administration for the health of the communities around its plants.

   By abiding with all the statutory and environment, health & safety guidelines, the Company ensures that its workforce operates under a safe working environment.

Principle 5 - Businesses should respect and promote human rights

1. **Does the policy of the company on human rights cover only the company or extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/Others?**

   The Company does not have a separate Human Rights Policy. However, its policies support, respect and protect the human rights of its direct as well as indirect employees. The Company addresses human rights in compliance with applicable laws (like Factories Act, Mines Act and other labour legislations) and through HR practices, which embody human rights principles such as prevention of child labour, forced labour, prohibition of sexual harassment of women at workplace, etc.

2. **How many stakeholder complaints have been received in the past financial year and what percent was satisfactorily resolved by the management?**

   No stakeholder complaints, relating to human rights, have been received in the past financial year.

Principle 6 - Business should respect, protect and make efforts to restore the environment

1. **Does the policy related to Principle 6 cover only the company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/others.**

   The Corporate Environment Policy is applicable to the Company only.

2. **Does the company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc.? Y/N. If yes, please give hyperlink for webpage etc.**

   The Company realises that climate change is a real threat faced not just by the Company but the entire global community, of which it is a part. The Company also recognises that it can play a meaningful role in trying to mitigate the problem by adopting certain strategies and initiatives in its day-to-day operations. In this direction, some of the initiatives taken by the Company are as under :

   - Cement Division has commissioned 12.50 MW Solar Power and plans to commission total of 25 MW by March 2021. H & R Johnson (India) Division has plans to commission ~5 MW solar power by December 2020.
   - Waste Heat Recovery System (WHRS) dedicated for generation of 22.45 MW using waste heat of process flue gases is at advance stage, which in turn will reduce thermal power consumption.
   - To reduce the SOx emission & to meet the environment compliances, Low NOx burner has been installed in both the Units during Aug – Sep 2019. Derived saving from burners in Specific heat & thermal consumption is 1.8 Kcal/kg of Clinker & 0.080 Kwh/MT of clinker respectively. Commissioning of Systematic Non Catalytic converter (SNCR) is in progress.
   - Several measures taken to reduce dust pollution which includes the use of automatic water fog canon at dusty areas & truck mounted sweeping machine for road sweeping instead of brooms.
   - Replacement of low efficiency critical motors with high efficiency motors has been started on trial basis. Raw mill fan & Cooler fan motor replaced IE3/IE4 motor.
   - Use of biodiesel for transportation vehicle.
   - Completed replacement of conventional lights/ luminaires with LED lights in phases.
   - Retrofitted fan impeller with higher efficiency has been installed in both Cement mills sepax fan & Raw mill fans.
   - Utilisation of alternative fuel and raw materials, system established in Preheater Unit-II for AFR feeding.
   - Sourcing of 2.66% of total power consumption through non-solar renewable sources, reducing carbon footprint and consumption of conventional thermal power.
   - Uses of industrial waste products in its concrete manufacturing like Chemical Gypsum etc. Series of samples were tried for grinding aid development, and being consumed in place of natural Gypsum.
   - CO^2 reduction by producing > 80% of our product as blended cement
   - Rain water harvesting & water conservation increased by 40.72% in FY 2019-20 with regards to FY 2018-19 through rooftop RWH structures, ground water recharge structures with abandoned bore wells & Runoff/Storm water recharge structures. Overall water groundwater table raised by approximately 2 metre in the area.
   - Creating Natural STP at Plant, which creates environment for the growth of micro-organisms which are responsible for the pollutant removal that occurs in a Phytoridal bed.
   - Energy Management system in place to reduce energy consumption and hence emission.
   - Replacement of conventional lights/luminaires.
   - A light weight concrete with densities varying from 800 to 1800 kg/cum. is produced that replaces the earth clay bricks used for thermal insulation on terrace tops and for partition walls in buildings.
   - A concrete that levels and compacts on its own has been designed and successfully supplied. This reduces labour required on site, increases speed of construction and due to easier pumping operations and faster discharge of truck mixers, it also helps in reduction of fossil fuel consumption.

3. **Does the company identify and assess potential environmental risks? Y/N**

   Yes. The Company follows a structured risk management approach emphasising to identify potential risks, assessment of impact of the same, mitigation plan to mitigate the identified risks, continuous monitoring and timely action.

4. **Does the company have any project related to Clean Development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?**

   - Installation of gas turbines and use of soya husk for spray dryer production at some of its tile manufacturing plants.
   - Use of supplementary cementitious materials like flyash and GGBS in concrete manufacturing process which are by-products of the power and steel industries.
   - Systematic mining activities are carried out as per the environment norms.
   - Use of captive solar power plants.

   Environmental compliance reports are filed as mandated by applicable regulations.

5. **Has the company undertaken any other initiatives on - clean technology, energy efficiency, renewable energy, etc. Y/N. If yes, please give hyperlink for web page, etc.**
   - The Company has started using bio-diesel in Transit Mixers/Trucks for concrete/cement transport by blending it with diesel as per its environment friendly and cost optimisation initiatives.
   - Use of Auto Capacitor Bank to assist in maintaining desired power factor which helps in controlling power consumption.
   - Use of non-ancillary machines/process during non-peak demand hours.
   - Sourcing of 2.66% of total power consumption through renewable sources, reducing carbon footprint and consumption of conventional thermal power.
   - Installation of solar power plants.
   - Installation of Waste Heat Recovery System in progress which is expected to reduce carbon footprint by reducing thermal power consumption.

6. **Are the Emissions/Waste generated by the company within the permissible limits given by CPCB/SPCB for the financial year being reported?**

   The Emissions/Waste generated by the Company are within the permissible limits given by CPCB/SPCB for the financial year being reported.

7. **Number of show cause/legal notices received from CPCB/SPCB which are pending (i.e. not resolved to satisfaction) as on end of Financial Year.**

   Nil.

Principle 7 - Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

1. **Is your company a member of any trade and chamber or association? If Yes, Name only those major ones that your business deals with :**

   The Company is a member of several industry associations through which it interacts with its peers and discusses key issues in the products which it manufactures. The major associations where the Company is a member are :

   (a) Bombay Chambers of Commerce & Industry

   (b) Confederation of Indian Industry

   (c) Cement Manufacturers Association

   (d) Indian Council of Ceramic Tiles and Sanitaryware

   (e) Indian Ceramic Society

   (f) All India Pottery Manufacturers Association

   (g) Ready Mixed Concrete Manufacturers Association

   (h) Indian Green Building Council

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas (drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**

   ➢ The Company through CMA has advocated energy conservation, sustainable mining practices and better waste management in cement manufacturing.

   ➢ Through the association, representation has been made by the Tile industry with regards to exports of tiles, agglomerated marble and quartz.

   ➢ The Company through RMCMA advocates use of Ready Mixed Concrete which has positive impact on business as well environment, as use of Ready Mixed Concrete gives assured quality of product with faster delivery and helps in reducing dust pollution created at sites by replacing site mix concrete.

Principle 8 - Businesses should support inclusive growth and equitable development

1. **Does the company have specified programmes/initiatives/projects in pursuit of the policy related to Principle 8? If yes details thereof.**

   The Company is committed to social, economic and environmental development of communities at all its operations. The Company has specified programmes/initiatives to support inclusive growth and equitable development. These involve series of initiatives in the creation of green ecology, people empowerment, educational development, health improvement, hygiene awareness and nurturing people centric practices for better development of rural society.

   Prime focus areas of the Company are :

   (a) Infrastructure development

   (b) Health and hygiene

   (c) Educational activities

   (d) Environment conservation

   (e) Water conservation and drinking water

   (f) Empowerment and skill development

   (g) Promotion of sport activities

   (h) Social welfare

2. **Are the programmes/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organisation?**

   All programmes and projects are undertaken through in-house teams and external NGO/government structures.

3. **Have you done any impact assessment of your initiative?**

   Impact assessment survey was carried out for the initiatives carried out around the Company's Cement and tile plants.

4. **What is your company's direct contribution to community development projects - Amount in INR and the details of the projects undertaken.**

   The Company has spent ₹ 2.80 Crores on various initiatives involving infrastructure development, health and hygiene, educational activities, environment conservation, water conservation and drinking water, empowerment & skill development, promotion of sport activities and social welfare.

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words, or so.**

   - The Company takes up participatory approach to plan projects for community development in concurrence with local stakeholders and community representatives. A regular field visit is made by our team to identify the needs of the community and to supervise the programs which are being implemented and whether they are benefitting the local community or not. The Company is always eager to promote new initiatives for community development.
   - The Company focuses on holistic development of the local community and creates social, ecological and economic values to their stakeholders through conducting mega medical camps, 24 hours' free ambulance, school children health checkup and sponsoring cataract surgery along with a full-fledged Medical Centre support to the local community at some of its plants. Building WBM and PCC roads, construction of cremation sheds, providing toilet blocks in nearby government schools and furniture, fans and uniform, plays a key role in fostering community development.
   - Environment sustainability is taken care in the local community by planting saplings in villages and adjoining roads with fixing tree guards and providing the villagers with fruit bearing plants. Water harvesting structures, check dams and deepening of ponds are among other initiatives to augment the ground water level. Distribution of potable water from bore well by mobile tankers and operation of water booths ensure sustenance to the under privileged during scorching summer.
   - The Company is imparting vocational training for effective livelihood through motor driver training, plumber training, beautician courses, stitching & embroidery training, computer literacy courses and agriculture development programs for farmers. The Company has its own simulator and dedicated vehicle facility with trainer for motor driving training. The Company collaborates with training institutions or NGO's also for imparting knowledge.
   - The Company promotes a healthy lifestyle through sponsoring sports and games in the nearby areas viz. cricket, football, badminton, volleyball and kabaddi tournaments as well as developing playgrounds in nearby villages.
   - The Company is creating social awareness on health, education, gender equality, environment, water conservation and drug abuse by slogan writing, supporting charitable trusts, NGO's and such other institutions engaged in social welfare and development activities and providing support to overcome natural calamities and disasters by rescuing marooned villagers, providing logistics, food & shelters as well as medical aid.
   - Construction of toilets in nearby villages under 'Swachh Bharat Abhiyan' - The Cement Division of the Company has taken on the responsibility to build ODF toilets in adjoining villages of its plant and mining leasehold areas. In the 1st phase, the Company set a target to construct 138 toilets in nearby villages. The Company has also targeted to construct toilet blocks in government schools of nearby villages with separate girls and boy's toilet blocks with facility of water by bore well by installing submersible motors. This activity motivates students to use toilets and practice good health and hygiene in daily life.
   - The country is affected by life threatening arsenic contamination in the ground water. The Company has developed a ceramic membrane based filtration technology for the removal of ground water arsenic. The Ceramic membrane is provided to CSIR-CGCRI at an affordable rate and this results in availability of potable ground water to the community at affordable rates.

Principle 9 - Businesses should engage with and provide value to their customers and consumers in a responsible manner

1. **What percentage of customer complaints/consumer cases are pending as on the end of financial year.**

   As on March 31, 2020, 228 cases of customer complaints were pending and 36 consumer cases were pending before different Forums/Commissions/Courts.

2. **Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No/N.A./Remarks (additional information)**

   No. The Company has displayed all mandatory information on the product labels/packaging as per applicable laws. Wherever applicable, specific certification requirements of regulatory authorities and some marks like ISI, BIS etc., are provided on the product label/packages.

3. **Is there any case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year? If so, provide details thereof, in about 50 words or so.**

   There are no such cases during the last five years and pending as on end of Financial Year 2019-20.

4. **Did your company carry out any consumer survey/ consumer satisfaction trends?**

   Yes. Customer Satisfaction Surveys are carried out by the Company weekly/half-yearly/annually.

For and on behalf of the Board

Place : Mumbai
Date : May 28, 2020

SHOBHAN M. THAKORE
Chairman

ANNEXURE 'C' TO THE DIRECTORS' REPORT

The details in terms of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 :

1. The ratio of the remuneration of each director to the median remuneration of the employees for the financial year 2019-20 :

Name	Designation	Ratio
Mr. Vijay Aggarwal	Managing Director	164
Mr. Vivek K. Agnihotri	Executive Director & CEO (Cement)	66
Mr. Atul R. Desai	Executive Director & CEO (RMC)	64
Mr. Sarat Chandak	Executive Director & CEO (HRJ)	59
Mr. Shobhan M. Thakore	Non-executive Independent Director	4
Ms. Ameeta A. Parpia	Non-executive Independent Director	3
Dr. Raveendra Chittoor	Non-executive Independent Director	2

2. The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary in the financial year 2019-20 :

Name	Designation	% increase
Mr. Vijay Aggarwal	Managing Director	11
Mr. Vivek K. Agnihotri	Executive Director & CEO (Cement)	2
Mr. Atul R. Desai	Executive Director & CEO (RMC)	5
Mr. Sarat Chandak	Executive Director & CEO (HRJ)	6
Mr. Shobhan M. Thakore	Non-executive Independent Director	—
Ms. Ameeta A. Parpia	Non-executive Independent Director	—
Dr. Raveendra Chittoor	Non-executive Independent Director	—
Mr. Manish Bhatia	Chief Financial Officer	9
Ms. Aneeta S. Kulkarni	Company Secretary	6

Note : Remuneration of Non-executive Independent Directors excludes sitting fees.

3. The percentage increase in the median remuneration of the employees in the financial year was around 10%.
4. The number of permanent employees on the rolls of the Company as on March 31, 2020 was 5,418.
5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the financial year was 0.02 whereas, the increase in the managerial remuneration was 0.06. This increment is in line with the factors more particularly described in the Remuneration Policy of the Company stated in the Corporate Governance Report.
6. It is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company.

For and on behalf of the Board

Place : Mumbai
Date : May 28, 2020

SHOBHAN M. THAKORE
Chairman

ANNEXURE 'D' TO THE DIRECTORS' REPORT

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

(A) Conservation of energy

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

Cement Division

➢ Limestone crusher & mines

- Apron Conveyor DC Motor replaced with AC Motor with VFD.
- Idle running of crusher/stoppage frequency considerably reduced by consistent supply of limestone from mines to crusher.
- By changing powder factor/mining pattern, got better fragmentation and smaller size of mined out material, resulting in increase in crusher output.
- Mines - Additional 3 diesel operated De-watering pumps converted to electrical operated pump to save fossil fuel (diesel/Lub. oil), reduce emission and O&M.

➢ Raw mills

- Raw Mill I & II - Process Fan Impeller replaced with high efficiency Impeller to reduce specific power consumption.

- Raw Mill I - Liner and Roller linear replaced to reduce Specific Power consumption.
- Dam ring height optimized to improve mill performance.

➢ Kilns

- Primary air blower replaced and new Turbo blower with VFD, Resulting optimization of blower speed and reduction in specific heat consumption.
- Preheater Fans drive DSU up-gradation have been done to reduce MTTR and better diagnosis feature.
- Optimisation of Preheater and Cooler fans to enhance operating efficiency.
- Pyro section DCS server replaced with latest Technology server for better controls.

➢ Coal mills

- Coal mill separator louver replaced with new set of louver to enhance separator efficiency.
- Coal mill roller linear replaced to reduced specific power consumption.

➢ Cement mills & Packing plant

- Cement Mill 1 & 2 - Sepax fan Impeller replaced with high efficiency Impeller to save specific power consumption.
- Separator top sealing gap optimisation to improve separator efficiency.
- Cement Mill worn out Grinding Media replaced with new set of Grinding media to improve Mill output.
- Infrastructure addition for road despatch enhancement to 14000TPD.
- Cement Mill 1 separator drive DSU upgradation done to improve availability and better diagnosis feature.
- In packing plant, VFD installed in 6 bag filter fans to optimise Power consumption and operating efficiency.
- 2 rotopackers replaced in Line -1 to improve packing efficiency.
- Re-routing of compressed air line to reduce pressure drop of conveying airline.
- Interlocks of compressed air compressor with regard to Packers usages.
- HT Capacitor installed in Cement Mill load centre to maintain unity power factor.

H & R Johnson (India) Division

➢ **Savings in Electrical Energy**

Pen

- Installation of Polishing line grinder unit capacitor for balancing of active and reactive power reduces the power losses, saving of 25 units per hour.
- Installation of capacitor for compressor, saving of 6 units per hour per compressor.
- Installation of inverters for dust collector to reduce electrical energy consumption, 12 units of power saving per hour.

Dewas

- Installation of dedicated portable compressor for digital printing machine in order to maintain minimum 6.5 bar to maximum 7 bar pressure for smooth operation of digital machine.

Kunigal

- Installation of invertors for press vertical dryer blowers to reduce electrical energy consumption.
- Installation of invertor for ball mill in order to run with soft starter.
- Installation of 160 Kw variable frequency drive spray drier exhaust fan.

Karaikal

- Installation of car unloading unit.
- Installation of sorting line rejection tile carrying conveyor to broken tile collection bin.
- Installation of additional timer, relay & lockable off switch in dipping line.

➢ **Savings in Thermal Energy**

Pen

- Kiln 1 vertical entry increase of 30% production capacity with same gas consumption.
- Combustion air preheating in kiln.

Dewas

- Duct line installation Kiln 1 & Kiln 2 to Vertical Dryer 33 in order to transfer waste gases to vertical dryer 3 through hot air duct.
- Natural Gas consumption reduced by refractory coating in Kiln 2.

Karaikal

- Hot air duct connecting to Horizontal drier from Biscuit Kiln hot air chimney.
- Biscuit kiln inside chamber refractory maintenance carried out and coated reflective refractory mortar.

- Glost kiln chamber reflective refractory coating.
- Spray drier hot air duct repair and replacement.

(ii) The steps taken by the Company for utilising alternate sources of energy :

Cement Division

- Solar power plant commissioned 12.5 MW, under execution 2 MW, at mined out area and colony premises.
- Additional Solar power capacity of ~ 12.5 MW under execution at mined-out area.
- 1.48% solar power generated from solar plants of total electricity consumption for process in FY 2019-20.
- 2.66% of total annual electricity consumption for process sourced from non-solar green power resources (bio-mass, small hydro, bagasse).
- Usage of carbon black powder 4.8% as an alternate to coal for pyro process.
- Waste Heat Recovery System (WHRS) based 22.45 MW power generating system commissioning at advance stage, expected to start generation in August 2020. It will reduce demand side power requirement by equivalent MW, reducing carbon footprints as well.

H & R Johnson (India) Division

Installation work for development of 5 MW Captive Solar Power Projects was planned to be undertaken at multiple locations. Around 3.7 MW capacity has been commissioned as follows and additional 0.8 MW under installation in Pen plant :

- Pen - 0.8 MW
- Dewas - 1.25 MW
- Kunigal - 0.902 MW
- Karaikal - 0.827 MW

(iii) The capital investment on energy conservation equipment :

Total investment on energy conservation equipment is ₹ 134.60 Crores during the year ended March 31, 2020.

(B) Technology absorption

(i) The efforts made towards technology absorption :

- Installation of Waste Heat Recovery System (WHRS) based power generation system for 22.45 MW, which utilises heat of flue gases being vented to atmosphere after pyro processing.
- Utilisation of in-house developed grinding aid, which helps in improving clinker utilisation factor and energy efficiency.
- Installation of Low NOx burner and SNCR for reduction of SOx/NOx emissions.
- Complete replacement of conventional luminaires with latest LED lights across the plant, mines and colony area.
- Replaced 56 normal/low efficiency motors with IE3/IE4 high efficiency motors to improve efficiency.
- Latest Ambient Air Quality Monitoring System installation in Mines for continuous monitoring.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution :

- Savings on natural resources like limestone and fossil fuel.
- Reduction of Utility demand side power consumption and improvement upon carbon footprint.
- Improvement in specific energy consumption.
- Strengthening of environment friendly measures.
- Improvement of clinker utilisation factor.
- Improvement in throughput and specific power consumption.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) : Not Applicable

(iv) The expenditure incurred on Research and Development : ₹ 4.66 Crores (Previous year : ₹ 4.47 Crores)

(C) Foreign Exchange Earnings and Outgo

₹ Crores

Particulars	2019-20	2018-19
Details of earnings in foreign currency : F.O.B Value of Export	54.23	37.27
Details of expenditure in foreign currency	11.22	7.59

For and on behalf of the Board

Place : Mumbai
Date : May 28, 2020

SHOBHAN M. THAKORE
Chairman

ANNEXURE 'E' TO THE DIRECTORS' REPORT

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2020

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

To,
The Members,
Prism Johnson Limited

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

Based on our verification of 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, 2020 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 :

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company (Records for last quarter in electronic form only due to situations of 'Covid-19') for the financial year ended March 31, 2020 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) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :

      (a) SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ('SEBI LODR')/ Regulation(s);

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

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

      (d) 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.

2. We have relied on certifications/representations made by the officers of the Company and mechanisms formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. Major laws applicable to the Company are as follows :

   1) Factories Act, 1948;

   2) Industrial Development and Regulations Act;

   3) Acts prescribed under Environment Protection Act;

   4) Acts prescribed under Prevention and Control of Pollution;

   5) Acts prescribed under Direct Tax and Indirect Tax;

   6) Mines Act, 1952;

   7) Acts under Industrial Laws;

   8) Labour Welfare Acts;

   9) Labour laws and other incidental laws related to labour and employees appointed by the Company;

   10) Local laws as applicable to various offices and plants.

3. 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) SEBI LODR guidelines.

4. During the year under the report the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that :

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-executive Directors, Independent Directors and Woman Director. 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 / Regulation(s).

- Adequate notice was 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. For certain urgent matters, some of the meetings were called at shorter notice.

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

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

We further report that during the audit period the Company has issued listed non-convertible debentures on private placement basis pursuant to the Special Resolution passed at the Annual General Meetings held on August 8, 2018 and July 31, 2019.

We further state that following list of the documents were verified :

1) Memorandum and Articles of Association;
2) Annual Report for the financial year 2019;
3) Minutes of the meetings of Board of Directors, Audit Committee, Nomination and Remuneration Committee, Securities Allotment & Transfer Committee, Stakeholders Relationship Committee, Risk Management Committee and Corporate Social Responsibility Committee held during the year along with attendance registers;
4) Minutes of the General meeting held during the financial year under report;
5) Statutory registers;
6) Agenda papers submitted to all directors/members for the board meetings and committee meetings;
7) Intimations received from the Directors of the Company pursuant to the provisions of Section 184 and 149(7) of Companies Act, 2013;
8) E-forms filed by the Company from time to time under the applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report;
9) Intimations/documents/reports/returns filed with stock exchanges pursuant to provisions of the SEBI LODR/ Companies Act, 2013;
10) Various policies made under the Companies Act, 2013 and SEBI LODR.

We hereby state that due to present scenario of 'Covid-19', the last quarter's audit i.e. March quarter audit was done on the basis of information provided by the Company in electronic mode. We were unable to conduct actual physical examination of documents and reports filed by the Company with respect to compliances applicable.

for **Savita Jyoti Associates**
Company Secretaries

Savita Jyoti
FCS No. : 3738 ; CP No. : 1796
UDIN : F003738B000295183

Date : May 28, 2020
Place : Hyderabad

ANNEXURE 'F' TO THE DIRECTORS' REPORT

FORM NO. MGT-9
EXTRACT OF ANNUAL RETURN
As on the Financial Year ended on March 31, 2020
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS :

i	CIN	L26942TG1992PLC014033
ii	Registration Date	March 26, 1992
iii	Name of the Company	Prism Johnson Limited
iv	Category / Sub-category of the Company	Public Limited Company
v	Address of the Registered office and contact details	305, Laxmi Niwas Apartments, Ameerpet, Hyderabad – 500 016.
		Phone : +91-40-23400218 ; Fax : +91-40-23402249
		e-mail : investor@prismjohnson.in
		website : www.prismjohnson.in
vi	Whether listed company Yes / No	Yes
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	KFin Technologies Private Limited,
		Unit : Prism Johnson Limited,
		Selenium Tower B, Plot 31-32,
		Financial District, Nanakramguda,
		Serilingampally Mandal, Hyderabad – 500 032, Telangana.
		Mr. Mohsin Uddin – Senior Manager
		Tel : +91-40-67161500 (Ext. 1562) / +91-40-67161562
		Fax : +91-40-23001153

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY :

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

Sr. No.	Name and description of main products/services	NIC code of the product/services	% to total turnover of the Company
i	Portland Cement	23942	44.50
ii	Tiles	23939	22.53
iii	Ready Mixed Concrete	23952	23.65

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

Sr. No.	Name and Address of the Company	CIN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
i	Raheja QBE General Insurance Company Limited, Windsor House,5th Floor, CST Road, Kalina, Santacruz (East), Mumbai - 400 098, Maharashtra, India.	U66030MH2007PLC173129	Subsidiary	51%	2(87)
ii	Silica Ceramica Private Limited, Narayanpuram, Unguturu Mandal, Narayanpuram, Andhra Pradesh - 534407, India.	U26933AP2006PTC051977	Subsidiary $	100%	2(87)
iii	H. & R. Johnson (India) TBK Limited, Windsor, 7th Floor, C.S.T. Road, Kalina, Santacruz (East), Mumbai - 400098, Maharashtra, India.	U45200MH1996PLC101892	Subsidiary	100%	2(87)

Sr. No.	Name and Address of the Company	CIN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
iv	Milano Bathroom Fittings Private Limited, Plot No. 30, Industrial Township Phase 4, Himuda, Bhatoli Kalan, Baddi, Solan, Himachal Pradesh - 173205, India	U28994HP2000PTC006251	Subsidiary	100%	2(87)
v	RMC Readymix Porselano (India) Limited, Windsor, 7th Floor, C.S.T. Road, Kalina, Santacruz (E), Mumbai - 400098, Maharashtra, India.	U14103MH2006PLC160848	Subsidiary	100%	2(87)
vi	TBK Venkataramiah Tile Bath Kitchen Private Limited, No. 56/A, Ramamurthy Nagar, Main Road, Dodda Banaswadi, Opp. New Baldwin Residential School, Bangalore Karnataka - 560043, India.	U26900KA2010PTC056306	Step-down Subsidiary	100%	2(87)
vii	TBK Rangoli Tile Bath Kitchen Private Limited, Ground Floor, Kaddiya Wadi, Azad Road, Near Fire Brigade, Vile-Parle, (East), Mumbai - 400057, Maharashtra, India.	U74120MH2010PTC209550	Step-down Subsidiary	100%	2(87)
viii	TBK Samiyaz Tile Bath Kitchen Private Limited, G 5-10, Ground Floor, Plot No. 6, Savita Raj Complex, Kala Manak Flat Owners Society, CIDCO New Aurangabad - 431003, Maharashtra, India	U26916MH2007PTC176528	Step-down Subsidiary [@]	100%	2(87)
ix	Ardex Endura (India) Private Limited, Unit No.406 & 407, 'Brigade Rubix', No.20, HMT Campus, Yeshwanthapur, Hubli, Bengaluru - 560013, Karnataka, India.	U24233KA1997PTC022383	Joint Venture	50%	2(6)
x	Sentini Cermica Private Limited, Plot No. 1229, Road No. 60, Jubilee hills, Hyderabad, Telangana - 500033, India.	U26914TG2002PTC038347	Joint Venture	50%	2(6)
xi	Antique Marbonite Private Limited, 746/2, Paikee Lakhadhirpur Road, Taluka Morbi, District Rajkot, Gujarat - 363642, India.	U24221GJ2003PTC042679	Joint Venture	50%	2(6)
xii	Spectrum Johnson Tiles Private Limited, Survey No. 242, 8-A National Highway, At Dhuva, Taluka Wankaner, Dhuva, Gujarat - 363621, India.	U26933GJ2006PTC049055	Joint Venture	50%	2(6)
xiii	Small Johnson Floor Tiles Private Limited, Survey No. 778, Paikee of Guntu, B/H GSPC Gas Terminal, Lakhdhirpur Road, Lakhdhirpur, Taluka Morbi - 363642, Gujarat, India.	U26933GJ2011PTC067661	Joint Venture	50%	2(6)
xiv	Coral Gold Tiles Private Limited, Survey No. 824/P-1, Taluka Morbi, Ghuntu, Gujarat - 363 642, India.	U26914GJ2007PTC052095	Joint Venture	50%	2(6)
xv	Sanskar Ceramics Private Limited, Survey No. 212 & 283/1, Dhuva Matel Road, Behind Getco Power Station, Matel, Wankaner, Rajkot, 363 621, India.	U26993GJ2013PTC074745	Associate [&]	32.50% [*]	2(6)
xvi	Prism Power and Infrastructure Private Limited, 305, Laxmi Niwas Apartments, Ameerpet, Hyderabad - 500016, Telangana, India.	U40109TG2006PTC049084	Associate	49%	2(6)

Sr. No.	Name and Address of the Company	CIN	Holding/ Subsidiary/ Associate	% of shares held	Applicable section
xvii	CSE Solar Parks Satna Private Limited, Flat 401, 4th Floor, Shree Guru Harikrishna Bhavan, Dr. Charat Singh Colony, A. K. Road, Andheri (East), Mumbai - 400 093, India.	U40106MH2017PTC297535	Associate	27%	2(6)
xviii	Sunspring Solar Private Limited, Flat 401, 4th Floor, Shree Guru Harikrishna Bhavan, Dr. Charat Singh Colony, A. K. Road, Andheri (East), Mumbai - 400 093, India.	U40106MH2019PTC325569	Associate #	27%	2(6)

$ Became wholly owned subsidiary w.e.f. October 9, 2019.

@ Became wholly owned step-down subsidiary w.e.f. October 14, 2019.

& Became an associate w.e.f. January 17, 2020.

* Including indirect shareholding.

Became an associate w.e.f. October 31, 2019.

IV SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of total Equity) :

(i) Category-wise Share Holding :

Category of Shareholders		No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.	Promoters									
(1)	Indian									
a)	Individual / HUF	6,82,50,423	0	6,82,50,423	13.56	6,82,50,423	0	6,82,50,423	13.56	0.00
b)	Central Government	0	0	0	0.00	0	0	0	0.00	0.00
c)	State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
d)	Bodies Corporate	30,86,30,246	0	30,86,30,246	61.31	30,86,30,246	0	30,86,30,246	61.31	0.00
e)	Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
f)	Any others	0	0	0	0.00	0	0	0	0.00	0.00
	Sub-total A(1) :	**37,68,80,669**	**0**	**37,68,80,669**	**74.87**	**37,68,80,669**	**0**	**37,68,80,669**	**74.87**	**0.00**
(2)	Foreign									
a)	NRIs Individuals	500	0	500	#	500	0	500	#	0.00
b)	Other Individuals	0	0	0	0.00	0	0	0	0.00	0.00
c)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
d)	Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
e)	Any others	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total A(2) :		**500**	**0**	**500**	**#**	**500**	**0**	**500**	**#**	**0.00**
Total shareholding of Promoter (A) = A(1) + A(2)		**37,68,81,169**	**0**	**37,68,81,169**	**74.87**	**37,68,81,169**	**0**	**37,68,81,169**	**74.87**	**0.00**
B.	Public Shareholding									
(1)	Institutions									
a)	Mutual Funds	2,21,88,035	2,400	2,21,90,435	4.41	3,80,48,117	2,400	3,80,50,517	7.56	3.15
b)	Financial Institutions / Banks	2,96,100	0	2,96,100	0.06	2,37,640	0	2,37,640	0.05	-0.01
c)	Central Government	0	0	0	0.00	0	0	0	0.00	0.00
d)	State Government(s)	0	0	0	0.00	0	0	0	0.00	0.00
e)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
f)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
g)	FIIs / Foreign Portfolio Investor	3,42,96,497	0	3,42,96,497	6.81	1,86,16,548	0	1,86,16,548	3.70	-3.12

Category of Shareholders		No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
h)	Foreign Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
i)	Others (specify) :	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total B(1) :		**5,67,80,632**	**2,400**	**5,67,83,032**	**11.28**	**5,69,02,305**	**2,400**	**5,69,04,705**	**11.31**	**0.02**
2.	**Non-institutions**									
a)	**Bodies Corporate**	1,05,09,260	36,400	1,05,45,660	2.10	99,96,316	21,500	1,00,17,816	1.99	-0.10
b)	**Individuals**									
i)	Individuals shareholders holding nominal share capital upto ₹ 2 lakh	2,30,19,967	33,83,508	2,64,03,475	5.25	2,36,46,024	23,47,576	2,59,93,600	5.16	-0.08
ii)	Individuals shareholders holding nominal share capital in excess of ₹ 2 lakh	2,83,32,063	13,800	2,83,45,863	5.63	2,80,47,556	13,300	2,80,60,856	5.57	-0.06
iii)	Others (specify) : NBFC, IEPF, Trusts, Non Resident Indians, NRI Non-repatriation, & Clearing Members.	42,42,681	1,54,700	43,97,381	0.87	53,55,734	1,42,700	54,98,434	1.09	0.22
Sub-total B(2) :		**6,61,03,971**	**35,88,408**	**6,96,92,379**	**13.85**	**6,70,45,630**	**25,25,076**	**6,95,70,706**	**13.82**	**-0.02**
Total Public Shareholding (B) = (B) (1) + (B) (2) :		**12,28,84,603**	**35,90,808**	**12,64,75,411**	**25.13**	**12,39,47,935**	**25,27,476**	**12,64,75,411**	**25.13**	**0.00**
C. Shares held by custodians for GDRs & ADRs		0	0	0	0.00	0	0	0	0.00	
GRAND TOTAL (A+B+C)		**49,97,65,772**	**35,90,808**	**50,33,56,580**	**100.00**	**50,08,29,104**	**25,27,476**	**50,33,56,580**	**100.00**	

# Denotes percentage less than 0.01

(ii) Shareholding of Promoters :

Sr. No.	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
(A)	**Promoters :**							
1	Manali Investment & Finance Private Limited	6,78,17,992	13.47	0.00	6,78,17,992	13.47	0.00	0.00
2	Hathway Investments Private Limited	6,41,13,400	12.74	0.00	6,41,13,400	12.74	0.00	0.00
3	Coronet Investments Private Limited	5,79,49,394	11.51	0.00	5,79,49,394	11.51	0.00	0.00
4	Rajan B. Raheja	5,14,06,327	10.21	0.00	5,14,06,327	10.21	0.00	0.00
5	Bloomingdale Investment & Finance Private Limited	3,12,89,300	6.22	0.00	3,15,07,000	6.26	0.00	0.04
6	Varahagiri Investments & Finance Private Limited	2,32,21,148	4.61	0.00	2,32,21,148	4.61	0.00	0.00
7	Matsyagandha Investment & Finance Private Limited	2,31,11,412	4.59	0.00	2,31,11,412	4.59	0.00	0.00
Total - Promotors (A)		**31,89,08,973**	**63.35**	**0.00**	**31,91,26,673**	**63.39**	**0.00**	**0.04**

Sr. No.	Shareholder's Name	No. of Shares held at the beginning of the year			No. of Shares held at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
(B)	**Promoters Group :**							
8	Suman R. Raheja	56,90,528	1.13	0.00	56,90,528	1.13	0.00	0.00
9	Akshay R. Raheja	55,76,784	1.11	0.00	55,76,784	1.11	0.00	0.00
10	Viren R. Raheja	55,76,784	1.11	0.00	55,76,784	1.11	0.00	0.00
11	Brindaban Land Development Private Limited	14,000	0.00	0.00	0	0.00	0.00	#
12	Colonnade Housing Private Limited	14,000	0.00	0.00	0	0.00	0.00	#
13	Excelsior Construction Private Limited	16,000	0.00	0.00	0	0.00	0.00	#
14	Gstaad Trading Company Private Limited	12,000	0.00	0.00	0	0.00	0.00	#
15	R Raheja Properties Private Limited	2,31,00,400	4.59	0.00	2,31,00,400	4.59	0.00	0.00
16	Gstaad Investments & Finance Private Limited	14,000	0.00	0.00	0	0.00	0.00	#
17	Peninsula Estates Private Limited	1,79,33,200	3.56	0.00	1,78,09,500	3.54	0.00	-0.02
18	Trophy Investment & Finance Private Limited	20,000	0.00	0.00	0	0.00	0.00	#
19	Shiraz Realtors Private Limited	4,000	0.00	0.00	0	0.00	0.00	#
20	Satish B. Raheja	500	0.00	0.00	500	0.00	0.00	0.00
Total - Promotors Group (B)		**5,79,72,196**	**11.52**	**0.00**	**5,77,54,496**	**11.47**	**0.00**	**-0.02**
Total - Promotors & Promotors Group (A + B)		**37,68,81,169**	**74.87**	**0.00**	**37,68,81,169**	**74.87**	**0.00**	**0.00**

# Denotes percentage less than 0.01

(iii) Change in Promoters' Shareholding (Please specify, if there in no change) :

There are no changes in the percentage of Promoters' shareholding during the Financial year 2019-20. However, Bloomingdale Investment And Finance Private Limited, Promoter of the Company, has acquired 2,17,700 equity shares representing 0.04% of the paid-up share capital of the Company by way of inter-se transfer through off market from (a) Brindaban Land Development Private Limited 14,000 equity shares (b) Colonnade Housing Private Limited 14,000 equity shares (c) Excelsior Construction Private Limited 16,000 equity shares (d) Gstaad Trading Company Private Limited 12,000 equity shares (e) Gstaad Investments And Finance Private Limited 14,000 equity shares (f) Trophy Investment And Finance Private Limited 20,000 equity shares (g) Shiraz Realtors Private Limited 4,000 equity shares (h) Peninsula Estates Private Limited 1,23,700 equity shares.

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

Sr. No.	Particulars For each of the Top 10 Shareholders	Reason	Date	Shareholding at the beginning of the year: No. of Shares	Shareholding at the beginning of the year: % of total Shares of the Company	Cumulative Shareholding during the year: No. of Shares	Cumulative Shareholding during the year: % of total shares of the Company
1	SBI Large & Midcap Fund	At the beginning of the year	01/04/2019	0	0.00	0	0.00
		Increase	26/04/2019	25,00,000	0.50	25,00,000	0.50
		Increase	26/07/2019	2,56,159	0.05	27,56,159	0.55
		Increase	02/08/2019	4,62,359	0.09	32,18,518	0.64
		Increase	09/08/2019	2,81,482	0.06	35,00,000	0.70
		Increase	23/08/2019	2,40,000	0.05	37,40,000	0.75
		Increase	18/10/2019	65,000	0.01	38,05,000	0.76
		Increase	15/11/2019	45,00,000	0.89	83,05,000	1.65
		Increase	06/12/2019	85,000	0.02	83,90,000	1.67
		Increase	13/12/2019	7,50,000	0.15	91,40,000	1.82
		Increase	27/12/2019	1,94,000	0.04	93,34,000	1.85
		Increase	31/12/2019	56,000	0.01	93,90,000	1.87
		Increase	21/02/2020	21,74,199	0.43	1,15,64,199	2.30
		Increase	28/02/2020	42,81,734	0.85	1,58,45,933	3.15
		Increase	06/03/2020	26,90,575	0.53	1,85,36,508	3.68
		Increase	13/03/2020	17,679	0.00	1,85,54,187	3.69
		Increase	20/03/2020	4,74,013	0.09	1,90,28,200	3.78
		Increase	27/03/2020	1,08,308	0.02	1,91,36,508	3.80
		At the end of the year	31/03/2020			1,91,36,508	3.80
2	National Westminster Bank PLC As Trustee of the Jupiter India Fund	At the beginning of the year	01/04/2019	1,18,45,209	2.35	1,18,45,209	2.35
		Decrease	10/01/2020	3,14,357	0.06	1,15,30,852	2.29
		Decrease	21/02/2020	32,713	0.01	1,14,98,139	2.28
		Decrease	28/02/2020	1,04,186	0.02	1,13,93,953	2.26
		Decrease	06/03/2020	1,38,469	0.03	1,12,55,484	2.24
		At the end of the year	31/03/2020			1,12,55,484	2.24
3	HDFC Trustee Company Limited A/C HDFC Housing Opportunities Fund - 1140 D November (1)	At the beginning of the year	01/04/2019	84,63,860	1.68	84,63,860	1.68
		Decrease	19/04/2019	25,00,000	0.50	59,63,860	1.18
		At the end of the year	31/03/2020			59,63,860	1.18
4	Akash Bhanshali	At the beginning of the year	01/04/2019	73,92,416	1.47	73,92,416	1.47
		At the end of the year	31/03/2020			73,92,416	1.47
5	DSP Smallcap Fund	At the beginning of the year	01/04/2019	0	0.00	0	0.00
		Increase	21/06/2019	10,29,145	0.20	10,29,145	0.20
		Increase	28/06/2019	14,44,321	0.29	24,73,466	0.49
		Increase	05/07/2019	2,31,795	0.05	27,05,261	0.54
		Increase	12/07/2019	1,33,748	0.02	28,39,009	0.56

Sr. No.	Particulars	Reason	Date	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For each of the Top 10 Shareholders			No. of Shares	% of total Shares of the Company	No. of Shares	% of total shares of the Company
		Increase	19/07/2019	645	0.00	28,39,654	0.56
		Increase	26/07/2019	1,29,341	0.03	29,68,995	0.59
		Increase	02/08/2019	90,663	0.02	30,59,658	0.61
		Increase	09/08/2019	3,18,279	0.06	33,77,937	0.67
		Increase	27/09/2019	27,51,104	0.55	61,29,041	1.22
		Increase	20/12/2019	8,89,350	0.18	70,18,391	1.39
		At the end of the year	31/03/2020			70,18,391	1.39
6	IDFC Sterling Value Fund	At the beginning of the year	01/04/2019	50,01,800	0.99	50,01,800	0.99
		Increase	05/04/2019	38,200	0.01	50,40,000	1.00
		Increase	12/04/2019	75,000	0.02	51,15,000	1.02
		Decrease	19/04/2019	94,054	0.02	50,20,946	1.00
		Decrease	26/04/2019	20,946	0.01	50,00,000	0.99
		Increase	03/05/2019	25,000	0.01	50,25,000	1.00
		Increase	10/05/2019	25,000	0.00	50,50,000	1.00
		Increase	17/05/2019	50,000	0.01	51,00,000	1.01
		Increase	05/07/2019	30,000	0.01	51,30,000	1.02
		Increase	26/07/2019	10,000	0.00	51,40,000	1.02
		Increase	09/08/2019	20,000	0.00	51,60,000	1.03
		Increase	27/09/2019	1,00,000	0.02	52,60,000	1.04
		Increase	18/10/2019	20,000	0.00	52,80,000	1.05
		Increase	25/10/2019	20,000	0.00	53,00,000	1.05
		Increase	01/11/2019	25,000	0.00	53,25,000	1.06
		Increase	08/11/2019	25,000	0.00	53,50,000	1.06
		Increase	06/12/2019	50,000	0.01	54,00,000	1.07
		Increase	03/01/2020	7,964	0.00	54,07,964	1.07
		Increase	10/01/2020	17,036	0.00	54,25,000	1.08
		Increase	24/01/2020	25,000	0.00	54,50,000	1.08
		At the end of the year	31/03/2020			54,50,000	1.08
7	Legato Capital Management Investments LLC	At the beginning of the year	01/04/2019	39,81,074	0.79	39,81,074	0.79
		Decrease	13/09/2019	1,60,451	0.03	38,20,623	0.76
		Decrease	20/09/2019	84,000	0.02	37,36,623	0.74
		Decrease	27/09/2019	3,38,179	0.07	33,98,444	0.68
		Decrease	04/10/2019	81,580	0.02	33,16,864	0.66
		Decrease	11/10/2019	44,155	0.01	32,72,709	0.65
		Decrease	18/10/2019	1,07,845	0.02	31,64,864	0.63
		Decrease	25/10/2019	61,000	0.01	31,03,864	0.62
		Decrease	13/12/2019	16,59,095	0.33	14,44,769	0.29
		Decrease	27/03/2020	3,77,126	0.07	10,67,643	0.21
		At the end of the year	31/03/2020			10,67,643	0.21

Sr. No.	Particulars For each of the Top 10 Shareholders	Reason	Date	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total Shares of the Company	No. of Shares	% of total shares of the Company
8	Jupiter South Asia Investment Company Limited	At the beginning of the year	01/04/2019	27,03,392	0.54	27,03,392	0.54
		Decrease	20/09/2019	2,15,432	0.04	24,87,960	0.49
		Decrease	27/09/2019	55,206	0.01	24,32,754	0.48
		Decrease	20/12/2019	26,084	0.01	24,06,670	0.48
		Decrease	27/12/2019	25,793	0.01	23,80,877	0.47
		Decrease	17/01/2020	55,991	0.01	23,24,886	0.46
		Decrease	21/02/2020	55,554	0.01	22,69,332	0.45
		Decrease	28/02/2020	1,76,934	0.04	20,92,398	0.42
		At the end of the year	31/03/2020			20,92,398	0.42
9	Janhavi Nilekani	At the beginning of the year	01/04/2019	2,20,000	0.04	2,20,000	0.04
		Increase	12/07/2019	1,30,077	0.03	3,50,077	0.07
		Increase	19/07/2019	1,174	0.00	3,51,251	0.07
		Increase	26/07/2019	68,749	0.01	4,20,000	0.08
		Increase	02/08/2019	7,00,000	0.14	11,20,000	0.22
		Increase	08/11/2019	11,20,000	0.22	22,40,000	0.45
		Decrease	08/11/2019	11,20,000	0.22	11,20,000	0.22
		Increase	10/01/2020	1,62,303	0.03	12,82,303	0.25
		Increase	17/01/2020	44,715	0.01	13,27,018	0.26
		Increase	28/02/2020	8,818	0.00	13,35,836	0.27
		Increase	06/03/2020	84,164	0.02	14,20,000	0.28
		At the end of the year	31/03/2020			14,20,000	0.28
10	Aadi Financial Advisors LLP	At the beginning of the year	01/04/2019	12,61,438	0.25	12,61,438	0.25
		At the end of the year	31/03/2020			12,61,438	0.25

Notes : (1) The above information is based on the weekly beneficiary position received from depositories.

(2) 0.00 denotes % less than 0.01

(v) Shareholding of Directors and Key Managerial Personnel :

Sr. No.	Particulars For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the Company	No. of Shares	% of total shares of the Company
1	Mr. Rajan B. Raheja	51,406,327	10.21	51,406,327	10.21
2	Ms. Ameeta A. Parpia	76,000	0.02	76,000	0.02

Note : No change in shareholding of Directors during the year.

V INDEBTEDNESS :

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

₹ Crores

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year :				
i)* Principal Amount **	1,212.81	225.13	6.41	1,444.35
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	77.82	—	—	77.82
Total (i + ii + iii)	**1,290.63**	**225.13**	**6.41**	**1,522.17**
Change in Indebtedness during the financial year :				
Addition	692.92	329.00	-	1,021.92
Reduction	560.94	40.13	5.84	606.91
Net change	**131.98**	**288.87**	**(5.84)**	**415.01**
Indebtedness at the end of the financial year :				
i) * Principal Amount	1,344.79	514.00	0.57	1,859.36
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	134.38	—	—	134.38
Total (i + ii + iii)	**1,479.17**	**514.00**	**0.57**	**1,993.74**

* The indebtedness principal amount given above is gross of processing fees ₹ 3.25 Crores and ₹ 7.62 Crores at the beginning and end of the financial year respectively.

** As per Ind AS 116, finance lease from April 1, 2019 is no longer part of borrowing but included as a part of lease liability.

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL :

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

₹ Crores

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager				Total
		Mr. Vijay Aggarwal	Mr. Vivek Agnihotri	Mr. Atul Desai	Mr. Sarat Chandak	
1	**Gross salary :**					
	a. Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	7.80	3.06	2.85	2.22	**15.93**
	b. Value of perquisites u/s 17(2) of the Income Tax Act, 1961	—	—	—	—	**—**
	c. Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	—	—	—	—	**—**
2	**Stock Option**	—	—	—	—	**—**
3	**Sweat Equity**	—	—	—	—	**—**
4	**Commission :**					
	- as % of profit	—	—	—	—	**—**
	- others	—	—	—	—	**—**
5	**Others**	—	—	—	—	**—**
	Total (A)	**7.80**	**3.06**	**2.85**	**2.22**	**15.93**
Ceiling as per the Act		The remuneration is paid in accordance with the Companies Act, 2013 and Rules thereunder.				

B. Remuneration to other Directors :

₹ Crores

Sr. No.	Particulars of Remuneration	Name of Directors				
		Mr. Shobhan M. Thakore	Mr. Rajan B. Raheja	Ms. Ameeta A. Parpia	Dr. Raveendra Chittoor	Total
1	**Independent Directors :**					
	i) Fees for attending Board/ Committee Meetings	0.10	—	0.10	0.05	**0.25**
	ii) Commission	0.20	—	0.15	0.10	**0.45**
	iii) Others	—	—	—	—	**—**
	Total (1)	**0.30**	—	**0.25**	**0.15**	**0.70**
2	**Other Non-executive Directors :**					
	i) Fees for attending Board/ Committee Meetings	—	0.05	—	—	**0.05**
	ii) Commission	—	—	—	—	**—**
	iii) Others	—	—	—	—	**—**
	Total (2)	**—**	**0.05**	**—**	**—**	**0.05**
	Total (B) = (1 + 2)	**0.30**	**0.05**	**0.25**	**0.15**	**0.75**
	Ceiling as per the Act	Within 1% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013.				
Total Managerial Remuneration (A + B)						**16.68**

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD :

₹ Crores

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Mr. Manish Bhatia (CFO)	Ms. Aneeta S. Kulkarni (Company Secretary)	
1	**Gross salary :**			
	a. Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	1.36	0.65	**2.01**
	b. Value of perquisites u/s 17(2) of the Income Tax Act, 1961	#	—	**#**
	c. Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	—	—	**—**
2	**Stock Option**	—	—	**—**
3	**Sweat Equity**	—	—	**—**
4	**Commission :**			
	- as % of profit	—	—	**—**
	- others	—	—	**—**
5	**Others**	—	—	**—**
Total		**1.36**	**0.65**	**2.01**

\# Amount less than ₹ 50,000/-

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES :

There were no penalties / punishments / compunding of offences for breach of any section of the Companies Act, 2013 against the Company or its Directors or other officers-in-default, if any, during the year.

For and on behalf of the Board

Place : Mumbai
Date : May 28, 2020

SHOBHAN M. THAKORE
Chairman

Independent Auditors' Report

To the Members of Prism Johnson Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Prism Johnson Limited** ('the Company'), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, 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, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020 and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statement in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditors' 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 ('ICAI') 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 framed thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Financial Statement.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, 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. We have determined the matters described below to be the key audit matters :

Sr. No	Key Audit Matters	How our audit addressed the Key Audit Matters
1	**Evaluation of Provisions and Contingent Liabilities** As at the Balance Sheet date, the Company has certain open legal cases and other contingent liabilities as disclosed in note 4.05. The assessment of the existence of the present legal or constructive obligation and analysis of the probability of the related payment require the management to make judgement and estimates in relation to the issues of each matter. The management with the help of its expert, as needed, have made such judgements and estimates relating to the likelihood of an obligation arising and whether there is a need to recognize a provision or disclose a contingent liability. Due to the level of judgement and estimate involved in recognition, valuation and presentation of provision and contingent liabilities, this is considered to be a key audit matter.	Our procedures included, amongst others : We have reviewed and held discussions with the management to understand their processes to identify new possible obligations and changes in existing obligations for compliance with the requirements of Ind AS 37 on '*Provisions, Contingent Liabilities and Contingent Assets'*. We have analysed significant changes from prior periods and obtain a detailed understanding of these items and assumptions applied. We have held regular meetings with the management and key legal personnel responsible for handling legal matters. In addition, we have reviewed: • the details of the proceedings before the relevant authorities including communication from the advocates/experts; • legal advises/opinions obtained by the management, as needed, from experts in the field of law on the legal cases; • minutes of board meetings, including the sub-committees and • status of each of the material matters as on the date of the balance sheet. • We have assessed the appropriateness of provisioning based on assumptions made by the management and presentation of the significant contingent liabilities in the financial statements.

Sr. No	Key Audit Matters	How our audit addressed the Key Audit Matters
2	**Impairment of investment in Property, plant and equipments and in subsidiaries** Significant judgement is involved in carrying out impairment assessment of Property, plant and equipment (PPE) and investment in subsidiaries. Such assessment is undertaken using discounted cash flow models to determine the recoverable amount (value-in-use) of Cash Generating Units (CGUs), which is compared to the carrying amount of the relevant non-current assets of the CGU in terms of Ind AS 36 on '*Impairment of Assets*'. A deficit in recoverable amount compared with the carrying amount would result in an impairment. The value-in-use requires the use of significant management judgements and estimates including key assumptions such as product-mix, sales growth rate, discount rate and terminal growth rate etc. Considering significant degree of judgement in estimating value-in-use, we identified assessment of impairment of PPE and investments in subsidiaries as a key audit matter.	• We understood, evaluated and validated management's key controls over the impairment assessment process. • We compared the methodology used by the management to market practice. • We obtained management's future cash flow forecasts, tested the mathematical accuracy of the underlying value-in-use calculations. • We also compared historical actual results to those budgeted to assess the quality of management's forecasts. • We also assessed the reasonableness of key assumptions used in the calculations, comprising sales growth rates, gross profit margin, net profit margin, perpetual growth rate and discount rates. When assessing these key assumptions, we discussed such parameters with management to understand and evaluate management's basis for determining the assumptions, and compared them to external industry outlook reports and economic growth forecasts from independent sources. • We also considered views of valuation experts in assessing the reasonableness of the discount rates used by management by comparing the discount rates used to entities with similar risk profiles and market information. • We obtained and tested management's sensitivity analysis around the key assumptions, to ascertain that selected adverse changes to key assumptions, both individually and in aggregate, would not cause the carrying amount to exceed the recoverable amount.

Information Other than the Standalone Financial Statements and Our Report thereon

The Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in Annual Report, but does not include the Standalone Financial Statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this report.

Our opinion on the standalone financial statements does not cover the other information and we do not and will 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 identified above 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.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to Those Charged With Governance and take appropriate actions in accordance with Standards on Auditing.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation of the Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity, cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS and relevant provisions of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements 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, Management and Board of Directors are responsible for assessing the

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

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

Auditors' 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 auditors' 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 the Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgement 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 system with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the 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 auditors' 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 auditors' 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.

Materiality is the magnitude of the misstatement in the Standalone Financial Statement that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statement may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and evaluating the results of our work; and (ii) to evaluate the effects of any identified misstatements in the Standalone Financial Statement.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ('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 the paragraph 3 and 4 of the Order.
2. 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 Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
   d) In our opinion, the Standalone Financial Statements comply with the Accounting Standards specified

under section 133 of the Act, read with relevant rules issued thereunder and relevant provisions of the Act ;

e) On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of section 164(2) of the Act;

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements;

g) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act; and

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

i. The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements. Refer note 4.05 to the Standalone Financial Statements;

ii. The Company has made provision, as required under the applicable law or accounting standards for material foreseeable losses, if any, on the long-term contracts including derivative contracts and

iii. There has been no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W

Atul Shah
Partner
Membership No. 039569
UDIN: 20039569AAAADQ7241

Place : Mumbai
Dated : May 28, 2020

Annexure A - referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' of our report on even date, to the members of the Company on the Standalone Financial Statements for the year ended March 31, 2020

(i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its property, plant and equipment;

(b) The Company has a regular programme of physical verification of property, plant and equipment by which all property, plant and equipment of the Company are being verified in a phased manner over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and nature of its business. Pursuant to the program, a portion of property, plant and equipment has been physically verified by the management during the year and no material discrepancies were noticed on verification conducted during the year as compared with the book records; and

(c) Based on audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and according to information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment are held in the name of the Company except for following :

Particulars	Gross Block	Net Block	Remark
	As at March 31, 2020 (₹ in Crores)		
Freehold Land/ Leasehold Land/ Premises	31.25	27.12	In the year 2009-10, vide a scheme of amalgamation approved by the relevant high courts, H. & R. Johnson (India) Limited and RMC Readymix (India) Private Limited were amalgamated into the Company. These immovable properties are continued to be in the name of the above transferor companies and as represented by the Company, it is in the process of getting these properties transferred/registered in its name. The Company is in the possession of the relevant title deeds registered in the name of H. & R. Johnson (India) Limited or RMC Readymix (India) Private Limited, as the case maybe.

(ii) (a) Inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable; and

(b) The discrepancies noticed on physical verification as compared to the book records were not material and have been properly dealt with in the books of account;

(iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, in respect of investments made and loans, guarantees and securities granted, as applicable.

(v) The Company has complied with the directives issued by the Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act, and the rules framed there under, to the extent applicable. We are informed by the management that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in this regard.

(vi) The Central Government has prescribed maintenance of cost records under section 148(1) of the Act, for the products manufactured by the Company. We have broadly reviewed the books of account maintained and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained by the Company. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

(vii) (a) The Company has generally been regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and services tax, cess and other applicable statutory dues with the appropriate authorities. No undisputed statutory dues payable were in arrears as at March 31, 2020, for a period of more than six months from the date they became payable and

(b) The details of dues of income tax, sales tax, service tax, duty of customs, duty of excise or value added tax or cess which have not been deposited with the concerned authorities on account of dispute are given below :

Nature of dues	Period to which the amount relates	Forum where dispute is pending	Amount involved (₹ in Crores)
Central Excise and Service Tax	2012-13 to April 14	Central Excise Service Tax Appellate Tribunal	5.11
	2012-13 to Jun 17	Assistant Commissioner (Appeals)	0.52
	Apr-17 to Jun 17	Joint Commissioner	0.76
	2017-18	Assistant Commissioner of Central Tax, Bengaluru	0.07
	2008-17	Addl. Comm.	1.26
	2012-13 to 2016-17	Joint Commissioner, Indore	0.56
	2017-18	Central Tax Audit-II Commissionearate	0.01
	2015-16	Assistant Director (Cost), Audit	0.02
	2014-15 to 2017-18	Deputy Commissioner, Central Tax, Audit	0.01
	2014-15 to 2017-18	Assistant Commissioner, GST (Audit)	0.01
	2017-18	Superintendent, CGST Commissionerate	0.02
	2014-15 to 2017-18	Superintendent, GST & Central Excise, Audit	0.04
	2010-11 to 2014-15	Assistant Commissioner Central Excise, Kolkata	0.01

Nature of dues	Period to which the amount relates	Forum where dispute is pending	Amount involved (₹ in Crores)
Sales Tax (Central & State)	2009-10	The High Court, Madhya Pradesh	0.46
	2010-11	The High Court, Madhya Pradesh	0.28
	2008-09 to 2013-14	The High Court, Madhya Pradesh	0.24
	2010-11 to 2011-12	Assessing officer, Delhi	0.19
	2014-15 to 2016-17	Joint Commissioner (Appeals), Maharashtra	2.58
	2009-10 to 2013-14	Additional Commissioner (Appeals), Madhya Pradesh	1.84
	2010-11	Assistant Commissioner Madhya Pradesh	0.16
	2002-03 to 2003-04, 2005-06, 2007-08 to 2008-09	Tribunal, Madhya Pradesh	0.38
	2012-14	Assistant Deputy Commissioner (Appeals), Telangana	0.11
	2009-10 and 2011-12	Commissioner (Appeals), Punjab	0.25
	2000-01 to 2001-02, 2012-13 and 2013-14	Sales tax Appellate Tribunal, Hyderabad	0.19
	2005-07	Joint Commissioner of Sales Tax, Mumbai	0.34
	2007-08 to 2009-10	Appellate Deputy Commissioner, Chennai	0.48
	2009-10	Assistant Commissioner Commercial Tax	0.35
	2009-10	Commercial Tax Officer, Bangalore	1.18
	2010-11	Deputy Commissioner of Commercial Tax, Gujarat	0.08
	2009-11	Joint Commissioner of Commercial Tax, Appeals Bangalore	1.07
	2011-14	Assistant Commissioner Commercial Tax, Cochin	0.11
	2012-13	Senior Joint Commissioner of Commercial Taxes, Kolkata	0.05
	2013-14	Assistant Commissioner Commercial Tax, Madhya Pradesh	0.03
	2014-15	Excise & Taxation Officer Cum Assessing Authority, Gurugram	0.06
	2015-16	Sales Tax Tribunal	0.02
	2005-06	Assessing authority (Bangalore)	0.36
	2011-12	Assessing authority (Kunigal)	0.66
	2016-18	Excise & Taxation Officer Cum Assessing Authority, Gurugram	0.18
	2016-17	Assessing Authority (Department of Commercial Tax UP)	0.09
	2015-17	Assistant Commissioner of Commercial Taxes, Ernakulum	1.81
Madhya Pradesh Commercial Tax Act, 1944	2012-13 to 2016-17	High Court, Madhya Pradesh	12.22
Madhya Pradesh Entry Tax Act, 1976	2006-07 to 2016-17	MP High Court, Madhya Pradesh	66.49
West Bengal Sales Tax Act, 1954	2013-17	Appeallate authority	2.20
Energy Development Cess, 2001	2000-01 to 2005-06	Supreme Court	8.90

Nature of dues	Period to which the amount relates	Forum where dispute is pending	Amount involved (₹ in Crores)
Income Tax Act, 1961	2000-02	Maharashtra High Court, Mumbai	3.96
	2011-14	Income Tax Appellate Tribunal , Jabalpur	0.19
Industrial Disputes Act	2007-08	Deputy Labour Commissioner (Labour), Bangalore	0.07
West Bengal CST Sales	2012-13	Revision Board, Kolkata	0.13
REC Certificate for Solar Power	2015-2020	REC Certificate for Solar Power	2.42
Royalty on Mining Minerals	2010-11 to 2011-12	Director of Mines & Geology, Hyderabad	0.09
Water Charges/ Tax	1998-99 to Dec 2019	High Court, Madhya Pradesh	8.92
Cross Subsidy on Power Purchase	2018-20	Cross Subsidy on Power Purchase	85.38

Amount less than ₹ 50,000/-

(viii) The Company has not defaulted in repayment of dues to any financial institutions, banks, government or debenture holders.

(ix) The Company has raised term loans during the year which have been applied for the purpose for which they were raised.

(x) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197, read with Schedule V to the Act.

(xii) In our opinion and according to information and explanation given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements and according to information and explanations given by the management, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.

(xv) Based on our audit procedures performed for the purpose of reporting the true and fair view of the standalone financial statements, the Company has not entered into any non-cash transactions with directors. We have been informed that no such transactions have been entered into with person connected with directors. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.

(xvi) The Company is not required to be registered under section 45IA of the Reserve Bank of India Act, 1934.

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W

Atul Shah
Partner
Membership No. 039569
UDIN: 20039569AAAADQ7241

Place : Mumbai
Dated : May 28, 2020

Annexure B - referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' of our Independent Auditors' report of even date, to the members of Prism Johnson Limited on the Standalone Financial Statements for the year ended March 31, 2020

Report on the Internal Financial Controls under section 143(3) (i) of the Act

Opinion

We have audited the internal financial controls with reference to Standalone Financial Statements of Prism Johnson Limited ('the Company') as of March 31, 2020 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2020, based on the internal control with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI').

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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, issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to 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 system with reference to Standalone Financial Statements and their operating effectiveness.

Our audit of internal financial controls with reference to Standalone Financial Statements included obtaining an understanding of internal financial controls with reference to Standalone Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI.

The procedures selected depend on the auditors' 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 system with reference to Standalone Financial Statements.

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to Standalone Financial Statements

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

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W

Atul Shah
Partner
Membership No. 039569
UDIN: 20039569AAAADQ7241

Place : Mumbai
Dated : May 28, 2020

Standalone Balance Sheet as at March 31, 2020

₹ Crores

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-current Assets			
Property, plant and equipment	2.01	2,030.19	2,016.07
Right of Use assets	4.03	176.52	—
Capital work-in-progress	4.06	256.65	120.15
Intangible assets	2.02	24.53	18.47
Financial assets			
Investments	2.03	469.52	439.80
Loans	2.04	57.61	54.60
Other financial assets	2.05	73.76	72.97
Deferred tax assets (net)	2.06	—	24.97
Other non-current assets	2.07	162.17	209.78
Total Non-current Assets		**3,250.95**	**2,956.81**
Current Assets			
Inventories	2.08	518.49	501.18
Financial assets			
Trade receivables	2.09	678.27	704.58
Cash and cash equivalents	2.10	118.62	52.54
Bank balances other than Cash and cash equivalents	2.11	257.97	2.93
Loans	2.04	4.51	3.56
Other financial assets	2.05	7.05	5.28
Current tax assets (net)	2.12	45.89	26.21
Other current assets	2.07	109.49	147.30
Non-current assets classified as held for sale	4.18	1.65	2.70
Total Current Assets		**1,741.94**	**1,446.28**
TOTAL ASSETS		**4,992.89**	**4,403.09**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	2.13	503.36	503.36
Other equity	2.14	620.16	638.75
Total Equity		**1,123.52**	**1,142.11**
Liabilities			
Non-current Liabilities			
Financial liabilities			
Borrowings	2.15	1,287.49	1,020.94
Lease Liability	4.03	136.18	—
Other financial liabilities	2.17	310.82	312.02
Provisions	2.18	23.91	22.18
Deferred tax Liabilites (net)	2.06	50.81	—
Other non-current liabilities	2.19	28.30	37.87
Total Non-current Liabilities		**1,837.51**	**1,393.01**
Current Liabilities			
Financial liabilities			
Borrowings	2.15	145.31	132.24
Lease Liability	4.03	33.94	—
Trade payables			
Total outstanding dues of Micro Enterprises & Small Enterprises	2.16	13.70	8.09
Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	2.16	721.37	783.20
Other financial liabilities	2.17	859.40	633.19
Current tax liabilities (net)	2.20	3.22	18.61
Provisions	2.18	42.97	33.51
Other current liabilities	2.19	211.95	259.13
Total Current Liabilities		**2,031.86**	**1,867.97**
TOTAL EQUITY AND LIABILITIES		**4,992.89**	**4,403.09**
Significant Accounting Policies	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For **G. M. Kapadia & Co.**
Chartered Accountants
Firm Registration No. 104767W

Atul Shah
Partner
Membership No. 039569

Place : Mumbai
Date : May 28, 2020

For and on behalf of the Board

Shobhan M. Thakore
(Chairman)

Ameeta A. Parpia
(Director)

Vijay Aggarwal
(Managing Director)

Vivek K. Agnihotri
(Executive Director & CEO - Cement)

Atul R. Desai
(Executive Director & CEO - RMC)

Sarat Chandak
(Executive Director & CEO - HRJ)

Manish Bhatia
(Chief Financial Officer)

Aneeta S. Kulkarni
(Company Secretary)

Standalone Statement of Profit and Loss for the year ended March 31, 2020

₹ Crores

Particulars	Note No.	Year ended March 31, 2020	Year ended March 31, 2019
INCOME			
Revenue From Operations	3.01	5,572.29	5,955.57
Other Income	3.02	26.46	20.73
Total Income		**5,598.75**	**5,976.30**
EXPENSES			
Cost of materials consumed		1,319.67	1,408.15
Purchase of stock-in-trade		986.14	1,040.40
Changes in inventories	3.03	(43.60)	(75.40)
Power and fuel expenses		819.46	958.46
Freight outward expenses		759.95	842.31
Other manufacturing expenses	3.04	357.30	368.33
Employee benefits expense	3.05	464.07	454.33
Finance costs	3.06	205.85	174.06
Depreciation, amortisation and impairment expense	3.07	200.35	160.06
Other expenses	3.08	387.60	404.29
Total Expenses		**5,456.79**	**5,734.99**
Profit before exceptional items and tax		141.96	241.31
Exceptional items	4.02	(10.32)	(11.26)
Profit before tax		**131.64**	**230.05**
Tax expenses			
Current tax	3.09	—	53.15
Deferred tax	3.09	75.19	30.92
Total tax expenses		**75.19**	**84.07**
Profit for the year		**56.45**	**145.98**
Other Comprehensive Income/(Loss)			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		2.35	0.83
Equity instruments through other comprehensive income		(16.12)	0.30
Income Tax relating to items that will not be reclassified to profit or loss	3.09	(0.59)	(0.49)
Total Other Comprehensive Income/(Loss)		**(14.36)**	**0.64**
Total Comprehensive Income for the year		**42.09**	**146.62**
Earnings per share (Face value of ₹ 10/- each) (refer note 4.01) :			
Basic (in ₹)		1.12	2.90
Diluted (in ₹)		1.12	2.90
Significant Accounting Policies	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For **G. M. Kapadia & Co.**
Chartered Accountants
Firm Registration No. 104767W

Atul Shah
Partner
Membership No. 039569

Place : Mumbai
Date : May 28, 2020

For and on behalf of the Board
Shobhan M. Thakore
(Chairman)

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(Executive Director & CEO - RMC)

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(Director)

Vivek K. Agnihotri
(Executive Director & CEO - Cement)

Sarat Chandak
(Executive Director & CEO - HRJ)

Aneeta S. Kulkarni
(Company Secretary)

Standalone Statement of changes in Equity for the year ended March 31, 2020

₹ Crores

A. EQUITY SHARE CAPITAL	Note No.	Amount
Balance as at April 1, 2018	2.13	503.36
Changes in equity share capital during the year		–
Balance as at March 31, 2019	2.13	503.36
Changes in equity share capital during the year		–
Balance as at March 31, 2020	2.13	**503.36**

₹ Crores

B. OTHER EQUITY	Reserves and Surplus (refer note 2.14)				
	Capital Redemption Reserve	Debenture Redemption Reserve	General Reserve	Retained Earnings	Total
Balance as at April 1, 2018	**10.75**	**109.23**	**155.67**	**246.82**	**522.47**
Profit for the year	—	—	—	145.98	145.98
Other Comprehensive Income/(loss)	—	—	—	0.64	0.64
Total Comprehensive Income for the year	10.75	109.23	155.67	393.44	669.09
Transferred to Retained Earnings	—	(12.98)	—	—	(12.98)
Dividend and Dividend Distribution Tax	—	—	—	(30.34)	(30.34)
Transferred from Debenture Redemption Reserve	—	—	—	12.98	12.98
Balance as at March 31, 2019	**10.75**	**96.25**	**155.67**	**376.08**	**638.75**
Balance as at April 1, 2019	10.75	96.25	155.67	376.08	638.75
Profit for the year	—	—	—	56.45	56.45
Other Comprehensive Income/(loss)	—	—	—	(14.36)	(14.36)
Total Comprehensive Income for the year	10.75	96.25	155.67	418.17	680.84
Transferred to Retained Earnings	—	(96.25)	—	—	(96.25)
Dividend and Dividend Distribution Tax	—	—	—	(60.68)	(60.68)
Transferred from Debenture Redemption Reserve	—	—	—	96.25	96.25
Balance as at March 31, 2020	**10.75**	—	**155.67**	**453.74**	**620.16**
Significant Accounting Policies Note - 1					

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For **G. M. Kapadia & Co.**
Chartered Accountants
Firm Registration No. 104767W

Atul Shah
Partner
Membership No. 039569

Place : Mumbai
Date : May 28, 2020

For and on behalf of the Board
Shobhan M. Thakore
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(Executive Director & CEO - HRJ)

Aneeta S. Kulkarni
(Company Secretary)

Standalone Cash Flow Statement for the year ended March 31, 2020

₹ Crores

Particulars		Year ended March 31, 2020	Year ended March 31, 2019
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax		131.64	230.05
Non-cash Adjustment to Profit Before Tax :			
Depreciation, amortisation and impairment expense		200.35	160.06
Impairment on trade receivables		19.64	13.66
Impairment/write-off of non current assets		2.63	1.87
Amortisation of processing fees		5.55	5.91
Bad debts written off		12.89	11.97
Unwinding of interests and discounts		(2.74)	(1.76)
Loss on disposal of Property, plant and equipment		1.09	1.23
Gain on sale of investments		(5.31)	—
Dividend and interest income		(16.66)	(7.27)
Finance costs		200.30	168.09
Balances written back		(0.45)	(0.19)
Exchange differences (net)		(0.10)	0.12
Impairment/write-off of Inventories		1.50	—
Other non-cash Items		1.88	1.74
Operating profit before change in operating assets and liabilities		**552.21**	**585.48**
Change in operating assets and liabilities :			
Decrease/(increase) in trade receivables		(5.15)	(68.70)
Decrease/(increase) in inventories		(18.81)	(69.64)
Increase/(decrease) in trade payables		(56.08)	56.58
Decrease/(increase) in other financial assets		(2.81)	(0.27)
Decrease/(increase) in loans		(9.60)	(3.97)
Decrease/(increase) in other non-current and current assets		(185.00)	(49.29)
Increase/(decrease) in provisions		11.24	(5.53)
Increase/(decrease) in other current and non-current financial liabilities		57.44	99.84
Increase/(decrease) in other current and non-current liabilities		(62.76)	(3.59)
Cash generated from operations		**280.68**	**540.91**
Direct taxes paid (net of refunds)		35.07	42.99
Net cash flow from operating activities	**(a)**	**245.61**	**497.92**
CASH FLOW FROM INVESTING ACTIVITIES			
Payments for acquisition of Property, plant and equipment		(341.63)	(248.17)
Payments for purchase of investments		(47.12)	(25.27)
Proceeds from sale of investments		6.76	1.88
Proceeds from disposal of Property, plant and equipment		3.63	18.22
Interest received		16.89	7.21
Dividend received		0.02	0.04
Net cash flow used in investing activities	**(b)**	**(361.45)**	**(246.09)**

Standalone Cash Flow Statement for the year ended March 31, 2020 (Contd...)

₹ Crores

Particulars		Year ended March 31, 2020	Year ended March 31, 2019
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		926.36	632.23
Repayment of long term borrowings		(528.77)	(526.41)
Repayment of Lease Liability		(28.59)	—
Movement in short term borrowings (net)		13.06	(180.12)
Interest paid		(140.41)	(150.11)
Commission received		0.95	0.33
Dividend and Dividend Distribution Tax paid		(60.68)	(30.34)
Net cash flow from/(used) in financing activities	**(c)**	**181.92**	**(254.42)**
Net increase/(decrease) in cash and cash equivalents	**(a+b+c)**	**66.08**	**(2.59)**
Cash and cash equivalents at the beginning of the year		52.54	55.13
Cash and cash equivalents at the end of the year		**118.62**	**52.54**
Cash and cash equivalents comprise of :			
Balances with bank		117.62	47.80
Cheques/drafts on hand		0.09	3.85
Cash on hand		0.91	0.89
Total		**118.62**	**52.54**

Notes :

1. The Cash Flow Statement has been prepared using the Indirect Method set out in Ind AS 7- Statement of Cash Flows.
2. Payments for acquisition of Property, plant and equipment include movement in capital work-in-progress.

As per our report of even date
For **G. M. Kapadia & Co.**
Chartered Accountants
Firm Registration No. 104767W

Atul Shah
Partner
Membership No. 039569

Place : Mumbai
Date : May 28, 2020

For and on behalf of the Board
Shobhan M. Thakore
(Chairman)

Vijay Aggarwal
(Managing Director)

Atul R. Desai
(Executive Director & CEO - RMC)

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(Executive Director & CEO - Cement)

Sarat Chandak
(Executive Director & CEO - HRJ)

Aneeta S. Kulkarni
(Company Secretary)

Notes to the Standalone Financial Statements for the year ended March 31, 2020

BACKGROUND

Prism Johnson Limited, a Public Limited Company domiciled in India, incorporated under the Companies Act, 1956, principally operates in three business segments : Cement; Tile and Bath (HRJ) and Ready Mixed Concrete (RMC). The equity shares of the Company are listed on BSE Limited and the National Stock Exchange (India) Limited.

Authorisation of financial statements :

The financial statements were Authorised for issue in accordance with a resolution of the board of directors dated May 28, 2020.

1. SIGNIFICANT ACCOUNTING POLICIES

This note provides a list of the significant accounting policies adopted in the presentation of these standalone financial statements.

1.1 Basis of Preparation

a) Compliance with Ind AS

The standalone financial statements comply in all material aspects with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act'), and relevant rules issued thereunder and the relevant provisions of the Act. In accordance with proviso to the Rule 4A of the Companies (Accounts) Rules, 2014, the terms used in these financial statements are in accordance with the definitions and other requirements specified in the applicable Accounting Standards.

b) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following :

i) certain financial assets and liabilities (including derivative instruments) are measured at fair value; and

ii) defined benefit plans - plan assets measured at fair value.

1.2 Rounding of amounts

All amounts disclosed in the financial statement and notes have been rounded off to the nearest crores, except where otherwise indicated.

1.3 Current versus non-current classification

The Company presents its assets and liabilities in the Balance Sheet based on current/non-current classification. An asset is classified as current if it is:

a) expected to be realized or intended to be sold or consumed in normal operating cycle;

b) held primarily for the purpose of trading;

c) expected to be realized within twelve months after the reporting period; or

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

All other assets are classified as non-current.

A liability is current when:

a) it is expected to be settled in normal operating cycle;

b) it is held primarily for the purpose of trading;

c) it is due to be settled within twelve months after the reporting period; or

d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

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

1.4 Use of judgements, estimates & assumptions

While preparing financial statements in conformity with Ind AS, the management makes certain estimates and assumptions that require subjective and complex judgements. These judgements affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the statement of financial position date and the reported amount of income and expenses for the reporting period. Financial reporting results rely on our estimate of the effect of certain matters that are inherently uncertain. Future events rarely develop exactly as forecast and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions. The management continually evaluates these estimates and assumptions based on the most recently available information.

Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are as below :

The Company has equity stake in various entities for strategic reasons concerning its operation. The relationship with these entities has been determined based on principles laid down in Ind AS 110 – Consolidated Financial Statements and Ind AS 111 – Joint Arrangements. The entities mentioned below are considered as subsidiaries :

a) Antique Marbonite Private Limited

b) Small Johnson Floor Tiles Private Limited

c) Spectrum Johnson Tiles Private Limited

d) Sentini Cermica Private Limited

e) Coral Gold Tiles Private Limited

f) Sanskar Ceramics Private Limited

Key assumptions

a) Evaluation of recoverability of deferred tax assets

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

b) Assets and obligations relating to employee benefits

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These, *inter alia,* 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.

c) Useful lives of Property, plant and equipment

The company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

d) Impairment of Property, plant and equipment

For property, plant and equipment and intangibles an assessment is made at each reporting date to determine whether there is an indication that the carrying amount may not be recoverable or previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

e) Impairment of investment

For determining whether the investments in subsidiaries, joint ventures and associates are impaired requires an estimate in the value in use of investments. In considering the value in use, the Directors have estimated the future cash flow, capacity utilization, operating margins and other factors of the underlying businesses/operations of the investee companies. Any subsequent changes to the cash flows due to changes in the above mentioned factors could impact the carrying value of investments.

f) Valuation of inventories

The Company estimates the Net Realisable Value ('NRV') of its inventories by taking into account estimated selling price, estimated cost of completion, estimated costs necessary to make the sale, obsolescence considering the past trend. Inventories are written down to NRV where such NRV is lower than their cost.

g) Recognition and measurement of other Provisions

The recognition and measurement of other provisions is based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the closing date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

h) Mine Restoration Provision

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

i) Fair value of financial instruments

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. Details of the assumptions used are given in the notes regarding financial assets and liabilities. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

1.5 Property, plant and equipment

a) Freehold land is carried at historical cost less impairment losses, if any.

b) Property, plant and equipment is stated at cost, less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price, non-refundable purchase taxes and any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and, for assets that necessarily take a substantial period of time to get ready for their intended use, finance costs. The purchase price is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

c) When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement, if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.

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

e) Expenditure directly attributable to setting up/construction of new projects are capitalised. Administrative and other General overhead expenses, which are specifically attributable to the setting up/construction activities, incurred during the construction period are capitalised as part of the indirect cost. Other indirect expenditure incurred during such period which are not related to the setting up/construction activities are charged to Statement of Profit and Loss. Income earned during this period from setting up activities is deducted from the total of indirect expenditure.

f) The residual values and useful lives of Property, plant and equipment are reviewed at each financial year end, and changes, if any, are accounted prospectively.

g) Long-term lease arrangements in respect of land are treated as Property, plant and equipment, in case such arrangements result in transfer of control and the present value of the lease payments is likely to represent substantially all of the fair value of the land. Cost in respect of the same is amortised over the period of respective lease arrangement.

h) Stores and spares which meet the definition of Property, plant and equipment and satisfy the recognition criteria of Ind AS 16 are capitalised as Property, plant and equipment.

i) Cost of mining reserve included in freehold/leasehold land, balance cost of leasehold mining land and mines development expenses are amortised systematically based on principle of Unit of Production method.

j) Depreciation on Property, plant and equipment is provided on straight line method. In accordance with requirements prescribed under Schedule II to the Companies Act, 2013, the Company has assessed the estimated useful lives of its Property, plant and equipment and has adopted the useful lives and residual value as prescribed therein except following cases which are based on internal technical assessment :

Assets	Useful life of asset
Mobile Phones	1- 3 years
Motor car given to employees as per the Company's scheme or vehicle used by employees	5-7 years
Leasehold land	Remaining period of the lease
Truck mixers, Loaders, Excavators and Dumpers	8 years
Leasehold Improvements	Over the period of the lease /rent agreement
Machinery spares	Over the useful life of the related assets
Plant & Machinery–Concrete Pumps	6 years

Freehold land is not depreciated.

k) The Company depreciates significant components of the main asset (which have different useful lives as compared to the main asset) based on the individual useful life of those components. Useful life for such components of Property, plant and equipment is assessed based on the historical experience and internal technical inputs which varies from 2 to 40 years.

l) All assets costing up to ₹ 10,000/- are fully depreciated in the year of capitalisation.

1.6 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles are not capitalised and the related expenditure is reflected in the Statement of Profit and Loss in the period in which the expenditure is incurred.

Technical know-how/license fee and application software are classified as Intangible Assets.

Intangible assets with finite lives are amortised on straight line basis over their useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at each year end. The amortisation expense on Intangible assets with finite lives and impairment loss is recognised in the Statement of Profit and Loss.

Estimated lives for current and comparative periods in relation to application of straight line method of amortisation of intangible assets (acquired) are as follows :

Assets	Amortisation method/Useful life
Intellectual Property Rights	10 years
Technical know-how	7 years
Software	1 - 8 years
Mineral Procurement Rights	Unit of Production method
Mining Lease Rights	Over the period of the lease

Research and Development

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognised as an Intangible asset when the Company can demonstrate the following :

a) The technical feasibility of completing the intangible asset so that it will be available for use or sale;

b) Its intention to complete the asset;

c) Its ability to use or sell the asset;

d) Ability to generate future economic benefits;

e) The availability of adequate resources to complete the development and use or sell the asset; and

f) The ability to measure reliably the expenditure attributable to the intangible asset during development.

1.7 Impairment of Assets

Carrying amount of Tangible assets, Intangible assets, investments in Subsidiaries, Joint Ventures and Associates (which are carried at cost) are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's 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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or company's assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

1.8 Inventories

Raw materials, fuels, stores and spares are valued at lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost in case of Raw material and Packing material, Stores and Spare and Traded Goods include purchase cost net of refundable taxes and other overheads incurred in bringing such items of inventory to its present location and condition. Cost of raw materials, components and stores and spares which do not meet the recognition criteria under Property, plant and equipment is determined on a weighted average basis.

Work-in-progress and finished goods are valued at lower of cost and net realisable value. Cost includes direct materials, labour, other direct cost and a proportion of manufacturing overheads based on normal operating capacity. Cost of inventories is computed on weighted average basis.

Traded goods are valued at lower of weighted average cost and net realisable value.

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

The factors that the Company considers in determining the allowance for slow moving, obsolete and other non-saleable inventory in determining net realisable value include ageing of inventory, price changes and such other related factors.

1.9 Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of change in value.

For the purpose of statement of cash flow, cash and cash equivalents consist of cash, short-term deposits as defined above, bank overdrafts and short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value as they are considered as an integral part of the Company's management.

1.10 Government Grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is deducted from the related expense. When the grant relates to an asset, it is recognised as deferred income and amortised over the useful life of such assets.

The above criteria is also used for recognition of incentives under various scheme notified by the Government.

1.11 Financial Instruments

Financial assets and financial liabilities are recognised when a Company becomes a party to the contractual provisions of the instruments.

Initial Recognition and Measurement – Financial Assets and Financial Liabilities

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 recognised immediately in the Statement of Profit and Loss.

Classification and Subsequent Measurement :

Financial Assets

The Company classifies financial assets as subsequently measured at amortised cost, fair value through Other Comprehensive Income ('FVTOCI') 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 is 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.

FVTOCI

A financial asset is classified and measured at FVTOCI 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.

FVTPL

A financial asset is classified and measured at FVTPL unless it is measured at amortised cost or at FVTOCI.

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.

Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Classification and Subsequent measurement :

Financial Liabilities

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Financial Liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL.

Gains or losses on financial 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 method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. 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 net carrying amount on initial recognition.

Derecognition of Financial Assets and Financial Liabilities

The Company de-recognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

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

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counter party.

1.12 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.

1.13 Investments in Subsidiaries, Associates and Joint Ventures

A Subsidiary is an entity that is controlled by another entity. An investor controls an investee if and only if the investor has the following; (i) Power over the investee, (ii) exposure, or rights, to variable returns from its involvement with the investee and (iii) the ability to use its power over the investee to affect the amount of the investor's returns.

An Associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A Joint Venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the Joint Venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The Company's investments in its Subsidiaries, Associates and Joint Ventures are accounted at cost.

1.14 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

1.15 Provisions, Contingent liabilities and Contingent Assets

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a current pre-tax rate. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed in the case of :

- a present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
- a present obligation arising from the past events, when no reliable estimate is possible;

- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

Contingent Assets is disclosed when inflow of economic benefits is probable.

1.16 Gratuity and other post-employment benefits

a) Short-term obligations

Short term employee benefits are recognised as an expense at an undiscounted amount in the Statement of Profit and Loss of the year in which the related services are rendered.

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

b) Post-employment obligations

The Company operates the following post-employment schemes :

- defined benefit plans such as gratuity; and
- defined contribution plans such as provident fund, superannuation fund and national pension scheme.

Gratuity obligations

The liability or asset recognised in the Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised at amount net of taxes in the period in which they occur, directly in Other Comprehensive Income. They are included in retained earnings in the statement of changes in equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement Profit and Loss as past service cost.

Defined contribution plans

The Company contributes to Superannuation, Employee's State Insurance Corporation, Provident Fund and subscribes to the National Pension Scheme which are considered as defined contribution plans. A contribution is made to Regional Provident Fund Commissioner for certain employees. In case of other employees covered under the Provident Fund Trust of the Company, the management does not expect any material liability on account of interest shortfall to be borne by the Company. The said contributions are charged to the Statement of Profit and Loss.

c) Other long-term employee benefit obligations

The liabilities for leave are not expected to be settled wholly within twelve months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

The obligations are presented as current liabilities in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

1.17 Revenue Recognition

a) Revenue From Contracts With Customers

The Company derives revenues primarily from sale of products and services. Revenue from sale of goods is recognised net of returns and discounts.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expect to receive in exchange for those products or services.

To recognise revenues, the Company applies the following five step approach :

1. Identify the contract with a customer;
2. Identify the performance obligations in the contract;
3. Determine the transaction price;
4. Allocate the transaction price to the performance obligations in the contract; and
5. Recognize revenues when a performance obligation is satisfied.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

The Company presents revenues net of indirect taxes in its statement of profit and loss.

Performance obligation may be satisfied over time or at a point in time. Performance obligations satisfied over time if any one of the following criteria is met. In such cases, revenue is recognised over time.

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance; or
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

b) Interest Income

Interest income from debt instruments is recognised using the effective interest rate method.

c) Dividend Income

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

1.18 Taxes on Income

Current Tax

Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments/appeals.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the Statement of Profit and Loss.

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

Deferred tax

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

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

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

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

Deferred tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss. Deferred tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income or directly in equity.

The break-up of the major components of the deferred tax assets and liabilities as at Balance Sheet date has been arrived at after setting off deferred tax assets and liabilities where the Company has a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

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.

1.19 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders is adjusted for after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.20 Leases

Effective April 1, 2019, the Company has adopted Ind AS 116 'Leases' using the modified retrospective approach, under which the Company recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate as on the date of transition and has measured right of use asset an amount equal to lease liability adjusted for any related prepaid and accrued lease payments previously recognised. Accordingly, the comparative information has not been restated and continues to be reported under Ind AS 17 'Lease'. Additionally, the disclosure requirements in Ind AS 116 have not generally been applied to comparative information. The following is the summary of the new and/or revised significant accounting policies related to Leases. Refer Note 1 'Significant Accounting policies', in the Company's 2019 Annual Report for the policies in effect for Leases prior to April 1, 2019. The effect of transition on Ind AS 116 was insignificant.

Company as a lessee

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, 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 an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. For these short-term leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease. The Company recognises lease liabilities to make lease payments and Right of Use assets representing the right to use the underlying assets as below.

Right of Use (ROU) assets

The Company recognises Right of Use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right of Use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of Right of Use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right of Use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease Liabilities

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. Lease liabilities are remeasured with a corresponding adjustment to the related ROU assets.

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

1.21 Foreign currency translation

a) Functional and presentation currency

The Company's financial statements are prepared in INR, which is also the Company's functional and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Statement of Profit and Loss.

In case of advance payment for purchase of assets/goods/services and advance receipt against sales of products/services, all such purchase/sales transaction are recorded at the rate at which such advances are paid/received.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other gains/(losses).

Non-monetary items

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

1.22 Mine Restoration Provision

The Company provides for the estimated expenditure required to restore quarries and mines. The total estimate of restoration expenses is apportioned over the estimate of mineral reserves and a provision is made based on minerals extracted during the year. Mines restoration expenses are incurred on an ongoing basis and until the closure of the quarries and mines. The actual expenses may vary based on the nature of restoration and the estimate of restoration expenditure. On the basis of technical parameters, restoration expenses estimates are reviewed periodically.

1.23 Non-current assets held for Sale

Non-current assets are classified as 'held for sale' when all of the following criteria are met : (i) decision has been made to sell. (ii) the assets are available for immediate sale in its present condition. (iii) the assets are being actively marketed and (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date. Subsequently, such non-current assets classified as held for sale are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortised. Any decrease in fair value of asset (less cost of sale) is recognised through profit and loss as impairment loss. Any subsequent increase in fair value of asset to the extent of previously recognised impairment loss is recognised as gain and any gain exceeding this impairment loss is recognised on the date of de-recognition.

2.01 PROPERTY, PLANT AND EQUIPMENT

₹ Crores

Particulars	Gross Carrying Amount				Depreciation/Impairment				Net Carrying Amount	
	As at April 1, 2019	Addition/ Adjustments	Disposal/ Adjustments	As at March 31, 2020	As at April 1, 2019	For the Year	Elimination on disposal/ Adjustments	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Own Assets :										
Land - Freehold	614.23	54.21	0.01	668.43	20.96	8.30	–	29.26	639.17	593.27
Buildings	190.19	14.48	4.35	200.32	40.86	13.26	2.11	52.01	148.31	149.33
Plant and Machinery	1,477.85	99.17	25.58	1,551.44	378.61	101.32	22.40	457.53	1,093.91	1,099.24
Railway siding	4.46	–	–	4.46	0.76	0.29	–	1.05	3.41	3.70
Office Equipment	13.22	2.26	(0.14)	15.62	5.86	2.11	(0.16)	8.13	7.49	7.36
Computers	14.98	2.73	0.90	16.81	8.86	2.65	0.79	10.72	6.09	6.12
Mines Development	189.79	37.00	–	226.79	113.30	27.01	–	140.31	86.48	76.49
Furniture & Fixtures	39.85	7.05	2.93	43.97	15.01	4.73	2.86	16.88	27.09	24.84
Vehicles	17.83	1.78	2.59	17.02	8.42	2.49	1.91	9.00	8.02	9.41
Truck Mixers, Loaders and Dumpers	11.55	2.15	3.03	10.67	10.17	0.70	3.03	7.84	2.83	1.38
Total (a)	**2,573.95**	**220.83**	**39.25**	**2,755.53**	**602.81**	**162.86**	**32.94**	**732.73**	**2,022.80**	**1,971.14**
Leased Assets										
Leasehold Land (Long term - refer note 1.5(g)) **(b)**	–	8.85	1.37	7.48	–	0.23	0.14	0.09	7.39	–
Assets taken on Finance Lease : (Under Ind AS 17)										
Land	10.05	–	10.05	–	1.20	–	1.20	–	–	8.85
Plant and Machinery	45.58	–	45.58	–	9.91	–	9.91	–	–	35.67
Vehicles	0.53	–	0.53	–	0.12	–	0.12	–	–	0.41
Total (c)	**56.16**	–	**56.16**	–	**11.23**	–	**11.23**	–	–	**44.93**
Total (a+b+c)	**2,630.11**	**229.68**	**96.78**	**2,763.01**	**614.04**	**163.09**	**44.31**	**732.82**	**2,030.19**	**2,016.07**

2.01 PROPERTY, PLANT AND EQUIPMENT (Contd...)

₹ Crores

Particulars	Gross Carrying Amount				Depreciation/Impairment				Net Carrying Amount	
	As at April 1, 2018	Addition/ Adjustments	Disposal	As at March 31, 2019	As at April 1, 2018	For the Year	Elimination on disposal	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Own Assets :										
Land - Freehold	565.72	48.93	0.42	614.23	13.21	7.75	—	20.96	593.27	552.51
Buildings	189.54	4.17	3.52	190.19	31.69	11.25	2.08	40.86	149.33	157.85
Plant and Machinery	1,452.14	86.38	60.67	1,477.85	328.40	95.07	44.86	378.61	1,099.24	1,123.74
Railway siding	3.42	1.04	—	4.46	0.57	0.19	—	0.76	3.70	2.85
Office Equipment	11.47	2.42	0.67	13.22	4.86	1.59	0.59	5.86	7.36	6.61
Computers	13.08	3.62	1.72	14.98	7.29	2.76	1.19	8.86	6.12	5.79
Mines Development	160.56	29.23	—	189.79	86.78	26.52	—	113.30	76.49	73.78
Furniture & Fixtures	31.34	8.81	0.30	39.85	11.17	4.03	0.19	15.01	24.84	20.17
Vehicles	16.54	3.61	2.32	17.83	7.33	2.45	1.36	8.42	9.41	9.21
Truck Mixers, Loaders and Dumpers	11.26	0.29	—	11.55	8.96	1.21	—	10.17	1.38	2.30
Total (a)	**2,455.07**	**188.50**	**69.62**	**2,573.95**	**500.26**	**152.82**	**50.27**	**602.81**	**1,971.14**	**1,954.81**
Assets taken on Finance Lease : (Under Ind AS 17)										
Land	10.05	—	—	10.05	0.98	0.22	—	1.20	8.85	9.07
Plant and Machinery	37.62	7.96	—	45.58	4.94	4.97	—	9.91	35.67	32.68
Vehicles	0.41	0.12	—	0.53	0.06	0.06	—	0.12	0.41	0.35
Total (b)	**48.08**	**8.08**	**—**	**56.16**	**5.98**	**5.25**	**—**	**11.23**	**44.93**	**42.10**
Total (a+b)	**2,503.15**	**196.58**	**69.62**	**2,630.11**	**506.24**	**158.07**	**50.27**	**614.04**	**2,016.07**	**1,996.91**

Notes :

a) Depreciation for the year includes ₹ 2.86 Crores (Previous year : ₹ 1.61 Crores) considered for capitalisation.

b) Amortisation in case of Freehold Land represent amortisation of mining reserve on extraction basis.

c) Additions to Plant & Machinery during the year includes ₹ 0.89 Crores (Previous year : ₹ 1.78 Crores) on account of Research assets.

d) During the year, depreciation on Right of Use assets is ₹ 36.25 Crores (Previous year : Nil) which is not forming part of the above schedule and disclosed in note 4.03 on leases.

e) Other adjustments include reclassification of assets taken on Finance Lease in terms of Ind AS 17 to Right of Use assets on account of adoption of Ind AS 116 (refer note 4.03)

f) Addition to Freehold Land is net- off liabilities no longer required to be paid.

2.02 INTANGIBLE ASSETS

₹ Crores

Particulars	Gross Carrying Amount				Amortisation				Net Carrying Amount	
	As at April 1, 2019	Addition	Disposal	As at March 31, 2020	As at April 1, 2019	For the Year	Elimination on disposal	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Software	20.43	6.46	0.39	26.50	9.55	3.13	0.39	12.29	14.21	10.88
Intellectual Property Rights	1.77	–	–	1.77	1.77	–	–	1.77	–	–
Mining Lease Rights	8.25	2.97	–	11.22	1.68	0.46	–	2.14	9.08	6.57
Minerals Procurement Rights	2.28	–	–	2.28	2.26	–	–	2.26	0.02	0.02
Technical Know-how	1.27	0.50	–	1.77	0.27	0.28	–	0.55	1.22	1.00
Total	**34.00**	**9.93**	**0.39**	**43.54**	**15.53**	**3.87**	**0.39**	**19.01**	**24.53**	**18.47**

₹ Crores

Particulars	Gross Carrying Amount				Amortisation				Net Carrying Amount	
	As at April 1, 2018	Addition	Disposal	As at March 31, 2019	As at April 1, 2018	For the Year	Elimination on disposal	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Software	15.50	4.93	–	20.43	6.56	2.99	–	9.55	10.88	8.94
Intellectual Property Rights	1.77	–	–	1.77	1.77	–	–	1.77	–	–
Mining Lease Rights	8.25	–	–	8.25	1.24	0.44	–	1.68	6.57	7.01
Minerals Procurement Rights	2.28	–	–	2.28	2.26	–	–	2.26	0.02	0.02
Technical Know-how	0.14	1.13	–	1.27	0.10	0.17	–	0.27	1.00	0.04
Total	**27.94**	**6.06**	**–**	**34.00**	**11.93**	**3.60**	**–**	**15.53**	**18.47**	**16.01**

Range of remaining period of amortisation as at March 31, 2020 of Intangible assets is as below :

₹ Crores

Assets	Range of remaining period of amortisation			
	< 5 year	6 - 10 year	> 10 year	Net Carrying Amount
Software	8.26	5.95	–	14.21
Mining Lease Rights	3.08	4.71	1.29	9.08
Minerals Procurement Rights	0.02	–	–	0.02
Technical Know-how	0.81	0.41	–	1.22
Total	**12.17**	**11.07**	**1.29**	**24.53**

2.03 INVESTMENTS

₹ Crores

Particulars	Face Value ₹	As at March 31, 2020		As at March 31, 2019	
		Qty	Amount	Qty	Amount
Investments in Equity Instruments (fully paid up) - Unquoted					
Investment in Subsidiaries - measured at cost					
• Raheja QBE General Insurance Company Limited	10	10,55,70,000	105.57	10,55,70,000	105.57
• Silica Ceramica Private Limited #	10	12,16,08,283	248.47	8,65,45,783	213.31
• H. & R. Johnson (India) TBK Limited	100	1,61,020	29.71	1,61,020	29.71
• Antique Marbonite Private Limited #	10	30,09,000	15.08	30,09,000	15.08
• Small Johnson Floor Tiles Private Limited *	10	20,00,000	13.30	20,00,000	13.30
• Sentini Cermica Private Limited #	10	17,10,000	8.55	20,00,000	10.00
• Milano Bathroom Fittings Private Limited *	100	72,446	9.09	72,446	9.09
• Spectrum Johnson Tiles Private Limited	10	21,65,388	8.03	21,65,388	8.03
• Coral Gold Tiles Private Limited	10	26,00,000	5.46	26,00,000	5.46
• Sanskar Ceramics Private Limited @	10	15,00,000	5.25	—	—
• RMC Readymix Porselano (India) Limited	10	50,000	0.05	50,000	0.05
Investment in Joint Venture - measured at cost					
• Ardex Endura (India) Private Limited	10	65,00,000	6.50	65,00,000	6.50
Investment in Associates - measured at cost					
• Prism Power and Infrastructure Private Limited	10	4,900	—	4,900	—
• CSE Solar Parks Satna Private Limited	10	55,00,000	5.50	2,70,001	0.27
• Sunspring Solar Private Limited	10	14,78,412	1.48	—	—
Other Investments designated at FVTOCI					
• B L A Power Private Limited (refer note 4.08)	10	1,75,00,000	5.18	1,75,00,000	21.30
(a)			**467.22**		**437.67**
Investments in preference shares (fully paid up) - Unquoted					
Investment in Subsidiaries - measured at amortised cost					
• Milano Bathroom Fittings Private Limited (1% Non-cumulative and Redeemable Preference Shares)	100	2,00,000	0.85	2,00,000	0.80
• Small Johnson Floor Tiles Private Limited (0.01% Non-cumulative Optionally Convertible Preference Shares)	10	40,00,000	1.45	40,00,000	1.33
(b)			**2.30**		**2.13**
Total non-current investments (a + b)			**469.52**		**439.80**
Aggregate book value of quoted investments			—		—
Aggregate market value of investments designated at FVTOCI			5.18		21.30
Aggregate amount of unquoted investments			464.34		418.50

Company has given Non Disposal Undertaking to certain banks for its investment in above Subsidiaries.

* Investment in Subsidiaries viz Milano Bathroom Fittings Private Limited and Small Johnson Floor Tiles Private Limited includes equity component recognised from 1% Non-cumulative and Redeemable Preference Shares and 0.01% Non-cumulative Optionally Convertible Preference Shares respectively. The carrying value of such equity component is ₹ 2.36 Crores (Previous year : ₹ 2.36 Crores) and ₹ 3.30 Crores (Previous year : ₹ 3.30 Crores) with respect to these Companies.

@ During the year, the Company has purchased 15,00,000 shares of Sanskar Ceramics Private Limited from Small Johnson Floor Tiles Private Limited.

2.04 LOANS

₹ **Crores**

Particulars		Non-current As at March 31, 2020	Non-current As at March 31, 2019	Current As at March 31, 2020	Current As at March 31, 2019
Security Deposits - Utility					
Unsecured, considered good		36.79	33.66	1.61	1.05
	(a)	**36.79**	**33.66**	**1.61**	**1.05**
Security Deposits - Rental					
Unsecured, considered good		15.61	15.45	–	–
Unsecured, credit impaired		0.74	0.77	–	–
		16.35	16.22	–	–
Less : Provision for impairment		0.74	0.77	–	–
	(b)	**15.61**	**15.45**	**–**	**–**
Loans to related parties					
Loan to a subsidiary company *					
Unsecured, considered good		4.00	4.00	–	–
	(c)	**4.00**	**4.00**	**–**	**–**
Loans to employees					
Unsecured, considered good		1.21	1.49	2.90	2.51
	(d)	**1.21**	**1.49**	**2.90**	**2.51**
Total	**(a+b+c+d)**	**57.61**	**54.60**	**4.51**	**3.56**

Note : No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member except security deposit of ₹ 0.06 Crores (Previous year : ₹ 0.06 Crores) for premises given to Director.

* Further information about these loans is set out in notes 4.12 and 4.13.

2.05 OTHER FINANCIAL ASSETS

₹ **Crores**

Particulars	Non-current As at March 31, 2020	Non-current As at March 31, 2019	Current As at March 31, 2020	Current As at March 31, 2019
Insurance claim receivable (refer note 4.17)	58.94	58.94	2.56	4.12
Bank deposits with more than twelve months maturity (restricted use)	0.84	0.05	2.54	–
Accrued Interest	–	–	0.89	1.14
Balances in Escrow accounts with banks (restricted use)	0.05	0.05	–	–
Balances related to Coal Mine and Infrastructure (refer note 4.16)	13.93	13.93	–	–
Other receivables	–	–	1.06	0.02
Total	**73.76**	**72.97**	**7.05**	**5.28**

2.06 DEFERRED TAX ASSETS/ (LIABILITIES) (NET)

Significant components of deferred tax (liabilities)/assets recognised in the financial statements are as follows :

₹ Crores

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred tax (liabilities)/assets in relation to :		
Unabsorbed depreciation/ Business loss as per Income Tax	64.72	32.54
Provision for employees benefits	56.83	58.29
Other temporary differences/unutilised tax asset	(54.92)	72.14
Property, plant and equipment	(117.44)	(138.00)
Total	**(50.81)**	**24.97**

The movement in deferred tax (liabilities)/assets during the year ended March 31, 2020 and March 31, 2019 :

₹ Crores

Particulars	As at March 31, 2020	Credited/ (Charged) to Statement of P&L /OCI	As at March 31, 2019	Credited/ (Charged) to Statement of P&L /OCI	As at March 31, 2018
Deferred tax (liabilities)/assets in relation to :					
Unabsorbed depreciation/ Business loss as per Income Tax	64.72	32.18	32.54	(94.44)	126.98
Provision for employees benefits	56.83	(1.46)	58.29	3.37	54.92
Other temporary differences/unutilised tax asset	(54.92)	(127.06)	72.14	41.08	31.06
Property, plant and equipment	(117.44)	20.56	(138.00)	18.58	(156.58)
Total	**(50.81)**	**(75.78)**	**24.97**	**(31.41)**	**56.38**

2.07 OTHER ASSETS

₹ Crores

Particulars	Non-current As at March 31,		Current As at March 31,	
	2020	2019	2020	2019
Capital Advances				
Unsecured, considered good	53.57	74.04	—	—
Doubtful	0.34	—	—	—
	53.91	74.04	—	—
Less : Provision for Impairment	0.17	—	—	—
	53.74	74.04	—	—
Advances other than Capital Advances				
Balances with government authorities :				
CENVAT/ VAT/GST receivables	—	—	30.55	32.52
Balances with statutory authorities	—	—	0.55	0.28
Excise/ VAT/ Service Tax/ Custom duty deposited under protest	31.07	39.28	0.19	0.76
Security Deposits	4.69	5.52	0.91	0.16
Advances to other parties (net of provision for impairment)	15.46	15.63	27.97	66.84
Prepaid expenses	2.73	2.27	17.05	17.72
Royalty refund receivable	—	—	17.12	17.12
Others	54.48	73.04	15.15	11.90
Total	**162.17**	**209.78**	**109.49**	**147.30**

Note : No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.

2.08 INVENTORIES

₹ Crores

Particulars	As at March 31, 2020	As at March 31, 2019
Raw materials	122.09	106.61
Goods-in-transit	0.37	0.82
Stores and spares	61.08	61.83
Goods-in-transit	0.17	0.01
Fuel stock	53.61	23.73
Goods-in-transit	5.55	76.16
Work-in-progress	69.19	64.13
Finished goods	142.18	108.56
Goods-in-transit	12.54	18.55
Stock-in-trade	51.69	40.18
Goods-in-transit	0.02	0.60
Total	**518.49**	**501.18**

Notes :

(a) Amount charged to the Statement of Profit and Loss on account of write-down of inventories to net realisable value for the year is ₹ 20.90 Crores (Previous year : ₹ 11.44 Crores).

(b) Above inventory includes damaged stock of finished goods of cement amounting to ₹ 2.95 Crores (Previous year : ₹ 0.51 Crores) in respect of which insurance claims have been lodged. The management expects to recover the amount atleast equal to it's carrying value.

2.09 TRADE RECEIVABLES

₹ Crores

Particulars	As at March 31, 2020	As at March 31, 2019
Secured, considered good	81.60	55.00
Unsecured, considered good	596.67	649.58
Unsecured, credit impaired	140.77	121.13
	819.04	825.71
Less : Provision for impairment	140.77	121.13
Total	**678.27**	**704.58**

Note : No amount is due from any of the directors or officers of the Company, severally or jointly with any other person; or from firms where such director is a partner or from private companies where such director is a member.

2.10 CASH AND CASH EQUIVALENTS

₹ Crores

Particulars	As at March 31, 2020	As at March 31, 2019
Balances with banks :		
In current accounts	5.10	44.32
Deposits with original maturity of less than three months	112.52	3.48
Cheques/drafts on hand	0.09	3.85
Cash on hand	0.91	0.89
Total	**118.62**	**52.54**

2.11 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

₹ Crores

Particulars	As at March 31, 2020	As at March 31, 2019
Unclaimed Dividend	0.65	0.46
Term Deposits (original maturity for more than three months but less than twelve months)	256.68	—
Term Deposits (original maturity for more than three months but less than twelve months -restricted use)	0.64	2.47
Total	**257.97**	**2.93**

2.12 CURRENT TAX ASSETS (NET)

₹ Crores

Particulars	As at March 31, 2020	As at March 31, 2019
Current Tax Assets :		
Taxes paid (net of provision)	45.89	26.21
Total	**45.89**	**26.21**

2.13 EQUITY SHARE CAPITAL

₹ Crores

Particulars	As at March 31, 2020	As at March 31, 2019
Authorised Share Capital :		
52,50,00,000 (Previous year : 52,50,00,000) Equity shares of ₹ 10/- each	525.00	525.00
Total	**525.00**	**525.00**
Issued, Subscribed and Paid up :		
50,33,56,580 (Previous year : 50,33,56,580) Equity shares of ₹ 10/- each	503.36	503.36
Total	**503.36**	**503.36**

a. Reconciliation of shares outstanding as at the beginning and at the end of the reporting period :

Equity shares	As at March 31, 2020 No. of Shares	As at March 31, 2019 No. of Shares
At the beginning of the year	50,33,56,580	50,33,56,580
Outstanding at the end of the year	**50,33,56,580**	**50,33,56,580**

b. Rights, preference and restrictions attached to Equity shares :

The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is entitled to one vote per equity share. The shareholders are entitled to dividend declared on proportionate basis. On liquidation of the Company, the equity shareholders are eligible to receive remaining assets of the Company in proportion to their shareholding after distribution of all preferential amounts.

2.13 EQUITY SHARE CAPITAL (Contd...)

c. Details of shareholders holding more than 5% shares in the Company :

Name of the Shareholder	As at March 31,			
	2020		2019	
	No. of Shares	% of holding	No. of Shares	% of holding
Manali Investment & Finance Private Limited	6,78,17,992	13.47%	6,78,17,992	13.47%
Hathway Investments Private Limited	6,41,13,400	12.74%	6,41,13,400	12.74%
Coronet Investments Private Limited	5,79,49,394	11.51%	5,79,49,394	11.51%
Rajan B. Raheja	5,14,06,327	10.21%	5,14,06,327	10.21%
Bloomingdale Investment & Finance Private Limited	3,15,07,000	6.26%	3,12,89,300	6.22%

2.14 OTHER EQUITY

₹ **Crores**

Particulars	As at March 31,	
	2020	2019
General reserve	155.67	155.67
Retained earnings	453.74	376.08
Capital redemption reserve	10.75	10.75
Debenture redemption reserve	—	96.25
Total	**620.16**	**638.75**

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

(a) General Reserve

The Company had transferred a portion of the net profit of the Company before declaring dividend to the general reserve pursuant to the earlier provisions of the Companies Act, 1956. Mandatory transfer to general reserve before declaration of dividend is not required under the Companies Act, 2013.

(b) Retained Earnings

Retained earnings are the net profits that the Company has earned till date and is net of amount transferred to other reserves such as general reserves, debenture redemption reserve etc., amount distributed as dividend and adjustments in terms of Ind AS 101.

(c) Capital Redemption Reserve

Capital redemption reserve was created pursuant to the scheme of amalgamation.

(d) Debenture Redemption Reserve (DRR)

The Company has issued non-convertible debentures. Pursuant to the Companies (Share Capital and Debentures) Amendment Rules, 2019 effective from August 16, 2019, the Company is not required to create a DRR of 25% of the value of its outstanding Non-convertible debentures. Accordingly, the balance in DRR is transferred to Retained Earnings.

2.15 BORROWINGS

₹ Crores

Particulars	Non-current	
	As at March 31,	
	2020	2019
Secured		
Bonds/Debentures		
• 10.40% Non-convertible Debentures (refer Sr. No. 1) {800 Nos. (Previous year : 800 Nos.) debentures of ₹ 0.10 Crore each}	80.00	80.00
• 10.40% Non-convertible Debentures (refer Sr. No. 2) {1200 Nos. (Previous year : 1200 Nos.) debentures of ₹ 0.10 Crore each}	120.00	120.00
• 10.70% Non-convertible Debentures (refer Sr. No. 3) {1000 Nos. (Previous year : 1000 Nos.) debentures of ₹ 0.10 Crore each}	100.00	100.00
• 9.25% Non-convertible Debentures (refer Sr. No. 4) {1781 Nos. (Previous year : 2000 Nos.) debentures of ₹ 0.10 Crore each}	178.10	200.00
• 9.00% Non-convertible Debentures (refer Sr. No. 5) {Nil (Previous year : 1500 Nos.) debentures of ₹ 0.10 Crore each}	—	150.00
Term loans from banks (refer Sr. No. 6 to 16)	811.11	523.23
Vehicle loans from banks (refer Sr. No. 17 to 19)	2.83	4.09
Unsecured		
• 10.70% Non-convertible Debentures (refer Sr. No. 24) {1150 Nos. (Previous year : Nil) debentures of ₹ 0.10 Crore each}	115.00	—
• 10.00% Non-convertible Debentures (refer Sr. No. 25) {840 Nos. (Previous year : Nil) debentures of ₹ 0.10 Crore each}	84.00	—
• 10.40% Non-convertible Debentures (refer Sr. No. 26) {500 Nos. (Previous year : 500 Nos.) debentures of ₹ 0.10 Crore each}	50.00	50.00
• 10.65% Non-convertible Debentures (refer Sr. No. 27) {750 Nos. (Previous year : 750 Nos.) debentures of ₹ 0.10 Crore each}	75 .00	75.00
Term loans from banks (refer Sr. No. 28)	89.82	—
Inter-corporate deposits (refer Sr. No. 29)	—	0.13
Fixed deposits from public (refer Sr. No. 30)	0.57	6.41
Finance lease obligations (refer Sr. No. 31)	—	28.75
	1,706.43	**1,337.61**
Less : Disclosed under other Financial Liabilities :		
Current maturities of non-current borrowings	418.37	306.27
Current maturities of finance lease obligations	—	8.47
Unclaimed fixed deposits	0.57	1.93
Total	**1,287.49**	**1,020.94**

2.15 BORROWINGS (Contd...)

₹ Crores

Particulars	Current	
	As at March 31,	
	2020	2019
Secured		
Loans repayable to banks-On Demand (refer Sr. No. 20 to 22)	19.36	24.01
Buyer's Credit (refer Sr. No. 23)	25.95	8.23
Unsecured (refer Sr. No. 32)		
Commercial Papers {Maximum balance outstanding during the year ₹ 150 Crores (Previous year : ₹ 100 Crores)}	100.00	100.00
Total	**145.31**	**132.24**

(a) Debentures (Secured) :

The Company has issued the following Secured Redeemable Non-convertible Debentures :

₹ Crores

Sr. No.	Nature of Security	Terms of Repayment	As at March 31,	
			2020	2019
1	Secured by first pari passu charge on all the movable and immovable Tangible and Intangible assets of the Cement Division, both present and future, except leased assets.	Allotted on August 31, 2018 and repayable at 10.40 % pa XIRR basis redemption premium on September 27, 2021.	80.00	80.00
2	Secured by first pari passu charge on all the movable and immovable Tangible and Intangible assets of the Cement Division, both present and future, except leased assets.	Allotted on August 3, 2018 and repayable at 10.40 % pa XIRR basis redemption premium on June 22, 2021.	120.00	120.00
3	Secured by first pari passu charge on all the movable and immovable Property, plant and equipment of the Cement Division, except leased assets.	Allotted on November 10, 2017 and repayable on November 10, 2020 with Put/Call option at par on November 12, 2018 and November 11, 2019.	100.00	100.00
4	Secured by first pari passu charge on all the movable and immovable Tangible and Intangible assets of the Cement Division, except leased assets.	Allotted on December 13, 2016 and repayable at 9.25 % pa XIRR basis redemption premium on April 29, 2020. During the year, part prepayment was made for ₹ 21.90 Crores on March 23, 2020.	178.10	200.00
5	Secured by first pari passu charge on all the movable and immovable Tangible and Intangible assets of the Cement Division, except leased assets.	Allotted on January 21, 2015 and repayable on January 21, 2020 with call option at par on July 21, 2016 and Put/Call option at par on July 20, 2018; January 21, 2019; July 19, 2019. During the year, the terms of Non convertible debentures were modified with the consent of Debenture holder and ROI decreased to 9.00 %.	—	150.00
Total		**(a)**	**478.10**	**650.00**

2.15 BORROWINGS (Contd...)

(b) Nature of Security and terms of repayment for secured borrowings (other than Debentures) :

₹ Crores

Sr. No.	Nature of Security	Terms of Repayment	As at March 31, 2020	As at March 31, 2019
6	Secured by first pari passu charge on all the movable and immovable Tangible and Intangible assets of the Cement Division, both present and future.	Quarterly in equal installments payable over a period of 6 years commencing after moratorium period of two years. Availed on March 16, 2016.	47.50	142.50
7	First exclusive charge on the office premises of HRJ division on units 1 to 4 on 7th Floor, Windsor.	Quarterly installments payable over a period of 54 Months; ₹ 4.16 Crores each per quarter from November 17, 2018.	25.00	41.67
8	Secured by first pari passu charge on all the movable and immovable Property, plant and equipment of the Cement Division, both present and future.	Quarterly in 13 equal installments payable from the last day of 18th month from date of first drawdown of facility availed on April 21, 2017.	—	59.23
9	Secured by first pari passu charge on all the movable and immovable Property, plant and equipment of the Cement Division, both present and future.	Quarterly in 13 equal installments payable from the last day of 18th month from date of first drawdown of facility availed on July 20, 2017.	—	83.08
10	Secured by first pari passu charge on all the movable and immovable Property, plant and equipment of the Cement Division, both present and future.	Quarterly in 19 equal installments payable from the last day of 9th month from date of first drawdown of facility availed on September 27, 2018.	57.89	100.00
11	Secured by first pari passu charge on all the movable and immovable Property, plant and equipment of the Cement Division, both present and future.	Quarterly in 19 equal installments payable from the last day of 9th month from date of first drawdown of facility availed on November 19, 2018.	63.16	100.00
12	Secured by first pari passu charge on all the movable and immovable Property, plant and equipment of the Cement Division, both present and future.	Quarterly in 17 structured installments payable from the last day of 9th month from date of first drawdown of facility availed on September 20, 2019.	200.00	—
13	Secured by first pari passu charge on all the movable and immovable Property, plant and equipment of the Cement Division, both present and future.	Quarterly in 17 structured installments payable from the last day of 9th month from date of first drawdown of facility availed on September 13, 2019.	150.00	—
14	Secured by first pari passu charge on all the movable and immovable Property, plant and equipment of the Cement Division, both present and future.	Quarterly in 17 structured installments payable from the last day of 9th month from date of first drawdown of facility availed on September 18, 2019.	75.00	—
15	Secured by exclusive charge on all the movable Property, plant and equipment in relation to the Waste Heat Recovery System of the company , both present and future.	Quarterly in 23 structured installments payable from the last day of 18th month from date of first drawdown of facility availed on March 18, 2020.	75.00	—
16	Secured by exclusive charge over the movable Property, plant and equipment of specified plants of the HRJ division namely Dewas, Pen, Kunigal and Karaikal, both present and future.	Quarterly in 17 structured installments payable from the last day of 9th month from date of first drawdown of facility availed on September 30, 2019.	125.00	—
17	Secured by exclusive charge on vehicles of HRJ Division.	EMI over a period of 60 months from the respective date of disbursement.	2.03	3.26
18	First and exclusive charge secured by hypothecation of vehicles financed to RMC Division.	EMI over a period of 60 months from the respective date of disbursement.	0.34	0.47
19	Secured by exclusive charge on vehicles of Cement Division.	EMI over a period of 60 months from the respective date of disbursement.	0.46	0.36

2.15 BORROWINGS (Contd...)

₹ Crores

Sr. No.	Nature of Security	Terms of Repayment	As at March 31, 2020	As at March 31, 2019
20	Secured by first pari passu charge by way of hypothecation of stocks and book debts both present and future of Cement Division.	Payable within one year.	0.47	—
21	Secured by first pari passu charge by way of hypothecation of stocks and book debts both present and future of HRJ Division.	Payable within one year.	12.75	24.01
22	Secured by first pari passu charge over entire current assets both present and future of RMC Division.	Payable within one year.	6.14	—
23	Secured by first pari passu charge by way of hypothecation of stocks and book debts both present and future of HRJ Division.	As per due dates of respective buyer's credit.	25.95	8.23
	Total		**866.69**	**562.81**
	Less : Unamortised borrowing costs		7.44	3.25
	Total	**(b)**	**859.25**	**559.56**

(c) Nature of Security and terms of repayment for unsecured borrowings :

₹ Crores

Sr. No.	Nature of Security	Terms of Repayment	As at March 31, 2020	As at March 31, 2019
	Non-current Borrowings :			
24	Non-convertible Debentures	Allotted on July 26, 2019 and repayable on July 25, 2022.	115.00	—
25	Non-convertible Debentures	Allotted on January 31, 2020 and repayable on January 31 2023 with Put/Call option at par on January 31, 2022.	84.00	—
26	Non-convertible Debentures	Allotted on September 17, 2018 and repayable on September 17, 2021 with Put/Call option at par on September 17, 2020.	50.00	50.00
27	Non-convertible Debentures	Allotted on April 11, 2018 and repayable on April 9, 2021 with Put/Call option at par on April 11, 2019 and April 11, 2020.	75.00	75.00
28	Term Loan	Quarterly in 10 equal installments payable from the last day of 9th month from date of first drawdown of facility availed on May 27, 2019.	90.00	—
29	Inter corporate deposits	Original terms of repayment was three years from April 01, 2016. However, the same has been revised from April 01, 2018 for a period of one year.	—	0.13
30	Fixed deposits from public	Payable over a period of one to two years from the respective date of disbursement.	0.57	6.41
31	Finance lease obligation	Payable over period of 5 years from the respective date of disbursement.	—	28.75
32	Current Borrowings		100.00	100.00
	Total		**514.57**	**260.29**
	Less : Unamortised borrowing costs		0.18	—
	Total	**(c)**	**514.39**	**260.29**
	Total Borrowings	**(a+b+c)**	**1,851.74**	**1,469.85**

2.15 BORROWINGS (Contd...)

(d) Assets pledged as security :

₹ Crores

Particulars		As at March 31, 2020	As at March 31, 2019
Current			
Receivables		678.27	704.58
Inventories		518.49	501.18
	(a)	**1,196.76**	**1,205.76**
Non-current			
Freehold Land		602.65	556.74
Buildings		86.37	80.48
Plant and Machinery		910.69	895.83
Railway Siding		3.41	3.70
Office Equipments		4.02	3.84
Furniture and Fixtures		4.11	4.20
Computers		1.95	2.27
Mines Development		80.33	70.31
Vehicles		4.08	5.11
Movable Tangible assets at Pen, Dewas and Kunigal		188.50	—
	(b)	**1,886.11**	**1,622.48**
Total	**(a+b)**	**3,082.87**	**2,828.24**

2.16 TRADE PAYABLES

₹ Crores

Particulars	As at March 31, 2020	As at March 31, 2019
Total outstanding dues of Micro Enterprises & Small Enterprises (refer note 4.22)	13.70	8.09
Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	721.37	783.20
Total	**735.07**	**791.29**

2.17 OTHER FINANCIAL LIABILITIES

₹ Crores

Particulars	Non-current		Current	
	As at March 31,		As at March 31,	
	2020	2019	2020	2019
Current maturities of non-current borrowings	—	—	418.37	306.27
Current maturities of finance lease obligations	—	—	—	8.47
Payables for acquisition of Property, plant and equipment	—	—	31.93	29.31
Interest accrued	37.53	60.56	96.85	17.26
Unclaimed dividends *	—	—	0.65	0.46
Unpaid matured deposits and interest accrued thereon	—	—	0.78	2.31
Security deposits from customers/others	264.46	248.47	18.52	11.48
Payable to employees	—	—	7.53	7.12
Financial lease obligations	2.03	2.06	—	—
Finance guarantee obligations	0.01	0.09	—	0.63
Liability for expenses	6.79	0.84	283.42	248.77
Others	—	—	1.35	1.11
Total	**310.82**	**312.02**	**859.40**	**633.19**

* There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at March 31, 2020 (Previous year : Nil).

Details of current maturities of non-current borrowings :

₹ Crores

Particulars	As at March 31,	
	2020	2019
Secured Loans :		
Non-convertible debentures	278.10	150.00
Term loans	99.17	150.24
Vehicle loans	1.10	1.42
Unsecured Loans :		
Term loans	40.00	—
Fixed deposits from public	—	4.48
Inter-corporate deposits	—	0.13
Total	**418.37**	**306.27**

2.18 PROVISIONS

₹ Crores

Particulars		Non-current		Current	
		As at March 31,		As at March 31,	
		2020	2019	2020	2019
Employee benefits					
Provision for Gratuity		0.35	—	—	0.05
Provision for Bonus		—	—	13.56	12.36
Provision for Leave Encashment		17.43	16.96	15.35	8.81
Others		—	—	14.06	12.29
	(a)	**17.78**	**16.96**	**42.97**	**33.51**
Others					
Provision for claims under litigations		0.07	0.07	—	—
Others		6.06	5.15	—	—
	(b)	**6.13**	**5.22**	**—**	**—**
Total	**(a+b)**	**23.91**	**22.18**	**42.97**	**33.51**

2.19 OTHER LIABILITIES

₹ Crores

Particulars	Non-current		Current	
	As at March 31,		As at March 31,	
	2020	2019	2020	2019
Advance from customers	0.19	1.55	73.84	70.55
Statutory liabilities	26.19	26.26	59.11	113.71
Other employee benefit expenses	—	—	20.07	15.90
Others	1.92	10.06	58.93	58.97
Total	**28.30**	**37.87**	**211.95**	**259.13**

2.20 CURRENT TAX LIABILITIES (NET)

₹ Crores

Particulars	As at March 31,	
	2020	2019
Provision for Taxation (net of taxes paid/adjusted)	3.22	18.61
Total	**3.22**	**18.61**

3.01 REVENUE FROM OPERATIONS

₹ Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from operations		
Sale of products	5,508.33	5,909.62
Sale of services	45.14	20.97
Other operating revenue		
Scrap sales	8.41	11.13
Claims and recoveries	3.18	5.36
Export incentive	1.04	2.45
Others	6.19	6.04
Total	**5,572.29**	**5,955.57**

Revenue from contracts with customers

I. Revenue from contracts with customers disaggregated based on geography

₹ Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Home market	5,507.06	5,902.41
Exports	65.23	53.16
Total	**5,572.29**	**5,955.57**

II. Reconciliation of gross revenue with the revenue from Contracts with Customers

₹ Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Gross Revenue	5,909.02	6,224.67
Less : Discounts and incentives	336.73	269.10
Net Revenue recognised from Contracts with Customers	**5,572.29**	**5,955.57**

III. Revenue recognised from Contract liability (Advances from Customers)

₹ Crores

Particulars	As at March 31, 2020	As at March 31, 2019
Closing Contract liability	74.03	72.10

The contract liability outstanding at the beginning of the year was ₹ 72.10 Crores, of which ₹ 58.07 Crores has been recognised as revenue during the year ended March 31, 2020.

Management concludes that disaggregation of revenue disclosed in Ind AS 108 meets the disclosure criteria of Ind AS 115 and segment revenue is measured on the same basis as required by Ind AS 115, hence separate disclosures as per Ind AS 115 is not required.

3.02 OTHER INCOME

₹ Crores

Particulars	Year ended March 31,	
	2020	2019
Interest income earned on financial assets		
Bank deposits (at amortised cost)	9.54	1.06
Corporate guarantee/unwinding interest	2.01	1.42
Dividend on preference shares	0.19	0.45
Others	7.66	6.62
Other non - operating income		
Liabilities no longer considered as payable	0.60	0.19
Government assistance - Tax subsidy/exemption	0.66	4.64
Miscellaneous income	0.49	6.35
Other gains and losses		
Net gain on buyback of investments	5.31	—
Total	**26.46**	**20.73**

3.03 CHANGES IN INVENTORIES

₹ Crores

Particulars		Year ended March 31,	
		2020	2019
Inventories at the end of the year (including in-transit)			
Stock-in-trade		51.71	40.78
Work-in-progress		69.19	64.13
Finished goods		154.72	127.11
	(a)	**275.62**	**232.02**
Inventories at the beginning of the year (including in-transit)			
Stock-in-trade		40.78	34.45
Work-in-progress		64.13	40.64
Finished goods		127.11	81.53
	(b)	**232.02**	**156.62**
Total	**(a - b)**	**43.60**	**75.40**

3.04 OTHER MANUFACTURING EXPENSES

₹ Crores

Particulars	Year ended March 31,	
	2020	2019
Stores and spares consumed	98.32	90.60
Plant and equipment hire charges	36.71	51.65
Repairs to plant and equipment	20.64	23.33
Royalty for minerals	61.52	63.37
Sub-contract charges	67.88	66.03
Plant upkeep expenses	52.23	45.67
Quarry expenses	13.72	19.77
Dies and punches consumed	3.07	3.97
Other manufacturing expenses	3.21	3.94
Total	**357.30**	**368.33**

3.05 EMPLOYEE BENEFITS EXPENSE

₹ Crores

Particulars	Year ended March 31,	
	2020	2019
Salaries, wages and bonus	405.65	397.07
Contribution to provident and other funds	36.96	36.41
Staff welfare expenses	21.46	20.85
Total	**464.07**	**454.33**

3.06 FINANCE COSTS

₹ Crores

Particulars	Year ended March 31,	
	2020	2019
Interest and Finance charges on financial liabilities		
Interest on overdraft/cash credit	4.03	6.62
Interest on borrowings	170.89	144.94
Interest on security deposits	11.14	13.68
Interest on lease obligation	13.36	2.86
Other borrowing costs	6.43	5.96
Total	**205.85**	**174.06**

3.07 DEPRECIATION, AMORTISATION AND IMPAIRMENT EXPENSE

₹ Crores

Particulars	Year ended March 31,	
	2020	2019
Depreciation of Property, plant and equipment	158.24	155.96
Depreciation on Right of Use assets	36.25	—
Impairment of Property, plant and equipment	2.01	0.50
Amortisation of intangible assets	3.85	3.60
Total	**200.35**	**160.06**

3.08 OTHER EXPENSES

₹ Crores

Particulars	Year ended March 31,	
	2020	2019
Rent expenses	24.04	37.29
Rates and taxes	19.73	16.03
Travelling and communication expenses	54.02	58.24
Commission on sales	25.81	25.05
Advertisement, sales promotion and other marketing expenses	78.38	76.22
Legal and professional fees	32.53	53.46
Insurance	13.23	10.88
Impairment of trade receivables	19.64	13.66
Bad debts written off	12.89	11.97
Loss on sale of assets	1.09	1.23
Concrete pumping expenses	14.80	15.41
Research expenses *	4.66	4.47
Repairs to buildings	3.04	3.13
Repairs others	6.25	6.14
Bank charges	5.24	5.12
Net loss on foreign exchange fluctuation	2.04	0.73
Impairment of non-current assets	2.63	1.87
Impairment/write-off of Inventories	1.50	—
Miscellaneous expenses	66.08	63.39
Total	**387.60**	**404.29**
*Research expenses comprises of :		
Salaries and wages	2.29	2.12
Travelling and Communication	0.44	0.36
Others	1.93	1.99
Total	**4.66**	**4.47**

3.09 TAX EXPENSES

₹ Crores

Particulars		Year ended March 31, 2020	Year ended March 31, 2019
(a) Income tax expenses			
Current tax - In respect of the current year		—	53.15
Deferred tax - In respect of the current year		75.19	30.92
Total		**75.19**	**84.07**
(b) Income tax recognised in Other Comprehensive Income			
Remeasurements of the defined benefit plans		0.59	0.49
Total income tax expenses recognised in the year	**(a + b)**	**75.78**	**84.56**
(c) A reconciliation between the Statutory income tax rate applicable to the Company and the effective income tax rate is as follows			
Net profit before tax		131.64	230.05
Effective tax rate applicable to the Company		25.17%	34.94%
Tax amount at the enacted income tax rate		33.13	80.38
Add : Expenses not deductible in determining taxable profits		71.15	79.51
Less : Allowances/Deductibles		(58.58)	(65.44)
Minimum Alternative Tax		112.70	53.15
Incremental Deferred Tax assets on account of unused tax losses and unused tax credits		(98.44)	(68.91)
Incremental Deferred Tax liability on account of other temporary differences		15.82	5.87
Tax expense as per the Statement of Profit and Loss		**75.78**	**84.56**

4.01 EARNINGS PER SHARE (EPS)

Particulars	As At March 31,	
	2020	2019
Basic earnings per share		
Attributable to equity holders of the Company (₹)	1.12	2.90
Diluted earnings per share		
Attributable to equity holders of the Company (₹)	1.12	2.90
Reconciliation of earnings used in calculating earnings per share		
Basic earnings per share		
Profit attributable to equity holders of the Company used in calculating basic earnings per share (₹ Crores)	56.45	145.98
Diluted earnings per share		
Profit attributable to equity holders of the Company used in calculating diluted earnings per share (₹ Crores)	56.45	145.98
Weighted average number of Equity shares used as the denominator in calculating basic and diluted earnings per share	50,33,56,580	50,33,56,580

4.02 EXCEPTIONAL ITEMS

Current FY 2019-20 :

(a) Road Infrastructure Tax is levied by Madhya Pradesh (MP) Government upon various companies having mining operation. Aggregate demand on the Company for the period 2005-06 to 2018-19 is to the tune of ₹ 14.20 crores. In earlier years, the said tax was paid under protest as per the demand from the Assessing authority. However, in recent years, the Company is made to deposit the tax in full based on self-assessment and the same is charged to Statement of Profit and Loss. The decision of the High Court in the matter was against the Company. The Company's appeal is pending before the apex court.

(b) The Cement division of the Company was denied Cenvat Credit pertaining to outward freight under Goods and Transport Agency services aggregating to ₹ 11.44 crores for the years 2004-05 to 2017-18. The matter of a Unit of the Cement Division was decided in favour of the Company. Accordingly, provision recognised earlier has been reversed.

(c) Unit I of Cement division of the Company had been exempted from payment of Sales Tax on purchases made within the State of MP. After Re-organisation of State of MP and Chhattisgarh, the Chhattisgarh Government refused to extend such benefit to the Company. South Eastern Coal Fields Limited ('SECL') imposed 4% CST on Coal supply made from Chhattisgarh which was earlier at NIL rate. The Company had obtained the stay from the Chhattisgarh High Court at that time and accordingly, SECL had not charged the Tax on supply. Amount involved was ₹ 7.56 crores for the years 2000-01 to 2008-09. The decision of the Honourable Supreme Court is in favour of revenue, accordingly, provision was considered necessary.

Previous FY 2018-19 :

(a) Interest of ₹ 14.78 Crores on delayed payment of entry tax in Uttar Pradesh. However, during the previous year, in response to writ petition the Company was asked to deposit 50% of the said amount and stay was granted for the balance amount.

(b) Credit adjustment of ₹ 3.52 Crores on account of refund received of Entry Tax in Madhya Pradesh, which was earlier paid and charged to statement of profit and loss. The Company had lodged an appeal before MP Commercial Tax Tribunal Board, Bhopal for the same.

4.03 LEASES

1. The Company's lease asset primarily consist of leases for Land, Office Space, Furniture, Vehicle and Plant & Machinery having various lease terms. Effective April 1, 2019, the Company has adopted Ind AS 116 'Leases' and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. Consequently, the Company recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate as on the date of transition and has measured right of use asset an amount equal to lease liability adjusted for any related prepaid and accrued lease payments previously recognised.
2. The effect of this adoption is insignificant on the profit before tax, profit for the year and earnings per share. Ind AS 116 has resulted in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.
3. The following is the summary of practical expedients elected on initial application :
   a. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.
   b. Applied the exemption not to recognise Right of Use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.
   c. Applied the practical expedient by not reassessing whether a contract is, or contains, a lease at the date of initial application. Instead applied the standards only to contracts that were previously identified as leases under Ind AS 17.
   d. Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease.
   e. The Company has elected, by class of underlying asset, not to separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component.

4. **Following is carrying value of right of use assets recognised on date of transition and the movements thereof during the year ended March 31, 2020 :**

₹ Crores

Particulars	Category of ROU					
	Leasehold Land	Plant & Machinery	Leasehold Building	Vehicle	Furniture	Total
Transition impact on account of Ind AS 116 'Leases'	48.43	4.31	34.31	—	18.88	105.93
Reclassified from Property, plant and equipment on account of adoption of Ind AS 116 'Leases' (Refer note 2.01)	—	35.68	—	0.41	—	36.09
Reclassified from Earnest money, Security Deposits and Advance Rentals	2.24	0.32	0.15	—	0.85	3.56
Total Right of Use assets as on date of Transition	**50.67**	**40.31**	**34.46**	**0.41**	**19.73**	**145.58**
Additions during the year	16.23	32.43	12.99	—	5.85	67.50
Deletion during the year	—	—	0.31	—	—	0.31
Depreciation of Right of use assets	11.83	9.24	7.29	0.07	7.82	36.25
Balance as at March 31, 2020	**55.07**	**63.50**	**39.85**	**0.34**	**17.76**	**176.52**

4.03 LEASES (Contd...)

5. The following is the carrying value of lease liability on the date of transition and movement thereof during the year ended March 31, 2020 :

₹ Crores

Particulars	Year Ended March 31, 2020
Transition impact on account of Ind AS 116 'Leases'	105.93
Reclassified finance lease obligation under Ind AS 17 to lease liabilities on account of adoption of Ind AS 116 'Leases' (refer note 2.15)	28.75
Additions during the year	66.87
Finance cost accrued during the year	15.39
Payment/Deletion of lease liabilities during the year	46.82
Balance as at March 31, 2020	**170.12**
Current portion of Lease Liability	33.94
Non Current portion of Lease Liability	136.18
Total	**170.12**

6. An explanation to difference between operating lease commitments as per Ind AS 17 and lease liabilities as per Ind AS 116 as on April 1, 2019 is as below :

a. The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is 10%.

b. The difference between lease obligation recorded as of March 31, 2019, under Ind AS 17 and the value of lease liability as of April 1, 2019, is on account of practical hindsight in determining the lease term, where the contract contained options to extend or terminate the lease in measuring the lease liability in accordance with Ind AS 116, reclassification of finance lease obligations as lease liabilities and discounting the lease liabilities to the present value under Ind AS 116.

7. Amounts recognised in the statement of cash flows

₹ Crores

Particulars	2019-2020
Total cash outflow for Leases	46.22

8. Total cash outflow recorded during the year was ₹ 46.44 Crores except for short term lease and low value assets.

9. The maturity analysis of lease liabilities are disclosed in note 4.08. The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

10. Future lease payments which will start from April 1, 2020 is ₹ 90.62 Crores.

11. Certain lease agreements are subject to escalation clause and with extension of lease term options. At the expiry of the lease term, in case of lease agreements other than land, the lessee has an option to purchase the assets at Fair Market Value.

4.04 EMPLOYEE BENEFIT PLANS

1. Defined contribution plans

The Company operated defined benefits contribution retirement benefits plans for all qualifying employees.

The total expenses recognised in the Statement of Profit and Loss of ₹ 21.96 Crores (Previous year : ₹ 18.14 Crores) represents contributions payable to these plans by the Company at rates specified in rules of the plans.

2. Defined Benefits Plans

The Company sponsors funded defined benefit plans for qualifying employees. The defined benefits plan are administered by separate funds that are legally independent entities. The governing body of the fund is responsible for the investment policy with regard to assets of the funds.

4.04 EMPLOYEE BENEFIT PLANS (Contd...)

These plans typically expose the Company to Actuarial risks such as : investment risk, interest rate risk, longevity risk and salary risk. No other post-retirement benefit are provided to the employees.

Investment risk	:	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.
Interest risk	:	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investments.
Longevity risk	:	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	:	The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

3. Principal assumptions used for the purpose of actuarial valuation

Particulars	Valuation as at	
	March 31, 2020	March 31, 2019
Discount Rate	6.59%	7.48%
Expected Rate(s) of salary increase	3%	5%
Average longevity at retirement age for current beneficiaries of plans (years)	38 to 43	37 to 43
Average longevity at retirement age for current employees (future beneficiaries of the plan)	58 & 60	58 & 60
Attrition Rate	10% - 15%	10% - 15%

4. (a) Amounts recognised in Statement of Profit and Loss in respect of defined benefit plans

₹ Crores

Particulars	Leave Encashment		Gratuity	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Service cost :				
Current service cost	1.99	2.91	5.99	6.29
Past service cost and (gain)/loss from settlements	—	0.58	—	—
Net interest expense	1.80	1.80	2.60	2.22
Actuarial(Gain)/Loss	6.86	4.52	(2.01)	(1.75)
Component of defined benefit costs recognised in Statement of profit and loss	**10.65**	**9.81**	**6.58**	**6.76**

(b) Amounts recognised in Other Comprehensive Income in respect of defined benefit plans

₹ Crores

Particulars	Gratuity	
	March 31, 2020	March 31, 2019
Remeasurement of net defined benefit liability		
Return on plan assets (excluding amount included in net interest expense)	1.20	(0.05)
Actuarial (gains)/losses arising from changes in demographic assumptions	1.13	(0.21)
Actuarial (gains)/losses arising from changes in financial assumptions	(2.45)	0.72
Actuarial (gains)/losses arising from experience adjustments	(2.23)	(1.29)
Components of defined benefits cost recognised in Other Comprehensive Income	**(2.35)**	**(0.83)**

4.04 EMPLOYEE BENEFIT PLANS (Contd...)

5. (a) Movements in present value of defined benefit obligation

₹ Crores

Particulars	Leave Encashment		Gratuity	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Opening defined benefit obligations	25.79	30.09	50.91	45.57
Current service cost	1.99	3.49	5.99	6.29
Interest cost	1.80	1.80	3.64	3.42
Remeasurement (Gains)/Losses				
Actuarial (gains)/losses arising from changes in demographic assumptions	0.28	(0.03)	1.13	(0.21)
Actuarial (gains)/losses arising from changes in financial assumptions	(0.78)	0.71	(2.45)	0.72
Actuarial (gains)/losses arising from experience adjustments	7.34	3.84	(2.23)	(1.29)
Benefits paid	(3.63)	(14.11)	(3.93)	(3.59)
Closing defined benefit obligation	**32.79**	**25.79**	**53.06**	**50.91**

(b) Movements in present value in planned assets

₹ Crores

Particulars	Gratuity	
	As at March 31, 2020	As at March 31, 2019
Fair value of plan assets at beginning of year	34.99	33.25
Interest Income	2.55	2.66
Contributions	0.31	2.62
Return on plan Assets	(1.20)	0.05
Benefits paid	(3.93)	(3.59)
Fair value of plan assets at end of year	**32.72**	**34.99**

6. The category of plan assets as a percentage of total plan are as follows :

Particulars	As at March 31,	
	2020	2019
Equity Shares	14.49%	17.88%
Central and State Government Securities	66.91%	67.36%
Other Fixed Income Securities/Deposits	18.60%	14.76%
Total	**100%**	**100%**

4.04 EMPLOYEE BENEFIT PLANS (Contd...)

Sensitivity Analysis

Below is the sensitivity analysis determined for significant actuarial assumption for determination of defined benefit obligation and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period.

₹ Crores

Particulars	Leave Encashment		Gratuity	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Discount Rate + 100 basis points	31.88	24.79	50.88	48.49
Discount Rate - 100 basis points	33.78	26.86	55.48	53.58
Salary Increase Rate +1 %	33.64	26.76	55.27	53.36
Salary Increase Rate -1 %	31.99	24.88	51.04	48.65
Attrition Rate +1%	32.86	25.85	53.47	51.20
Attrition Rate - 1%	32.72	25.70	52.67	50.60

4.05 (a) CONTINGENT LIABILITIES

(i) Guarantees given by the Company's bankers and counter guaranteed by the Company : ₹ 82.39 Crores (Previous year : ₹ 47.52 Crores).

(ii) Prepayment charges claimed by banks on amounts prepaid ₹ 1.25 Crores (Previous year : ₹ 2.92 Crores).

(iii) Claims against the Company not acknowledged as debts on account of disputes :

(a) In respect of exemption of Central Sales Tax on coal purchases Nil (Previous year : ₹ 7.56 Crores). Against this matter, bank guarantee of ₹ 7.70 Crores (Previous year : ₹ 7.70 Crores) has been provided by the Company.

(b) Energy Development Cess ₹ 9.89 Crores (Previous year : ₹ 9.89 Crores).

(c) Tax on Rural and Road Development is Nil (Previous year : ₹ 14.20 Crores).

(d) Other Claims in respect to Income Tax, Sales Tax, Entry Tax, Excise Duty, Service Tax and other claims ₹ 235.11 Crores. (Previous year : ₹ 200.84 Crores).

(b) CAPITAL AND OTHER COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ 109.95 Crores (Previous year : ₹ 266.80 Crores) and other commitments includes Outstanding Letters of Credit ₹ 117.14 Crores (Previous year : ₹ 133.57 Crores).

(c) FINANCIAL GUARANTEE

Corporate guarantees issued to the bankers : ₹ 351.75 Crores (Previous year : ₹ 310.25 Crores).

(d) Disclosure of provisions made as per the requirements of Ind AS 37 on 'Provisions, Contingent Liabilities and Contingent Assets' are as follows :

₹ Crores

Particulars	As at April 1, 2019	Provisions made during the year	Amounts utilised or reversed during the year	As at March 31, 2020
MPEB Cess on Generation of Electricity	8.33	—	—	8.33
MP Entry Tax/VAT	10.05	—	—	10.05
VAT on Inter Unit transfer	0.68	—	—	0.68
Appeal with AP, Kerala, Punjab, Tamil Nadu, Karnataka and Maharashtra Commercial Tax Department	1.37	0.10	—	1.47
Mines Restoration Expenses	4.42	0.91	—	5.33
Service Tax on Goods Transport Agency	14.50	—	14.50	—
Sales Rebate	0.73	—	—	0.73
Workmen dues	0.07	—	—	0.07

In certain cases, the Company has made payments against the above provisions. In case the disputes are settled in the favour of the Company, there would be refund of ₹ 0.84 Crores (Previous year : ₹ 0.84 Crores) and in the event, these are settled against the Company there would be cash outflow of ₹ 25.82 Crores (Previous year : ₹ 39.31 Crores).

4.05 (Contd...)

(e) In terms of long-term Gas Supply Agreement ('GSA') with GAIL (India) Limited ('GAIL') having validity till April, 2028, the Company is committed to draw minimum quantity of Re-Liquefied Natural Gas ('RLNG') specified therein. In case of underdrawn quantities, determined on calendar year basis, the Company is liable to deposit purchase price under Take or Pay Obligation clause ('TOP') of the GSA and is allowed to draw such underdrawn quantities in the balance term of the GSA at then prevailing price.

In earlier years, the Company has not been able to draw committed quantity of RLNG. The Company has exhausted its downward flexibility limit available in GSA. In preceding four calendar years, GAIL has waived the TOP obligation. The amount committed under TOP for the underdrawn quantities of RLNG for the quarter ended March 31, 2020, which would be due in December 2020, if it remains undrawn or not waived, is approximately ₹ 9.20 Crores.

As per past trend, RLNG is the most competitively priced natural gas available in the country, non-off take of contracted quantity of RLNG by the company is unlikely to result in any TOP liability. The aforesaid amount, if payable, will only be in the nature of an advance payment for RLNG which can be drawn anytime thereafter up to the end of term of the GSA i.e. April 2028. Accordingly, in view of the management, this contract is not in the nature of onerous contract and hence no provision is required.

(f) The Hon'ble Supreme Court of India by their order dated February 28, 2019, has clarified the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. The same has been implemented w.e.f. April 1, 2019. However, pending directions or clarification form the EPFO, the quantification of impact, if any for the period upto March 31, 2019 is not ascertainable and consequently no effect has been given in the accounts.

4.06 Capital work-in-progress includes pre-operative expenses of ₹ 82.41 Crores (Previous year : ₹ 76.58 Crores), the details of which are as under :

₹ Crores

Particulars	As at March 31, 2020	As at March 31, 2019
Indirect expenditure incurred during the year and considered as pre-operative expenses		
Salary, Wages and Bonus	1.60	2.41
Contribution to Provident and other funds	0.06	0.06
Rent, Rates and Taxes	0.26	0.29
Travelling and Communication	0.13	0.24
Professional fees	0.17	0.12
Depreciation	2.86	1.61
Miscellaneous expenses	0.75	0.74
Total	**5.83**	**5.47**
Add : Expenditure upto previous year	76.58	71.11
Balance Carried forward	**82.41**	**76.58**
Cost relating to acquisition of assets and related direct expenses	174.24	43.57
Total Capital Work-in-progress	**256.65**	**120.15**

4.07 CAPITAL MANAGEMENT

Risk management

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investors', creditors' and market confidence and to sustain future development and growth of its business and at the same time, optimise returns to the shareholders. The Company takes appropriate and corrective steps in order to maintain, or if necessary adjust, its capital structure.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The Company considers the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets.

4.07 CAPITAL MANAGEMENT (Contd...)

Consistent with others in the industry, the Company monitors capital on the basis of the capital gearing ratio computed as under :

Net debt (total Borrowings net of Cash and Cash equivalents) divided by Total Equity (as shown in the Balance Sheet).

The Company's strategy is to maintain a capital gearing ratio within 2 times. The comparative capital gearing ratios are tabulated as hereunder :

₹ Crores

Particulars	As at March 31, 2020	As at March 31, 2019
Net Debt	1475.15	1414.38
Total Equity	1123.52	1142.11
Net Debt to Equity Ratio	**1.31**	**1.24**

The Company has complied with all material externally imposed conditions relating to capital requirements and there has not been any delay or default during the period covered under these financial statements. No lenders have raised any matter that may lead to breach of covenants stipulated in the underlying documents.

4.08 FINANCIAL INSTRUMENTS

(i) Methods and assumptions used to estimate the fair values

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

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

a) The carrying amounts of receivables and payables which are short term in nature such as trade receivables, other bank balances, deposits, loans to employees, trade payables, payables for acquisition of non-current assets, demand loans from banks and cash and cash equivalents are considered to be the same as their fair values.

b) The fair values for long term loans, long term security deposits given and remaining non current financial assets were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs.

c) The fair values of long term security deposits taken, non-current borrowings and remaining non current financial liabilities are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs.

d) For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

(ii) Categories of financial instruments

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

Level 1 : unadjusted quoted prices in active markets for identical assets or liabilities;

Level 2 : directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3 : inputs which are not based on observable market data.

₹ Crores

Particulars	As at March 31, 2020		As at March 31, 2019	
	Carrying values	Fair value	Carrying values	Fair value
Financial assets				
Measured at amortised cost :				
Trade receivables	678.27	678.27	704.58	704.58
Loans	62.12	62.12	58.16	58.16
Cash and Bank balances	377.74	377.74	55.59	55.59
Other financial assets	79.66	79.66	78.13	78.13
Measured at FVTOCI :				
Investment in other companies	5.18	5.18	21.30	21.30
Total Financial assets	**1,202.97**	**1,202.97**	**917.76**	**917.76**

4.08 FINANCIAL INSTRUMENTS (Contd...)

₹ Crores

Particulars	As at March 31, 2020		As at March 31, 2019	
	Carrying values	Fair value	Carrying values	Fair value
Financial liabilities				
Measured at amortised cost :				
Borrowings	1,851.74	1,851.74	1,469.85	1,469.85
Lease Liabilities	170.12	170.12	—	—
Trade payables	735.07	735.07	791.29	791.29
Other financial liabilities	751.28	751.28	628.54	628.54
Total Financial liabilities	**3,508.21**	**3,508.21**	**2,889.68**	**2,889.68**

(iii) Level wise disclosure of financial instruments

₹ Crores

Particulars	As at March 31, 2020	As at March 31, 2019	Level	Valuation techniques and key inputs
Investment in equity instruments of other companies (B L A Power Private Limited)	5.18	21.30	3	Independent Valuer Certificate
Foreign currency forward contracts - Assets	#	#	2	Quotes from banks or dealers

Amount less than ₹ 50,000/-

The following table shows a reconciliation of significant unobservable inputs from the opening balance to the closing balance for Level 3 recurring fair value measurements.

₹ Crores

Investment in equity instruments of other companies	Amount
Balance as on April 1, 2019	21.30
Less : Adjustment due to Fair valuation	16.12
Balance as on March 31, 2020	**5.18**

(iv) Financial Risk Management

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's financial risk management policy is set by the Board. The details of different types of risk and management policy to address these risks are listed below :

The Company's activities are exposed to various risks viz. Credit risk, Liquidity risk and Market risk. In order to minimise any adverse effects on the financial performance of the Company, it uses various instruments and follows polices set up by the Board of Directors/Management.

(a) Credit Risk

Credit risk arises from the possibility that counter party will cause financial loss to the Company by failing to discharge its obligation as agreed.

Credit risks from balances with banks and financial institutions are managed in accordance with the Company policy. For financial instruments, the Company attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit-ratings assigned by credit-rating agencies.

In addition, the Company is exposed to credit risk in relation to financial guarantees given to banks and other counterparties for the facilities availed by subsidiary. The Company's maximum exposure in this respect is the maximum amount the Company would have to pay if the guarantee is called upon.

Each division of the Company has specific policies for managing customer credit risk; these policies factor in the customers' financial position, past experience and other customer specific factors. The Company uses the allowance matrix to measure the expected credit loss of trade receivables from customers.

Based on the industry practices and business environment in which the Company operates, management considers that the trade receivables are in default if the payment are more than 2 years past due.

4.08 FINANCIAL INSTRUMENTS (Contd...)

Trade receivables consists of large number of customers spread across diverse industries and geographical areas with no significant concentration of credit risk. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

Table showing age of gross trade receivables and movement in expected credit loss allowance :

₹ Crores

Age of receivables	As at March 31, 2020	As at March 31, 2019
Within the credit period	155.01	251.52
1-90 days past due	396.79	343.27
91-180 days past due	67.62	56.41
181-270 days past due	28.36	31.65
More than 270 days past due	171.26	142.86
Total	**819.04**	**825.71**

₹ Crores

Movement in the expected credit loss allowance	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	121.13	107.47
Net movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	19.64	13.66
Balance at the end of the year	**140.77**	**121.13**

(b) Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's approach for managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to Company's reputation. In addition, processes and policies related to such risks are overseen by the senior management. The Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturities of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities :

₹ Crores

As at March 31, 2020	< 1 year	1 - 5 year	> 5 year	Total
Non-current borrowings	418.37	1,261.41	26.08	**1,705.86**
Current borrowings	145.31	—	—	**145.31**
Lease Liability	47.95	121.71	99.13	**268.79**
Fixed Deposits payable	0.57	—	—	**0.57**
Financial Guarantee Obligation	83.25	268.50	—	**351.75**
Trade Payables	735.07	—	—	**735.07**
Other Financial Liabilities	440.46	44.44	266.38	**751.28**

₹ Crores

As at March 31, 2019	< 1 year	1 - 5 year	> 5 year	Total
Non-current borrowings	301.79	1,000.66	—	**1,302.45**
Current borrowings	132.24	—	—	**132.24**
Finance lease obligation	9.13	21.72	11.97	**42.82**
Fixed Deposits payable	6.41	—	—	**6.41**
Financial Guarantee Obligation	174.25	136.00	—	**310.25**
Trade Payables	791.29	—	—	**791.29**
Other Financial Liabilities	316.52	61.62	250.40	**628.54**

4.08 FINANCIAL INSTRUMENTS (Contd...)

Financing arrangements

The Company has sufficient sanctioned line of credit from its bankers/financers; commensurate to its business requirements. The Company reviews its line of credit available with bankers and lenders from time to time to ensure that at any point of time there is sufficient availability of line of credit to handle peak business cycle.

The Company pays special attention to the net operating working capital invested in the business. In this regard, as in previous years, considerable work has been performed to control and reduce collection periods for trade and other receivables, as well as to optimise accounts payable with the support of banking arrangements to mobilise funds and minimise inventories.

(c) Market Risk

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

i. Market Risk – Foreign Exchange

Foreign currency risk is that risk in which the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company operates internationally and a portion of its business is transacted in several currencies and therefore the Company is exposed to foreign exchange risk through its overseas sales and purchases in various foreign currencies. The Company hedges the receivables as well as payables by forming view after discussion with Forex Consultant and as per polices set by Management.

The Company is also exposed to the foreign currency loans availed from various banks to reduce the overall interest cost.

The carrying amount of the Company's foreign currency denominated monetary assets and liabilities as at the end of the reporting period is as follows :

In Crores

Currencies	Liabilities		Assets	
	As at March 31,		As at March 31,	
	2020	2019	2020	2019
US Dollar (USD)	7.06	0.23	0.08	0.08
EURO	0.15	0.12	0.01	0.02
Japanese Yen (JPY)	0.01	0.01	—	—
British Pound (GBP)	—	—	#	—
Srilankan Rupee (LKR)	0.29	0.27	7.97	12.66

Foreign Currency Exposure

In Crores

Foreign currency exposure as at March 31, 2020	USD	EURO	JPY	LKR	GBP
Trade receivables	0.08	0.01	—	6.53	#
Loans and other receivables	—	—	—	1.44	—
Borrowings	7.00	0.01	—	—	—
Trade payables	0.06	0.14	0.01	0.29	—
Forward contracts for payables	6.66	—	—	—	—

In Crores

Foreign currency exposure As at March 31, 2019	USD	EURO	JPY	LKR	GBP
Trade receivables	0.08	0.02	—	11.65	—
Loans and other receivables	—	—	—	1.01	—
Borrowings	0.12	#	—	—	—
Trade payables	0.11	0.12	0.01	0.27	—
Forward contracts for payables	0.04	0.08	—	—	—

Amount less than 50,000/-

4.08 FINANCIAL INSTRUMENTS (Contd...)

Particulars of un-hedged foreign currency asset/liability as at Balance Sheet date

In Crores

Currency	Nature	As at March 31, 2020		As at March 31, 2019	
		Amount in Foreign Currency	Amount (₹)	Amount in Foreign Currency	Amount (₹)
EURO	Asset	0.01	0.82	0.02	1.43
GBP	Asset	#	0.35	—	—
LKR	Asset	7.97	3.19	12.66	4.99
USD	Asset	0.08	6.34	0.08	5.53
EURO	Liability	0.15	12.73	0.04	3.03
LKR	Liability	0.29	0.12	0.27	0.11
USD	Liability	0.40	30.27	0.19	13.07
JPY	Liability	0.01	#	0.01	#

Amount less than 50,000/-

Foreign currency sensitivity

1% increase or decrease in foreign exchange rates will have the following impact on Profit after Tax and Equity

₹ Crores

Currencies	Impact on Profit after Tax and Equity			
	As at March 31,		As at March 31,	
	2020	2019	2020	2019
	1 % increase	1 % increase	1 % decrease	1 % decrease
USD	(0.24)	(0.08)	0.24	0.08
Euro	(0.12)	(0.02)	0.12	0.02
LKR	0.03	0.05	(0.03)	(0.05)
Total	**(0.33)**	**(0.05)**	**0.33**	**0.05**

ii. Market Risk – Interest Rate

The 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 borrows at variable as well as fixed interest rates and the same is managed by the Company by constantly monitoring the trends and expectations. In order to reduce the overall interest cost, the Company has borrowed in a mix of short term and long term loans.

In order to mitigate the interest rate risk the company has borrowed funds in USD.

₹ Crores

Particulars	As at March 31,	
	2020	2019
Variable rate borrowings	946.24	555.47
Fixed rate borrowings	905.50	914.38

Interest rate sensitivity analysis

The sensitivity analysis below have been determined based on the exposure to interest rates on the borrowings at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of liability outstanding at the end of the reporting period was outstanding for whole of the year. A 100 basis point increase or decrease is used for internal review by the key management personnel.

₹ Crores

Particulars	Impact on Profit/Loss and Equity	
	As at March 31,	
	2020	2019
Interest rates - increase by 100 basis points *	(9.46)	(5.55)
Interest rates - decrease by 100 basis points *	9.46	5.55

* Assuming all other variables as constant

4.09 RELATED PARTY DISCLOSURES

Relationships

Particulars	Ownership interest As at March 31, 2020	Ownership interest As at March 31, 2019
Subsidiaries		
Raheja QBE General Insurance Company Limited	51%	51%
H. & R. Johnson (India) TBK Limited	100%	100%
Silica Ceramica Private Limited	100%	99.93%
Milano Bathroom Fittings Private Limited	100%	100%
TBK Venkataramiah Tile Bath Kitchen Private Limited (Subsidiary of H. & R. Johnson (India) TBK Limited)	100%	100%
TBK Rangoli Tile Bath Kitchen Private Limited (Subsidiary of H. & R. Johnson (India) TBK Limited)	100%	100%
TBK Samiyaz Tile Bath Kitchen Private Limited (Subsidiary of H. & R. Johnson (India) TBK Limited)	100%	69.88%
RMC Readymix Porselano (India) Limited	100%	100%
Sentini Cermica Private Limited	50%	50%
Antique Marbonite Private Limited	50%	50%
Spectrum Johnson Tiles Private Limited	50%	50%
Small Johnson Floor Tiles Private Limited	50%	50%
Coral Gold Tiles Private Limited	50%	50%
Antique Minerals Private Limited (Subsidiary of Antique Marbonite Private Limited)	25.50%	25.50%
Sanskar Ceramics Private Limited (Subsidiary of Small Johnson Floor Tiles Private Limited) (including direct holding of 15%)	32.50%	25%
Joint Venture		
Ardex Endura (India) Private Limited	50%	50%
Joint Venture of Subsidiary		
TBK Deziner's Home Private Limited (Joint venture upto 24.06.2019)	—	50%
TBK Unique Jalgaon Tile Bath Kitchen Private Limited	50%	50%
TBK P B Shah Tile Bath Kitchen Private Limited (Joint venture upto 21.03.2020)	—	50%
TBK Deepgiri Tile Bath Kitchen Private Limited	50%	50%
TBK Prathap Tile Bath Kitchen Private Limited	50%	50%
TBK Rathi Sales Agencies Private Limited (Joint venture upto 14.11.2019)	—	50%
TBK Florance Ceramics Private Limited	50%	50%
TBK Sanitary Sales Private Limited	50%	50%
TBK Krishna Tile Bath Kitchen Private Limited (Joint venture upto 21.06.2019)	—	50%
TBK Rishi Ceramics Private Limited (Joint venture upto 23.10.2019)	—	50%
TBK Aishwarya Tile Bath Kitchen Private Limited (Joint venture upto 24.10.2019)	—	50%
TBK Raj Kamal Tile Bath Kitchen Private Limited (Joint venture upto 24.06.2019)	—	50%
TBK Shree Ganesh Traders Private Limited (Joint venture upto 14.11.2019)	—	50%
TBK Home Trends Private Limited (Joint venture upto 19.10.2019)	—	50%
TBK Solan Ceramics Private Limited (Joint venture upto 23.08.2019)	—	50%

4.09 RELATED PARTY DISCLOSURES (Contd...)

Particulars	Ownership interest As at March 31, 2020	Ownership interest As at March 31, 2019
Associates		
Prism Power & Infrastructure Private Limited	49%	49%
CSE Solar Parks Satna Private Limited	27%	27%
Sunspring Solar Private Limited	27%	—

Companies in which Directors and/or their relatives have significant influence

Peninsula Estates Private Limited

Varahagiri Investments & Finance Private Limited

Others-Significant Influence

Countrywide Exports Private Limited

Key Management Personnel ('KMP')

Executive Directors

Mr. Vijay Aggarwal, Managing Director

Mr. Vivek K. Agnihotri, Executive Director & CEO - Cement

Mr. Sarat Chandak, Executive Director & CEO - HRJ *(w.e.f. March 03, 2019)*

Mr. Atul R. Desai, Executive Director & CEO - RMC

Mr. Joydeep Mukherjee, Executive Director & CEO - HRJ *(upto March 02, 2019)*

Non-executive Directors

Non-independent

Mr. Rajan B. Raheja, Director

Independent

Mr. Shobhan M. Thakore, Chairman

Ms. Ameeta A. Parpia, Director

Dr. Raveendra Chittoor, Director

₹ Crores

Name	Relationship	Nature of transaction	Amount of transaction in FY2019-20	Amount outstanding as on March 31, 2020 (Payable)/ Receivable	Amount of transaction in FY2018-19	Amount outstanding as on March 31, 2019 (Payable)/ Receivable
Peninsula Estates Private Limited	Companies in which Directors and/or their relatives have significant influence	Rent expense	0.15	—	0.14	
		Deposit given	—	0.03	—	0.03
Varahagiri Investments & Finance Private Limited	Companies in which Directors and/or their relatives have significant influence	Rent expense	0.60	—	0.58	
		Deposit given	—	0.11	—	0.11
CSE Solar Parks Satna Private Limited	Associate	Investment made	5.23	NA	0.27	NA
		Purchase	2.22	(0.29)	—	—
		Incentive paid	1.00	(0.70)	—	—
Sunspring Solar Private Limited	Associate	Investment made	1.48	NA	—	—
		Purchase	0.31	(0.27)	—	—
		Incentive paid	0.63	(0.63)	—	—

4.09 RELATED PARTY DISCLOSURES (Contd...)

₹ Crores

Name	Relationship	Nature of transaction	Amount of transaction in FY2019-20	Amount outstanding as on March 31, 2020 (Payable)/ Receivable	Amount of transaction in FY2018-19	Amount outstanding as on March 31, 2019 (Payable)/ Receivable
Payable to KMP on account of Managerial Remuneration		Refer table below (*)	17.50	(1.28)	19.80	(1.41)
Mr. Atul R. Desai	Executive Director & CEO - RMC	Deposit given	—	0.06	—	0.06
		Rent expense	0.13	—	0.13	—
H. & R. Johnson (India) TBK Limited	Subsidiary	Sales	23.82	0.21	20.41	2.29
		ICD given/ (repaid)	—	4.00	—	4.00
		Interest income	0.36	0.08	0.36	0.86
Silica Ceramica Private Limited	Subsidiary	Purchase and services	121.62	(7.88)	151.12	(25.98)
		Interest income	0.72	—	1.08	—
		Reimbursement of services received	2.15	—	1.95	—
		Commission income	1.12	—	0.33	—
		Purchase of assets	—	—	3.80	—
		Sales	2.48	(0.01)	0.28	—
		Rent expense	0.05	—	0.01	—
		Investment made	35.16	—	25.00	—
Milano Bathroom Fittings Private Limited	Subsidiary	Interest expense	0.40	—	0.21	
		Dividend income	0.02	—	0.04	—
		Buy back of shares	—	—	1.88	—
		Reimbursement of services received	0.45	—	0.46	—
Antique Marbonite Private Limited	Subsidiary	Purchase and services	234.80	(36.65)	260.58	(60.16)
Sanskar Ceramics Private Limited	Subsidiary	Purchase and services	82.79	(14.60)	103.17	(24.05)
		Reimbursement of Services paid	0.18	—	0.20	—
Small Johnson Floor Tiles Private Limited	Subsidiary	Investment Purchased	5.25	NA	—	—
		Interest income	1.26	—	1.03	—
Sentini Cermica Private Limited	Subsidiary	Buy back of shares	6.76	—	—	—
		Purchase and services	86.73	(16.66)	103.88	(19.40)

4.09 RELATED PARTY DISCLOSURES (Contd...)

₹ Crores

Name	Relationship	Nature of transaction	Amount of transaction in FY2019-20	Amount outstanding as on March 31, 2020 (Payable)/ Receivable	Amount of transaction in FY2018-19	Amount outstanding as on March 31, 2019 (Payable)/ Receivable
Spectrum Johnson Tiles Private Limited	Subsidiary	Purchase and services	96.19	(3.10)	97.97	(9.35)
		Interest income	1.61	—	1.16	—
		Reimbursement of Services paid	0.48	—	0.06	—
		Rent expense	0.04	—	0.04	—
TBK Florance Ceramics Private Limited	Joint Venture	Sales	12.39	0.32	11.08	1.31
		Selling and Distribution expenses	0.68	—	0.70	—
TBK Sanitary Sales Private Limited	Joint Venture of Subsidiary	Selling and Distribution expenses	0.99	—	0.27	—
TBK Rangoli Tile Bath Kitchen Private Limited	Step down Subsidiary	Rent income	0.03	—	0.03	—
TBK Rishi Ceramics Private Limited	Joint Venture of Subsidiary	Selling and Distribution expenses	0.55	—	0.44	—
TBK Rathi Sales Agencies Private Limited	Joint Venture of Subsidiary	Selling and Distribution expenses	0.55	—	0.02	—
TBK Deepgiri Tile Bath Kitchen Private Limited	Step down Subsidiary	Selling and Distribution expenses	0.42	—	0.23	—
Coral Gold Tiles Private Limited	Subsidiary	Reimbursement of Services paid	0.12	—	0.02	—
Countrywide Exports Private Limited	Significant influence	Rent expense	0.07	—	0.07	—
Raheja QBE General Insurance Company Limited	Subsidiary	Insurance premium	0.27	—	0.35	0.08
		Rent income	0.02	—	0.03	—
		Advance given	0.02	0.02	—	—
		Security deposit received	—	(0.02)	—	(0.02)

4.09 RELATED PARTY DISCLOSURES (Contd...)

₹ **Crores**

Name	Relationship	Nature of transaction	Amount of transaction in FY2019-20	Amount outstanding as on March 31, 2020 (Payable)/ Receivable	Amount of transaction in FY2018-19	Amount outstanding as on March 31, 2019 (Payable)/ Receivable
Others		Interest income/ (waived-off)	0.12	—	0.10	—
		Interest expense	#	—	#	—
		Purchase and services	182.14	(35.95)	195.21	(47.09)
		Sales	55.89	10.17	89.95	19.73
		Selling and Distribution expenses	0.93	—	1.60	—
		Reimbursement of services received	1.57	—	1.78	—
		Reimbursement of services paid	0.27	—	0.35	—
		Deposit received	—	—	0.01	—
		Rent expense	#	—	#	—
		Dividend income	#	—	#	—

Amount less than ₹ 50,000/-

Note : In addition to the above, the Company has extended aggregate loan of ₹ 46.15 Crores (Previous year : ₹ 46.15 Crores) to H. & R. Johnson (India) TBK Limited, out of which loan of ₹ 42.15 Crores (Previous year : ₹ 42.15 Crores) is interest free. The Company had invested in 0.01% Non-cumulative Optionally Convertible Preference Shares issued by Small Johnson Floor Tiles Private Limited aggregating to ₹ 4.00 Crores (Previous year : ₹ 4.00 Crores) and 1% Non-cumulative Redeemable Preference Shares issued by Milano Bathroom Fittings Private Limited aggregating to ₹ 2.00 Crores (Previous year : ₹ 2.00 Crores) . The Company has also given financial guarantee to commercial banks for ₹ 351.75 Crores (Previous year : ₹ 310.25 Crores) who have extended loans to Silica Ceramica Private Limited.

*** Compensation to KMP**

₹ **Crores**

Particulars	Amount of transaction in FY 2019-20	Amount of transaction in FY 2018-19
Short-term employee benefits	16.75	18.88
Post-employment benefits	—	—
Other long-term benefits	—	—
Commission to Independent Directors	0.45	0.68
Sitting Fees	0.30	0.24
Total Compensation to KMP	**17.50**	**19.80**

Notes :

a) As the post-employment benefits is provided on an actuarial basis for the Company as a whole, the amount pertaining to KMP is not ascertainable and therefore not included above.

b) The value of related party transaction & balances reported are based on actual transaction and without giving effect to notional Ind AS adjustment entries.

c) Transactions disclosed against 'Others' in the above table are those transactions with related party which are of the amount not in excess of 10% of the total related party transactions of the same nature.

4.10 SEGMENT INFORMATION

In accordance with Ind AS 108 on 'Operating segments' information has been given in the Consolidated Financial Statement of the Company and therefore no separate disclosure on segment information is given in the Standalone financial Statements.

4.11 GOVERNMENT GRANTS BY WAY OF TAX SUBSIDY/EXEMPTION SCHEMES :

a) As per Madhya Pradesh Industrial Investment Promotion Assistance Scheme (2004), the second Cement Unit at Satna was entitled for subsidy at the rate of 75% of VAT/CST paid on sales till December 31, 2017, subject to prescribed limits. For the period July 1, 2017 to December 31, 2017, in absence of clarity, the Company had recognised subsidy under the scheme as a percentage of State Goods and Services Tax. In the previous year, Government of Madhya Pradesh had issued an order for extension of support under the GST regime and therefore, the differential subsidy of ₹ 2.89 Crores for the above period was recognised in the statement of profit and loss.

b) As per Industrial promotion policy 2010 of Madhya Pradesh, HRJ Dewas unit is entitled for subsidy of VAT/CST paid on sales above the normal production capacity achieved. Subsidy recognised in the statement of profit and loss receivable for the year is ₹ 0.16 Crores (Previous year : ₹ 0.98 Crores).

c) As part of fiscal incentives to North East Region, the Ministry of Commerce & Industry had provided capital investment incentives under 'North East Industrial and Investment Promotion Policy (NEIIPP), 2007'. The RMC division of the Company had invested ₹ 1.56 Crores in plant and machinery in FY 2012-13 and lodged claim for capital subsidy. During the FY 2018-19, the Government had approved Company's claim against NEIIPP 2007 and sanctioned capital subsidy of ₹ 0.47 Crores. The Company had recognised this as unearned income, to be recognised in the statement of profit and loss over the balance useful life of the assets.

4.12 Details of Loans given, security provided and investment made during the year 2019-20 as per section 186 (4) of the Companies Act, 2013

₹ Crores

Nature of transaction	Name of the recipient	Amount of loan/security/ acquisition/guarantee		Interest Rate	Purpose of loan/security/ acquisition/ guarantee	Period
		2019-20	2018-19			
Security acquisition	Silica Ceramica Private Limited (unlisted) - Narayanpuram	35.16	25.00	—	Investment in Equity shares	—
Corporate Guarantee	Silica Ceramica Private Limited (unlisted) - Narayanpuram	105.00	—	—	Given to ICICI Bank Limited	For the period of loan
Corporate Guarantee	Silica Ceramica Private Limited (unlisted) - Narayanpuram	—	61.00	—	Given to Axis Trustees Services Limited	For the period of loan
Corporate Guarantee	Silica Ceramica Private Limited (unlisted) - Narayanpuram	27.50	—	—	Given to Aditya Birla Finance Limited	For the period of loan
Security acquisition	Sunspring Solar Private Limited (unlisted) - Mumbai	1.48	—	—	Investment in Equity shares	—
Security acquisition	CSE Solar Parks Satna Private Limited (unlisted) - Mumbai	5.23	0.27	—	Investment in Equity shares	—
Security acquisition	Sanskar Ceramics Private Limited (unlisted) - Rajkot	5.25	—	—	Investment in Equity shares	—

4.13 Disclosure under Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

₹ Crores

Name of Subsidiary	Amount outstanding		Maximum Balance outstanding during the Year	
	As at March 31,		As at March 31,	
	2020	2019	2020	2019
H. & R. Johnson (India) TBK Limited	46.15	46.15	46.15	46.15

4.14 CORPORATE SOCIAL RESPONSIBILITY

a) As per section 135 of the Companies Act, 2013, gross amount required to be spent by the Company during the year 2019-20 was ₹ 2.74 Crores (Previous year : ₹ 0.64 Crores).

b) Details of amount spent by the Company are as follows :

₹ **Crores**

Particulars	2019-20			2018-19		
	In cash	Yet to be paid in cash	Total	In cash	Yet to be paid in cash	Total
Construction/acquisition of any asset	0.86	0.17	1.03	0.28	0.08	0.36
On purposes other than above	1.56	0.21	1.77	0.32	0.05	0.37
Total			**2.80**			**0.73**

4.15 PAYMENT TO STATUTORY AUDITORS

₹ **Crores**

Particulars	Year ended March 31,	
	2020	2019
For Statutory Audit	1.04	1.00
For Tax Audit	0.10	0.10
For Company law matters and Taxation Services	0.14	0.22
For Certification	0.01	0.01
For Reimbursement of Expenses	0.01	0.01
Total	**1.30**	**1.34**

4.16 Pursuant to Order of the Hon'ble Supreme Court dated September 24, 2014, Sial Ghogri Coal mine of the Company was de-allocated and put to auction by the Ministry of Coal through Nominated Authority. The Nominated Authority had determined compensation of ₹ 32.49 Crores for the said Coal Block as against expenses and book value of assets amounting to ₹ 47.58 Crores.

Till date, a sum of ₹ 32.34 Crores has been disbursed by the Nominated Authority. The Company had inter-alia disputed the quantum of compensation before the Hon'ble High Court of Judicature, Delhi. As per the directions of the said High Court, the Company had filed its claim for an additional compensation of ₹ 53.03 Crores before the Coal Tribunal at Singrauli, duly appointed under Coal Bearing Areas (Acquisition and Development) Act, 1957.

The Coal Tribunal however, has declined to entertain claim of the Company being of the view that the same has to be heard by the Nominated Authority. Aggrieved by the decision of the Coal Tribunal, the Company has filed an appeal before the High Court of Madhya Pradesh to restore the claim before the Coal Tribunal.

Pending final disposal of the matter, the Company has not recognised excess of compensation claimed over the book value as income as well as loss that may have to be incurred in the event compensation is denied. Accordingly, the balance amount appears under the head Other Financial Assets (note 2.05) and Freehold Land (note 2.01) ₹ 13.93 Crores and ₹ 1.31 Crores respectively. The Freehold Land continues to be in possession of the Company as it was not part of the vesting order. Based on the legal opinion, the Company has more than reasonable chances of succeeding in the matter.

4.17 Insurance claim of the year 2012 relating to collapse of blending silo and consequential damages was rejected by New India Assurance Co. Ltd. The Company had recognised a sum of ₹ 58.94 Crores as receivable. Against the rejection of the claim, the Company has filed a money suit against New India Assurance Company Limited for recovery of ₹ 150.27 Crores. The same is pending before the District Judge and Special Commercial Court at Rewa. The Company is pursuing arbitration proceedings with the party responsible for construction of blending silo for recovery of damages. Based on legal opinion and judicial precedents, the Company has more than reasonable chance of succeeding in the matter.

4.18 (a) In the course of normal business operation, the Company has settled certain receivables by acquiring residential and commercial properties. The process of disposing these properties is in progress. Impairment loss recognised in Statement of profit and loss under the head Other expenses to write down the value of such properties to its fair value is Nil (Previous year : ₹ 1.10 Crores). The reportable segment, in which the Non-Current Asset held for sale is presented, is RMC in accordance with Ind AS 108.

(b) In the year 2018-19, the Company has decided to discontinue its operations at its Cement packing unit and dispose off certain assets located there such as buildings, land, plant & machinery, etc. During the year, the Company has disposed of all assets other than land and building thereon. The Company is in the process of discussion with potential buyers and expects the same to be disposed off in near future. The reportable segment, in which the Non-current Asset held for sale is presented, is Cement in accordance with Ind AS 108.

4.19 The Board of Directors has approved the Composite Scheme of Arrangement and Amalgamation as under :

a. Demerger of retail/trading business undertakings of TBK Rangoli Tile Bath Kitchen Private Limited, TBK Venkataramiah Tile Bath Kitchen Private Limited and TBK Samiyaz Tile Bath Kitchen Private Limited, into its holding company H. & R. Johnson (India) TBK Limited ('HRJ TBK') and subsequent demerger of retail/trading business undertaking of HRJ TBK into the Company.

b. Subsequent amalgamation of Milano Bathroom Fittings Private Limited and Silica Ceramica Private Limited, with the Company. The application is pending before the NCLT, Hyderabad. The appointed date for the said scheme is April 1, 2018 and the accounting effect in the financial statements will be given once the Scheme is approved.

4.20 As per the directives of both the Central and State Governments in the wake of Covid-19 pandemic, the Company had suspended operations across various locations, which has adversely impacted the business. The Company has considered the possible effects that may result due to the lockdown announced consequent to outbreak of Covid-19 on the carrying amounts of property, plant and equipment, investments, inventories, receivables and other current assets. Based on internal and external sources of information and economic forecasts, the Company expects the carrying amount of these assets will be recovered and sufficient liquidity would be available as and when required to fund the business operations. A definitive assessment of the impact, at this stage, is not possible in view of the highly uncertain economic environment and the situation is still evolving. The Company is continuously monitoring material changes in such information and economic forecasts. The Company has started operating its manufacturing facilities and operations in a phased manner from the last week of April 2020.

4.21 The Government of India has issued the Taxation Laws (Amendment) Act, 2019, which provides domestic companies an option to pay corporate tax at reduced rates effective April 1, 2019 subject to certain conditions. The Company intends to opt for lower tax regime. No tax provision has been made for the year as the Company would be entitled to set-off brought forward losses and no tax would be required to be paid on book profits. The Company has recognised consequential impact by reversing deferred tax assets.

4.22 According to the information available with the management, on the basis of intimation received from its suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006, the Company has amounts due to micro and small enterprises under the said Act as at March 31, 2020 as follows :

₹ Crores

Particulars		As at March 31,	
		2020	2019
a)	Principal amount due	13.70	8.09
b)	Interest due on above	—	—
c)	Amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006	—	—
d)	Amount of interest due and payable for the period of delay	—	—
e)	Amount of interest accrued and remaining unpaid as at year end	—	—
f)	Amount of further remaining due and payable in the succeeding year	—	—

4.23 Figures for the previous year have been regrouped/reclassified/reinstated, wherever considered necessary.

As per our report of even date
For **G. M. Kapadia & Co.**
Chartered Accountants
Firm Registration No. 104767W

Atul Shah
Partner
Membership No. 039569

Place : Mumbai
Date : May 28, 2020

For and on behalf of the Board
Shobhan M. Thakore
(Chairman)

Vijay Aggarwal
(Managing Director)

Atul R. Desai
(Executive Director & CEO - RMC)

Manish Bhatia
(Chief Financial Officer)

Ameeta A. Parpia
(Director)

Vivek K. Agnihotri
(Executive Director & CEO - Cement)

Sarat Chandak
(Executive Director & CEO - HRJ)

Aneeta S. Kulkarni
(Company Secretary)

Independent Auditors' Report

To the Members of Prism Johnson Limited
Report on the audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Prism Johnson Limited** ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its joint venture and its associates comprising of the Consolidated Balance Sheet as at March 31, 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, and 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 of the subsidiaries, joint venture and associate, the Consolidated Financial Statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 , as amended, ('Ind AS') and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its joint venture and its associates as at March 31, 2020 and their consolidated profit (including other comprehensive income), their consolidated statement of changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing ('SAs') specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the Code of Ethics issued by Institute of Chartered Accountants of India ('ICAI'), together with the ethical requirements that are relevant to our audit of the Consolidated Financial Statements under the provisions of the Act and the rules framed thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Financial Statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, 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. We have determined the matters described below to be the key audit matters:

Sr. No.	Key Audit Matters	How our audit addressed the Key Audit Matters
1	**Evaluation of Provisions and Contingent Liabilities** As at the Balance Sheet date, the Group has certain open legal cases and other contingent liabilities as disclosed in note 4.05 and 4.13. The assessment of the existence of the present legal or constructive obligation and analysis of the probability of the related payment require the management to make judgement and estimates in relation to the issues of each matter. The management with the help of its expert, as needed, have made such judgements and estimates relating to the likelihood of an obligation arising and whether there is a need to recognize a provision or disclose a contingent liability. Due to the level of judgement and estimate involved in recognition, valuation and presentation of provision and contingent liabilities, this is considered to be a key audit matter.	Our procedures included, amongst others We have reviewed and held discussions with the management to understand their processes to identify new possible obligations and changes in existing obligations for compliance with the requirements of Ind AS 37 on '*Provisions, Contingent Liabilities and Contingent Assets*'. We have analysed significant changes from prior periods and obtain a detailed understanding of these items and assumptions applied. We have held regular meetings with the management and key legal personnel responsible for handling legal matters. In addition, we have reviewed : • the details of the proceedings before the relevant authorities including communication from the advocates/experts; • legal advises/opinions obtained by the management, as needed, from experts in the field of law on the legal cases; • minutes of board meetings, including the sub-committees; and status of each of the material matters as on the date of the balance sheet. We have assessed the appropriateness of provisioning based on assumptions made by the management and presentation of the significant contingent liabilities in the financial statements.

Sr. No.	Key Audit Matters	How our audit addressed the Key Audit Matters
2	**Impairment of investment in Property, plant and equipments** Significant judgement is involved in carrying out impairment assessment of Property, plant and equipment ('PPE') and investment in subsidiaries. Such assessment is undertaken using discounted cash flow models to determine the recoverable amount (value-in-use) of Cash Generating Units ('CGU's), which is compared to the carrying amount of the relevant non-current assets of the CGU in terms of Ind AS 36 on '*Impairment of Assets*'. A deficit in recoverable amount compared with the carrying amount would result in an impairment. The value-in-use requires the use of significant management judgements and estimates including key assumptions such as product-mix, sales growth rate, discount rate and terminal growth rate etc. Considering significant degree of judgement in estimating value-in-use, we identified assessment of impairment of PPE as a key audit matter.	• We understood, evaluated and validated management's key controls over the impairment assessment process. • We compared the methodology used by the management to market practice. • We obtained management's future cash flow forecasts, tested the mathematical accuracy of the underlying value-in-use calculations. We also compared historical actual results to those budgeted to assess the quality of management's forecasts. • We also assessed the reasonableness of key assumptions used in the calculations, comprising sales growth rates, gross profit margin, net profit margin, perpetual growth rate and discount rates. When assessing these key assumptions, we discussed such parameters with management to understand and evaluate management's basis for determining the assumptions, and compared them to external industry outlook reports and economic growth forecasts from independent sources. • We also considered views of valuation experts in assessing the reasonableness of the discount rates used by management by comparing the discount rates used to entities with similar risk profiles and market information. • We obtained and tested management's sensitivity analysis around the key assumptions, to ascertain that selected adverse changes to key assumptions, both individually and in aggregate, would not cause the carrying amount to exceed the recoverable amount.

Information Other than the Consolidated Financial Statements and Our Report thereon

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises of the information included in Annual Report, but does not include the financial statements and our auditors' report thereon. The Annual Report is expected to be made available to us after the date of this report.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not and will 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 identified above 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.

When we read the balance part of Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to Those Charged With Governance and take appropriate actions in accordance with Standards on Auditing.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to preparation and presentation of the Consolidated Financial Statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including, its joint venture and its associates in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, read with the rules made thereunder and the relevant provisions of the Act. The respective Board of Directors of the companies included in the Group and of its joint venture and associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group its joint venture and its associates and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Management and Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Board of Directors of the companies included in the

Group and of its associates and joint venture are responsible for assessing the ability of the Group and of its associates and joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its joint venture and associates are responsible for overseeing the financial reporting process of the Group and of its associates and joint venture.

Auditors' 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 auditors' 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 judgement and maintain professional skepticism throughout the audit. We also

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint venture and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' 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 auditors' report. However, future events or conditions may cause the Group and its joint venture and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates and joint ventures to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the consolidated financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For the other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of the misstatement in the Consolidated Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and evaluating the results of our work; and (ii) to evaluate the effects of any identified misstatements in the Consolidated Financial Statements.

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 Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

We did not audit the financial statements of seven subsidiaries and consolidated financial statement of three subsidiaries whose financial statements / consolidated financial statements reflect total assets of ₹ 1407.90 Crores as at March 31, 2020, total revenues of ₹ 1,227.94 Crores and net cash flows amounting to ₹ 9.29 Crores for the year ended on that date, as considered in the preparation of the Consolidated Financial Statements. The Consolidated Financial Statements also includes Group's share of net profit of ₹ 6.64 Crores for the year ended March 31, 2020, as considered in the preparation of Consolidated Financial Statements, in respect of one joint venture, whose consolidated financial statements have not been audited by us. The Consolidated Financial Statements includes Group's share of net loss of ₹ 0.08 Crores for the year ended March 31, 2020, as considered in the preparation of the Consolidated Financial Statements in respect of three associates, whose standalone financial statements have not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management 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 section 143(3) 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.

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 other auditors.

Report on Other Legal and Regulatory Requirements

As required by section 143(3) of the Act, we report, to the extent applicable, that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements;

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept by the Holding Company 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), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidate financial statements;

d. In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under section 133 of the Act read with relevant rules issued thereunder and relevant provisions of the Act;

e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries, joint venture and associates incorporated in India, none of the directors of the Group companies, its joint venture and its associates incorporated in India is disqualified as on March 31, 2020 from being appointed as a director in terms of section 164 (2) of the Act;

f. With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiaries, joint venture and associates incorporated in India and the operating effectiveness of such controls, we give our separate Report in 'Annexure A'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements;

g. With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended :

   In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by Holding Company to its directors during the year is in accordance with the provisions of section 197 of the Act and

h. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of other auditors of subsidiaries, joint venture and associates, as noted in the other matters paragraph :

   i. The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group, its joint ventures and associates. Refer Note 4.05 and 4.13 to the Consolidated Financial Statements;

   ii. The Group, its joint venture and its associates 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 and

   iii. There has been no amounts which are required to be transferred to the Investor Education and Protection Fund by the Group, its joint venture and its associates.

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W

Atul Shah
Partner
Membership No. 039569
UDIN: 20039569AAAADQ7241

Place : Mumbai
Date : May 28, 2020

Annexure A referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' of our Independent Auditors' report of even date, to the members of Prism Johnson Limited ('the Holding Company') on the Consolidated Financial Statements for the year ended 31st March, 2020

Report on the Internal Financial Controls under section 143(3) (i) of the Companies Act, 2013 (the Act)

Opinion

In conjunction with our audit of the Consolidated Financial Statements of the Holding Company as of and for the year ended March 31, 2020, we have audited the internal financial controls with reference to financial statements of **Prism Johnson Limited** ('the Holding Company') and its subsidiaries, its joint venture and associates, which are companies incorporated in India, as of that date.

In our opinion, the Holding Company, its subsidiaries, its joint venture and associates , which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2020 based on the internal controls with reference to financial statements criteria established by the Holding Company, considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI').

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company, its subsidiaries, its joint venture and associates , which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal controls with reference to financial statements criteria established by the Holding Company, considering the essential components of internal controls 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 respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statement of the Holding Company, its subsidiaries, joint venture and associates, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. 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 was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system 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 internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk.

The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the 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 auditor in terms of their report referred to in the Other matter paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the Holding Company's internal financial control system 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 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 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 financial statements to future periods are subject to the risk that the internal financial controls with reference to 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 report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements, in so far as it relates standalone financial statements of seven subsidiaries, consolidated financial statements of three subsidiaries, standalone financial statements of three associates, consolidated financial statements of one joint venture, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For G. M. Kapadia & Co.
Chartered Accountants
Firm Registration No. 104767W

Atul Shah
Partner
Membership No. 039569
UDIN: 20039569AAAADQ7241

Place : Mumbai
Dated : May 28, 2020

Consolidated Balance Sheet as at March 31, 2020

₹ Crores

Particulars	Note No.	As at March 31, 2020	As at March 31, 2019
ASSETS			
Non-current Assets			
Property, plant and equipment	2.01	2,572.33	2,580.83
Right of Use Assets	4.03	186.47	—
Capital work-in-progress	4.06	258.97	124.29
Goodwill	2.02	25.77	25.45
Other intangible assets	2.03	25.23	19.40
Investments in Joint Ventures and Associates	2.04	65.03	52.29
Financial assets			
Investments	2.05	308.16	322.68
Loans	2.06	62.23	71.13
Other financial assets	2.07	90.18	94.22
Deferred tax assets (net)	2.08	16.54	40.66
Other non-current assets	2.09	175.93	225.39
Total Non-current Assets		**3,786.84**	**3,556.34**
Current Assets			
Inventories	2.10	741.67	709.28
Financial assets			
Investments	2.05	149.79	109.75
Trade receivables	2.11	713.62	722.18
Cash and cash equivalents	2.12	137.04	62.21
Bank balances other than Cash and cash equivalents	2.13	280.82	11.60
Loans	2.06	5.48	5.08
Other financial assets	2.07	56.81	35.20
Current tax assets (net)	2.14	49.58	28.72
Other current assets	2.09	143.47	186.04
Non-current assets classified as held for sale	4.16	3.85	2.70
Total Current Assets		**2,282.13**	**1,872.76**
TOTAL ASSETS		**6,068.97**	**5,429.10**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	2.15	503.36	503.36
Other equity	2.16	545.61	622.75
Non-controlling interests		244.86	265.94
Total Equity		**1,293.83**	**1,392.05**
Liabilities			
Non-current Liabilities			
Financial liabilities			
Borrowings	2.17	1,504.37	1,175.15
Lease Liability	4.03	144.00	—
Other financial liabilities	2.19	455.24	435.12
Provisions	2.20	32.21	28.68
Deferred tax liabilities (net)	2.21	79.20	27.00
Other non current liabilities	2.22	34.46	49.81
Total Non-current Liabilities		**2,249.48**	**1,715.76**
Current Liabilities			
Financial liabilities			
Borrowings	2.17	282.43	302.57
Lease Liability	4.03	36.64	—
Trade payables			
Total outstanding dues of Micro Enterprises & Small Enterprises	2.18	18.61	16.61
Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	2.18	759.25	756.05
Other financial liabilities	2.19	1,150.62	913.53
Current tax liabilities (net)	2.23	4.08	21.41
Provisions	2.20	54.75	39.92
Other current liabilities	2.22	219.28	271.20
Total Current Liabilities		**2,525.66**	**2,321.29**
TOTAL EQUITY AND LIABILITIES		**6,068.97**	**5,429.10**
Significant Accounting Policies	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For **G. M. Kapadia & Co.**
Chartered Accountants
Firm Registration No. 104767W

Atul Shah
Partner
Membership No. 039569

Place : Mumbai
Date : May 28, 2020

For and on behalf of the Board

Shobhan M. Thakore
(Chairman)

Ameeta A. Parpia
(Director)

Vijay Aggarwal
(Managing Director)

Vivek K. Agnihotri
(Executive Director & CEO - Cement)

Atul R. Desai
(Executive Director & CEO - RMC)

Sarat Chandak
(Executive Director & CEO - HRJ)

Manish Bhatia
(Chief Financial Officer)

Aneeta S. Kulkarni
(Company Secretary)

Consolidated Statement of Profit and Loss for the year ended March 31, 2020

₹ Crores

Particulars	Note No.	Year ended March 31, 2020	Year ended March 31, 2019
INCOME			
Revenue From Operations	3.01	5,956.20	6,194.42
Other Income	3.02	28.16	26.64
Total Income		**5,984.36**	**6,221.06**
EXPENSES			
Cost of materials consumed		1,728.83	1,798.06
Purchase of stock-in-trade		316.30	278.23
Changes in inventories	3.03	(71.30)	(96.39)
Power and fuel expenses		1,059.85	1,208.76
Freight outward expenses		760.76	843.16
Other manufacturing expenses	3.04	391.47	405.48
Employee benefits expense	3.05	595.73	565.55
Finance costs	3.06	251.60	219.55
Depreciation, amortisation and impairment expense	3.07	250.56	200.04
Other expenses	3.08	635.40	590.56
Total expenses		**5,919.20**	**6,013.00**
Profit before share of profit of Joint Ventures, Associates and Exceptional items		65.16	208.06
Share of profit of Joint Ventures & Associates		7.27	4.41
Profit before Exceptional items and Tax		**72.43**	**212.47**
Exceptional items	4.02	(10.32)	(11.26)
Profit before tax		**62.11**	**201.21**
Tax expenses			
Current tax	3.09	8.60	61.75
Deferred tax	3.09	74.16	29.86
Total tax expenses		**82.76**	**91.61**
Profit/(Loss) for the year		**(20.65)**	**109.60**
Other Comprehensive Income/(Loss)			
Items that will not be reclassified to profit or loss			
Remeasurements of the defined benefit plans		2.53	0.23
Equity instruments through other comprehensive income		(16.12)	0.30
Share of other comprehensive income in Joint Ventures, to the extent not to be reclassified to profit or loss		(0.07)	0.02
Income tax relating to items that will not be reclassified to profit or loss	3.09	(0.68)	(0.46)
Total (A)		**(14.34)**	**0.09**
Items that will be reclassified to profit or loss			
Net gain/(loss) arising on financial assets measured at FVTOCI		5.75	0.94
Income tax relating to items that will be reclassified to profit or loss	3.09	(1.49)	(0.25)
Total (B)		**4.26**	**0.69**
Total Other Comprehensive Income/(Loss) (A+B)		**(10.08)**	**0.78**
Total Comprehensive Income for the year		**(30.73)**	**110.38**
Profit/(Loss) for the year attributable to :			
Owners of the Parent		1.65	116.40
Non-controlling interests		(22.30)	(6.80)
		(20.65)	**109.60**
Other Comprehensive Income/(Loss) for the year attributable to :			
Owners of the Parent		(12.25)	0.71
Non-controlling interests		2.17	0.07
		(10.08)	0.78
Total Comprehensive Income/(Loss) for the year attributable to :			
Owners of the Parent		(10.60)	117.11
Non-controlling interests		(20.13)	(6.73)
		(30.73)	110.38
Earnings per share (Face value of ₹ 10/- each) (refer note 4.01) :			
Basic (in ₹)		0.03	2.31
Diluted (in ₹)		0.03	2.31
Significant Accounting Policies	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For **G. M. Kapadia & Co.**
Chartered Accountants
Firm Registration No. 104767W

Atul Shah
Partner
Membership No. 039569

Place : Mumbai
Date : May 28, 2020

For and on behalf of the Board

Shobhan M. Thakore
(Chairman)

Vijay Aggarwal
(Managing Director)

Atul R. Desai
(Executive Director & CEO - RMC)

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(Chief Financial Officer)

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(Director)

Vivek K. Agnihotri
(Executive Director & CEO - Cement)

Sarat Chandak
(Executive Director & CEO - HRJ)

Aneeta S. Kulkarni
(Company Secretary)

Consolidated Statement of changes in Equity

for the year ended March 31, 2020

₹ Crores

A. EQUITY SHARE CAPITAL	Note No.	Amount
Balance as at April 1, 2018	2.15	503.36
Changes in equity share capital during the year		–
Balance as at March 31, 2019	2.15	503.36
Changes in equity share capital during the year		–
Balance as at March 31, 2020	2.15	**503.36**

₹ Crores

B. OTHER EQUITY	Reserves and Surplus (refer note 2.16)						Amount attributable to Owners of the parent	Non-controlling interests	Total
	Capital Redemption Reserve	Debenture Redemption Reserve	General Reserve	Capital Reserve	Retained Earnings	Net Gain arising of financial assets measured as at FVTOCI			
Balance as at April 1, 2018	12.03	109.23	192.64	(0.85)	221.38	0.07	534.50	272.67	807.17
Profit/(Loss) for the year	–	–	–	–	116.40	–	116.40	(6.80)	109.60
Items of Other Comprehensive Income:									
Remeasurements of the defined benefit plans	–	–	–	–	0.34	–	0.34	(0.27)	0.07
Share in Joint Ventures and Associates	–	–	–	–	0.02	–	0.02	–	0.02
Net Gain arising of financial assets measured at FVTOCI	–	–	–	–	–	0.35	0.35	0.34	0.69
Total Comprehensive Income for the year	**12.03**	**109.23**	**192.64**	**(0.85)**	**338.14**	**0.42**	**651.61**	**265.94**	**917.55**
Capital reserve due to business combination within the group	–	–	–	(0.25)	–	–	(0.25)	–	(0.25)
Transferred from Retained Earnings	1.88	–	–	–	–	–	1.88	–	1.88
Transferred to Capital Redemption Reserve	–	–	–	–	(1.88)	–	(1.88)	–	(1.88)
Transferred to Retained Earnings	–	(12.98)	–	–	–	–	(12.98)	–	(12.98)
Transferred from Debenture Redemption Reserve	–	–	–	–	12.98	–	12.98	–	12.98
Dividend and Dividend Distribution tax	–	–	–	–	(30.34)	–	(30.34)	–	(30.34)
Others	–	–	–	–	1.73	–	1.73	–	1.73
Balance as at March 31, 2019	**13.91**	**96.25**	**192.64**	**(1.10)**	**320.63**	**0.42**	**622.75**	**265.94**	**888.69**
Balance as at April 1, 2019	**13.91**	**96.25**	**192.64**	**(1.10)**	**320.63**	**0.42**	**622.75**	**265.94**	**888.69**
Profit/(Loss) for the year	–	–	–	–	1.65	–	1.65	(22.30)	(20.65)
Items of Other Comprehensive Income:									
Remeasurements of the defined benefit plans	–	–	–	–	(14.35)	–	(14.35)	0.08	(14.27)
Share in Joint Ventures and Associates	–	–	–	–	(0.07)	–	(0.07)	–	(0.07)
Net Gain arising of financial assets measured at FVTOCI	–	–	–	–	–	2.17	2.17	2.09	4.26
Total Comprehensive Income for the year	**13.91**	**96.25**	**192.64**	**(1.10)**	**307.86**	**2.59**	**612.15**	**245.81**	**857.96**

Consolidated Statement of changes in Equity

for the year ended March 31, 2020 (Contd...)

₹ Crores

B. OTHER EQUITY	Reserves and Surplus (refer note 2.16)						Amount attributable to Owners of the parent	Non-controlling interests	Total
	Capital Redemption Reserve	Debenture Redemption Reserve	General Reserve	Capital Reserve	Retained Earnings	Net Gain arising of financial assets measured as at FVTOCI			
Non-controlling interests arising on the acquisition of a Subsidiary	–	–	–	–	–	–	–	2.57	2.57
Reduction of non-controlling interests due to buy back of shares of a Subsidiary	–	–	–	–	–	–	–	(7.99)	(7.99)
Capital reserve due to business combination within the group	–	–	–	(4.33)	–	–	(4.33)	–	(4.33)
Transferred from General Reserve	0.29	–	–	–	–	–	0.29	–	0.29
Transferred to Capital Redemption Reserve	–	–	(0.29)	–	–	–	(0.29)	–	(0.29)
Transferred to Retained Earnings	–	(96.25)	–	–	–	–	(96.25)	–	(96.25)
Transferred from Debenture Redemption Reserve	–	–	–	–	96.25	–	96.25	–	96.25
Dividend and Dividend Distribution tax	–	–	–	–	(60.68)	–	(60.68)	–	(60.68)
Others	–	–	–	–	(1.53)	–	(1.53)	4.47	2.94
Balance as at March 31, 2020	**14.20**	**–**	**192.35**	**(5.43)**	**341.90**	**2.59**	**545.61**	**244.86**	**790.47**
Significant Accounting Policies Note - 1									

The accompanying notes are an integral part of the financial statements.

As per our report of even date
For **G. M. Kapadia & Co.**
Chartered Accountants
Firm Registration No. 104767W

Atul Shah
Partner
Membership No. 039569

Place : Mumbai
Date : May 28, 2020

For and on behalf of the Board

Shobhan M. Thakore
(Chairman)

Vijay Aggarwal
(Managing Director)

Atul R. Desai
(Executive Director & CEO - RMC)

Manish Bhatia
(Chief Financial Officer)

Ameeta A. Parpia
(Director)

Vivek K. Agnihotri
(Executive Director & CEO - Cement)

Sarat Chandak
(Executive Director & CEO - HRJ)

Aneeta S. Kulkarni
(Company Secretary)

Consolidated Cash Flow Statement for the year ended March 31, 2020

₹ Crores

Particulars		Year ended March 31,	
		2020	2019
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax		62.11	201.21
Non-cash Adjustment to Profit Before Tax :			
Share of (Profit)/Loss of Joint Ventures and Associates		(7.27)	(4.41)
Depreciation, amortisation and impairment expense		250.56	200.04
Impairment on trade receivables		19.45	13.75
Impairment/write-off of non current assets		23.98	9.42
Amortisation of processing fees		6.21	6.56
Bad debts written off		12.89	12.34
Unwinding of interest and discounts		(0.35)	(0.08)
Loss on disposal of Property, plant and equipment		1.16	1.63
Gain on disposal of investments		(0.58)	(0.93)
Dividend and interest income		(15.48)	(7.10)
Finance costs		243.83	212.93
Exchange differences (net)		1.58	(0.05)
Impairment on financial assets		1.40	5.05
Balances written back		(0.74)	(0.19)
Impairment/write-off of Inventories		1.50	—
Other non-cash Items		1.82	2.55
Operating profit before change in operating assets and liabilities		**602.07**	**652.72**
Change in operating assets and liabilities :			
Decrease/(increase) in trade receivables		(24.30)	(80.62)
Decrease/(increase) in inventories		(33.89)	(92.46)
Increase/(decrease) in trade payables		5.52	88.99
Decrease/(increase) in other financial assets		(18.91)	(18.54)
Decrease/(increase) in loans		3.19	1.42
Decrease/(increase) in other non-current and current assets		(180.07)	(31.77)
Increase/(decrease) in provisions		18.50	(2.74)
Increase/(decrease) in other current and non-current financial liabilities		57.97	98.71
Increase/(decrease) in other current and non-current liabilities		51.42	90.39
Cash generated from operations		**481.50**	**706.10**
Direct taxes paid (net of refunds)		46.81	52.21
Net cash flow from operating activities	**(a)**	**434.69**	**653.89**

Consolidated Cash Flow Statement for the year ended March 31, 2020 (Contd...)

₹ Crores

Particulars		Year ended March 31, 2020	2019
CASH FLOW FROM INVESTING ACTIVITIES			
Payments for acquisition of Property, plant and equipment		(374.62)	(286.59)
Payments for purchase of investments		(321.52)	(184.37)
Proceeds from sale of investments		243.05	105.82
Proceeds from disposal of Property, plant and equipment		5.05	22.56
Interest received		19.96	12.44
Transaction cost relating to investment		(0.31)	—
Acquisition in Investee		0.29	—
Payment for Repurchase of Shares from Investee		(5.48)	—
Net cash flow used in investing activities	**(b)**	**(433.58)**	**(330.14)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from borrowings		1,074.50	685.94
Repayment of long term borrowings		(700.60)	(566.48)
Repayment of Lease Liability		(32.27)	—
Movement in Short Term Borrowings (net)		(20.14)	(221.03)
Interest paid		(187.09)	(192.81)
Dividend and Dividend Distribution Tax paid		(60.68)	(30.34)
Net cash flow from/(used) in financing activities	**(c)**	**73.72**	**(324.72)**
Net increase/(decrease) in cash and cash equivalents	**(a+b+c)**	**74.83**	**(0.97)**
Cash and cash equivalents at the beginning of the year		62.21	63.18
Cash and cash equivalents at the end of the year		**137.04**	**62.21**
Cash and cash equivalents comprises of :			
Balances with bank		135.66	56.99
Cheques/drafts on hand		0.09	3.85
Cash on hand		1.29	1.37
Total		**137.04**	**62.21**

Notes :

1. The Cash Flow Statement has been prepared using the Indirect Method set out in Ind AS 7- Statement of Cash Flows.
2. Payments for acquisition of Property, plant and equipment include movement in capital work-in-progress.

As per our report of even date
For **G. M. Kapadia & Co.**
Chartered Accountants
Firm Registration No. 104767W

Atul Shah
Partner
Membership No. 039569

Place : Mumbai
Date : May 28, 2020

For and on behalf of the Board

Shobhan M. Thakore
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(Executive Director & CEO - HRJ)

Aneeta S. Kulkarni
(Company Secretary)

Notes to the Consolidated Statements for the year ended March 31, 2020

1. Significant Accounting Policies

The consolidated financial statements comprise financial statements of Prism Johnson Limited ('the Company') and its subsidiaries (collectively 'the Group') for the year ended March 31, 2020. The Company is a public limited company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on two recognised stock exchanges in India.

The Group principally operates in four business segments : Cement; Tile and Bath (HRJ), Ready Mixed Concrete (RMC) and Insurance. Information on other related party relationships of the Group is provided in Note 4.09.

Authorisation of financial statements :

The financial statements were authorised for issue in accordance with a resolution of the board of directors dated May 28, 2020.

1.1 Basis of Preparation

a) Compliance with Ind AS

The consolidated financial statements comply in all material aspects with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 ('the Act'), and relevant rules issued thereunder and the relevant provisions of the Act. In accordance with proviso to the Rule 4A of the Companies (Accounts) Rules, 2014, the terms used in these financial statements are in accordance with the definitions and other requirements specified in the applicable Accounting Standards.

b) Historical cost convention

The financial statements have been prepared on a historical cost basis, except for the following :

- certain financial assets and liabilities (including derivative instruments) are measured at fair value; and
- defined benefit plans - plan assets measured at fair value.

1.2 Rounding of amounts

All amounts disclosed in the financial statement and notes have been rounded off to the nearest Crores, except where otherwise indicated.

1.3 Current versus non-current classification

The Group presents its assets and liabilities in the Balance Sheet based on current/non-current classification. An asset is classified as current if :

a) it is expected to be realised or intended to be sold or consumed in normal operating cycle;

b) it is held primarily for the purpose of trading;

c) it is expected to be realised within twelve months after the reporting period; or

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

All other assets are classified as non-current.

A liability is classified as current if :

a) it is expected to be settled in normal operating cycle;

b) it is held primarily for the purpose of trading;

c) it is due to be settled within twelve months after the reporting period; or

d) there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

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

1.4 Use of judgements, estimates & assumptions

While preparing financial statements in conformity with Ind AS, the management makes certain estimates and assumptions that require subjective and complex judgements. These judgements affect the application of accounting policies and the reported amount of assets, liabilities, income and expenses, disclosure of contingent liabilities at the statement of financial position date and the reported amount of income and expenses for the reporting period. Financial reporting results rely on our estimate of the effect of certain matters that are inherently uncertain. Future events rarely develop exactly as forecast and the best estimates require adjustments, as actual results may differ from these estimates under different assumptions or conditions. The management continually evaluates these estimates and assumptions based on the most recently available information.

Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation uncertainty and critical judgements in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are as below :

The Company has equity stake in various entities for strategic reasons concerning its operation. The relationship with these entities has been determined based on principles laid down in Ind AS 110 – Consolidated Financial Statements and Ind AS 111 – Joint Arrangements. The entities mentioned below are considered as subsidiaries.

a) Antique Marbonite Private Limited

b) Small Johnson Floor Tiles Private Limited

c) Spectrum Johnson Tiles Private Limited

d) Sentini Cermica Private Limited

e) Coral Gold Tiles Private Limited

f) Sanskar Ceramics Private Limited

Key assumptions

a) Evaluation of recoverability of deferred tax assets

Deferred tax assets are recognised for unused tax losses to the extent that it is probable that taxable profit will be available against which the losses can be utilised. Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies.

b) Assets and obligations relating to employee benefits

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligations are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These interalia 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.

c) Useful lives of Property, plant and equipment

The Company reviews the useful life of Property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

d) Impairment of Property, plant and equipment

For Property, plant and equipment and intangibles an assessment is made at each reporting date to determine whether there is an indication that the carrying amount may not be recoverable or previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised.

e) Impairment of investment

For determining whether the investments in subsidiaries, joint ventures and associates are impaired requires an estimate in the value in use of investments. In considering the value in use, the Directors have estimated the future cash flow, capacity utilisation, operating margins and other factors of the underlying businesses/operations of the investee companies. Any subsequent changes to the cash flows due to changes in the above mentioned factors could impact the carrying value of investments.

f) Valuation of inventories

The Company estimates the Net Realisable Value ('NRV') of its inventories by taking into account estimated selling price, estimated cost of completion, estimated costs necessary to make the sale, obsolescence considering the past trend. Inventories are written down to NRV where such NRV is lower than their cost.

g) Recognition and measurement of other Provisions

The recognition and measurement of other provisions is based on the assessment of the probability of an outflow of resources, and on past experience and circumstances known at the closing date. The actual outflow of resources at a future date may therefore, vary from the amount included in other provisions.

h) Mine Restoration Provision

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

i) Fair value of financial instruments

Management uses valuation techniques in measuring the fair value of financial instruments where active market quotes are not available. Details of the assumptions used are given in the notes regarding financial assets and liabilities. In applying the valuation techniques, management makes maximum use of market inputs and uses estimates and assumptions that are, as far as possible, consistent with observable data that market participants would use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

1.5 Principles of consolidation and equity accounting

a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group 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 to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intergroup transactions, balances and unrealized gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated Statement of Profit and Loss, consolidated Statement of Changes in Equity and Balance Sheet respectively.

b) Associates

Associates are all entities over which the Group has significant influence but not control or joint control. This is generally the case where the Group holds between 20% and 50% of the voting rights. Investments in Associates are accounted for using the equity method of accounting (see (d) below), after initially being recognised at cost.

c) Joint Ventures

Under Ind AS 111 Joint Arrangements, investments in joint arrangements are classified as either joint operations or Joint Ventures. The classification depends on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangement. The Group has only Joint Ventures.

Interests in Joint Ventures are accounted for using the equity method (see (d) below), after initially being recognised at cost in the consolidated Balance Sheet.

d) Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the investee in profit and loss, and the Group's share of Other Comprehensive Income of the investee in Other Comprehensive Income. Dividends received or receivable from Associates and Joint Ventures are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity-accounted investment equals or exceeds its interest in the entity, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the other entity.

Unrealised gains on transactions between the Group and its Associates and Joint Ventures are eliminated to the extent of the Group's interest in these entities. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of equity accounted investees have been changed where necessary to ensure consistency with the policies adopted by the Group. The carrying amount of equity accounted investments are tested for impairment in accordance with the policy described in note 1.9 below.

e) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control, as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purpose of subsequent accounting for the retained interest as an Associate, Joint Venture or financial asset. In addition, any amounts previously recognised in Other Comprehensive Income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

The amounts previously recognised in Other Comprehensive Income are reclassified to profit or loss.

If the ownership interest in a Joint Venture or an Associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in Other Comprehensive Income are reclassified to profit or loss where appropriate.

1.6 Business Combinations

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value and the amount of any non-controlling interest in the acquiree. For each business combination, the Company elects whether it measures the non-controlling interest in the acquiree either at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition costs which are administrative in nature are expensed out.

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

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the operation disposed off is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed off in this circumstance is measured based on the relative values of the operation disposed off and the portion of the cash-generating unit retained.

Common control business combinations include transactions, such as transfer of subsidiaries or businesses, between entities within a Group.

Business combinations involving entities or businesses under common control are accounted for using the pooling of interests method. Under pooling of interest method, the assets and liabilities of the combining entities are reflected at their carrying amounts, the only adjustments that are made are to harmonise accounting policies.

The financial information in the consolidated financial statements in respect of prior periods are restated as if the business combination had occurred from the beginning of the preceding period in the consolidated financial statements, irrespective of the actual date of the combination. However, if business combination had occurred after that date, the prior period information is restated only from that date.

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

1.7 Property, plant and equipment

a) Freehold land is carried at historical cost less impairment losses, if any.

b) Property, plant and equipment is stated at cost, less accumulated depreciation and accumulated impairment losses. The initial cost of an asset comprises its purchase price, non-refundable purchase taxes and any costs directly attributable to bringing the asset into the location and condition necessary for it to be capable of operating in the manner intended by management, the initial estimate of any decommissioning obligation, if any, and, for assets that necessarily take a substantial period of time to get ready for their intended use, finance costs. The purchase price or construction cost is the aggregate amount paid and the fair value of any other consideration given to acquire the asset.

c) When significant parts of Plant and Equipment are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement, if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.

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

e) Expenditure directly attributable to setting up/construction of new projects are capitalised. Administrative and other General overhead expenses, which are specifically attributable to the setting up/construction activities, incurred during the construction period are capitalised as part of the indirect cost. Other indirect expenditure incurred during such period which are not related to the setting up/construction activities are charged to Statement of Profit and Loss. Income earned during this period from setting up activities is deducted from the total of indirect expenditure.

f) The residual values and useful lives of Property, plant and equipment are reviewed at each financial year end, and changes, if any, are accounted prospectively.

g) Long-term lease arrangements in respect of land are treated as Property, plant and equipment, in case such arrangements result in transfer of control and the present value of the lease payments is likely to represent substantially all of the fair value of the land. Cost in respect of the same is amortised over the period of respective lease arrangement.

h) Stores and spares which meet the definition of Property, plant and equipment and satisfy the recognition criteria of Ind AS 16 are capitalised as Property, plant and equipment.

i) Cost of mining reserve included in freehold/leasehold land, balance cost of leasehold mining land and mines development expenses are amortised systematically based on principle of Unit of Production method.

j) Depreciation on Property, plant and equipment is provided on straight line method. In accordance with requirements prescribed under Schedule II to the Companies Act, 2013, the Group has assessed the estimated useful lives of its Property, plant and equipment and has adopted the useful lives and residual value as prescribed therein except for the following cases which are based on internal technical assessment :

Assets	Useful life of asset
Mobile Phones	1 - 3 years
Motor car given to employees as per the Company's scheme or vehicle used by employees	5 - 7 years
Leasehold land	Remaining period of the lease
Truck mixers, Loaders, Excavators and Dumpers	8 years
Leasehold Improvements	Over the period of the lease/rent agreement
Machinery spares	Over the useful life of the related assets
Plant & Machinery - Concrete Pumps	6 years

Freehold land is not depreciated.

k) The Group depreciates significant components of the main asset (which have different useful lives as compared to the main asset) based on the individual useful life of those components. Useful life for such components of Property, plant and equipment is assessed based on the historical experience and internal technical inputs which varies from 2 to 40 years.

l) All assets costing up to ₹ 10,000/- are fully depreciated in the year of capitalisation.

1.8 Intangible Assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles are not capitalised and the related expenditure is reflected in the Statement of Profit or Loss in the period in which the expenditure is incurred.

Technical know-how/license fee and application software are classified as Intangible Assets.

Intangible assets with finite lives are amortised on straight line basis over their useful economic life and assessed for impairment whenever there is an indication that the Intangible asset may be impaired. The amortisation period and the amortisation method for an Intangible asset with a finite useful life are reviewed at each year end. The amortisation expense on Intangible assets with finite lives and impairment loss is recognised in the Statement of Profit and Loss.

Estimated lives for current and comparative periods in relation to application of straight line method of amortisation of Intangible assets (acquired) are as follows :

Assets	Amortisation method/Useful life
Intellectual Property Rights	10 years
Technical know-how	7 years
Software	1-8 years
Mineral Procurement Rights	Unit of Production Method
Mining Lease Rights	Over the period of the lease

Research and Development

Research costs are expensed as incurred. Development expenditure incurred on an individual project is recognised as an Intangible asset when the Group can demonstrate the following :

a) The technical feasibility of completing the intangible asset so that it will be available for use or sale;

b) Its intention to complete the asset;

c) Its ability to use or sell the asset;

d) Ability to generate future economic benefits;

e) The availability of adequate resources to complete the development and use or sell the asset and

f) The ability to measure reliably the expenditure attributable to the intangible asset during development.

1.9 Impairment of Assets

Carrying amount of Tangible assets, Intangible assets, investments in Joint Ventures and Associates (accounted under equity method) are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's 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. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or Group's assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

1.10 Inventories

Raw materials, fuels, stores and spares are valued at lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost in case of Raw material and Packing material, Stores and Spare and Traded Goods include purchase cost net of refundable taxes and other overheads incurred in bringing such items of inventory to its present location and condition. Cost of raw materials, components and stores and spares which do not meet the recognition criteria under Property, plant and equipment is determined on a weighted average basis.

Work-in-progress and finished goods are valued at lower of cost and net realisable value. Cost includes direct materials, labour, other direct cost and a proportion of manufacturing overheads based on normal operating capacity. Cost of inventories is computed on weighted average basis.

Traded goods are valued at lower of weighted average cost and net realisable value.

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

The factors that the Company considers in determining the allowance for slow moving, obsolete and other non-saleable inventory in determining net realisable value include ageing of inventory, price changes and such other related factors.

1.11 Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to insignificant risk of change in value.

For the purpose of statement of cash flow, cash and cash equivalents consist of cash, short-term deposits as defined above, bank overdrafts and short-term highly liquid investments that are readily convertible to known amounts of cash and which are subject to insignificant risk of change in value as they are considered as an integral part of the Company's management.

1.12 Government Grants

Government grants are recognised when there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is deducted from the related expense. When the grant relates to an asset, it is recognised as deferred income and amortised over the useful life of such assets.

The above criteria is also used for recognition of incentives under various scheme notified by the Government.

1.13 Financial Instruments

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

Initial Recognition and Measurement – Financial Assets and Financial Liabilities

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 recognised immediately in the Statement of Profit and Loss.

Classification and Subsequent Measurement

Financial Assets

The Group classifies financial assets as subsequently measured at amortised cost, fair value through Other Comprehensive Income ('FVTOCI') 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 is 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.

FVTOCI

A financial asset is classified and measured at FVTOCI 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.

FVTPL

A financial asset is classified and measured at FVTPL unless it is measured at amortised cost or at FVTOCI.

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.

Impairment of Financial Assets

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Classification and Subsequent measurement

Financial Liabilities

The Group's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Financial Liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition as FVTPL.

Gains or Losses on financial 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 method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. 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 net carrying amount on initial recognition.

Derecognition of Financial Assets and Financial Liabilities

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the Group enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

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

Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

1.14 Financial liabilities and equity instruments

Classification as debt or equity

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

Equity instruments

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

1.15 Borrowing Costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

1.16 Provisions, Contingent liabilities and Contingent Assets

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a current pre-tax rate. The increase in the provision due to the passage of time is recognised as interest expense.

Contingent liabilities are disclosed in the case of :

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

Contingent Assets is disclosed when inflow of economic benefits is probable.

1.17 Gratuity and other post-employment benefits

a) Short-term obligations

Short term employee benefits are recognised as an expense at an undiscounted amount in the Statement of Profit and Loss of the year in which the related services are rendered.

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

b) Post-employment obligations

The Group operates the following post-employment schemes :

- defined benefit plans such as gratuity; and
- defined contribution plans such as provident fund, superannuation fund and national pension scheme.

Gratuity obligations

The liability or asset recognised in the Balance Sheet in respect of defined benefit gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised at amount net of taxes in the period in which they occur, directly in Other Comprehensive Income. They are included in retained earnings in the Statement of Changes in Equity and in the Balance Sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in the Statement Profit and Loss as past service cost.

Defined contribution plans

The Group contributes to Superannuation, Employee's State Insurance Corporation, Provident Fund and subscribes to the National Pension Scheme which are considered as defined contribution plans. A contribution is made to Regional Provident Fund Commissioner for certain employees. In case of other employees covered under the Provident Fund Trust of the Group, the management does not expect any material liability on account of interest shortfall to be borne by the Group. The said contributions are charged to the Statement of Profit and Loss.

c) Other long-term employee benefit obligations

The liabilities for leave are not expected to be settled wholly within twelve months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Statement of Profit and Loss.

The obligations are presented as current liabilities in the Balance Sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

1.18 Revenue Recognition

a) Revenue from contracts with customers

The Company derives revenues primarily from sale of products and services. Revenue from sale of goods is recognised net of returns and discounts.

Revenue is recognised upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expect to receive in exchange for those products or services.

To recognise revenues, the Company applies the following five step approach :

1. Identify the contract with a customer;
2. Identify the performance obligations in the contract;
3. Determine the transaction price;
4. Allocate the transaction price to the performance obligations in the contract and
5. Recognize revenues when a performance obligation is satisfied.

Revenue is measured based on the consideration specified in a contract with a customer and excludes amounts collected on behalf of third parties.

The Company presents revenues net of indirect taxes in its statement of profit and loss.

Performance obligation may be satisfied over time or at a point in time. Performance obligations satisfied over time if any one of the following criteria is met. In such cases, revenue is recognised over time.

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance; or
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or

3. The Company's performance does not create an asset with an alternative use to the Company and the Company has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

b) Interest Income

Interest income from debt instruments is recognised using the effective interest rate method.

c) Dividend Income

Dividends are recognised in the Statement of Profit and Loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

1.19 Taxes on Income

Current Tax

Tax on income for the current period is determined on the basis of estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments/appeals.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the Statement of Profit and Loss.

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

Deferred tax

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

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

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

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

Deferred tax relating to items recognised outside the Statement of Profit and Loss is recognised outside the Statement of Profit and Loss. Deferred tax items are recognised in correlation to the underlying transaction either in Other Comprehensive Income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

The break-up of the major components of the deferred tax assets and liabilities as at Balance Sheet date has been arrived at after setting off deferred tax assets and liabilities where the Group have a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

Deferred tax liabilities are recognised for all taxable temporary differences, except in respect of taxable temporary differences associated with investments in Subsidiaries, Associates and interests in Joint Ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

MAT Credits are in the form of unused tax credits that are carried forward by the Group for a specified period of time, hence it is grouped with Deferred Tax Asset.

1.20 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends, if any, and attributable taxes) by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders is adjusted for after income tax effect of interest and other financing costs associated with dilutive potential equity shares and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity share.

1.21 Segment reporting

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

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

a) Segment revenue includes sales and other income directly attributable with allocable to segments including inter-segment revenue.

b) Expenses that are directly identifiable with/allocable to segments are considered for determining the segment results. Expenses which relate to the Group as a whole and not allocable to segments are included under unallowable expenditure.

c) Income which relates to the Group as a whole and not allocable to segments is included in unallowable income.

d) Segment results includes margins on inter-segment and sales which are reduced in arriving at the profit before tax of the Group.

e) Segment assets and liabilities include those directly identifiable with the respective segments. Un-allocable assets and liability represent the assets and liabilities that relate to the Group as a whole and not allocable to any segment.

1.22 Leases

Effective April 1, 2019, the Company has adopted Ind AS 116 'Leases' using the modified retrospective approach, under which the Company recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate as on the date of transition and has measured Right of Use asset an amount equal to lease liability adjusted for any related prepaid and accrued lease payments previously recognised. Accordingly, the comparative information has not been restated and continues to be reported under Ind AS 17 'Lease'. Additionally, the disclosure requirements in Ind AS 116 have not generally been applied to comparative information. The following is the summary of the new and/or revised significant accounting policies related to Leases. Refer Note 1 'Significant Accounting policies', in the Company's 2019 Annual Report for the policies in effect for Leases prior to April 1, 2019. The effect of transition on Ind AS 116 was insignificant.

Company as a lessee

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, 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 an identified asset; (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. For these short-term leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease. The Company recognises lease liabilities to make lease payments and Right of Use assets representing the right to use the underlying assets as below.

Right of Use (ROU) assets

The Company recognises Right of Use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right of Use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of Right of Use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right of Use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset.

Lease Liabilities

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rate. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. Lease liabilities are remeasured with a corresponding adjustment to the related ROU assets.

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

1.23 Foreign currency translation

a) Functional and presentation currency

The Group's financial statements are prepared in INR, which is also the Group's financial and presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at year end exchange rates are generally recognised in the Statement of Profit and Loss.

In case of advance payment for purchase of assets/goods/services and advance receipt against sales of products/ services, all such purchase/sales transaction are recorded at the rate at which such advances are paid/received.

Foreign exchange differences regarded as an adjustment to borrowing costs are presented in the Statement of Profit and Loss, within finance costs. All other foreign exchange gains and losses are presented in the Statement of Profit and Loss on a net basis within other gains/(losses).

Non-monetary items

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

1.24 Mine Restoration Provision

The Group provides for the estimated expenditure required to restore quarries and mines. The total estimate of restoration expenses is apportioned over the estimate of mineral reserves and a provision is made based on minerals extracted during the year. Mines restoration expenses are incurred on an ongoing basis and until the closure of the quarries and mines. The actual expenses may vary based on the nature of restoration and the estimate of restoration expenditure. On the basis of technical parameters, restoration expenses estimates are reviewed periodically.

1.25 Non-current assets held for Sale

Non-current assets are classified as 'held for sale' when all of the following criteria are met : (i) decision has been made to sell; (ii) the assets are available for immediate sale in its present condition; (iii) the assets are being actively marketed and (iv) sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date. Subsequently, such non-current assets classified as held for sale are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortised. Any decrease in fair value of asset (less cost of sale) is recognised through statement of profit and loss as impairment loss. Any subsequent increase in fair value of asset to the extent of previously recognised impairment loss is recognised as gain and any gain exceeding this impairment loss is recognised on the date of de-recognition.

1.26 Other Policies relating to Insurance Business

Reinsurance Ceded

Reinsurance cost in respect of proportional reinsurance ceded, is accrued at policy inception. Non-proportional reinsurance cost is recognised when incurred and due. Any subsequent revisions to refunds or cancellations of premiums are recognised in the year in which they occur.

Reinsurance accepted

Reinsurance inward acceptances are accounted for on the basis of returns/intimations, to the extent received, from the insurers.

Claims incurred

Claims are recognised as and when reported based on information from Surveyors/insured/Brokers. Claims paid are charged to the respective revenue account. Provision is made for estimated value of claims outstanding as at the Balance Sheet date. Reserve is maintained for each claim which at all times reflects the amount likely to be paid on each claim, as anticipated and estimated by the management in the light of past experience and subsequently modified for changes, as appropriate.

IBNR (Claims Incurred but not reported) and IBNER (Claims Incurred but not enough reported)

IBNR represents that amount of all claims that may have been incurred prior to the end of current accounting year but not have been reported or claimed. The IBNR provision also includes provision if any required for claims incurred but not enough reported. The IBNR (including IBNER) is determined based on the actuarial principles by the Appointed Actuary.

Reserve for Unexpired Risk

Reserve for unexpired risk represents that part of net premium (net of proportional reinsurance ceded) which is attributable to, and set aside for subsequent risks to be borne by the Company under contractual obligations on a contract period basis or risk period basis, whichever is appropriate, subject to a minimum of 100% in case of Marine Hull business and 50% in case of other businesses based on net premium written during the year as required under Section 64V(1)(ii)(b) of the Insurance Act, 1938.

2.01 PROPERTY, PLANT AND EQUIPMENT

₹ Crores

Particulars	Gross Carrying Amount				Depreciation/Impairment				Net Carrying Amount	
	As at April 1, 2019	Addition/ Adjustments	Disposal	As at March 31, 2020	As at April 1, 2019	For the Year	Elimination on disposal/ Adjustments	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Own Assets :										
Land-Freehold	640.58	54.21	0.01	694.78	20.96	8.30	—	29.26	665.52	619.62
Buildings	291.73	16.77	8.06	300.44	54.72	17.53	3.76	68.49	231.95	237.01
Plant and Machinery	2,026.76	121.11	37.44	2,110.43	486.27	140.26	32.89	593.64	1,516.79	1,540.49
Railway siding	4.46	—	—	4.46	0.76	0.29	—	1.05	3.41	3.70
Office Equipment	15.12	2.37	0.11	17.38	7.00	2.36	0.08	9.28	8.10	8.12
Computers	17.93	3.70	0.91	20.72	10.52	3.36	0.81	13.07	7.65	7.41
Mines Development	191.20	37.00	—	228.20	113.30	27.01	—	140.31	87.89	77.90
Furniture & Fixtures	44.07	7.65	3.40	48.32	17.44	5.17	3.30	19.31	29.01	26.63
Vehicles	23.78	2.39	3.12	23.05	10.64	3.32	2.22	11.74	11.31	13.14
Truck Mixers, Loaders and Dumpers	11.55	2.15	3.03	10.67	10.17	0.70	3.03	7.84	2.83	1.38
Leasehold improvement	0.83	—	—	0.83	0.75	0.01	—	0.76	0.07	0.08
Total (a)	**3,268.01**	**247.35**	**56.08**	**3,459.28**	**732.53**	**208.31**	**46.09**	**894.75**	**2,564.53**	**2,535.48**
Leased Assets :										
Leasehold Land (Long term - refer note 1.7(g)) (b)	—	9.27	1.37	7.90	—	0.24	0.14	0.10	7.80	—
Assets taken on Finance Lease : (Under Ind AS 17)										
Land	10.52	—	10.52	—	1.25	—	1.25	—	—	9.27
Plant and Machinery	45.58	—	45.58	—	9.91	—	9.91	—	—	35.67
Vehicle	0.53	—	0.53	—	0.12	—	0.12	—	—	0.41
Total (c)	**56.63**	—	**56.63**	—	**11.28**	—	**11.28**	—	—	**45.35**
Total (a+b+c)	**3,324.64**	**256.62**	**114.08**	**3,467.18**	**743.81**	**208.55**	**57.51**	**894.85**	**2,572.33**	**2,580.83**

2.01 PROPERTY, PLANT AND EQUIPMENT (Contd...)

₹ Crores

Particulars	Gross Carrying Amount				Depreciation/Impairment				Net Carrying Amount	
	As at April 1, 2018	Addition/ Adjustments	Disposal	As at March 31, 2019	As at April 1, 2018	For the Year	Elimination on disposal/ Adjustments	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Own Assets :										
Land-Freehold	592.08	48.93	0.43	640.58	13.21	7.75	–	20.96	619.62	578.87
Buildings	286.56	8.69	3.52	291.73	41.44	15.36	2.08	54.72	237.01	245.12
Plant and Machinery	1,968.54	126.10	67.88	2,026.76	405.64	128.08	47.45	486.27	1,540.49	1,562.90
Railway siding	3.42	1.04	–	4.46	0.57	0.19	–	0.76	3.70	2.85
Office Equipment	13.19	2.60	0.67	15.12	5.71	1.88	0.59	7.00	8.12	7.48
Computers	15.39	4.26	1.72	17.93	8.25	3.46	1.19	10.52	7.41	7.14
Mines Development	161.96	29.24	–	191.20	86.78	26.52	–	113.30	77.90	75.18
Furniture & Fixtures	35.15	9.22	0.30	44.07	13.08	4.55	0.19	17.44	26.63	22.07
Vehicles	21.85	4.50	2.57	23.78	8.89	3.26	1.51	10.64	13.14	12.96
Truck Mixers, Loaders and Dumpers	11.26	0.29	–	11.55	8.96	1.21	–	10.17	1.38	2.30
Leasehold Improvement	0.79	0.07	0.03	0.83	0.75	0.02	0.02	0.75	0.08	0.04
Total (a)	**3,110.19**	**234.94**	**77.12**	**3,268.01**	**593.28**	**192.28**	**53.03**	**732.53**	**2,535.48**	**2,516.91**
Assets taken on Finance Lease :										
Land	10.52	–	–	10.52	1.02	0.23	–	1.25	9.27	9.50
Plant and Machinery	37.62	7.96	–	45.58	4.94	4.97	–	9.91	35.67	32.68
Vehicle	0.41	0.12	–	0.53	0.06	0.06	–	0.12	0.41	0.35
Total (b)	**48.55**	**8.08**	**–**	**56.63**	**6.02**	**5.26**	**–**	**11.28**	**45.35**	**42.53**
Total (a+b)	**3,158.74**	**243.02**	**77.12**	**3,324.64**	**599.30**	**197.54**	**53.03**	**743.81**	**2,580.83**	**2,559.44**

Notes :

a) Depreciation for the year includes ₹ 2.86 Crores (Previous year : ₹ 1.61 Crores) considered for capitalisation.

b) Amortisation in case of Freehold Land represent amortisation of mining reserve on extraction basis.

c) Additions to Plant & Machinery during the year includes ₹ 0.89 Crores (Previous year : ₹ 1.78 Crores) on account of Research assets.

d) During the year, depreciation on Right of Use assets is ₹ 40.36 Crores (Previous year : Nil) which is not forming part of the above schedule and disclosed in note 4.03 on leases.

e) Other adjustments include reclassification of assets taken on Finance Lease in terms of Ind AS 17 to Right of Use assets on account of adoption of Ind AS 116 (refer note 4.03).

f) Addition to Freehold Land is net- off liabilities no longer required to be paid.

2.02 GOODWILL

₹ Crores

Particulars	Gross Carrying Amount				Impairment				Net Carrying Amount	
	As at April 1, 2019	Addition	Disposal	As at March 31, 2020	As at April 1, 2019	For the Year	Other Adjustments	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Goodwill	25.45	0.32	—	25.77	—	—	—	—	25.77	25.45
Total	**25.45**	**0.32**	**—**	**25.77**	**—**	**—**	**—**	**—**	**25.77**	**25.45**

₹ Crores

Particulars	Gross Carrying Amount				Impairment				Net Carrying Amount	
	As at April 1, 2018	Addition	Disposal	As at March 31, 2019	As at April 1, 2018	For the Year	Other Adjustments	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Goodwill	25.45	—	—	25.45	—	—	—	—	25.45	25.45
Total	**25.45**	**—**	**—**	**25.45**	**—**	**—**	**—**	**—**	**25.45**	**25.45**

2.03 OTHER INTANGIBLE ASSETS

₹ Crores

Particulars	Gross Carrying Amount				Amortisation				Net Carrying Amount	
	As at April 1, 2019	Addition/ Adjustments	Disposal	As at March 31, 2020	As at April 1, 2019	For the Year	Elimination on disposal/ Adjustments	As at March 31, 2020	As at March 31, 2020	As at March 31, 2019
Software	22.47	6.87	0.39	28.95	10.66	3.77	0.39	14.04	14.91	11.81
Intellectual Property Rights	1.77	—	—	1.77	1.77	—	—	1.77	—	—
Mining Lease Rights	8.25	2.97	—	11.22	1.68	0.46	—	2.14	9.08	6.57
Minerals Procurement Rights	2.28	—	—	2.28	2.26	—	—	2.26	0.02	0.02
Technical Know-how	1.27	0.50	—	1.77	0.27	0.28	—	0.55	1.22	1.00
Total	**36.04**	**10.34**	**0.39**	**45.99**	**16.64**	**4.51**	**0.39**	**20.76**	**25.23**	**19.40**

2.03 OTHER INTANGIBLE ASSETS (Contd...)

₹ Crores

Particulars	Gross Carrying Amount				Amortisation				Net Carrying Amount	
	As at April 1, 2018	Addition/ Adjustments	Disposal	As at March 31, 2019	As at April 1, 2018	For the Year	Elimination on disposal/ Adjustments	As at March 31, 2019	As at March 31, 2019	As at March 31, 2018
Software	16.71	5.76	—	22.47	7.16	3.50	—	10.66	11.81	9.55
Intellectual Property Rights	1.77	—	—	1.77	1.77	—	—	1.77	—	—
Mining Lease Rights	8.25	—	—	8.25	1.24	0.44	—	1.68	6.57	7.01
Minerals Procurement Rights	2.28	—	—	2.28	2.26	—	—	2.26	0.02	0.02
Technical Know-how	0.14	1.13	—	1.27	0.10	0.17	—	0.27	1.00	0.04
Total	**29.15**	**6.89**	**—**	**36.04**	**12.53**	**4.11**	**—**	**16.64**	**19.40**	**16.62**

Range of remaining period of amortisation as at March 31, 2020 of Intangible assets is as below :

₹ Crores

Assets	Range of remaining period of amortisation			
	< 5 year	6 - 10 year	> 10 year	Net Carrying Amount
Software	8.96	5.95	—	14.91
Mining Lease Rights	3.08	4.71	1.29	9.08
Minerals Procurement Rights	0.02	—	—	0.02
Technical Know-how	0.81	0.41	—	1.22
Total	**12.87**	**11.07**	**1.29**	**25.23**

2.04 INVESTMENTS IN JOINT VENTURES AND ASSOCIATES

₹ Crores

Particulars	As at March 31,			
	2020		2019	
	Qty	Amount	Qty	Amount
Investments in Equity Instruments accounted for using equity method :				
Investment in Joint Ventures - Unquoted				
TBK Deepgiri Tile Bath Kitchen Private Limited	50,000	1.68	50,000	1.85
TBK Florance Ceramics Private Limited	1,55,000	2.31	1,55,000	2.53
TBK Krishna Tile Bath Kitchen Private Limited	—	—	5,000	—
TBK PB Shah Tile Bath Kitchen Private Limited	—	—	50,000	—
TBK Rishi Ceramics Private Limited	—	—	5,000	0.27
TBK Unique Jalgaon Tile Bath Kitchen Private Limited	5,000	—	5,000	0.01
TBK Home Trends Private Limited	—	—	5,000	—
Ardex Endura (India) Private Limited	65,00,000	53.73	65,00,000	47.15
Investment in Associates - Unquoted				
Prism Power and Infrastructure Private Limited	4,900	—	4,900	—
CSE Solar Parks Satna Private Limited	55,00,000	5.47	2,70,001	0.21
Sunspring Solar Private Limited	14,78,412	1.55	—	—
Investments in Preference shares - measured at amortised cost				
Investment in Joint Ventures - Unquoted				
TBK P B Shah Tile Bath Kitchen Private Limited (0% Redeemable Preference Shares)	25,000	0.09	25,000	0.08
TBK Rishi Ceramics Private Limited (0% Redeemable Preference Shares)	12,500	0.04	12,500	0.04
TBK Deziner's Home Private Limited (0% Redeemable Preference Shares)	60,000	0.16	60,000	0.15
Total investments		**65.03**		**52.29**

2.05 INVESTMENTS

₹ Crores

Particulars	As at March 31,	
	2020	2019
Non-current :		
Investments - unquoted (fully paid-up)		
(a) Investments in Equity Instruments - measured at FVTPL	0.02	0.02
(b) Investments in Equity Instruments - designated at FVTOCI		
B L A Power Private Limited {No. of Shares 1,75,00,000 (Previous year : 1,75,00,000)} (refer note 4.08)	5.18	21.30
TBK Reddy Tile Bath Kitchen Private Limited {No. of Shares 100 (Previous year : 100)}	#	#
TBK Shriram Tile Bath Kitchen Private Limited {No. of Shares 500 (Previous year : 500)}	#	#
TBK Tile Home Private Limited {No. of Shares 100 (Previous year : 100)}	#	#
TBK Raj Kamal Tile Bath Kitchen Private Limited {No. of Shares 100 (Previous year : Nil)} (*)	#	—
TBK Deziner's Home Private Limited {No. of Shares 500 (Previous year : Nil)} (*)	#	—
TBK Solan Ceramics Private Limited {No. of Shares 100 (Previous year : Nil)} (*)	#	—
TBK Krishna Tile Bath Kitchen Private Limited {No. of Shares 100 (Previous year : Nil)} (*)	#	—
TBK P B Shah Tile Bath Kitchen Private Limited {No. of Shares 2,000 (Previous year : Nil)} (*)	#	—
TBK Shree Ganesh Traders Private Limited {No. of Shares 100 (Previous year : Nil)} (*)	#	—
(c) Investment in debenture or bonds - measured at FVTOCI		
Government Securities and Government Bonds	127.78	128.89
Debentures/Bonds	102.74	85.81
Investment in Infrastructure and Social sectors	72.44	86.66
Total aggregate unquoted investments	**308.16**	**322.68**

* During the year, the Group decided to divest it's stake in Joint Ventures known as TBK P B Shah Tile Bath Kitchen Private Limited, TBK Deziner's Home Private Limited, TBK Rathi Sales Agencies Private Limited, TBK Krishna Tile Bath Kitchen Private Limited, TBK Rishi Ceramics Private Limited, TBK Shree Ganesh Traders Private Limited, TBK Home Trends Private Limited, TBK Aishwarya Tile Bath Kitchen Private Limited, TBK Solan Ceramics Private Limited, TBK Raj Kamal Tile Bath Kitchen Private Limited, which are engaged in retail activity of TBK segment. As a part of these arrangements the irrecoverable dues are amounting to ₹ 0.30 Crores has been charged to the Statement of Profit and Loss.

Amount less than ₹ 50,000/-

Aggregate fair value of quoted investments	—	—
Aggregate fair value of unquoted investments	308.16	322.68
Aggregate fair value of investments measured at FVTPL	0.02	0.02
Aggregate fair value of investments designated at FVTOCI	5.18	21.30
Aggregate fair value of investments measured at FVTOCI	302.96	301.36

2.05 INVESTMENTS (Contd...)

₹ Crores

Particulars	As at March 31, 2020	As at March 31, 2019
Current :		
Investments - unquoted		
(a) Investments in debentures or bonds - measured at FVTOCI		
Government Securities and Government Bonds	81.24	15.02
Other Debentures/Bonds	35.19	50.09
Investment in Infrastructure and Social sectors	15.15	14.96
(b) Investments in Mutual Funds - measured at FVTPL	18.21	29.68
Total aggregate unquoted investments	**149.79**	**109.75**
Aggregate fair value of quoted investments	—	—
Aggregate fair value of unquoted investments	149.79	109.75
Aggregate fair value of investment measured at FVTOCI	131.58	80.07
Aggregate fair value of investment measured at FVTPL	18.21	29.68

2.06 LOANS

₹ Crores

Particulars		Non-current As at March 31, 2020	Non-current As at March 31, 2019	Current As at March 31, 2020	Current As at March 31, 2019
Security Deposits - Utility					
Secured, considered good		0.41	—	—	—
Unsecured, considered good		41.23	41.35	2.14	2.15
	(a)	**41.64**	**41.35**	**2.14**	**2.15**
Security Deposits - Rental					
Unsecured, considered good		16.52	17.37	—	—
Unsecured, credit impaired		0.74	0.77	—	—
		17.26	18.14	—	—
Less : Provision for impairment		0.74	0.77	—	—
	(b)	**16.52**	**17.37**	**—**	**—**
Loans to related parties (*)					
Unsecured, considered good		1.12	4.39	—	—
Unsecured, credit impaired		0.24	—	—	—
		1.36	4.39	—	—
Less : Provision for impairment		0.24	—	—	—
	(c)	**1.12**	**4.39**	**—**	**—**
Loans to employees					
Unsecured, considered good		1.21	1.49	3.34	2.93
	(d)	**1.21**	**1.49**	**3.34**	**2.93**
Loans to others					
Unsecured, considered good		1.74	6.53	—	—
Unsecured, credit impaired		0.31	3.64	—	—
		2.05	10.17	—	—
Less : Provision for impairment		0.31	3.64	—	—
	(e)	**1.74**	**6.53**	**—**	**—**
Total	**(a+b+c+d+e)**	**62.23**	**71.13**	**5.48**	**5.08**

These financial assets are carried at amortised cost.

(*) refer note 4.09

2.07 OTHER FINANCIAL ASSETS

₹ Crores

Particulars	Non-current		Current	
	As at March 31,		As at March 31,	
	2020	2019	2020	2019
Insurance claim receivable (refer note 4.15)	58.94	58.94	2.56	4.12
Bank deposits with more than twelve months maturity (restricted use)	2.53	1.98	2.54	—
Balances in Escrow accounts with banks (restricted use)	0.05	0.05	—	—
Accrued interest	1.19	2.52	14.84	14.24
Balances related to Coal Mine and Infrastructure (refer note 4.14)	13.93	13.93	—	—
Other receivables	13.54	16.80	36.87	16.84
Total	**90.18**	**94.22**	**56.81**	**35.20**

2.08 DEFERRED TAX ASSETS (NET)

Significant components of deferred tax assets/(liabilities) recognised in the financial statements are as follows :

₹ Crores

Particulars	As at March 31,	
	2020	2019
Deferred tax assets/(liabilities) in relation to :		
Unabsorbed depreciation/Business losses as per Income Tax	32.98	58.20
Provision for employee benefits	0.24	58.91
Other temporary differences/unutilised tax asset	8.31	85.68
Property, plant and equipment	(24.99)	(162.13)
Total	**16.54**	**40.66**

The movement in deferred tax assets/(liabilities) during the year ended March 31, 2020 and March 31, 2019 :

₹ Crores

Particulars	As at March 31, 2020	Credited/ (Charged) to Statement of P&L /OCI	As at March 31, 2019	Credited/ (Charged) to Statement of P&L /OCI	As at March 31, 2018
Deferred tax assets/(liabilities) in relation to :					
Unabsorbed depreciation/Business losses as per Income Tax	32.98	(25.22)	58.20	(94.49)	152.69
Provision for employee benefits	0.24	(58.67)	58.91	3.99	54.92
Other temporary differences/unutilised tax asset	8.31	(77.37)	85.68	49.67	36.01
Property, plant and equipment	(24.99)	137.14	(162.13)	12.13	(174.26)
Total	**16.54**	**(24.12)**	**40.66**	**(28.70)**	**69.36**

Unrecognised deductible temporary differences, unused tax losses and unused tax credits :

₹ Crores

Particulars	As at March 31,	
	2020	2019
Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following :		
Unabsorbed depreciation	55.55	24.72
Business losses	175.42	153.66
Total	**230.97**	**178.38**

2.08 DEFERRED TAX ASSETS (NET) (Contd...)

Expiry schedule of Unrecognised deductible temporary differences, unused tax losses and unused tax credits :

₹ Crores

Expiry of losses	Business losses	Unabsorbed depreciation
2020-21	17.46	—
2021-22	16.45	—
2022-23	20.54	—
2023-24	18.17	—
2024-25	29.68	—
Five years and above	73.12	—
Indefinite	—	55.55
Total	**175.42**	**55.55**

2.09 OTHER ASSETS

₹ Crores

Particulars	Non-current		Current	
	As at March 31,		As at March 31,	
	2020	2019	2020	2019
Capital Advances				
Unsecured, considered good	56.92	74.67	0.03	—
Doubtful	0.34	—	—	—
	57.26	74.67	0.03	—
Less : Provision for Impairment	0.17	—	—	—
	57.09	**74.67**	**0.03**	**—**
Advances other than Capital Advances :				
Balances with government authorities :				
CENVAT/VAT/GST receivables	2.47	3.41	36.45	40.21
Balances with Statutory Authorities	0.04	—	1.38	0.28
Excise/VAT/Service Tax/Custom duty deposited under protest	33.08	43.12	0.19	0.76
Advance Income Tax (net of provision for taxation)	0.65	1.17	—	0.61
Security Deposits	4.69	5.52	0.95	1.40
Advances to related parties	—	—	0.95	1.02
Advances to other parties (net of provision for impairment)	15.46	15.63	29.03	69.94
Prepaid expenses	2.78	2.35	19.22	19.49
Royalty refund receivable	—	—	17.12	17.12
Others	59.67	79.52	38.15	35.21
Total	**175.93**	**225.39**	**143.47**	**186.04**

2.10 INVENTORIES

₹ Crores

Particulars	As at March 31, 2020	As at March 31, 2019
Raw materials	171.86	167.39
Goods-in-transit	0.39	1.67
Stores and spares	91.99	90.19
Goods-in-transit	0.17	0.27
Fuel stock	53.65	26.84
Goods-in-transit	5.55	76.16
Work-in-progress	78.36	79.54
Finished goods	274.63	207.11
Goods-in-transit	12.54	18.55
Stock-in-trade	52.51	40.96
Goods-in-transit	0.02	0.60
Total	**741.67**	**709.28**

Notes :

(a) Amount charged to the Statement of Profit and Loss on account of write-down of inventories to net realisable for the year is ₹ 22.59 Crores (Previous year : ₹ 13.01 Crores).

(b) Above inventory includes damaged stock of finished goods of cement amounting to ₹ 2.95 Crores (Previous year : ₹ 0.51 Crores) in respect of which insurance claims have been lodged. The management expects to recover the amount atleast equal to it's carrying value.

2.11 TRADE RECEIVABLES

₹ Crores

Particulars	As at March 31, 2020	As at March 31, 2019
Secured, considered good	81.60	55.00
Unsecured, considered good	632.02	667.18
Unsecured, credit impaired	141.43	121.98
	855.05	**844.16**
Less : Provision for impairment	141.43	121.98
Total	**713.62**	**722.18**

2.12 CASH AND CASH EQUIVALENTS

₹ Crores

Particulars	As at March 31, 2020	As at March 31, 2019
Balances with banks :		
In current accounts	23.14	52.35
Deposits with original maturity of less than three months	112.52	4.64
Cheques/drafts on hand	0.09	3.85
Cash on hand	1.29	1.37
Total	**137.04**	**62.21**

2.13 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

₹ Crores

Particulars	As at March 31, 2020	As at March 31, 2019
Unclaimed Dividend	0.65	0.46
Term deposits (original maturity for more than three months but less than twelve months)	277.33	7.54
Term deposits (original maturity for more than three months but less than twelve months) (restricted use)	2.84	3.60
Total	**280.82**	**11.60**

2.14 CURRENT TAX ASSETS (NET)

₹ Crores

Particulars		As at March 31, 2020	As at March 31, 2019
Current tax assets			
Taxes paid		85.12	70.06
Tax refund receivable		0.57	0.50
Benefit of tax losses to be carried back to recover taxes paid in prior periods		—	0.11
Others		0.28	0.21
	(a)	**85.97**	**70.88**
Current tax liabilities			
Provision for taxation		37.26	4.20
Income tax payable		(0.87)	37.96
	(b)	**36.39**	**42.16**
Total	**(a-b)**	**49.58**	**28.72**

2.15 EQUITY SHARE CAPITAL

₹ Crores

Particulars	As at March 31, 2020	As at March 31, 2019
Paid up Share Capital :		
50,33,56,580 (Previous year : 50,33,56,580) Equity shares of ₹ 10/- each	503.36	503.36
Total	**503.36**	**503.36**

a. Reconciliation of shares outstanding as at the beginning and at the end of the reporting period :

Equity shares	As at March 31, 2020	As at March 31, 2019
At the beginning of the year	50,33,56,580	50,33,56,580
Outstanding at the end of the year	**50,33,56,580**	**50,33,56,580**

b. Rights, preference and restrictions attached to Equity shares :

The Company has one class of Equity shares having a par value of ₹ 10 per share. Each shareholder is entitled to one vote per equity share. The shareholders are entitled to dividend declared on proportionate basis. On liquidation of the Company, the equity shareholders are eligible to receive remaining assets of the Company in proportion to their shareholding after distribution of all preferential amounts.

2.15 EQUITY SHARE CAPITAL (Contd...)

c. Details of shareholders holding more than 5% shares in the Company :

Name of the Shareholder	As at March 31,			
	2020		2019	
	No. of Shares	% of holding	No. of Shares	% of holding
Manali Investment & Finance Private Limited	6,78,17,992	13.47%	6,78,17,992	13.47%
Hathway Investments Private Limited	6,41,13,400	12.74%	6,41,13,400	12.74%
Coronet Investments Private Limited	5,79,49,394	11.51%	5,79,49,394	11.51%
Rajan B. Raheja	5,14,06,327	10.21%	5,14,06,327	10.21%
Bloomingdale Investment & Finance Private Limited	3,15,07,000	6.26%	3,12,89,300	6.22%

2.16 OTHER EQUITY

₹ Crores

Particulars	As at March 31,	
	2020	2019
General reserve	192.35	192.64
Retained earnings	341.90	320.63
Other Comprehensive Income (Financial assets measured as at FVTOCI)	2.59	0.42
Capital reserve	(5.43)	(1.10)
Capital redemption reserve	14.20	13.91
Debenture redemption reserve	—	96.25
Total	**545.61**	**622.75**

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

(a) General Reserve

The Group had transferred a portion of the net profits before declaring dividend to the general reserve pursuant to the earlier provisions of the Companies Act, 1956. Mandatory transfer to general reserve before declaration of dividend is not required under the Companies Act, 2013.

(b) Retained Earnings

Retained earnings are the net profits that the Group has earned till date and is net of amount transferred to other reserves such as general reserves, debenture redemption reserve etc., amount distributed as dividend and adjustments in terms of Ind AS 101.

(c) Capital Reserve

Capital reserve represents recognition of equity component included in investments made in subsidiaries by way of preference shares and on applying Ind AS 103 Business Combination in accounting acquisitions made during the year.

(d) Capital Redemption Reserve

Capital redemption reserve was created pursuant to the scheme of amalgamation.

(e) Debenture Redemption Reserve (DRR)

The Group has issued non-convertible debentures. Pursuant to the Companies (Share Capital and Debentures) Amendment Rules, 2019 effective from August 16, 2019, the Group is not required to create a DRR of 25% of the value of its outstanding Non-convertible debentures. Accordingly, the balance in DRR is transferred to Retained Earnings.

2.17 BORROWINGS

₹ **Crores**

Particulars	Non-current	
	As at March 31,	
	2020	2019
Secured		
Bonds/Debentures		
• 10.40% Non-convertible Debentures (refer Sr. No. 1) {800 Nos. (Previous year : 800 Nos.) debentures of ₹ 0.10 Crore each}	80.00	80.00
• 10.40% Non-convertible Debentures (refer Sr. No. 2) {1200 Nos. (Previous year : 1200 Nos.) debentures of ₹ 0.10 Crore each}	120.00	120.00
• 10.70% Non-convertible Debentures (refer Sr. No. 3) {1000 Nos. (Previous year : 1000 Nos.) debentures of ₹ 0.10 Crore each}	100.00	100.00
• 9.25% Non-convertible Debentures (refer Sr. No. 4) {1781 Nos. (Previous year : 2000 Nos.) debentures of ₹ 0.10 Crore each}	178.10	200.00
• 9.00% Non-convertible Debentures (refer Sr. No. 5) {Nil (Previous year : 1500 Nos.) debentures of ₹ 0.10 Crore each}	—	150.00
• 10.25% Non-convertible Debentures (refer Sr. No. 6) {Nil (Previous year : 750 Nos.) debentures of ₹ 0.10 Crore each}	—	74.93
Term loans from banks (refer Sr. No. 7 to 27)	987.26	675.23
Term loans from other parties (refer Sr. No. 28)	24.86	—
Vehicle loans from banks (refer Sr. No. 29 to 36)	3.44	5.16
Unsecured		
• 10.70% Non-convertible Debentures (refer Sr. No. 56) {1150 Nos. (Previous year : Nil) debentures of ₹ 0.10 Crore each}	115.00	—
• 10.00% Non-convertible Debentures (refer Sr. No. 57) {840 Nos. (Previous year : Nil) debentures of ₹ 0.10 Crore each}	84.00	—
• 10.40% Non-convertible Debentures (refer Sr. No. 58) {500 Nos. (Previous year : 500 Nos.) debentures of ₹ 0.10 Crore each}	50.00	50.00
• 10.65% Non-convertible Redeemable Debentures (refer Sr. No. 59) {500 Nos. (Previous year : 500 Nos.) debentures of ₹ 0.10 Crore each}	49.94	49.90
• 10.65% Non-convertible Debentures (refer Sr. No. 60) {750 Nos. (Previous year : 750 Nos.) debentures of ₹ 0.10 Crore each}	75.00	75.00
0.01% Non-cumulative Redeemable Preference Shares (refer Sr. No. 61)	2.00	1.84
0.02% Non-cumulative Redeemable Preference Shares (refer Sr. No. 62)	2.50	—
Term Loan from banks (refer Sr. No. 63)	89.82	—
Inter-corporate deposits (refer Sr. No. 64)	—	0.13
Fixed Deposits from Public (refer Sr. No. 65)	0.57	6.41
Finance lease obligations (refer Sr. No. 66)	—	28.75
	1,962.49	**1,617.35**
Less : Disclosed under other financial liabilities :		
Current maturities of non-current borrowings	457.55	431.80
Current maturities of finance lease obligations	—	8.47
Unclaimed fixed deposits	0.57	1.93
Total	**1,504.37**	**1,175.15**

2.17 BORROWINGS (Contd...)

₹ Crores

Particulars	Current As at March 31, 2020	2019
Secured		
Loans repayable to banks on Demand (refer Sr. No. 37 to 54)	151.48	175.65
Buyer's Credit (refer Sr. No. 55)	25.95	8.23
Unsecured (refer Sr. No. 67)		
Working Capital Demand Loans from banks	5.00	15.00
Loan from related party	–	0.19
Inter-corporate deposits	–	3.50
Commercial Paper {Maximum balance outstanding ₹ 150 Crores (Previous year : ₹ 100 Crores)}	100.00	100.00
Total	**282.43**	**302.57**

(a) Debentures (Secured) :

The Group has issued the following secured redeemable Non-convertible Debentures :

₹ Crores

Sr. No.	Nature of Security	Terms of Repayment	As at March 31, 2020	2019
1	Secured by first pari passu charge on all the movable and immovable Tangible and Intangible assets of the Cement Division, both present and future, except leased assets.	Allotted on August 31, 2018 and repayable at 10.40 % pa XIRR basis redemption premium on September 27, 2021.	80.00	80.00
2	Secured by first pari passu charge on all the movable and immovable Tangible and Intangible assets of the Cement Division, both present and future, except leased assets.	Allotted on August 3, 2018 and repayable at 10.40 % pa XIRR basis redemption premium on June 22, 2021.	120.00	120.00
3	Secured by first pari passu charge on all the movable and immovable Property, plant and equipment of the Cement Division, except leased assets.	Allotted on November 10, 2017 and repayable on November 10, 2020 with Put/Call option at par on November 12, 2018 and November 11, 2019.	100.00	100.00
4	Secured by first pari passu charge on all the movable and immovable Tangible and Intangible assets of the Cement Division, both present and future except leased assets.	Allotted on December 13, 2016 and repayable at 9.25 % pa XIRR basis redemption premium on April 29, 2020. During the year, part prepayment was made for ₹ 21.90 Crores on March 23, 2020.	178.10	200.00
5	Secured by first pari passu charge on all the movable and immovable Tangible and Intangible assets of the Cement Division, both present and future except leased assets.	Allotted on January 21, 2015 and repayable on January 21, 2020 with call option at par on July 21, 2016 and Put/Call option at par on July 20, 2018; January 21, 2019; July 19, 2019. During the year, the terms of Non convertible debentures were modified with the consent of Debenture holder and ROI decreased to 9.00 %.	–	150.00
6	Secured by first pari passu charge on all the movable and immovable Tangible and Intangible assets of the Subsidiary Company. Further corporate guarantee has been extended by the Holding Company.	Allotted on December 2, 2016 and repayable at the end of 37 months from the date of allotment.	–	74.93
	Total	**(a)**	**478.10**	**724.93**

2.17 BORROWINGS (Contd...)

(b) Nature of Security and terms of repayment for secured borrowings (other than debentures) :

₹ Crores

Sr. No.	Nature of Security	Terms of Repayment	As at March 31, 2020	As at March 31, 2019
7	Secured by first pari passu charge on all the movable and immovable Tangible and Intangible assets of the Cement Division, both present and future.	Quarterly in equal installments payable over a period of 6 years commencing after moratorium period of two years. Availed on March 16, 2016.	47.50	142.50
8	First exclusive charge on the office premises of HRJ division on units 1 to 4 on 7th Floor, Windsor.	Quarterly installments payable over a period of Five years. ₹ 4.16 Crores each per quarter from November 17, 2018.	25.00	41.67
9	Secured by first pari passu charge on all the movable and immovable Property, plant and equipment of the Cement Division, both present and future.	Quarterly in 13 equal installments payable from the last day of 18th month from date of first drawdown of facility availed on April 21, 2017.	—	59.23
10	Secured by first pari passu charge on all the movable and immovable Property, plant and equipment of the Cement Division, both present and future.	Quarterly in 13 equal installments payable from the last day of 18th month from date of first drawdown of facility availed on July 20, 2017.	—	83.08
11	Secured by first pari passu charge on all the movable and immovable Property, plant and equipment of the Cement Division, both present and future.	Quarterly in 19 equal installments payable from the last day of 9th month from date of first drawdown of facility availed on September 27, 2018.	57.89	100.00
12	Secured by first pari passu charge on all the movable and immovable Property, plant and equipment of the Cement Division, both present and future.	Quarterly in 19 equal installments payable from the last day of 9th month from date of first drawdown of facility availed on November 19, 2018.	63.16	100.00
13	Secured by first pari passu charge over all movable and immovable Tangible and Intangible assets both present and future of the Subsidiary Company. Further, corporate guarantee has been extended by the Holding Company.	Quarterly in 12 equal installments payable from the last day of 18th month from date of first drawdown of facility availed on March 16, 2017.	6.25	55.98
14	Secured by first pari passu charge over all movable and immovable Tangible and intangible assets both present and future of the Subsidiary Company. Further, corporate guarantee has been extended by the Holding Company.	Quarterly in 19 equal installments.	74.29	—
15	Secured by first pari passu charge over all movable and immovable Tangible and intangible assets both present and future of the Subsidiary Company. Further, corporate guarantee has been extended by the Holding Company.	Quarterly installments payable over a period of 3 years.	24.78	—
16	Secured by first pari passu charge on all the movable and immovable Property, plant and equipment of the Cement Division, both present and future.	Quarterly in 17 structured installments payable from the last day of 9th month from date of first drawdown of facility availed on September 20, 2019.	200.00	—
17	Secured by first pari passu charge on all the movable and immovable Property, plant and equipment of the Cement Division, both present and future.	Quarterly in 17 structured installments payable from the last day of 9th month from date of first drawdown of facility availed on September 13, 2019.	150.00	—

2.17 BORROWINGS (Contd...)

₹ Crores

Sr. No.	Nature of Security	Terms of Repayment	As at March 31, 2020	As at March 31, 2019
18	Secured by first pari passu charge on all the movable and immovable Property, plant and equipment of the Cement Division, both present and future.	Quarterly in 17 structured installments payable from the last day of 9th month from date of first drawdown of facility availed on September 18, 2019.	75.00	—
19	Secured by exclusive charge on all the movable Property, plant and equipment in relation to the Waste Heat Recovery System of the Company, both present and future.	Quarterly in 23 structured installments payable from the last day of 18th month from date of first drawdown of facility availed on March 18, 2020.	75.00	—
20	Secured by exclusive charge over the movable Property, plant and equipment of specified plants of the HRJ division namely Dewas, Pen, Kunigal and Karaikal, both present and future.	Quarterly in 17 structured installments payable from the last day of 9th month from date of first drawdown of facility availed on September 30, 2019.	125.00	—
21	Secured by second pari passu charge over land and all Tangible and Intangible assets of a Subsidiary Company.	EMI over a period of 60 months starting from July 2016.	0.47	0.93
22	Secured by hypothecation of all Tangible and Intangible assets (present & future) and second pari passu charge over the immovable assets (land) of a Subsidiary Company.	EMI over a period of 72 months starting from April 30, 2018.	23.92	28.50
23	Hypothecation by way of first and exclusive charge on all present & future current assets inclusive of all stocks, book debts. Hypothecation by way of first and exclusive charge on all Property, plant and equipment.	Repayable in 92 EMI.	32.03	37.18
24	Secured against hypothecation of first charge of existing Land, Building and Plant & Machinery. Exclusive charge of Plant & Machinery acquired from the loan.	Repayable in 10 equal quarterly instalments from April, 2018.	6.00	18.00
25	Secured by hypothecation of all present and future current assets inclusive of all stock, book debts and Property, plant and equipment inclusive of all the Plant & Machinery. Further equitable mortgage of the property situated at Morbi.	Repayable in 60 EMI.	2.37	3.30
26	Secured by hypothecation of all Tangible and Intangible assets (present & future) and second pari passu charge over the immovable assets (land) of a Subsidiary Company.	EMI over a period of 72 months starting from October 2014.	0.75	1.95
27	Hypothecation by way of first and exclusive charge on all present & future current assets inclusive of all stocks, book debts. Hypothecation by way of first and exclusive charge on all Property, plant and equipment.	Repayable in 77 EMI.	5.29	6.16

2.17 BORROWINGS (Contd...)

₹ Crores

Sr. No.	Nature of Security	Terms of Repayment	As at March 31, 2020	As at March 31, 2019
28	Secured by first pari passu charge over all movable and immovable Tangible and intangible assets both present and future of the Subsidiary Company. Further, corporate guarantee has been extended by the Holding Company.	Quarterly installments payable over a period of 5 years.	24.86	—
29	Secured by exclusive charge on vehicles of HRJ Division.	EMI over a period of 60 months from the respective date of disbursement.	2.03	3.26
30	First and exclusive charge secured by hypothecation of vehicles financed to RMC Division.	EMI over a period of 60 months from the respective date of disbursement.	0.34	0.47
31	Secured by exclusive charge on vehicles of Cement Division.	EMI over a period of 60 months from the respective date of disbursement.	0.46	0.36
32	Secured by hypothecation of vehicle of the Subsidiary Company.	Repayable in 60 EMI.	0.04	0.05
33	Secured by hypothecation of vehicle of the Subsidiary Company.	Repayable in 60 equal quarterly installments.	0.07	0.11
34	Secured by hypothecation of vehicle of the Subsidiary Company.	Repayable in 48 equal quarterly installments.	0.10	0.14
35	Secured by hypothecation of vehicle of the Subsidiary Company.	Repayable in 47 equal quarterly installments.	0.16	0.22
36	Secured by first pari passu charge on vehicles of the Subsidiary Company.	Repayable in 36 EMI.	0.24	0.55
37	Secured by first pari passu charge by way of hypothecation of stocks and book debts both present and future of Cement Division.	Payable within one year.	0.47	—
38	Secured by first pari passu charge by way of hypothecation of stocks and book debts both present and future of HRJ Division.	Repayable within one year.	12.75	24.01
39	Secured by way of hypothecation of stocks and book debts and collaterally secured by way residual value of movable and immovable assets other than factory land & building of the Subsidiary Company.	Repayable on demand.	3.25	9.97
40	Secured by first pari passu charge on all current assets both present and future, second pari passu charge on all the Tangible and Intangible assets both present and future and personal guarantee of Director of the Subsidiary Company.	Repayable on demand.	4.24	2.68
41	Secured by first pari passu charge on all current assets both present and future, second pari passu charge on all Tangible and Intangible assets both present and future and personal guarantee of Director of the Subsidiary Company.	Repayable on demand.	0.02	0.02

2.17 BORROWINGS (Contd...)

₹ Crores

Sr. No.	Nature of Security	Terms of Repayment	As at March 31, 2020	As at March 31, 2019
42	Secured by first pari passu charge on all current assets of the Subsidiary Company both present and future, second pari passu hypothecation charge on all existing and future movable Property, plant and equipment (except vehicles). Second pari passu mortgage charge on all Immovable properties being land & building of a Subsidiary Company.	Repayable on demand.	10.07	—
43	Secured by first pari passu charge by hypothecation of total current assets and second pari passu charge over entire Tangible and Intangible assets (other than Land and building) and personal guarantees of three directors of a Subsidiary Company.	Repayable on demand.	35.39	46.41
44	Secured by hypothecation of stock, book debts, and all other current assets (present & future). Equitable mortgage over the immovable property (factory land) of a Subsidiary Company.	Repayable on demand.	34.05	37.73
45	Secured by hypothecation of land & building and all Tangible and Intangible assets and all current assets & personal guarantee of two directors of a Subsidiary Company.	Repayable on demand.	19.15	18.51
46	Secured by first pari passu charge by way of hypothecation of stocks and book debts both present and future and second pari passu charge by way of mortgage and hypothecation on all Tangible and Intangible assets both present and future of a Subsidiary Company. Further corporate guarantee has been extended by the Holding Company.	Repayable on demand.	0.11	3.06
47	Secured by first pari passu charge by way of hypothecation of stocks and book debts both present and future and Second pari passu charge on the assets by way of mortgage and hypothecation on entire movable and immovable fixed assets of a Subsidiary Company, present and future, along with other banks in multiple banking arrangements and corporate guarantee of the Holding Company.	Repayable on demand.	10.00	15.00
48	Secured by first pari passu charge on all Tangible and Intangible assets of the Subsidiary Company, second pari passu charge on current assets of the Subsidiary Company both present and future. The facility will be secured by Fixed Deposit margin of 150% of facility amount of a Subsidiary Company. Further, corporate guarantee has been extended by the Holding Company.	Repayable on demand.	—	2.29

2.17 BORROWINGS (Contd...)

₹ Crores

Sr. No.	Nature of Security	Terms of Repayment	As at March 31, 2020	As at March 31, 2019
49	Secured by way of hypothecation of stocks and book debts.	Repayable on demand.	—	1.15
50	Secured by first pari passu charge by way of hypothecation of stocks and book debts both present and future and second pari passu charge by way of mortgage and hypothecation on all Tangible and Intangible assets of the Subsidiary Company, both present and future. Further, corporate guarantee has been extended by the Holding Company.	Repayable on demand.	2.50	—
51	Secured by first pari passu charge by way of hypothecation of stocks and book debts both present and future and second pari passu charge by way of mortgage and hypothecation on all Tangible and Intangible assets of the Subsidiary Company, both present and future. Further, corporate guarantee has been extended by the Holding Company.	Repayable on demand.	4.84	4.85
52	Secured by hypothecation of all present and future current and movable assets of the Company and exclusive equitable mortgage of Property situated at Motiwala Nagar, Aurangabad owned by one of the Directors and personal guarantee of two Directors of the Subsidiary Company.	Repayable on demand.	—	0.46
53	Secured by hypothecation of all current assets, both present and future and all movable Property, plant and equipment of the Subsidiary Company. Further equitable mortgage of the Immovable property of the Subsidiary Company.	Repayable on demand.	8.50	9.51
54	Secured by first pari passu charge over entire current assets both present and future of RMC Division.	Payable within one year.	6.14	—
55	Secured by first pari passu charge by way of hypothecation of stocks and book debts both present and future of HRJ Division.	As per due dates of respective buyer's credit.	25.95	8.23
	Total		**1,200.43**	**867.52**
	Less : Unamortised borrowing costs		7.44	3.25
	Total	**(b)**	**1,192.99**	**864.27**

2.17 BORROWINGS (Contd...)

(c) Nature of Security and terms of repayment for unsecured borrowings :

₹ Crores

Sr. No.	Nature of Security	Terms of Repayment	As at March 31, 2020	As at March 31, 2019
Non-current Borrowings :				
56	Non-convertible Debentures	Allotted on July 26, 2019 and repayable on July 25, 2022 .	115.00	—
57	Non-convertible Debentures	Allotted on January 31, 2020 and repayable on January 31 2023 with Put/Call option at par on January 31, 2022.	84.00	—
58	Non-convertible Debentures	Allotted on September 17, 2018 and repayable on September 17, 2021 with Put/Call option at par on September 17, 2020.	50.00	50.00
59	Non-convertible Debentures	Allotted on September 14, 2018 and repayable at the end of 36 months from the date of allotment.	49.94	49.90
60	Non-convertible Debentures	Allotted on April 11, 2018 and repayable on April 9, 2021 with Put/Call option at par on April 11, 2019 and April 11, 2020.	75.00	75.00
61	Non-cumulative Redeemable Preference Shares	Redemption on or before March 31, 2027.	2.00	1.84
62	Non-cumulative Redeemable Preference Shares	Redemption on or before March 31, 2028.	2.50	—
63	Term Loan	Quarterly in 10 equal installments payable from the last day of 9th month from date of first drawdown of facility availed on May 27, 2019.	90.00	—
64	Inter corporate deposits	Original terms of repayment was three years from April 1, 2016. However, the same has been revised from April 1, 2018 for a period of one year.	—	0.13
65	Fixed Deposits from Public	Payable over a period of one to two years from the respective date of disbursement.	0.57	6.41
66	Finance lease obligation	Payable over period of five years from the respective date of disbursement.	—	28.75
67	Current Borrowings		105.00	118.69
	Total		**574.01**	**330.72**
	Less : Unamortised borrowing costs		0.18	—
	Total	**(c)**	**573.83**	**330.72**
	Total Borrowings	**(a + b + c)**	**2,244.92**	**1,919.92**

2.17 BORROWINGS (Contd...)

(d) Aggregate value of non-current borrowings guaranteed by others :

₹ Crores

Particulars	As at March 31,	
	2020	2019
Bonds/debentures		
Principal	50.00	125.00
Interest	2.89	5.41
Term loans from banks		
Principal	137.25	74.25
Interest	0.03	—

(e) Assets pledged as security :

₹ Crores

Particulars		As at March 31,	
		2020	2019
Current			
Cash and cash equivalents		2.31	2.71
Other Bank Balance		1.46	4.23
Receivables		825.54	903.40
Inventories		741.94	708.49
Others		2.10	3.33
	(a)	**1,573.35**	**1,622.16**
Non-current			
Freehold Land		643.09	598.74
Buildings		168.94	168.09
Plant and Machinery		1,333.65	1,339.81
Railway Siding		3.41	3.70
Office Equipments		4.37	4.18
Furniture and Fixtures		5.99	6.31
Computers		2.36	2.60
Mines Development		81.75	71.73
Vehicles		7.28	8.75
Movable fixed assets at Pen, Dewas and Kunigal		188.50	—
	(b)	**2,439.34**	**2,203.91**
Total	**(a+b)**	**4,012.69**	**3,826.07**

2.18 TRADE PAYABLES

₹ Crores

Particulars	As at March 31,	
	2020	2019
Total outstanding dues of Micro Enterprises & Small Enterprises	18.61	16.61
Total outstanding dues of Creditors other than Micro Enterprises & Small Enterprises	759.25	756.05
Total	**777.86**	**772.66**

2.19 OTHER FINANCIAL LIABILITIES

₹ Crores

Particulars	Non-Current		Current	
	As at March 31,		As at March 31,	
	2020	2019	2020	2019
Current maturities of non-current borrowings	—	—	457.55	431.80
Current maturities of finance lease obligations	—	—	—	8.47
Payables for acquisition of Property, plant and equipment	—	—	33.75	36.38
Interest accrued	37.53	60.56	100.78	23.68
Unclaimed dividends*	—	—	0.65	0.47
Unpaid matured deposits and interest accrued thereon	—	—	0.78	2.31
Security deposits from customers/others	264.45	248.50	18.53	11.53
Payable to employees	—	—	14.19	13.77
Financial lease obligations	2.07	2.10	—	—
Liability for expenses	6.79	0.84	304.49	258.72
Proportionate share in Joint Venture losses	—	—	0.25	1.70
Others	144.40	123.12	219.65	124.70
Total	**455.24**	**435.12**	**1,150.62**	**913.53**

* There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at March 31, 2020 (Previous year : Nil).

Detail of Current Maturities of Non-current Borrowings

₹ Crores

Particulars	As at March 31,	
	2020	2019
Secured Loans		
Non-convertible debentures	278.10	224.93
Term loans	138.02	200.55
Vehicle loans	1.43	1.71
Unsecured Loans		
Term loans	40.00	—
Fixed Deposits from public	—	4.48
Inter Corporate Deposits	—	0.13
Total	**457.55**	**431.80**

2.20 PROVISIONS

₹ Crores

Particulars		Non-current As at March 31, 2020	Non-current As at March 31, 2019	Current As at March 31, 2020	Current As at March 31, 2019
Employee benefits					
Provision for Gratuity		6.28	5.02	2.18	1.40
Provision for Bonus		—	—	22.47	16.78
Provision for Leave Encashment		19.80	18.28	15.71	9.05
Others		—	0.16	14.20	12.46
	(a)	**26.08**	**23.46**	**54.56**	**39.69**
Others					
Provision for claims under litigations		0.07	0.07	—	—
Provision for expenses		—	—	0.19	0.23
Others		6.06	5.15	—	—
	(b)	**6.13**	**5.22**	**0.19**	**0.23**
Total	**(a+b)**	**32.21**	**28.68**	**54.75**	**39.92**

2.21 DEFERRED TAX LIABILITIES (NET)

Significant components of deferred tax liabilities/(assets) recognised in the financial statements are as follows :

₹ Crores

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred tax liabilities/(assets) in relation to		
Unabsorbed depreciation/Business loss as per Income Tax	(58.78)	1.19
Provision for employee benefits	(58.35)	(0.94)
Other temporary differences	47.10	(9.82)
Property, plant and equipment	149.23	36.57
Total	**79.20**	**27.00**

The movement in deferred tax liabilities/(assets) during the year ended March 31, 2020 and March 31, 2019 :

₹ Crores

Particulars	As at March 31, 2020	Credited/ (Charged) to Statement of P&L /OCI	As at March 31, 2019	Credited/ (Charged) to Statement of P&L /OCI	As at March 31, 2018
Deferred tax liabilities/(assets) in relation to					
Unabsorbed depreciation/Business loss as per Income Tax	(58.78)	(59.97)	1.19	0.46	0.73
Provision for employee benefits	(58.35)	(57.41)	(0.94)	(0.11)	(0.83)
Other temporary differences	47.10	56.92	(9.82)	(0.67)	(9.15)
Property, plant and equipment	149.23	112.66	36.57	2.19	34.38
Total	**79.20**	**52.20**	**27.00**	**1.87**	**25.13**

2.22 OTHER LIABILITIES

₹ Crores

Particulars	Non-current		Current	
	As at March 31,		As at March 31,	
	2020	2019	2020	2019
Advance from customers	0.19	1.55	75.11	72.56
Statutory liabilities	26.19	26.26	65.17	123.76
Other employee benefit expenses	—	—	20.07	15.90
Others	8.08	22.00	58.93	58.98
Total	**34.46**	**49.81**	**219.28**	**271.20**

2.23 CURRENT TAX LIABILITIES (NET)

₹ Crores

Particulars		As at March 31,	
		2020	2019
Current tax liabilities			
Provision for taxation		58.64	21.63
	(a)	**58.64**	**21.63**
Current tax assets			
Taxes paid		54.56	0.22
	(b)	**54.56**	**0.22**
Total	**(a-b)**	**4.08**	**21.41**

3.01 REVENUE FROM OPERATIONS

₹ Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Revenue from operations		
Sale of products	5,844.93	6,102.87
Sale of services	45.14	20.97
Other operating revenue		
Scrap sales	9.38	13.53
Claims and recoveries	13.57	17.46
Export incentive	1.98	3.02
Investment Income of Insurance Business	30.03	26.77
Net Gain arising of financial assets designated as at FVTPL	1.69	1.10
Commission	3.28	2.43
Others	6.20	6.27
Total	**5,956.20**	**6,194.42**

Revenue from contracts with customers :

I. Revenue from contracts with customers disaggregated based on geography

₹ Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Home market	5,663.87	6,062.30
Exports	292.33	132.12
Total	**5,956.20**	**6,194.42**

II. Reconciliation of gross revenue with the revenue from contracts with customers

₹ Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Gross Revenue	6,292.93	6,463.52
Less : Discounts and incentives	336.73	269.10
Net Revenue recognised from Contracts with Customers	**5,956.20**	**6,194.42**

III. Revenue recognised from Contract liability (Advances from Customers)

₹ Crores

Particulars	As at March 31, 2020	As at March 31, 2019
Closing Contract liability	75.30	74.11

The contract liability outstanding at the beginning of the year was ₹ 74.11 Crores, of which, ₹ 60.08 Crores has been recognised as revenue during the year ended March 31, 2020.

Management concludes that disaggregation of revenue disclosed in Ind AS 108 meets the disclosure criteria of Ind AS 115 and segment revenue is measured on the same basis as required by Ind AS 115, hence separate disclosures as per Ind AS 115 is not required.

3.02 OTHER INCOME

₹ Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Interest income earned on financial assets		
Bank deposits (at amortised cost)	10.35	1.33
Unwinding interest on financial assets	0.35	0.14
Dividend on preference shares	0.19	0.49
Others	5.41	5.56
Other non-operating income		
Liabilities no longer considered as payable	0.60	0.19
Government assistance-Tax subsidy/exemption	8.32	11.11
Miscellaneous income	2.94	7.82
Total	**28.16**	**26.64**

3.03 CHANGES IN INVENTORIES

₹ Crores

Particulars		Year ended March 31, 2020	Year ended March 31, 2019
Inventories at the end of the year (including in-transit)			
Stock-in-trade		52.53	41.56
Work-in-progress		78.36	79.54
Finished goods		287.17	225.66
	(a)	**418.06**	**346.76**
Inventories at the beginning of the year (including in-transit)			
Stock-in-trade		41.56	34.53
Work-in-progress		79.54	53.34
Finished goods		225.66	162.50
	(b)	**346.76**	**250.37**
Total	**(a-b)**	**71.30**	**96.39**

3.04 OTHER MANUFACTURING EXPENSES

₹ Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Stores and spares consumed	122.78	116.12
Plant and equipment hire charges	36.71	51.65
Repairs to plant and equipment	26.21	29.02
Royalty for minerals	61.52	63.37
Sub-contract charges	68.12	67.98
Plant upkeep expenses	52.23	45.67
Quarry expenses	13.72	19.77
Dies and punches consumed	3.74	0.56
Other manufacturing expenses	6.44	11.34
Total	**391.47**	**405.48**

3.05 EMPLOYEE BENEFITS EXPENSE

₹ Crores

Particulars	Year ended March 31,	
	2020	2019
Salaries, wages and bonus	524.31	500.39
Contribution to provident and other funds	44.53	42.16
Staff welfare expenses	26.89	23.00
Total	**595.73**	**565.55**

3.06 FINANCE COSTS

₹ Crores

Particulars	Year ended March 31,	
	2020	2019
Interest and Finance charges on financial liabilities		
Interest on overdraft/cash credit	17.19	20.52
Interest on borrowings	200.87	174.88
Preference share dividend including corporate tax	0.24	0.40
Interest on lease obligation	13.87	2.86
Interest on security deposits	11.14	13.68
Other borrowing costs	8.29	7.21
Total	**251.60**	**219.55**

3.07 DEPRECIATION, AMORTISATION AND IMPAIRMENT EXPENSE

₹ Crores

Particulars	Year ended March 31,	
	2020	2019
Depreciation of Property, plant and equipment	199.24	195.43
Depreciation on Right of Use assets	40.36	—
Impairment of Property, plant and equipment	6.47	0.50
Amortisation of intangible assets	4.49	4.11
Total	**250.56**	**200.04**

3.08 OTHER EXPENSES

₹ Crores

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Rent expenses	26.65	41.31
Rates and taxes	19.91	18.42
Travelling and communication expenses	57.93	61.53
Commission on sales	25.57	25.09
Advertisement, sales promotion and other marketing expenses	132.19	96.40
Legal and professional fees	40.22	57.26
Re-insurance expenses	36.73	24.53
Insurance	14.20	11.67
Impairment loss allowance on other financial assets carried at amortised cost	1.40	5.05
Impairment of trade receivables	19.45	13.75
Bad debts written off	12.89	12.34
Concrete pumping expenses	14.80	15.41
Research expenses *	4.66	4.47
Repairs to buildings	4.06	3.66
Repairs others	8.48	8.23
Bank charges	6.39	6.14
Impairment on non-current assets	23.98	9.42
Net loss on foreign exchange fluctuation	0.72	1.72
Net loss on sale of investments	1.10	—
Net loss on disposal of Property, plant and equipment	1.16	1.63
Impairment/write-off of Inventories	1.50	—
Claims paid-Insurance Business	89.28	83.45
Commission-Insurance Business	14.35	9.89
Miscellaneous expenses	77.78	79.19
Total	**635.40**	**590.56**
* Research expenses comprise of :		
Salaries and wages	2.29	2.12
Travelling and Communication	0.44	0.36
Others	1.93	1.99
Total	**4.66**	**4.47**

3.09 TAX EXPENSES

₹ Crores

Particulars	Year ended March 31,	
	2020	**2019**
(a) Income tax expenses		
Current tax - In respect of the current year	8.60	61.75
Deferred tax - In respect of the current year	74.16	29.86
Total	**82.76**	**91.61**
(b) Income tax recognised in Other Comprehensive Income		
Remeasurements of the defined benefit plans	0.59	0.49
Share in joint ventures, to the extent not to be reclassified to profit or loss	0.09	(0.03)
Net Gain arising of financial assets designated as at FVTOCI	1.49	0.25
Total	**2.17**	**0.71**
Total income tax expense recognised in the current year (a + b)	**84.93**	**92.32**
(c) A reconciliation between the Statutory income tax rate applicable to the Company and the effective income tax rate is as follows :		
Net profit before tax	62.11	201.21
Effective tax rate applicable to the Company	25.17%	34.94%
Tax amount at the enacted income tax rate	32.17	70.30
Share of profit/(loss) in joint venture not taxable	1.89	1.55
Entities with losses not liable to tax	9.07	18.11
Difference in tax rates of certain entities of the group	(1.00)	(2.89)
Add : Expenses not deductible in determining taxable profits	82.99	79.51
Less : Allowances/deductibles	(58.58)	(65.44)
Minimum Alternative Tax	115.58	48.29
Tax relating to earlier years	—	(0.40)
Others	(12.27)	11.18
Incremental Deferred Tax assets on account of unused tax losses and unused tax credits	(102.23)	(74.02)
Incremental Deferred Tax liabilities on account of other temporary differences	17.31	6.12
Tax expense as per the Statement of Profit and Loss	**84.93**	**92.32**

4.01 EARNINGS PER SHARE (EPS)

Particulars	As at March 31, 2020	As at March 31, 2019
Basic earnings per share		
Attributable to equity holders of the Group (₹)	0.03	2.31
Diluted earnings per share		
Attributable to equity holders of the Group (₹)	0.03	2.31
Reconciliation of earnings used in calculating earnings per share		
Basic earnings per share		
Profit attributable to equity holders of the Group used in calculating basic earnings per share (₹ Crores)	1.65	116.40
Diluted earnings per share		
Profit attributable to equity holders of the Group used in calculating diluted earnings per share (₹ Crores)	1.65	116.40
Weighted average number of equity shares used as the denominator in calculating basic and diluted earnings per share	50,33,56,580	50,33,56,580

4.02 EXCEPTIONAL ITEMS

Current FY 2019-20

(a) Road Infrastructure Tax is levied by Madhya Pradesh (MP) Government upon various Companies having mining operation. Aggregate demand on the Company for the period 2005-06 to 2018-19 is to the tune of ₹ 14.20 Crores. In earlier years, the said tax was paid under protest as per the demand from the Assessing authority. However, in recent years, the Company is made to deposit the tax in full based on self-assessment and the same is charged to Statement of Profit and Loss. The decision of the High Court in the matter was against the Company. The Company's appeal is pending before the apex court.

(b) The Cement division of the Company was denied Cenvat Credit pertaining to outward freight under Goods and Transport Agency services aggregating to ₹ 11.44 Crores for the years 2004-05 to 2017-18. The matter of a Unit of the Cement division was decided in favour of the Company. Accordingly, provision recognised earlier has been reversed.

(c) Unit-I of Cement division of the Company had been exempted from payment of Sales Tax on purchases made within the State of MP. After Re-organisation of State of MP and Chhattisgarh, the Chhattisgarh Government refused to extend such benefit to the Company. South Eastern Coal Fields Limited ('SECL') imposed 4% CST on Coal supply made from Chhattisgarh which was earlier at NIL rate. The Company had obtained the stay from the Chhattisgarh High Court at that time and accordingly, SECL had not charged the Tax on supply. Amount involved was ₹ 7.56 Crores for the years 2000-01 to 2008-09. The decision of the Honourable Supreme Court is in favour of revenue, accordingly, provision was considered necessary.

Previous FY 2018-19

(a) Interest of ₹ 14.78 Crores on delayed payment of entry tax in Uttar Pradesh. However, during the previous year, in response to writ petition the Company was asked to deposit 50% of the said amount and stay was granted for the balance amount.

(b) Credit adjustment of ₹ 3.52 Crores on account of refund received of Entry Tax in Madhya Pradesh, which was earlier paid and charged to statement of profit and loss. The Company had lodged an appeal before MP Commercial Tax Tribunal Board, Bhopal for the same.

4.03 LEASES

1. The Group's lease asset primarily consist of leases for Land, Office Space, Furniture, Vehicle and Plant & Machinery having various lease terms. Effective April 1, 2019, the Group has adopted Ind AS 116 'Leases' and applied the standard to all lease contracts existing on April 1, 2019 using the modified retrospective method. Consequently, the Group recorded the lease liability at the present value of the remaining lease payments discounted at the incremental borrowing rate as on the date of transition and has measured Right of Use asset an amount equal to lease liability adjusted for any related prepaid and accrued lease payments previously recognised.

2. The effect of this adoption is insignificant on the profit before tax, profit for the year and earnings per share. Ind AS 116 has resulted in an increase in cash inflows from operating activities and an increase in cash outflows from financing activities on account of lease payments.

4.03 LEASES (Contd...)

3. The following is the summary of practical expedients elected on initial application :

a. Applied a single discount rate to a portfolio of leases of similar assets in similar economic environment with a similar end date.

b. Applied the exemption not to recognise Right of Use assets and liabilities for leases with less than 12 months of lease term on the date of initial application.

c. Applied the practical expedient by not reassessing whether a contract is, or contains, a lease at the date of initial application. Instead applied the standards only to contracts that were previously identified as leases under Ind AS 17.

d. Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease.

e. The Group has elected, by class of underlying asset, not to separate non-lease components from lease components, and instead account for each lease component and any associated non-lease components as a single lease component.

4. Following is carrying value of Right of Use assets recognised on date of transition and the movements thereof during the year ended March 31, 2020 :

₹ Crores

Particulars	Category of ROU					
	Leasehold Land	Plant & Machinery	Leasehold Building	Vehicle	Furniture	Total
Transition impact on account of Ind AS 116 'Leases'	48.66	7.47	35.44	—	18.88	110.45
Reclassifed from Property, plant and equipment on account of adoption of Ind AS 116 'Leases' (refer note 2.01)	—	36.84	—	0.41	—	37.25
Reclassifed from Earnest money, Security Deposits and Advance Rentals	2.24	0.38	0.15	—	0.85	3.62
Total Right of Use assets as on date of Transition	**50.90**	**44.69**	**35.59**	**0.41**	**19.73**	**151.32**
Additions during the year	16.33	34.14	20.45	—	5.85	76.77
Deletion during the year	—	0.95	0.31	—	—	1.26
Depreciation of Right of Use assets	11.87	11.91	8.69	0.07	7.82	40.36
Balance as at March 31, 2020	**55.36**	**65.97**	**47.04**	**0.34**	**17.76**	**186.47**

5. The following is the carrying value of lease liability on the date of transition and movement thereof during the year ended March 31, 2020 :

₹ Crores

Particulars	Year ended March 31, 2020
Transition impact on account of Ind AS 116 'Leases'	110.44
Reclassified finance lease obligation under Ind AS 17 to lease liabilities on account of adoption of Ind AS 116 'Leases' (refer note 2.17)	29.91
Additions during the year	76.15
Finance cost accrued during the year	16.66
Payment/Deletion of lease liabilities during the year	52.52
Balance as at March 31, 2020	**180.64**
Current portion of Lease Liability	36.64
Non Current portion of Lease Liability	144.00
Total	**180.64**

4.03 LEASES (Contd...)

6. An explanation to difference between operating lease commitments as per Ind AS 17 and lease liabilities as per Ind AS 116 as on April 1, 2019 is as below :

a. The weighted average incremental borrowing rate applied to lease liabilities as at April 1, 2019 is ranging between 10% to 11.13%.

b. The difference between lease obligation recorded as of March 31, 2019, under Ind AS 17 and the value of lease liability as of April 1, 2019, is on account of practical hindsight in determining the lease term, where the contract contained options to extend or terminate the lease in measuring the lease liability in accordance with Ind AS 116, reclassification of finance lease obligations as lease liabilities and discounting the lease liabilities to the present value under Ind AS 116.

7. Amounts recognised in the statement of cash flows

₹ Crores

Particulars	2019-20
Total cash outflow for Leases	51.50

8. Total cash outflow recorded during the year was ₹ 54.20 Crores except for short term lease and low value assets.

9. The maturity analysis of lease liabilities are disclosed in note 4.08. The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

10. Future lease payments which will start from April 1, 2020 is ₹ 93.31 Crores.

11. Certain lease agreements are subject to escalation clause and with extension of lease term options. At the expiry of the lease term, in case of lease agreements other than land, the lessee has an option to purchase the assets at Fair Market Value.

4.04 EMPLOYEE BENEFITS PLANS

1. Defined contribution plans

The Group operated defined benefits contribution retirement benefits plans for all qualifying employees.

The total expense recognised in the Statement of Profit and Loss of ₹ 24.95 Crores (Previous year : ₹ 21.54 Crores) represents contributions payable to these plans by the Group at rates specified in rules of the plans.

2. Defined benefit plans

The Group sponsors funded defined benefit plans for qualifying employees. The defined benefits plan are administered by separate funds that are legally independent entities. The governing body of the fund is responsible for the investment policy with regard to assets of the funds.

These plans typically expose the Group to actuarial risks such as investment risk, interest rate risk, longetivity risk and salary risk.

Investment risk	:	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.
Interest risk	:	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan debt investments.
Longetivity risk	:	The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary risk	:	The present value of the defined plan liability is calculated by reference to the future salaries of plan participants. As such, an increase in the salary of the plan participants will increase the plan's liability.

4.04 EMPLOYEE BENEFITS PLANS (Contd...)

3. Principal assumptions used for the purpose of actuarial valuation

Particulars	Valuation as at	
	March 31, 2020	March 31, 2019
Discount Rate	5.45% to 6.99%	7.28% to 7.94%
Expected Rate(s) of salary increase	3% to 10%	4% to 10%
Average longevity at retirement age for current beneficiaries of plans (years)	38 to 58	37 to 58
Average longevity at retirement age for current employees (future beneficiaries of the plan)	58 & 60	58 & 60
Attrition rate	2% to 15%	2% to 15%

4. (a) Amounts recognised in consolidated Statement of Profit and Loss in respect of defined benefit plans

₹ Crores

Particulars	Leave Encashment		Gratuity	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Service cost :				
Current service cost	2.23	3.06	7.84	7.73
Past service cost and (gain)/loss from settlements	—	0.58	—	—
Net interest expense	1.90	1.90	2.98	2.57
Actuarial (Gain)/Loss	7.55	4.46	(1.89)	(1.75)
Component of defined benefit costs recognised in Statement of Profit and Loss	**11.68**	**10.00**	**8.93**	**8.55**

(b) Amounts recognised in consolidated Other Comprehensive Income in respect of defined benefit plans

₹ Crores

Particulars	Gratuity	
	March 31, 2020	March 31, 2019
Remeasurement of net defined benefit liability		
Return on plan assets (excluding amount included in net interest expense)	1.23	(0.04)
Actuarial (gains)/losses arising from changes in demographic assumptions	1.07	(0.23)
Actuarial (gains)/losses arising from changes in financial assumptions	(1.95)	0.92
Actuarial (gains)/losses arising from experience adjustments	(2.88)	(0.88)
Components of defined benefits cost recognised in Other Comprehensive Income	**(2.53)**	**(0.23)**

5. (a) Movements in present value of defined benefit obligations and planned assets

₹ Crores

Particulars	Leave Encashment		Gratuity	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
Opening defined benefit obligations	27.14	31.60	59.42	51.88
Current service cost	2.23	3.64	7.84	7.73
Interest cost	1.90	1.90	4.01	4.33
Remeasurement (Gains)/Losses				
Actuarial (gains)/losses arising from changes in demographic assumptions	0.71	(0.07)	1.14	(0.23)
Actuarial (gains)/losses arising from changes in financial assumptions	(0.66)	0.81	(2.01)	0.92
Actuarial (gains)/losses arising from experience adjustments	7.49	3.72	(2.88)	(0.88)
Benefits paid	(3.85)	(14.46)	(4.72)	(4.33)
Closing defined benefit obligations	**34.96**	**27.14**	**62.80**	**59.42**

4.04 EMPLOYEE BENEFITS PLANS (Contd...)

5. (b) Movements in fair value of the plan assets

₹ Crores

Particulars	Gratuity	
	As at March 31,	
	2020	2019
Opening fair value of plan assets	36.13	34.68
Interest income	2.55	2.76
Contributions	0.55	2.75
Return on plan assets	(1.16)	0.05
Benefits paid	(4.37)	(4.11)
Closing fair value of plan assets	**33.70**	**36.13**

6. The category of plan assets as a percentage of total plan are as follows :

Particulars	As at March 31,	
	2020	2019
Equity Shares	15.08%	18.33%
Central and State Government Securities	66.05%	67.07%
Other Fixed Income Securities/Deposits	18.87%	14.60%
Total	**100%**	**100%**

Sensitivity Analysis

Below is the sensitivity analysis determined for significant actuarial assumption for determination of defined benefit obligation and based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period.

₹ Crores

Particulars	Leave Encashment		Gratuity	
	March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Discount Rate + 100 basis points	32.98	25.35	59.58	55.81
Discount Rate - 100 basis points	35.08	27.51	65.35	61.91
Salary Increase Rate + 1 %	34.93	27.40	65.13	61.70
Salary Increase Rate - 1 %	33.10	25.44	59.73	55.95
Attrition Rate + 1%	33.99	26.43	62.65	58.97
Attrition Rate - 1%	34.01	26.33	61.99	58.41

4.05 (a) CONTINGENT LIABILITIES

(i) Guarantees given by the Group's bankers and counter guaranteed by the Group : ₹ 108.31 Crores (Previous year : ₹ 73.07 Crores).

(ii) Prepayment charges claimed by banks on amounts prepaid ₹ 1.25 Crores (Previous year : ₹ 2.92 Crores).

(iii) Claims against the Group not acknowledged as debts on account of disputes :

(a) In respect of exemption of Central Sales Tax on coal purchases : Nil (Previous year : ₹ 7.56 Crores). Against this matter, bank guarantee of ₹ 7.70 Crores (Previous year : ₹ 7.70 Crores) has been provided by the Company.

(b) Energy Development Cess ₹ 9.89 Crores (Previous year : ₹ 9.89 Crores).

(c) Tax on Rural and Road Development is Nil (Previous year : ₹ 14.20 Crores).

(d) Other Claims in respect to Income Tax, Sales Tax, Entry Tax, Excise Duty, Service Tax and other claims ₹ 246.86 Crores. (Previous year : ₹ 217.42 Crores).

4.05 (Contd...)

(b) CAPITAL AND OTHER COMMITMENTS

(i) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances) ₹ 112.04 Crores (Previous year : ₹ 267.13 Crores) and other commitments include outstanding letter of credit ₹ 123.49 Crores (Previous year : ₹ 147.52 Crores).

(ii) The Group has imported capital goods without payment of duty under EPCG Scheme. The Group has been granted waiver for Duty of ₹ 4.84 Crores (Previous year : ₹ 12.92 Crores) and against this waiver, the Group is committed to export goods of ₹ 78.56 Crores in a Block of 6 years from the date of authorisation of EPCG License. Till March 2020, the Group has exported goods manufactured from the Imported Capital Goods of ₹ 66.28 Crores (Previous year : ₹ 34.07 Crores). The outstanding Export Obligation as on March 31, 2020 is ₹ 12.28 Crores (Previous year : ₹ 44.49 Crores).

(c) FINANCIAL GUARANTEE

Corporate guarantees issued to the bankers ₹ 351.75 Crores (Previous year : ₹ 375.21 Crores).

(d) Disclosure of provisions made as per the requirements of Ind AS 37 on 'Provisions, Contingent Liabilities and Contingent Assets' are as follows :

₹ Crores

Particulars	As at April 1, 2019	Provisions made during the year	Amounts utilised or reversed during the year	As at March 31, 2020
MPEB Cess on Generation of Electricity	8.33	—	—	8.33
MP Entry Tax/VAT	10.05	—	—	10.05
VAT on inter-unit transfer	0.68	—	—	0.68
Appeal with AP, Kerala, Punjab, Tamil Nadu, Karnataka and Maharashtra Commercial Tax Department	1.37	0.10	—	1.47
Mines Restoration Expenses	4.42	0.91	—	5.33
Service Tax on Goods Transport Agency	14.50	—	14.50	—
Sales Rebate	0.73	—	—	0.73
Workmen dues	0.07	—	—	0.07

In certain cases, the Company has made payments against the above provisions. In case the disputes are settled in the favour of the Company, there would be refund of ₹ 0.84 Crores (Previous year : ₹ 0.84 Crores) and in the event, these are settled against the Company there would be cash outflow of ₹ 25.82 Crores (Previous year : ₹ 39.31 Crores).

(e) In terms of long-term Gas Supply Agreement ('GSA') with GAIL (India) Limited ('GAIL') having validity till April, 2028, the Company is committed to draw minimum quantity of Re-Liquefied Natural Gas ('RLNG') specified therein. In case of underdrawn quantities, determined on calendar year basis, the Company is liable to deposit purchase price under Take or Pay Obligation clause ('TOP') of the GSA and is allowed to draw such underdrawn quantities in the balance term of the GSA at then prevailing price.

In earlier years, the Company has not been able to draw committed quantity of RLNG. The Company has exhausted its downward flexibility limit available in GSA. In preceding four calendar years, GAIL has waived the TOP obligation. The amount committed under TOP for the underdrawn quantities of RLNG for the quarter ended March 31, 2020, which would be due in December 2020, if it remains undrawn or not waived, is approximately ₹ 9.20 Crores.

As per past trend, RLNG is the most competitively priced natural gas available in the country, non-off take of contracted quantity of RLNG by the Company is unlikely to result in any TOP liability. The aforesaid amount, if payable, will only be in the nature of an advance payment for RLNG which can be drawn anytime thereafter up to the end of term of the GSA i.e. April 2028. Accordingly, in view of the management, this contract is not in the nature of onerous contract and hence no provision is required.

(f) The Hon'ble Supreme Court of India by their order dated February 28, 2019, has clarified the principles based on which allowances paid to the employees should be identified for inclusion in basic wages for the purposes of computation of Provident Fund contribution. The same has been implemented w.e.f. April 1, 2019. However, pending directions or clarification form the EPFO, the quantification of impact, if any for the period upto March 31, 2019 is not ascertainable and consequently no effect has been given in the accounts.

4.06 Capital work-in-progress includes pre-operative expenses of ₹ 82.43 Crores (Previous year : ₹ 76.60 Crores), the details of which are as under :

₹ Crores

Particulars	As at March 31, 2020	As at March 31, 2019
Indirect expenditure incurred during the year and considered as pre-operative expenses		
Salary, Wages and Bonus	1.60	2.41
Contribution to Provident and other funds	0.06	0.06
Rent, Rates and Taxes	0.26	0.29
Travelling and Communication	0.13	0.24
Professional fees	0.17	0.12
Depreciation	2.86	1.61
Miscellaneous expenses	0.75	0.74
Total	**5.83**	**5.47**
Add : Expenditure up to Previous year	76.60	71.13
Balance Carried forward	**82.43**	**76.60**
Cost relating to acquisition of assets and related direct expenses	176.54	47.69
Total Capital Work-in-progress	**258.97**	**124.29**

4.07 CAPITAL MANAGEMENT

Risk management

The Group's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investors', creditors' and market confidence and to sustain future development and growth of its business and at the same time, optimise returns to the shareholders. The Group takes appropriate and corrective steps in order to maintain, or if necessary adjust, its capital structure.

The capital structure of the Group is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. The Group considers the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets.

Consistent with others in the industry, the Group monitors capital on the basis of the capital gearing ratio computed as under :

Net debt (Total Borrowings net of Cash and Cash equivalents) divided by Total Equity (as shown in the Balance Sheet including Non-controlling interest).

The Group's strategy is to maintain a capital gearing ratio within 2.25 times. The comparative capital gearing ratios are tabulated as hereunder :

₹ Crores

Particulars	As at March 31,	
	2020	2019
Net Debt	1,827.06	1,846.11
Total Equity	1,293.83	1,392.05
Net Debt to Equity ratio	**1.41**	**1.33**

The Group has complied with all material externally imposed conditions relating to capital requirements and there has not been any delay or default during the period covered under these financial statements. No lenders have raised any matter that may lead to breach of covenants stipulated in the underlying documents.

4.08 FINANCIAL INSTRUMENTS

(i) Methods and assumptions used to estimate the fair values

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

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

a) The carrying amounts of receivables and payables which are short term in nature such as trade receivables, other bank balances, deposits, loans to employees, trade payables, payables for acquisition of non-current assets, demand loans from banks and cash and cash equivalents are considered to be the same as their fair values.

b) The fair values for long term loans, long term security deposits given and remaining non current financial assets were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs.

c) The fair values of long term security deposits taken, non-current borrowings and remaining non current financial liabilities are based on discounted cash flows using a current borrowing rate. They are classified as level 3 fair values in the fair value hierarchy due to the use of unobservable inputs.

d) For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

(ii) Categories of financial instruments

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique :

Level 1 : unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 : directly or indirectly observable market inputs, other than Level 1 inputs; and

Level 3 : inputs which are not based on observable market data

₹ Crores

Particulars	As at March 31, 2020		As at March 31, 2019	
	Carrying values	Fair value	Carrying values	Fair value
Financial assets				
Measured at amortised cost :				
Trade receivables	713.62	713.62	722.18	722.18
Loans	67.71	67.71	76.21	76.21
Cash and Bank balances	420.86	420.86	75.99	75.99
Other financial assets	143.99	143.99	127.24	127.24
Measured at FVTPL :				
Investments	18.23	18.23	29.70	29.70
Measured at FVTOCI :				
Investment in other companies	439.72	439.72	402.73	402.73
Total Financial assets	**1,804.13**	**1,804.13**	**1,434.05**	**1,434.05**
Financial liabilities				
Measured at amortised cost :				
Borrowings	2,244.92	2,244.92	1,919.92	1,919.92
Lease Liabilities	180.64	180.64	—	—
Trade payables	777.86	777.86	772.66	772.66
Other financial liabilities	1,147.74	1,147.74	906.45	906.45
Total Financial liabilities	**4,351.16**	**4,351.16**	**3,599.03**	**3,599.03**

4.08 FINANCIAL INSTRUMENTS (Contd...)

iii Level wise disclosure of financial instruments

₹ Crores

Particulars	As at March 31, 2020	As at March 31, 2019	Level	Valuation techniques and key inputs
Investment in equity instruments of other companies (B L A Power Private Limited)	5.18	21.30	3	Independent Valuer Certificate
Investments in mutual funds	18.21	29.68	1	Quotes from market
Investment in debenture/bonds	434.54	381.43	2	Quotes from market for similar instruments
Foreign currency forward contracts - Assets	#	#	2	Quotes from banks or dealers

Amount less than ₹ 50,000/-

The following table shows a reconciliation of significant unobservable inputs from the opening balance to the closing balance for Level 3 recurring fair value measurements :

₹ Crores

Investment in equity instruments of other companies	Amount
Balance as on April 1, 2019	21.30
Less : Adjustment due to Fair valuation	16.12
Balance as on March 31, 2020	**5.18**

iv Financial Risk Management

The Group's financial risk management is an integral part of how to plan and execute its business strategies. The Groups financial risk management policy is set by the respective Board of the companies in the Group. The details of different types of risk and management policy to address these risks are listed below :

The Group's activities are exposed to various risks viz. Credit risk, Liquidity risk and Market risk. In order to minimise any adverse effects on the financial performance of the Group, it uses various instruments and follows polices set up by the Board of Directors/Management.

(a) Credit Risk :

Credit risk arises from the possibility that counter party will cause financial loss to the Group by failing to discharge its obligation as agreed.

Credit risks from balances with banks and financial institutions are managed in accordance with the Groups policy. For financial instruments, the Group attempts to limit the credit risk by only dealing with reputable banks and financial institutions having high credit-ratings assigned by credit-rating agencies.

Each Company of the Group has specific policies for managing customer credit risk; these policies factor in the customers' financial position, past experience and other customer specific factors. The Group uses the allowance matrix to measure the expected credit loss of trade receivables from customers.

Based on the industry practices and business environment in which the Group operates, management considers that the trade receivables are in default if the payment are more than 2 years past due.

Trade receivables consists of large number of customers spread across diverse industries and geographical areas with no significant concentration of credit risk. The outstanding trade receivables are regularly monitored and appropriate action is taken for collection of overdue receivables.

4.08 FINANCIAL INSTRUMENTS (Contd...)

Table showing age of gross trade receivables and movement in expected credit loss allowance :

₹ Crores

Particulars	As at March 31, 2020	As at March 31, 2019
Within the credit period	179.44	259.99
1-90 days past due	405.20	348.11
91-180 days past due	70.15	57.18
181-270 days past due	28.75	32.39
More than 270 days past due	171.51	146.49
Total	**855.05**	**844.16**

₹ Crores

Movement in the expected credit loss allowance	As at March 31, 2020	As at March 31, 2019
Balance at the beginning of the year	121.98	108.23
Net movement in expected credit loss allowance on trade receivables calculated at lifetime expected credit losses	19.45	13.75
Balance at the end of the year	**141.43**	**121.98**

(b) Liquidity Risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Groups approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to Group's reputation. In addition, processes and policies related to such risks are overseen by the senior management. The management monitors the Group's net liquidity position through rolling forecasts on the basis of expected cash flows.

Maturities of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities :

₹ Crores

As at March 31, 2020	< 1 year	1 - 5 year	> 5 year	Total
Non-current borrowings	457.55	1,474.64	29.73	**1,961.92**
Current borrowings	282.43	—	—	**282.43**
Lease Liability	50.90	129.29	99.77	**279.96**
Fixed Deposits payable	0.57	—	—	**0.57**
Trade Payables	777.86	—	—	**777.86**
Other Financial Liabilities	691.08	154.60	302.04	**1,147.72**

₹ Crores

As at March 31, 2019	< 1 year	1 - 5 year	> 5 year	Total
Non-current borrowings	418.38	1,151.57	12.24	**1,582.19**
Current borrowings	302.57	—	—	**302.57**
Finance lease obligation	9.13	21.72	11.97	**42.82**
Fixed Deposits payable	6.41	—	—	**6.41**
Trade Payables	772.66	—	—	**772.66**
Other Financial Liabilities	482.55	151.98	271.92	**906.45**

4.08 FINANCIAL INSTRUMENTS (Contd...)

Financing arrangements

The Group has sufficient sanctioned line of credits from its bankers/financiers; commensurate to its business requirements. The Group reviews its line of credit available with bankers and lenders from time to time to ensure that at any point of time there is sufficient availability of line of credit to handle peak business cycle.

The Group pays special attention to the net operating working capital invested in the business. In this regard, as in previous years, considerable work has been performed to control and reduce collection periods for trade and other receivables, as well as to optimise accounts payable with the support of banking arrangements to mobilise funds and minimise inventories.

(c) Market Risk

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

i. Market Risk-Foreign Exchange

Foreign currency risk is that the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group operates internationally and a portion of its business is transacted in several currencies and consequently the Group is exposed to foreign exchange risk through its overseas sales and purchases in various foreign currencies. The Group hedges the receivables as well as payables after discussion with the Forex Consultant and as per polices set by the management.

The Group is also exposed to the foreign currency loans availed from various banks to reduce the overall interest cost.

The carrying amount of the Group's foreign currency denominated monetary assets and liabilities as at the end of the reporting period are as follows :

In Crores

Currency	Liabilities		Assets	
	As at March 31,		As at March 31,	
	2020	2019	2020	2019
US Dollar (USD)	7.11	0.43	0.23	0.17
EURO	0.15	0.12	0.01	0.03
British Pound (GBP)	—	—	#	—
Japanese Yen (JPY)	0.01	0.01	—	—
Srilankan Rupee (LKR)	0.29	0.27	7.97	12.66

Amount less than 50,000/-

Foreign Currency Exposure

In Crores

Foreign currency exposure as at March 31, 2020	USD	EURO	JPY	LKR	GBP
Trade receivables	0.23	0.01	—	6.53	#
Loans and other receivables	—	—	—	1.44	—
Borrowings	7.00	0.01	—	—	—
Trade payables	0.11	0.14	0.01	0.29	—
Forward contracts for payables	6.66	—	—	—	—

In Crores

Foreign currency exposure as at March 31, 2019	USD	EURO	JPY	LKR	GBP
Trade receivables	0.15	0.02	—	11.65	—
Loans and other receivables	0.02	0.01	—	1.01	—
Borrowings	0.12	#	—	—	—
Trade payables	0.31	0.12	0.01	0.27	—
Forward contracts for payables	0.04	0.08	—	—	—

Amount less than 50,000/-

4.08 FINANCIAL INSTRUMENTS (Contd...)

Particulars of un-hedged foreign currency asset/liability as at Balance Sheet date

In Crores

Currency	Nature	As at March 31, 2020		As at March 31, 2019	
		Amount in Foreign Currency	Amount (₹)	Amount in Foreign Currency	Amount (₹)
EURO	Asset	0.01	0.82	0.03	2.17
GBP	Asset	#	0.35	—	—
LKR	Asset	7.97	3.19	12.66	4.99
USD	Asset	0.23	17.63	0.17	11.90
EURO	Liability	0.15	12.73	0.04	3.02
LKR	Liability	0.29	0.12	0.27	0.11
USD	Liability	0.45	33.74	0.39	27.12
JPY	Liability	0.01	#	0.01	#

Amount less than 50,000/-

Foreign currency sensitivity

1% increase or decrease in foreign exchange rates will have the following impact on profit after tax and equity

₹ Crores

Currency	Impact on Profit after Tax and Equity			
	As at March 31,		As at March 31,	
	2020	2019	2020	2019
	1 % increase	1 % increase	1 % decrease	1 % decrease
USD	(0.16)	(0.15)	0.16	0.15
EURO	(0.12)	(0.01)	0.12	0.01
LKR	0.03	0.05	(0.03)	(0.05)
Total	**(0.25)**	**(0.11)**	**0.25**	**0.11**

ii. Market Risk – Interest Rate

The interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Group borrows at variable as well as fixed interest rates and the same is managed by the Group by constantly monitoring the trends and expectations. In order to reduce the overall interest cost, the Group has borrowed in a mix of short term and long term loans.

₹ Crores

Particulars	As at March 31,	
	2020	2019
Variable rate borrowings	1,279.36	1,228.21
Fixed rate borrowings	965.56	691.71

Interest rate sensitivity analysis

The sensitivity analysis below has been determined based on the exposure to interest rates on the borrowings at the end of the reporting period. For floating rate liabilities, the analysis is prepaxred assuming that the amount of liability outstanding at the end of the reporting period was outstanding for whole the year. A 100 basis point increase or decrease is used for internal review by the key management personnel.

₹ Crores

Particulars	Impact on Profit/Loss and Equity	
	As at March 31,	
	2020	2019
Interest rates - increase by 100 basis points *	(12.79)	(6.92)
Interest rates - decrease by 100 basis points *	12.79	6.92

* Assuming all other variables as constant

4.09 RELATED PARTY DISCLOSURES

Relationships

Particulars	Ownership Interest As at March 31, 2020	Ownership Interest As at March 31, 2019
Joint Venture		
Ardex Endura (India) Private Limited	50%	50%
Associates		
CSE Solar Parks Satna Private Limited	27%	27%
Sunspring Solar Private Limited	27%	—
Joint Venture of Subsidiary		
TBK Deziner's Home Private Limited (Joint Venture upto 24.06.2019)	—	50%
TBK Unique Jalgaon Tile Bath Kitchen Private Limited	50%	50%
TBK P B Shah Tile Bath Kitchen Private Limited (Joint Venture upto 21.03.2020)	—	50%
TBK Deepgiri Tile Bath Kitchen Private Limited	50%	50%
TBK Prathap Tile Bath Kitchen Private Limited	50%	50%
TBK Rathi Sales Agencies Private Limited (Joint Venture upto 14.11.2019)	—	50%
TBK Florance Ceramics Private Limited	50%	50%
TBK Sanitary Sales Private Limited	50%	50%
TBK Krishna Tile Bath Kitchen Private Limited (Joint Venture upto 21.06.2019)	—	50%
TBK Rishi Ceramics Private Limited (Joint Venture upto 23.10.2019)	—	50%
TBK Aishwarya Tile Bath Kitchen Private Limited (Joint Venture upto 24.10.2019)	—	50%
TBK Raj Kamal Tile Bath Kitchen Private Limited (Joint Venture upto 24.06.2019)	—	50%
TBK Shree Ganesh Traders Private Limited (Joint Venture upto 14.11.2019)	—	50%
TBK Home Trends Private Limited (Joint Venture upto 19.10.2019)	—	50%
TBK Solan Ceramics Private Limited (Joint Venture upto 23.08.2019)	—	50%

Key Management Personnel ('KMP')

Executive Directors

Mr. Vijay Aggarwal, Managing Director

Mr. Vivek K. Agnihotri, Executive Director & CEO - Cement

Mr. Sarat Chandak, Executive Director & CEO - HRJ *(from March 3, 2019)*

Mr. Atul R. Desai, Executive Director & CEO - RMC

Mr. Joydeep Mukherjee, Executive Director & CEO - HRJ *(upto March 2, 2019)*

Non-executive Directors

Non-independent

Mr. Rajan B. Raheja, Director

Independent

Mr. Shobhan M. Thakore, Chairman

Ms. Ameeta A. Parpia, Director

Dr. Raveendra Chittoor, Director

Companies in which Directors and/or their relatives have significant influence

Peninsula Estates Private Limited

Varahagiri Investments & Finance Private Limited

Step down Subsidiary

Sanskar Ceramics Private Limited

(Prism Johnson Limited also directly holds 15% stake in Sanskar Ceramics Private Limited)

Others - Significant Influence

Countrywide Exports Private Limited

4.09 RELATED PARTY DISCLOSURES (Contd...)

₹ Crores

Name	Relationship	Nature of transaction	Amount of transaction in FY 2019-20	Amount outstanding as on March 31, 2020 (payable)/ receivable	Amount of transaction in FY 2018-19	Amount outstanding as on March 31, 2019 (payable)/ receivable
Peninsula Estates Private Limited	Companies in which Directors and/or their relatives have significant influence	Rent expense	0.15	—	0.14	—
		Deposit given	—	0.03	—	0.03
Varahagiri Investments & Finance Private Limited	Companies in which Directors and/or their relatives have significant influence	Rent expense	0.60	—	0.58	—
		Deposit given	—	0.11	—	0.11
CSE Solar Parks Satna Private Limited	Associate	Investment made	5.23	N.A.	0.27	N.A.
		Purchase	2.22	(0.29)	—	—
		Incentive paid	1.00	(0.70)	—	—
Sunspring Solar Private Limited	Associate	Investment made	1.48	N.A.	—	—
		Purchase	0.31	(0.27)	—	—
		Incentive paid	0.63	(0.63)	—	—
Mr. Atul R. Desai	Executive Director & CEO-RMC	Deposit given	—	0.06	—	0.06
		Rent expense	0.13	—	0.13	—
Payable to KMP on account of Managerial Remuneration		Refer table below (*)	17.50	(1.28)	19.80	(1.41)
TBK Bansal Ceramics Private Limited	Joint Venture	Amount written-off/loan balance	—	—	0.91	—
		Interest receivable written-off/ Balance receivable	—	—	0.26	—
TBK Florance Ceramics Private Limited	Joint Venture	Sales	12.39	0.32	11.08	1.31
		Selling and Distribution expenses	0.68	—	0.70	—
		Amount Repaid	—	—	0.23	—
		Reimbursement of Services paid	0.07	—	0.04	—
TBK Rathi Sales Agencies Private Limited	Joint Venture	Selling and Distribution expenses	0.55	—	—	—
		Reimbursement of services received	0.12	—	0.24	—
TBK P B Shah Tile Bath Kitchen Private Limited	Joint Venture	Purchases and Services	0.01	—	0.01	—
		Interest income	0.06	—	0.08	—
		Sales	8.72	—	8.96	0.55

4.09 RELATED PARTY DISCLOSURES (Contd...)

₹ Crores

Name	Relationship	Nature of transaction	Amount of transaction in FY 2019-20	Amount outstanding as on March 31, 2020 (payable)/ receivable	Amount of transaction in FY 2018-19	Amount outstanding as on March 31, 2019 (payable)/ receivable
TBK Sanitary Sales Private Limited	Joint Venture	Reimbursement of services paid	0.03	—	0.05	—
		Sales	6.98	1.13	—	—
		Selling and Distribution expenses	0.99	—	—	—
		Amount written-off/loan balance	0.01	0.24	0.42	0.23
TBK Deepgiri Tile Bath Kitchen Private Limited	Joint Venture	Reimbursement of services received	0.11	0.01	0.11	—
		Selling and Distribution expenses	0.42	—	—	—
		Interest income	0.17	0.71	0.17	0.67
TBK Shree Ganesh Traders Private Limited	Joint Venture	Reimbursement of services paid	0.02	—	0.04	—
TBK Prathap Tile Bath Kitchen Private Limited	Joint Venture	Reimbursement for services paid	0.02	—	0.04	—
		Interest receivable written-off/ Balance receivable	0.08	—	0.21	—
		Sales	5.01	1.59	5.74	1.88
		Interest income	0.09	—	0.12	—
Countrywide Exports Private Limited	Significant Influence	Rent expense	0.07	—	0.07	—
TBK Vaibhavi Tile Bath Kitchen Private Limited	Joint Venture	Amount written-off/loan balance	—	—	0.42	—
		Interest receivable written-off/ expenses	—	—	0.18	—
TBK Rishi Ceramics Private Limited	Joint Venture	Selling and Distribution expenses	0.55	—	0.44	—
Ardex Endura (India) Private Limited	Joint Venture	Deposits given	#	#	—	—
		Purchase and services	0.10	(0.01)	0.08	(0.01)

4.09 RELATED PARTY DISCLOSURES (Contd...)

₹ Crores

Name	Relationship	Nature of transaction	Amount of transaction in FY 2019-20	Amount outstanding as on March 31, 2020 (payable)/ receivable	Amount of transaction in FY 2018-19	Amount outstanding as on March 31, 2019 (payable)/ receivable
Others		Interest income	0.21	0.44	0.88	2.30
		Sales	16.20	0.12	49.30	11.18
		Selling and Distribution expenses	0.55	—	1.69	—
		Amount written-off/loan balance	0.14	1.27	1.19	4.21
		Reimbursement of services received	0.03	0.37	0.04	—
		Reimbursement of services paid	0.01	—	0.02	—

*** Compensation to KMP**

₹ Crores

Particulars	Amount of transaction in FY 2019-20	Amount of transaction in FY 2018-19
Short-term employee benefits	16.75	18.88
Post-employment benefits	—	—
Other long-term benefits	—	—
Commission paid to Independent Directors	0.45	0.68
Sitting Fees	0.30	0.24
Total Compensation to KMP	**17.50**	**19.80**

Notes :

a) As the post-employment benefits are provided on an actuarial basis for the Company as a whole, the amount pertaining to KMP is not ascertainable and therefore not included above.

b) The value of related party transaction & balances reported are based on actual transaction and without giving effect to notional Ind AS adjustment entries.

c) Transactions disclosed against 'Others' in the above table are those transactions with related party which are of the amount not in excess of 10% of the total related party transactions of the same nature.

4.10 SEGMENT INFORMATION

Products and services from which reportable segments derive their revenues.

Information reported to Chief Operating Decision Maker (CODM) for the purpose of resource allocation and assessment of segment performance focuses on types of goods and services delivered, or provided. No operating segments have been aggregated in arriving at reporting segments in the Group.

Segment Revenue and Results :

The following is an analysis of the Group revenue and results from continuing operations by reportable segments.

₹ Crores

Particulars		Segment Revenue Year ended March 31,		Segment Results Year ended March 31,	
		2020	2019	2020	2019
Cement	(a)	2,584.04	2,773.33	385.02	401.54
HRJ		1,822.55	1,827.32	(27.94)	0.51
Share of Profit/(Loss) of Joint Ventures		—	—	7.24	4.47
Total HRJ	(b)	1,822.55	1,827.32	(20.70)	4.98
RMC	(c)	1,413.87	1,480.67	(13.93)	17.33
Insurance	(d)	189.46	153.02	(34.22)	(11.85)
	(a+b+c+d)	**6,009.92**	**6,234.34**	**316.17**	**412.00**
Less : Inter Segment Revenue		53.72	39.92	—	—
Total		**5,956.20**	**6,194.42**	**316.17**	**412.00**
Add : Other un-allocable income net of un-allocable expenditure				19.84	15.56
Less : Finance costs				251.60	219.55
Profit Before Tax				**84.41**	**208.01**

Segment Assets and Liabilities :

₹ Crores

Particulars		As at March 31, 2020	As at March 31, 2019
Segment Assets			
Cement		2,615.50	2,466.07
Investment in Associate accounted under Equity Method		5.47	0.21
Total Cement	(a)	2,620.97	2,466.28
HRJ		1,811.59	1,855.57
Investment in Joint Ventures accounted under Equity Method		59.56	52.08
Total HRJ	(b)	1,871.15	1,907.65
RMC	(c)	578.49	508.84
Insurance	(d)	577.07	481.85
Total Segment Assets	(a+b+c+d)	5,647.68	5,364.62
Unallocated		428.27	69.38
Consolidated Total Assets		**6,075.95**	**5,434.00**
Segment Liabilities			
Cement		1,000.89	924.95
HRJ		766.38	726.94
RMC		428.36	340.13
Insurance		503.15	376.29
Total Segment Liabilities		2,698.78	2,368.31
Unallocated		2,328.20	1,939.58
Consolidated Total Liabilities		**5,026.98**	**4,307.89**

4.10 SEGMENT INFORMATION (Contd...)

For the purposes of monitoring segment performance and allocating resources between segments :

i. All assets are allocated to reportable segments other than, other investments, loans, other financial assets. Goodwill is allocated to reportable segments as described in notes.
ii. All liabilities are allocated to reportable segments other than borrowings, other financial liabilities, current and deferred tax liabilities.

₹ Crores

Particulars	Depreciation and amortisation		Additions to Non-current Assets	
	Year ended March 31, 2020	Year ended March 31, 2019	As at March 31, 2020	As at March 31, 2019
Cement	113.60	113.01	168.18	157.06
HRJ	97.50	64.22	64.56	78.64
RMC	36.82	21.69	22.39	12.95
Insurance	2.64	1.12	2.88	1.26
Total	**250.56**	**200.04**	**258.01**	**249.91**

4.11 GOVERNMENT GRANTS BY WAY OF TAX SUBSIDY/EXEMPTION SCHEMES

a. As per Madhya Pradesh Industrial Investment Promotion Assistance Scheme (2004), the second Cement Unit at Satna was entitled for subsidy at the rate of 75% of VAT/CST paid on sales till December 31, 2017, subject to prescribed limits. For the period July 1, 2017 to December 31, 2017, in absence of clarity, the Company had recognised subsidy under the scheme as a percentage of State Goods and Services Tax. In the previous year, Government of Madhya Pradesh had issued an order for extension of support under the GST regime and therefore, the differential subsidy of ₹ 2.89 Crores for the above period was recognised in the Statement of profit and loss.

b. As per Industrial promotion policy 2010 of Madhya Pradesh, HRJ Dewas unit is entitled for subsidy of VAT/CST paid on sales above the normal production capacity achieved. Subsidy recognised in the Statement of profit and loss receivable for the year is ₹ 0.16 Crores (Previous year : ₹ 0.98 Crores).

c. Antique Marbonite Private Limited, Coral Gold Tiles Private Limited, Small Johnson Floor Tiles Private Limited and Spectrum Johnson Tiles Private Limited have received grant in the nature of exemption of Import duty such as custom duty, CVD and other duties on capital goods with certain condition related to Export of Goods under EPCG Scheme of Government of India amounting to Nil (Previous year : ₹ 12.24 Crores).

d. Milano Bathroom Fittings Private Limited is entitled for 100 % of CGST, 100% SGST and 29% IGST paid through debit in cash ledger account maintained by the Entity as per Jammu and Kashmir Budgetary support scheme under Goods and Service Tax amounting to Nil (Previous year: ₹ 1.28 Crores).

e. As per Jammu and Kashmir Budgetary support scheme under Goods and Service Tax, Milano Bathroom Fittings Private Limited is entitled for 58% CGST and 29% IGST paid through debit in cash ledger account maintained by the Entity. It has recognised the said GST rebate in the Statement of profit and loss amounting to ₹ 0.45 Crores (Previous year: Nil).

f. As per Jammu and Kashmir State Freight Refund Scheme, the Milano Bathroom Fittings Private Limited is entitled for freight Subsidy for transporting manufactured goods outside the State of Jammu and Kashmir beyond 1000 kilometers. It has recognised the subsidy in the Statement of profit and loss amounting to Nil (Previous year : ₹ 0.15 Crores).

g. As per Jammu and Kashmir Budgetary support scheme under Goods and Service Tax, Milano Bathroom Fittings Private Limited is entitled for claim 2% of the taxable turnover with respect to interstate supplies made by the Industrial unit under Integrated Goods and Services Tax Act, 2017; provided that the maximum amount of annual reimbursement shall be limited to 2% of the interstate sales turnover reflected by the dealer in his returns for the accounting year 2016-17. It has recognised the Interstate Sales rebate in the Statement of profit and loss amounting to ₹ 0.43 Crores (Previous Year : ₹ 0.18 Crores).

h. Small Johnson Floor Tiles Private Limited and Spectrum Johnson Tiles Private Limited, have recognised the grant in the Statement of profit and loss amounting to ₹ 6.64 Crores (Previous year : ₹ 2.25 Crores), which was under deferred income in the earlier years.

4.11 GOVERNMENT GRANTS BY WAY OF TAX SUBSIDY/EXEMPTION SCHEMES (Contd...)

i. As part of fiscal incentives to North East Region, the Ministry of Commerce & Industry had provided capital investment incentives under 'North East Industrial and Investment Promotion Policy (NEIIPP), 2007'. The RMC division of the Company had invested ₹ 1.56 Crores in plant and machinery in FY 2012-13 and lodged claim for capital subsidy. During the FY 2018-19, the Government had approved Company's claim against NEIIPP 2007 and sanctioned capital subsidy of ₹ 0.47 Crores. The Company had recognised this as unearned income, to be recognised in the Statement of profit and loss over the balance useful life of the assets.

4.12 INTERESTS IN OTHER ENTITIES

Subsidiaries :

The Company's subsidiaries as at March 31, 2020 are set out below. Unless otherwise stated, they have Share Capital consisting solely of equity shares, the proportion of ownership interests held equals the voting rights held by the Company. The country of incorporation or registration is also their principal place of business.

Name of entity	Country of incorporation	Ownership interest held by the Group		Ownership interest held by non-controlling interests		Principal Activities
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019	
Raheja QBE General Insurance Company Limited	India	51%	51%	49%	49%	General insurance business
Milano Bathroom Fittings Private Limited	India	100%	100%	—	—	Manufacturing of bathroom fittings
Silica Ceramica Private Limited	India	100%	99.93%	—	0.07%	Manufacturing of Tiles
Antique Marbonite Private Limited	India	50%	50%	50%	50%	Manufacturing of Tiles
Spectrum Johnson Tiles Private Limited	India	50%	50%	50%	50%	Manufacturing of Tiles
Sentini Cermica Private Limited	India	50%	50%	50%	50%	Manufacturing of Tiles
Coral Gold Tiles Private Limited	India	50%	50%	50%	50%	Manufacturing of Tiles
Small Johnson Floor Tiles Private Limited	India	50%	50%	50%	50%	Manufacturing of Tiles
Sanskar Ceramics Private Limited (Subsidiary of Small Johnson Floor Tiles Private Limited) (including direct holding of 15%)	India	32.50%	25%	67.50%	75%	Manufacturing of Tiles
H. & R. Johnson (India) TBK Limited	India	100%	100%	—	—	Trading of Tiles
TBK Venkataramiah Tile Bath Kitchen Private Limited (Subsidiary of H. & R. Johnson (India) TBK Limited)	India	100%	100%	—	—	Trading of Tiles
TBK Samiyaz Tile Bath Kitchen Private Limited (Subsidiary of H. & R. Johnson (India) TBK Limited)	India	100%	69.88%	—	30.12%	Trading of Tiles
TBK Rangoli Tile Bath Kitchen Private Limited (Subsidiary of H. & R. Johnson (India) TBK Limited)	India	100%	100%	—	—	Trading of Tiles
Antique Minerals Private Limited (Subsidiary of Antique Marbonite Private Limited)	India	25.50%	25.50%	74.50%	74.50%	Conversion of feldspar and quartz lumps to powder
RMC Readymix Porselano (India) Limited	India	100%	100%	—	—	Operations not yet commenced

4.12 INTERESTS IN OTHER ENTITIES (Contd...)

Non-controlling interests (NCI) :

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for each subsidiary are before inter-company eliminations.

₹ **Crores**

Particulars		Raheja QBE General Insurance Company Limited		Antique Marbonite Private Limited (*)	
		March 31, 2020	March 31, 2019	March 31, 2020	March 31, 2019
Summarised Balance Sheet :					
Current assets		250.12	160.75	100.07	132.68
Current liabilities		276.38	148.55	89.94	143.98
Net current assets	**(a)**	**(26.26)**	**12.20**	**10.13**	**(11.30)**
Non-current assets		331.99	324.16	166.88	177.86
Non-current liabilities		151.35	123.82	20.25	27.88
Net non-current assets	**(b)**	**180.64**	**200.34**	**146.63**	**149.98**
Net assets	**(a+b)**	**154.38**	**212.54**	**156.76**	**138.68**
Accumulated NCI		**75.42**	**103.92**	**78.72**	**69.68**

₹ **Crores**

Summarised Statement of Profit and Loss	Raheja QBE General Insurance Company Limited		Antique Marbonite Private Limited (*)	
	2019-20	2018-19	2019-20	2018-19
Revenue	189.93	153.30	313.44	298.77
Profit/(Loss) for the year	(62.40)	(19.67)	17.80	9.50
Other Comprehensive Income/(Loss)	4.24	0.18	0.27	0.09
Total Comprehensive Income/(Loss)	**(58.16)**	**(19.49)**	**18.07**	**9.59**
Profit/(Loss) allocated to NCI	**(28.50)**	**(9.55)**	**9.05**	**4.78**

₹ **Crores**

Summarised cash flows	Raheja QBE General Insurance Company Limited		Antique Marbonite Private Limited (*)	
	2019-20	2018-19	2019-20	2018-19
Cash flows from operating activities	80.04	75.19	37.98	40.44
Cash flows from investing activities	(70.57)	(72.97)	(1.25)	(16.22)
Cash flows from financing activities	—	—	(38.22)	(23.63)
Net increase/(decrease) in cash and cash equivalents	**9.47**	**2.22**	**(1.49)**	**0.59**

(*) Based on consolidated financial statements

4.13 INTERESTS IN JOINT VENTURE AND ASSOCIATES

Set out below is information on the Joint Venture of the Group as at March 31, 2020 which, in the opinion of the management, is material to the Group. The entity listed below have share capital consisting solely of equity shares, which are held directly by the Group. The country of incorporation or registration is also their principal place of business, and the proportion of ownership interest is the same as the proportion of voting rights held.

₹ Crores

Name of entity	Relationship	Place of business	% of Ownership	Carrying amount	
				2019-20	2018-19
Ardex Endura (India) Private Limited	Joint Venture	India	50%	53.60	47.01

₹ Crores

Commitments and Contingent liabilities	Ardex Endura (India) Private Limited (*)	
	2019-20	2018-19
Share in Joint Venture's contingent liability in respect of VAT/CST, excise and service tax claims not acknowledge as debt	0.31	0.41
Share of capital commitment in Joint Venture	—	—

Summarised financial information for the Joint Venture :

The tables below provides summarised financial information for the Joint Venture that is material to the Group. The information disclosed reflects the amounts presented in the financial statements of the relevant Joint Venture and not the Group share in the Joint Venture.

₹ Crores

Particulars		Ardex Endura (India) Private Limited (*)	
		2019-20	2018-19
Summarised Balance Sheet			
Current assets			
Cash and cash equivalents		0.35	3.22
Other assets		95.96	78.60
Total current assets	**(a)**	**96.31**	**81.82**
Total non-current assets	**(b)**	**47.37**	**39.61**
Current liabilities			
Financial liabilities (excluding trade payables)		5.43	5.11
Other liabilities		27.98	23.85
Total current liabilities	**(c)**	**33.41**	**28.96**
Non-current liabilities			
Financial liabilities (excluding trade payables)		4.61	1.16
Other liabilities		4.34	3.16
Total non-current liabilities	**(d)**	**8.95**	**4.32**
Net assets	**(a+b-c-d)**	**101.32**	**88.15**

4.13 INTERESTS IN JOINT VENTURE AND ASSOCIATES (Contd...)

₹ Crores

Reconciliation to carrying amounts	Ardex Endura (India) Private Limited (*)	
	March 31, 2020	March 31, 2019
Opening net assets	88.15	74.59
Profit for the year	13.28	13.78
Other Comprehensive Income/(Loss)	(0.11)	0.05
Impact of change in accounting policy	—	(0.27)
Closing net assets	**101.32**	**88.15**
Group's share in %	50%	50%
Group's share in INR	50.66	44.07
Goodwill	2.94	2.94
Carrying amount	**53.60**	**47.01**

₹ Crores

Summarised Statement of Profit and Loss	Ardex Endura (India) Private Limited (*)	
	March 31, 2020	March 31, 2019
Revenue from operations	155.77	154.99
Other Income	2.32	1.71
Depreciation and amortisation	4.36	2.83
Interest expense	0.83	0.69
Income tax expense	4.67	6.15
Other expenses	134.95	133.25
Profit for the year	**13.28**	**13.78**
Other Comprehensive Income/(Loss)	(0.11)	0.05
Total Comprehensive Income	**13.17**	**13.83**

Individually immaterial Joint Ventures and Associates :

In addition to the interests in Joint Venture disclosed above, the Group also has interests in a number of individually immaterial Joint Ventures (through subsidiaries) and Associates that are accounted for using the equity method.

₹ Crores

Particulars	March 31, 2020	March 31, 2019
Aggregate carrying amount of individually immaterial Joint Ventures and Associates	11.01	4.87
Aggregate amount of the Group's share of :		
Profit/(Loss) from operations	0.53	(2.42)
Total Comprehensive Income/(Loss)	**0.53**	**(2.42)**

₹ Crores

Particulars	March 31, 2020	March 31, 2019
Share of profits/(losses) from Joint Venture/Associates	6.74	6.83
Share of profits /(losses) from subsidiary's Joint Ventures	0.53	(2.42)
Total share of profits/(losses) from Joint Venture/Associates	**7.27**	**4.41**

(*) Based on consolidated financial statements

4.14 Pursuant to Order of the Hon'ble Supreme Court dated September 24, 2014, Sial Ghogri Coal mine of the Company was de-allocated and put to auction by the Ministry of Coal through Nominated Authority. The Nominated Authority had determined compensation of ₹ 32.49 Crores for the said Coal Block as against expenses and book value of assets amounting to ₹ 47.58 Crores.

Till date, a sum of ₹ 32.34 Crores has been disbursed by the Nominated Authority. The Company had inter-alia disputed the quantum of compensation before the Hon'ble High Court of Judicature, Delhi. As per the directions of the said High Court, the Company had filed its claim for an additional compensation of ₹ 53.03 Crores before the Coal Tribunal at Singrauli, duly appointed under Coal Bearing Areas (Acquisition and Development) Act, 1957.

The Coal Tribunal however, has declined to entertain claim of the Company being of the view that the same has to be heard by the Nominated Authority. Aggrieved by the decision of the Coal Tribunal, the Company has filed an appeal before the High Court of Madhya Pradesh to restore the claim before the Coal Tribunal.

Pending final disposal of the matter, the Company has not recognised excess of compensation claimed over the book value as income as well as loss that may have to be incurred in the event compensation is denied. Accordingly, the balance amount appears under the head Other Financial Assets (note 2.05) and Freehold Land (note 2.01) ₹ 13.93 Crores and ₹ 1.31 Crores respectively. The Freehold Land continues to be in possession of the Company as it was not part of the vesting order. Based on the legal opinion, the Company has more than reasonable chances of succeeding in the matter.

4.15 Insurance claim of the year 2012 relating to collapse of blending silo and consequential damages was rejected by New India Assurance Co. Ltd. The Company had recognised a sum of ₹ 58.94 Crores as receivable. Against the rejection of the claim, the Company has filed a money suit against New India Assurance Company Limited for recovery of ₹ 150.27 Crores. The same is pending before the District Judge and Special Commercial Court at Rewa. The Company is pursuing arbitration proceedings with the party responsible for construction of blending silo for recovery of damages. Based on legal opinion and judicial precedents, the Company has more than reasonable chance of succeeding in the matter.

4.16 (a) In the course of normal business operation, the Company has settled certain receivables by acquiring residential and commercial properties. The process of disposing these properties is in progress. Impairment loss recognised in Statement of profit and loss under the head Other expenses to write down the value of such properties to its fair value is Nil (Previous year : ₹ 1.10 Crores). The reportable segment, in which the Non-current asset held for sale is presented, is RMC in accordance with Ind AS 108.

(b) In the year 2018-19, the Company has decided to discontinue its operations at its Cement packing unit and dispose off certain assets located there such as buildings, land, plant & machinery, etc. During the year, the Company has disposed of all assets other than land and building thereon. The Company is in the process of discussion with potential buyers and expects the same to be disposed off in near future. The reportable segment, in which the Non-current asset held for sale is presented, is Cement in accordance with Ind AS 108.

4.17 The Board of Directors has approved the Composite Scheme of Arrangement and Amalgamation as under :

a. Demerger of retail/trading business undertakings of TBK Rangoli Tile Bath Kitchen Private Limited, TBK Venkataramiah Tile Bath Kitchen Private Limited and TBK Samiyaz Tile Bath Kitchen Private Limited, into its Holding Company H. & R. Johnson (India) TBK Limited ('HRJ TBK') and subsequent demerger of retail/trading business undertaking of HRJ TBK into the Company.

b. Subsequent amalgamation of Milano Bathroom Fittings Private Limited and Silica Ceramica Private Limited, with the Company. The application is pending before the NCLT, Hyderabad. The appointed date for the said scheme is April 1, 2018 and the accounting effect in the financial statements will be given once the Scheme is approved.

4.18 As per the directives of both the Central and State Governments in the wake of Covid-19 pandemic, the Group had suspended operations across various locations, which has adversely impacted the business. The Group has considered the possible effects that may result due to the lockdown announced consequent to outbreak of Covid-19 on the carrying amounts of property, plant and equipment, investments, inventories, receivables and other current assets. Based on internal and external sources of information and economic forecasts, the Group expects the carrying amount of these assets will be recovered and sufficient liquidity would be available as and when required to fund the business operations. A definitive assessment of the impact, at this stage, is not possible in view of the highly uncertain economic environment and the situation is still evolving. The Group is continuously monitoring material changes in such information and economic forecasts. The Group has started operating its manufacturing facilities and operations in a phased manner from the last week of April 2020.

4.19 The Government of India has issued the Taxation Laws (Amendment) Act, 2019, which provides domestic companies an option to pay corporate tax at reduced rates effective April 1, 2019 subject to certain conditions. The Holding Company intends to opt for lower tax regime and accordingly the impact has been considered in computing provision for tax and deferred tax.

4.20 ADDITIONAL INFORMATION REQUIRED BY SCHEDULE III

March 31, 2020 :

₹ Crores

Name of the entity in the Group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	% of consolidated net assets	Amount	% of consolidated profit or loss	Amount	% of consolidated other comprehensive income	Amount	% of consolidated total comprehensive income	Amount
Parent	53.64%	694.15	-249.20%	51.47	142.58%	(14.37)	-120.72%	37.10
Subsidiaries (Group's share)								
Indian								
Milano Bathroom Fittings Private Limited	2.81%	36.40	-20.72%	4.28	0.40%	(0.04)	-13.80%	4.24
Silica Ceramica Private Limited	2.23%	28.85	168.39%	(34.78)	0.50%	(0.05)	113.34%	(34.83)
H. & R. Johnson (India) TBK Limited *	0.51%	6.60	7.89%	(1.63)	-0.20%	0.02	5.24%	(1.61)
RMC Readymix Porselano (India) Limited	—	0.04	—	—	—	—	—	—
Antique Marbonite Private Limited *	6.03%	78.04	-43.04%	8.89	-1.29%	0.13	-29.35%	9.02
Small Johnson Floor Tiles Private Limited *	1.39%	17.93	1.65%	(0.34)	0.79%	(0.08)	1.37%	(0.42)
Spectrum Johnson Tiles Private Limited	1.31%	16.92	13.07%	(2.70)	-0.89%	0.09	8.49%	(2.61)
Sentini Cermica Private Limited	2.46%	31.79	-6.63%	1.37	0.10%	(0.01)	-4.43%	1.36
Coral Gold Tiles Private Limited	0.68%	8.86	-1.31%	0.27	0.40%	(0.04)	-0.75%	0.23
Raheja QBE General Insurance Company Limited	6.09%	78.73	154.08%	(31.82)	-21.46%	2.16	96.52%	(29.66)
Non-controlling interests in all subsidiaries								
Indian	18.93%	244.86	107.97%	(22.30)	-21.53%	2.17	65.50%	(20.13)
Joint ventures (Investment as per equity method)								
Ardex Endura (India) Private Limited *	3.92%	50.66	-32.15%	6.64	0.60%	(0.06)	-21.41%	6.58
Total	**100%**	**1,293.83**	**100%**	**(20.65)**	**100%**	**(10.08)**	**100%**	**(30.73)**

4.20 ADDITIONAL INFORMATION REQUIRED BY SCHEDULE III (Contd...)

March 31, 2019 :

₹ Crores

Name of the entity in the Group	Net assets (total assets minus total liabilities)		Share in profit or (loss)		Share in other comprehensive income		Share in total comprehensive income	
	% of consolidated net assets	Amount	% of consolidated profit or loss	Amount	% of consolidated other comprehensive income	Amount	% of consolidated total comprehensive income	Amount
Parent	53.93%	750.72	133.06%	145.84	84.63%	0.66	132.72%	146.50
Subsidiaries (Group's share)								
Indian								
Milano Bathroom Fittings Private Limited	2.31%	32.17	5.74%	6.29	—	—	5.70%	6.29
Silica Ceramica Private Limited	2.08%	29.00	-28.19%	(30.89)	-1.28%	(0.01)	-27.99%	(30.90)
H. & R. Johnson (India) TBK Limited *	0.59%	8.21	-6.09%	(6.68)	-3.85%	(0.03)	-6.08%	(6.71)
RMC Readymix Porselano (India) Limited	—	0.04	-0.01%	(0.01)	—	—	—	(0.01)
Antique Marbonite Private Limited *	4.96%	69.02	4.34%	4.76	5.13%	0.04	4.35%	4.80
Small Johnson Floor Tiles Private Limited *	1.29%	17.89	-0.36%	(0.40)	-7.69%	(0.06)	-0.42%	(0.46)
Spectrum Johnson Tiles Private Limited	1.40%	19.53	-3.02%	(3.31)	-3.85%	(0.03)	-3.03%	(3.34)
Sentini Cermica Private Limited	2.76%	38.43	2.65%	2.90	1.28%	0.01	2.64%	2.91
Coral Gold Tiles Private Limited	0.62%	8.63	0.95%	1.04	2.56%	0.02	0.96%	1.06
Raheja QBE General Insurance Company Limited	7.79%	108.40	-9.15%	(10.03)	11.54%	0.09	-9.01%	(9.94)
Non-controlling interests in all subsidiaries								
Indian	19.10%	265.94	-6.20%	(6.80)	8.97%	0.07	-6.10%	(6.73)
Joint ventures (Investment as per equity method)								
Ardex Endura (India) Private Limited *	3.17%	44.07	6.28%	6.89	2.56%	0.02	6.26%	6.91
Total	**100%**	**1,392.05**	**100%**	**109.60**	**100%**	**0.78**	**100%**	**110.38**

* Based on consolidated financial statement of the respective entities

4.21 Figures for the previous year have been regrouped/reclassified/reinstated, wherever considered necessary.

As per our report of even date
For **G. M. Kapadia & Co.**
Chartered Accountants
Firm Registration No. 104767W

Atul Shah
Partner
Membership No. 039569

Place : Mumbai
Date : May 28, 2020

For and on behalf of the Board
Shobhan M. Thakore
(Chairman)

Vijay Aggarwal
(Managing Director)

Atul R. Desai
(Executive Director & CEO - RMC)

Manish Bhatia
(Chief Financial Officer)

Ameeta A. Parpia
(Director)

Vivek K. Agnihotri
(Executive Director & CEO - Cement)

Sarat Chandak
(Executive Director & CEO - HRJ)

Aneeta S. Kulkarni
(Company Secretary)

FORM AOC - I

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

Statement containing salient features of the financial statements of Subsidiaries /Joint Ventures/Associates

Part 'A' Subsidiaries

₹ Crores

Sr. No.	Particulars	Name of the Subsidiaries				
		Milano Bathroom Fittings Private Limited	Silica Ceramica Private Limited	H. & R. Johnson (India) TBK Limited *	RMC Readymix Porselano (India) Limited $	Raheja QBE General Insurance Company Limited
1	Date when subsidiary was acquired	26.06.2010	11.09.2009	01.04.2009**	01.04.2009**	10.12.2007
2	Reporting Currency	INR	INR	INR	INR	INR
3	Share Capital	0.72	121.61	1.61	0.05	207.00
4	Reserves & Surplus	35.68	(77.49)	5.23	(0.01)	(52.62)
5	Total Assets	45.92	262.92	15.70	0.04	582.11
6	Total Liabilities	9.52	218.80	8.86	0.01	427.73
7	Investments	0.01	—	4.36	—	452.75
8	Turnover	56.40	103.58	36.83	—	189.46
9	Profit/(Loss) before Taxation	5.73	(34.79)	(3.40)	#	(65.89)
10	Provision for taxation	1.45	—	0.09	—	(3.49)
11	Profit/(Loss) after taxation (before OCI)	4.28	(34.79)	(3.49)	#	(62.40)
12	Other Comprehensive Income/(Loss) and Minority share	(0.04)	(0.05)	0.02	—	4.24
13	Profit/(Loss) for the year (after OCI) - Total Comprehensive Income attributable to the owners of the Company	4.24	(34.84)	(3.47)	#	(58.16)
14	Proposed Dividend	Nil	Nil	Nil	Nil	Nil
15	% of shareholding	100%	100%	100%	100%	51%

Part 'B' : Joint Ventures and Associates

₹ Crores

Sr. No.	Particulars	Name of Joint Ventures/Associates								
		Sentini Cermica Private Limited	Spectrum Johnson Tiles Private Limited	Antique Marbonite Private Limited *	Small Johnson Floor Tiles Private Limited *	Coral Gold Tiles Private Limited	Ardex Endura (India) Private Limited *	CSE Solar Parks Satna Private Limited	Sunspring Solar Private Limited	Prism Power and Infrastructure Private Limited $
1	Latest audited Balance Sheet date	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020	31.03.2020
2	Date when Joint Ventures/ Associates was acquired	01.04.2009**	01.04.2009**	01.04.2009**	18.11.2011	04.11.2015	01.04.2009**	18.03.2019	05.11.2019	08.02.2006
3	Shares of Joint Ventures/ Associates held by the Company on the year end									
	— Number	17,10,000	21,65,388	30,09,000	20,00,000	26,00,000	65,00,000	55,00,000	14,78,412	4,900
	— Amount of investment in Joint Ventures/ Associates	8.55	8.03	15.08	14.74	5.46	6.50	5.50	1.48	#
	— Extend of Holding %	50%	50%	50%	50%	50%	50%	27%	27%	49%

₹ Crores

Sr. No.	Particulars	Name of Joint Ventures/Associates								
		Sentini Cermica Private Limited	Spectrum Johnson Tiles Private Limited	Antique Marbonite Private Limited *	Small Johnson Floor Tiles Private Limited *	Coral Gold Tiles Private Limited	Ardex Endura (India) Private Limited *	CSE Solar Parks Satna Private Limited	Sunspring Solar Private Limited	Prism Power and Infrastructure Private Limited $
4	Description of how there is significant influence	Joint Venture	Joint Venture	Joint Venture	Joint Venture	Joint Venture	Joint Venture	Associate	Associate	Associate
5	Reason why the Joint Ventures/Associates is not consolidated	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	Not Operational and not material
6	Networth attributable to Shareholding as per latest audited Balance Sheet	31.79	16.92	78.04	17.93	8.86	50.65	20.24	1.53	#
7	Profit/Loss for the year (after OCI) - Total Comprehensive Income attributable to the owners of the Company									
	i. Considered in Consolidation	2.72	(5.22)	18.04	(1.24)	0.46	6.58	0.03	0.07	N.A
	ii. Not Considered in Consolidation	Refer note 6					6.58	0.07	0.11	N.A

* Based on Consolidated financial statements of respective entities

$ Entities yet to commence operations

# Denotes amount less than ₹ 50,000/-

** The appointed date of amalgamation of erstwhile H. & R. Johnson (India) Limited with the Company

Notes :

(1) None of the entities have been liquidated or sold during the year.

(2) The reporting period of all the subsidiaries is March 31, 2020.

(3) Investments excludes investment in subsidiaries.

(4) On October 9, 2019, the Company has acquired additional 0.07% holding in Silica Ceramica Private Limited.

(5) Details of Sanskar Ceramics Private Limited, an Associate of the Company w.e.f. January 17, 2020 are not disclosed separately, as its financials are consolidated with Small Johnson Floor Tiles Private Limited.

(6) As per the principles of Ind-AS, these entities are considered as Subsidiary therefore total profit of the said entities have been considered for consolidation.

For and on behalf of the Board

Shobhan M. Thakore
(Chairman)

Ameeta A. Parpia
(Director)

Vijay Aggarwal
(Managing Director)

Vivek K. Agnihotri
(Executive Director & CEO - Cement)

Atul R. Desai
(Executive Director & CEO - RMC)

Sarat Chandak
(Executive Director & CEO - HRJ)

Manish Bhatia
(Chief Financial Officer)

Aneeta S. Kulkarni
(Company Secretary)

Place : Mumbai
Date : May 28, 2020

NOTICE

NOTICE IS HEREBY GIVEN that the Twenty-eighth Annual General Meeting ('AGM') of the Company will be held on Friday, August 14, 2020 at 10.30 a.m. through Video Conference/Other Audio Visual Means ('VC'), to transact the following business. The deemed venue of the AGM shall be the Registered Office at 305, Laxmi Niwas Apartments, Ameerpet, Hyderabad - 500 016.

Ordinary Business :

1. To consider and adopt :

a. the Audited Standalone Financial Statement of the Company for the Financial Year ended March 31, 2020, together with the Reports of the Board of Directors and the Statutory Auditors thereon and

b. the Audited Consolidated Financial Statement of the Company for the Financial Year ended March 31, 2020, together with the Report of the Statutory Auditors thereon.

2. To appoint a Director in place of Mr. Rajan B. Raheja (DIN : 00037480), who retires by rotation and being eligible, offers himself for re-appointment as Director.

3. To appoint a Director in place of Mr. Vijay Aggarwal (DIN : 00515412), who retires by rotation and being eligible, offers himself for re-appointment as Director.

Special Business :

4. To ratify remuneration of the Cost Auditors of the Company

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 all other applicable provisions 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), M/s. D. C. Dave & Co., Cost Accountants, (Firm Registration No. 000611) appointed by the Board of Directors as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2021, be paid a remuneration of ₹ 9,00,000/-, plus applicable taxes and reimbursement of out-of-pocket expenses."

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

5. Private Placement of Non-convertible Debentures and/or other Debt Securities

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

"RESOLVED THAT in supersession of the Special Resolution passed at the 27th Annual General Meeting of the Company held on July 31, 2019 and pursuant to the provisions of Sections 42, 71 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the applicable provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018, as amended, Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008, as amended, Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015, as amended and subject to other applicable Rules, Regulations, Guidelines, Notifications and Circulars as may be applicable, the Articles of Association of the Company and subject to receipt of necessary approvals as may be required and subject to such conditions and modifications as may be prescribed or imposed by any authority while granting such approvals which may be agreed to by the Board of Directors of the Company ('the Board', which term shall be deemed to include any Committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution), the approval of the Company, be and is hereby accorded to the Board for making offer(s) or invitation(s) to subscribe to secured/unsecured Non-convertible Debentures including but not limited to Bonds, and/or other Debt Securities, on Private Placement basis, in one or more tranches, to such person(s)/Financial Institution(s)/Bank(s)/Mutual Fund(s)/ Body Corporate(s)/Company(ies)/any other entities on such terms and conditions as the Board may deem fit during a period of one year from the date of passing of this resolution upto an aggregate amount of ₹ 1250,00,00,000/- (Rupees Twelve Hundred Fifty Crores only) within the overall borrowing limits of the Company, as approved by the members, from time to time."

"RESOLVED FURTHER THAT the Board be and is hereby authorised and empowered to arrange or settle or vary/ modify the terms and conditions on which all such monies are to be borrowed from time to time, as to interest, premium, repayment, prepayment, security or otherwise, as it may deem expedient and to do all such acts, deeds, matters and things in connection therewith and incidental thereto as the Board may in its absolute discretion deem fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that it shall be deemed to have their approval thereto expressly by the authority of this resolution."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to execute all documents or writings as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto including intimating the concerned authorities or any regulatory bodies and to delegate all or any of the powers conferred herein to any Officer(s)/Authorised Representative(s) of the Company and/or in such manner as it may deem fit."

6. **Divestment of stake in Raheja QBE General Insurance Company Limited**

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

"RESOLVED THAT pursuant to the applicable provisions of the Companies Act, 2013 read with the Rules thereunder, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, other applicable laws and subject to receipt of necessary approvals from relevant regulatory/governmental authorities and the Memorandum and Articles of Association of the Company, consent of the Company be and is hereby accorded, including confirmation of actions taken hitherto, to the Board of Directors of the Company, ('the Board', which term shall be deemed to include any Committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this resolution) to sell/transfer, in one or more tranches, the entire investment of the Company aggregating to 51% of the paid-up equity capital of Raheja QBE General Insurance Company Limited, the general insurance subsidiary of the Company to QORQL Private Limited for an aggregate consideration of ₹ 289.68 Crores, subject to certain adjustments which may be carried out between the date of execution of definitive agreement and closure of the sale, and other customary terms for a sale of such nature and on such other terms and conditions as the Board may deem fit and appropriate in the interests of the Company."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to do and perform all such acts, deeds, matters and things, as may be necessary, to execute, deliver and perform such agreements, contracts, deeds and other documents, file applications and make representations in respect thereof and seek approval from relevant authorities, including Government/Semi Government/ Quasi Government authorities, lenders, financial institutions, legislative bodies, regulatory or administrative authorities, statutory bodies, in this regard, and deal with any matters, take necessary steps in the matter as the Board may in its absolute discretion deem necessary, desirable or expedient to give effect to this resolution, and to settle any question that may arise in this regard and incidental thereto, without being required to seek any further consent or approval of the members or otherwise to the end and intent that the members 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 delegate all or any of the powers herein conferred, to any Director or any other Officer(s)/ Authorised Representative(s) of the Company to give effect to the aforesaid resolution."

"RESOLVED FURTHER THAT all actions taken by the Board in connection with any matter referred to or contemplated in any of the foregoing resolution are hereby approved, ratified and confirmed in all respects."

NOTES :

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('Act'), in respect of the Special Business mentioned under Item Nos. 4 to 6 above, is annexed hereto. The Board of Directors have considered and decided to include the Item Nos. 4 to 6 given above as Special Business in the forthcoming 28th Annual General Meeting ('AGM'), as they are unavoidable in nature.
2. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as 'MCA Circulars') permitted the holding of the AGM through VC, without the physical presence of the Members at a common venue. In compliance with the provisions of Act, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR') and MCA Circulars, the AGM of the Company is being held through VC. KFin Technologies Private Limited ('KFin'), the Registrar and Transfer Agents of the Company ('RTA'), will be providing facility for voting through remote e-voting, for participation in the AGM through VC facility and e-voting during the AGM. The procedure for participating in the meeting through VC is explained at Note No. 19 below and is also available on the website of the Company at www.prismjohnson.in.
3. Pursuant to the MCA Circulars, the facility to appoint proxy to attend and cast vote for the members is not available for this AGM and hence Proxy Form and Attendance Slip are not annexed to this Notice. However, the Corporate Members are entitled to appoint authorised representatives to attend the AGM through VC and participate thereat and cast their votes through e-voting.
4. Corporate Members are requested to send to the Company a certified copy of the relevant Board Resolution authorising their representative(s) to attend and vote on their behalf at the Meeting. The said Resolution/Authorisation shall be sent to the Scrutiniser by email through its registered email address to sja.pjltd@gmail.com. with a copy marked to mohsin.mohd@kfintech.com.
5. In accordance with the MCA Circulars and Circular dated May 12, 2020 issued by SEBI, owing to the difficulties involved in despatching of physical copies of the financial statements (including Report of Board of Directors, Auditors' Report or other documents required to be attached therewith) such statements including the Notice of AGM are being sent in electronic mode to Members whose e-mail address is registered with the Company or the Depository Participant(s).
6. The Notice of AGM along with Annual Report for the financial year 2019-20, is available on the website of the Company at www.prismjohnson.in, on the website of Stock Exchanges - www.bseindia.com & www.nseindia.com and on the website of KFin at www.kfintech.com.
7. Details of the Directors seeking re-appointment under Item Nos. 2 & 3 of the Notice as stipulated under the SEBI LODR and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India ('SS-2') are included in the Notice.

8. Members are requested to send all communication relating to shares to the Company's Registrar & Transfer Agent - KFin Technologies Private Limited, Unit : Prism Johnson Limited, Selenium, Tower - B, Plot 31-32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad - 500 032. Members holding shares in electronic mode should address all their correspondence to their respective Depository Participants (DPs).

9. Nomination facility for shares is available for Members. The prescribed format, in this regard, can be obtained from KFin.

10. Pursuant to Section 101 and Section 136 of the Act read with Rules made thereunder, and MCA Circulars, copies of the Annual Report, Notice of the AGM and instructions for e-voting are being sent by electronic mode only to all the Members whose email addresses are registered with the Company/Depository Participant(s) for communication purposes. Members holding shares in physical form can send their email address for registration to https://ris.kfintech.com/email_registration/ quoting the Folio Number and Name of the Company. The Notice of the AGM and the Annual Report will also be available on the Company's website www.prismjohnson.in for Members to download. Members who have not registered their email address so far are requested to register their email address for receiving all communication including Annual Report, Notices, etc., from the Company electronically.

11. Members are requested to note that, dividends if not encashed for a consecutive period of seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ('IEPF'). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline.

    The details of the unpaid/unclaimed amounts lying with the Company are available on the website of the Company www.prismjohnson.in/investors/IEPF and on the website of IEPF Authority.

    Members whose dividend/shares are transferred to the IEPF Authority can claim their dividend/shares from the Authority by following the Refund Procedure as detailed on the website of IEPF Authority. Members are requested to approach the Company/KFin for claiming unpaid dividends yet to be transferred to IEPF as early as possible.

12. SEBI has mandated the submission of the Permanent Account Number (PAN), proof of identity, address and bank details by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit the said documents to their Depository Participant(s). Members holding shares in physical form shall submit the documents to KFin.

13. SEBI has amended the Regulation 40 of the SEBI LODR pursuant to which after March 31, 2019, transfer of securities cannot be processed unless the securities are held in the dematerialised form with a depository except in case of request received for transmission or transposition of securities.

    Members holding shares in physical form are requested to dematerialise their holdings at the earliest as henceforth it will not be possible to transfer shares held in physical mode.

14. Members are requested to note that KFin has launched a mobile application 'KPRISM' and website https://kprism.kfintech.com for online service to shareholders.

    Members can download the mobile application, register themselves (onetime) 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 app, members can download Annual Reports, standard forms and keep track of upcoming General Meetings and dividend disbursements.

15. Since the AGM will be held through VC, the Route Map is not annexed in this Notice.

16. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act and the Register of Contracts or arrangements in which Directors are interested maintained under Section 189 of the Act will be available during the meeting for inspection through the VC facility of KFin, to the Members attending the AGM.

17. Members desiring any additional information with regard to Accounts/Annual Report or have any question or query are requested to write to the Company Secretary on the Company's investor email-id investor@prismjohnson.in on or before Tuesday, August 11, 2020, so as to enable the Management to keep the information ready. Please note that, Members questions will be answered only if they continue to hold the shares as of Friday, August 7, 2020, i.e. the 'cut-off' date for e-voting.

18. **Procedure for registering the email address and obtaining the Annual Report, AGM notice and e-voting instructions by the shareholders whose email addresses are not registered with the Depositories (in case of shareholders holding shares in Demat form) or with RTA (in case of shareholders holding shares in physical form) :**

    i. Those Members who have not yet registered their email addresses are requested to get their email addresses registered by following the procedure given below :

        a. Members holding shares in demat form can get their e-mail ID registered by contacting their respective Depository Participant.

        b. Members holding shares in physical form may register their email address and mobile number with KFin by sending email to einward.ris@kfintech.com along with signed scanned copy of the request letter providing the email address, mobile number, self-attested PAN copy and copy of share certificate for receiving the Annual report, Notice of the AGM and the e-voting instructions or register their e-mail address with KFin by clicking on https://ris.kfintech.com/email_registration/

ii. Further, those members who have not registered their email addresses and mobile nos. and in consequence could not be served the Annual Report and Notice of AGM, may temporarily get themselves registered with KFin, by clicking the link : https://ris.kfintech.com/email_registration/ for sending the same. Members are requested to support our commitment to environmental protection by choosing to receive the Company's communication through email going forward.

iii. With a view to help us serve better, Members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the Company/RTA to consolidate their holdings in one folio.

iv. Members who have registered their e-mail address, mobile nos., postal address and bank account details are requested to validate/update their registered details by contacting the Depository Participant in case of shares held in electronic form or by contacting KFin, in case the shares are held in physical form.

19. **Instructions for e-voting and joining the AGM are as follows :**

A. Voting through electronic means

a) In compliance with the provisions of Section 108 and other applicable provisions of the Act, if any, the Companies (Management and Administration) Rules, 2014 as amended, SS-2 and Regulation 44 of the SEBI LODR, the Members are provided with the facility to cast their vote electronically on all resolutions set forth in this Notice from a place other than the venue of the Meeting ('remote e-voting') through the e-voting platform provided by KFin or to vote at the AGM. Person who is not a member as on the cut-off date should treat this Notice for information purposes only.

b) The Members, whose names appear in the Register of Members/list of Beneficial Owners as on the cut-off date are entitled to vote on the Resolutions set forth in this Notice. Members who have acquired shares after the despatch of the Annual Report may approach KFin for issuance of the User ID and Password for exercising their right to vote by electronic means.

c) The facility for voting through electronic voting system will be made available at the AGM and Members attending the Meeting who have not already cast their vote by remote e-voting shall be eligible to vote at the Meeting.

d) Members who have cast their vote by remote e-voting prior to the Meeting may also attend the Meeting but shall not be entitled to cast their vote again.

e) The details of the process and manner for remote e-voting are given below :

i. Initial password is provided in the body of the email.

ii. Launch internet browser and type the URL : https://evoting.karvy.com in the address bar.

iii. Enter the login credentials i.e. User ID and password mentioned in your email. Your Folio No./DP ID Client ID will be your User ID. However, if you are already registered with KFin for e-voting, you can use your existing User ID and password for casting your votes.

iv. After entering the details appropriately, click on LOGIN.

v. You will reach the password change menu wherein you are required to mandatorily change your 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.). It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

vi. You need to login again with the new credentials.

vii. On successful login, the system will prompt you to select the EVENT i.e. Prism Johnson Limited.

viii. On the voting page, the number of shares (which represents the number of votes) held by you as on the cut-off date will appear. If you desire to cast all the votes assenting/dissenting to the resolution, enter all shares and click 'FOR'/'AGAINST' as the case may be or partially in 'FOR' and partially in 'AGAINST', but the total number in 'FOR' and/or 'AGAINST' taken together should not exceed your total shareholding as on the cut-off date. You may also choose the option 'ABSTAIN' and the shares held will not be counted under either head.

ix. Cast your votes by selecting an appropriate option and click on 'SUBMIT'. A confirmation box will be displayed. Click 'OK' to confirm, else 'CANCEL' to modify. Once you confirm, you will not be allowed to modify your vote subsequently. During the voting period, you can login multiple times till you have confirmed that you have voted on the resolution.

x. Corporate/institutional members (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned image (PDF/JPG format) of certified true copy of relevant board resolution/authority letter etc. together with attested specimen signature of the duly authorised signatory(ies) who is/are authorised to vote, to the Scrutinizer through email at sja.pjltd@gmail.com and may also upload the same in the e-voting module in their login. The scanned image of the above documents should be in the naming format 'PRISM_EVENT No.'

xi. Members can cast their vote online from Sunday, August 9, 2020 (9.00 a.m.) till Thursday, August 13, 2020 (5.00 p.m.). Voting beyond the said date shall not be allowed and the remote e-voting facility shall be blocked.

xii. In case of any queries/grievances, you may refer the Frequently Asked Questions (FAQs) for Members and e-voting User Manual available at the 'download' section of https://evoting.karvy.com or call KFin on 1800 345 4001 (toll free).

B. Voting at the AGM

i. Only those Members, who will be present in the AGM through video conferencing facility and have not cast their vote through remote e-voting and are otherwise not barred from doing so are eligible to vote through e-voting in the AGM.

ii. Members attending the AGM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

iii. Upon declaration by the Chairman about the commencement of e-voting at AGM, members shall click on the thumb sign on the left hand bottom corner of the video screen for voting at the AGM.

C. Instructions for Members for Attending the AGM

i. The Members can join the AGM in the VC mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned herein. The facility of participation at the AGM through VC will be made available for 1,000 members on first come first served basis. This will not include large Members (Members holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

ii. Members will be able to attend the AGM through VC by using their remote e-voting login credentials. The link for AGM will be available in Members login where the EVENT and the name of the Company can be selected. Members who do not have 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 under heading A above.

iii. Members are encouraged to join the meeting through Laptops with Google Chrome for better experience.

iv. Further, members will be required to allow camera, if any, and hence use internet with a good speed to avoid any disturbance during the meeting.

v. While all efforts would be made to make the VC meeting smooth, participants connecting through mobile devices, tablets, laptops etc. may at times experience audio/video loss due to fluctuation in their respective networks. Use of a stable Wi-Fi or LAN connection can mitigate some of the technical glitches.

vi. **Speaker Registration before AGM :**

a) Members, who would like to express their views or ask questions during the AGM will have to register themselves as a speaker by visiting the URL https://emeetings.kfintech.com and clicking on the tab 'Speaker Registration' during the period starting from August 9, 2020 (9.00 a.m.) upto August 11, 2020 (5.00 p.m.).

b) Only those members who have registered themselves as a speaker will be allowed to express their views/ask questions during the AGM.

c) The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM. Please note that only questions of the Members holding the shares as on cut-off date will be considered.

vii. A video guide assisting the members attending AGM either as a speaker or participant is available for quick reference at URL https://emeetings.kfintech.com.

viii. Members who need technical assistance before or during the AGM can contact KFin at emeetings@kfintech.com or Helpline : 1800 345 4001.

D. General Instructions :

i. The Company has appointed Ms. Savita Jyoti, M/s. Savita Jyoti Associates, Practising Company Secretary, Hyderabad as the Scrutiniser to scrutinise the entire e-voting process, in a fair and transparent manner.

ii. Subject to the receipt of requisite number of votes, the resolutions shall be deemed as passed on the date of the Meeting.

iii. The results declared along with the Scrutiniser's Report shall be placed on the Company's website www.prismjohnson.in and on KFin's website www.evoting.karvy.com and shall also be communicated to BSE Limited and the National Stock Exchange of India Limited.

By Order of the Board

Place : Mumbai
Date : July 6, 2020

Aneeta S. Kulkarni
Company Secretary

EXPLANATORY STATEMENT

As required by Section 102 of the Act, the following Explanatory Statement sets out the material facts relating to Item Nos. 4 - 6 mentioned in the accompanying Notice.

Item No. 4

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s. D. C. Dave & Co., Cost Accountants, as the Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending March 31, 2021 at a remuneration of ₹ 9,00,000/-, plus applicable taxes and reimbursement of out-of-pocket expenses.

In accordance with 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 shareholders of the Company.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending March 31, 2021.

The Directors recommend the passing of the Ordinary Resolution at Item No. 4.

None of the Directors and Key Managerial Personnel of the Company and/or their relatives are, in any way, financially or otherwise, deemed to be concerned or interested in this item of business.

Item No. 5

As per Section 42 of the Act, read with the Rules thereunder, a company offering or making an invitation to subscribe to Non-convertible Debentures ('NCDs') on a private placement basis, is required to obtain the prior approval of Members by way of a special resolution. Such an approval by way of special resolution may be obtained once a year for all the offers and invitations made for such NCDs during the year.

NCDs issued on private placement basis are a significant source of borrowings for the Company. The borrowings of the Company as on the date of Notice consists of secured/unsecured NCDs and Fund & Non-fund based Credit Facilities from Banks by way of Cash Credit/Overdraft/Short Term Loan/WCDL/LC/BG, etc. The Company has, as on date, borrowed ₹ 449 Crores by way of NCDs at competitive costs due to which the average cost of borrowing of the Company has reduced. The Company seeks to pass an enabling resolution to borrow funds in addition to the existing borrowing to meet its requirement of funds for repayment/reduction of high cost borrowings, working capital requirements and general corporate purposes.

The Members had, at the AGM held on July 31, 2019, approved a similar resolution which was valid for a year. Therefore, the approval of the Members is being sought by way of a Special Resolution under Sections 42 and 71 of the Act read with the Rules made there under, to enable the Company to offer or invite subscriptions for NCDs on a private placement basis, in one or more tranches, during the period of one year from the date of passing of the Resolution at Item No. 5, within the overall borrowing limits of the Company, as approved by the Members from time to time.

The Directors recommend the passing of the Special Resolution at Item No. 5.

None of the Directors and Key Managerial Personnel of the Company and/or their relatives are, in any way, financially or otherwise, deemed to be concerned or interested in this item of business.

Item No. 6

The Company has a 51% stake in Raheja QBE General Insurance Company Limited ('RQBE'), the general insurance subsidiary of the Company and a Joint Venture with QBE Group of Australia. RQBE till recently had a liability led specialist insurance focus and has now forayed into retail business in motor and health insurance.

The performance of RQBE for the last three years is as under :

₹ Crores

Particulars	2019-20	2018-19	2017-18
Total Revenue	189.46	153.02	104.64
Profit/(Loss) before tax	(62.40)	(19.67)	1.19

Since the initial investment made by the Company in 2007, RQBE has not declared any dividend.

With an objective to enhance the value of its stakeholders, the Company is considering a proposal to divest its investment made into the non-core insurance business. It is felt prudent to divest the investment in RQBE, to enable the Company to consolidate its resources for its core businesses. Such divestment will be in the interest of the Company.

The Board has, at its meeting held on July 6, 2020, approved the divestment of its entire holding of 51% in the paid-up equity capital in RQBE by way of sale/transfer, in one or more tranches, to QORQL Private Limited for an aggregate consideration of ₹ 289.68 Crores, subject to certain adjustments which may be done between the date of execution of definitive agreement and closure of the sale and other customary terms for a sale of such nature, and to execute such agreements and other documents as may be required for the purpose of or in relation to, the divestment. The divestment is subject to requisite approvals.

Regulation 24(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, inter alia, provides that no company shall dispose of shares in its material subsidiary which would reduce its shareholding (either on its own or together with other subsidiaries) to less than 50% or cease the exercise of control over the subsidiary without passing a special resolution in its General Meeting, except in cases where such divestment is made under a scheme of arrangement duly approved by a Court/National Company Law Tribunal.

Further, Regulation 24(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, inter alia, provides that selling of assets amounting to more than twenty percent of the assets of the material subsidiary on an aggregate basis during a financial year shall require prior approval of shareholders by way of special resolution, unless the sale is made under a scheme of arrangement duly approved by a Court/National Company Law Tribunal.

RQBE's net worth exceeds 10% of the consolidated net worth of the Company and its subsidiaries in the immediately preceding accounting year. Pursuant to aforementioned Regulation 24(6), RQBE will be classified as a material subsidiary of the Company.

Accordingly, the divestment of its entire holding of 51% in the paid-up equity capital in RQBE, requires approval of the shareholders of the Company through a special resolution. Pursuant to consummation of the divestment, RQBE shall cease to be a subsidiary of the Company and will also result in the termination of the Company's joint-venture with Australia's QBE in the general insurance business in India.

The Board is of the opinion that the proposed divestment is in the overall interest of the Company and recommends the passing of the special resolution at Item No. 6. The proposed special resolution provides adequate flexibility and discretion to the Board to finalise the terms of the divestment in consultation with advisors, experts or other authorities as may be required.

None of the Directors and Key Managerial Personnel of the Company and/or their relatives are, in any way, financially or otherwise, deemed to be concerned or interested in this item of business.

By Order of the Board

Place : Mumbai
Date : July 6, 2020

Aneeta S. Kulkarni
Company Secretary

Registered Office :
305, Laxmi Niwas Apartments,
Ameerpet, Hyderabad - 500 016
Phone : +91-40-23400218
Fax : +91-40-23402249
Email : investor@prismjohnson.in
Website: www.prismjohnson.in

Details of Directors seeking re-appointment as required under the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 :

Mr. Rajan B. Raheja (DIN : 00037480), aged 67 years, is an industrialist with a rich and varied experience. He is a Director on the Board of the Company since 1994. Mr. Raheja is an Honours Graduate from the Mumbai University. He is a member of the Nomination and Remuneration Committee of the Company.

Directorships in other Listed Companies :

- Exide Industries Limited
- Supreme Petrochem Limited

Chairmanships/Memberships of Board Committees in other Listed Companies :

- Supreme Petrochem Limited

  Stakeholders Relationship Committee - Member

Mr. Raheja may be deemed to be concerned or interested to the extent of 5,14,06,327 equity shares held by him in the Company. He does not have any inter se relation with any other Director or any employee of the Company. Mr. Raheja has attended 10 Board meetings during the year ended March 31, 2020.

Mr. Vijay Aggarwal (DIN : 00515412), 51 years, was appointed as Managing Director on the Board of Directors since March 3, 2010 and has earlier been a Director on the Board as an alternate to Mr. Satish B. Raheja. He was the Managing Director and CEO of the erstwhile H. & R. Johnson (India) Limited since 1998, before it was amalgamated with the Company.

Mr. Aggarwal graduated from IIT Delhi with a B. Tech in Electrical Engineering and completed PGDBM from IIM, Ahmedabad, where he was conferred the Gold Medal for being the first ranker and K. V. Srinivas Gold Medal for being the best all-rounder. He started his career with SBI Capital Markets Limited and has several years of experience in the manufacturing industry.

Directorships in other Listed Companies :

- Aptech Limited

Chairmanships/Memberships of Board Committees in other Listed Companies :

- Aptech Limited

  Audit Committee - Chairman

In the past Mr. Aggarwal has been a part of various associations in different capacities. He has served as the Chairman of Indian Council of Ceramic Tiles and Sanitaryware, as Vice Chairman of Ceramics and Allied Products (including Refractories) Panel at Capexil and as Member of the Managing Committee of Bombay Chamber of Commerce and Industry.

Mr. Aggarwal does not hold any securities of the Company. He does not have any interest in the capital of the Company or any of its subsidiaries directly or indirectly or through any other statutory structures and does not have any direct or indirect interest nor is he related to the directors or promoters of the Company or any of its subsidiaries.

Mr. Aggarwal has attended 10 Board meetings during the year ended March 31, 2020.

SCAN ME

PRISM JOHNSON LIMITED

Registered Office
305 Laxmi Niwas Apartments, Ameerpet, Hyderabad 500016
CIN : L26942TG1992PLC014033 | **Tel :** +91-40-23400218 | **Fax :** +91-40-23402249