MP BIRLA GROUP

Birla Corporation Limited

Corporate Office:
1, Shakespeare Sarani,
A.C. Market (2nd Floor), Kolkata 700 071
P: 033 6603 3300-02
F: +91 33 2288 4426
E: coordinator@birlacorp.com

Ref. No. BCL/10

6th September, 2021

Corporate Relationship Department
BSE Limited
1st Floor, New Trading Ring,
Rotunda Building,
P.J. Towers, Dalal Street, Fort,
Mumbai- 400 001
Scrip Code: 500335

Manager
Listing Department
National Stock Exchange of India Limited
'Exchange Plaza', C-1, Block G,
Bandra-Kurla Complex, Bandra (East),
Mumbai- 400 051
Scrip Code: BIRLACORPN

Dear Sir(s),

Sub: Annual Report for the Financial Year 2020-2021 and Notice of the 101st Annual General Meeting of the Company

Pursuant to Regulation 30 and 34(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the Annual Report for the Financial Year 2020-2021 alongwith the Notice of the 101st Annual General Meeting ("AGM") of the Company scheduled to be held on Wednesday, the 29th day of September, 2021 at 10.30 a.m. (IST) through Video Conferencing ("VC")/ Other Audio Visual Means ("OAVM").

The aforesaid documents are being sent electronically to the members whose e-mail IDs are registered with the Company/ M/s. MCS Share Transfer Agent Limited, Registrar and Transfer Agents of the Company and the Depositories viz. the National Securities Depository Limited and Central Depository Services (India) Limited.

The Notice of the AGM and the Annual Report has also been uploaded on the website of the Company at www.birlacorporation.com.

This is for your information and records.

Thanking you,

Yours faithfully,
For **BIRLA CORPORATION LIMITED**

Manoj Mehta

MANOJ KUMAR MEHTA
Company Secretary & Legal Head

Encl: As above

BIRLA CORPORATION LIMITED

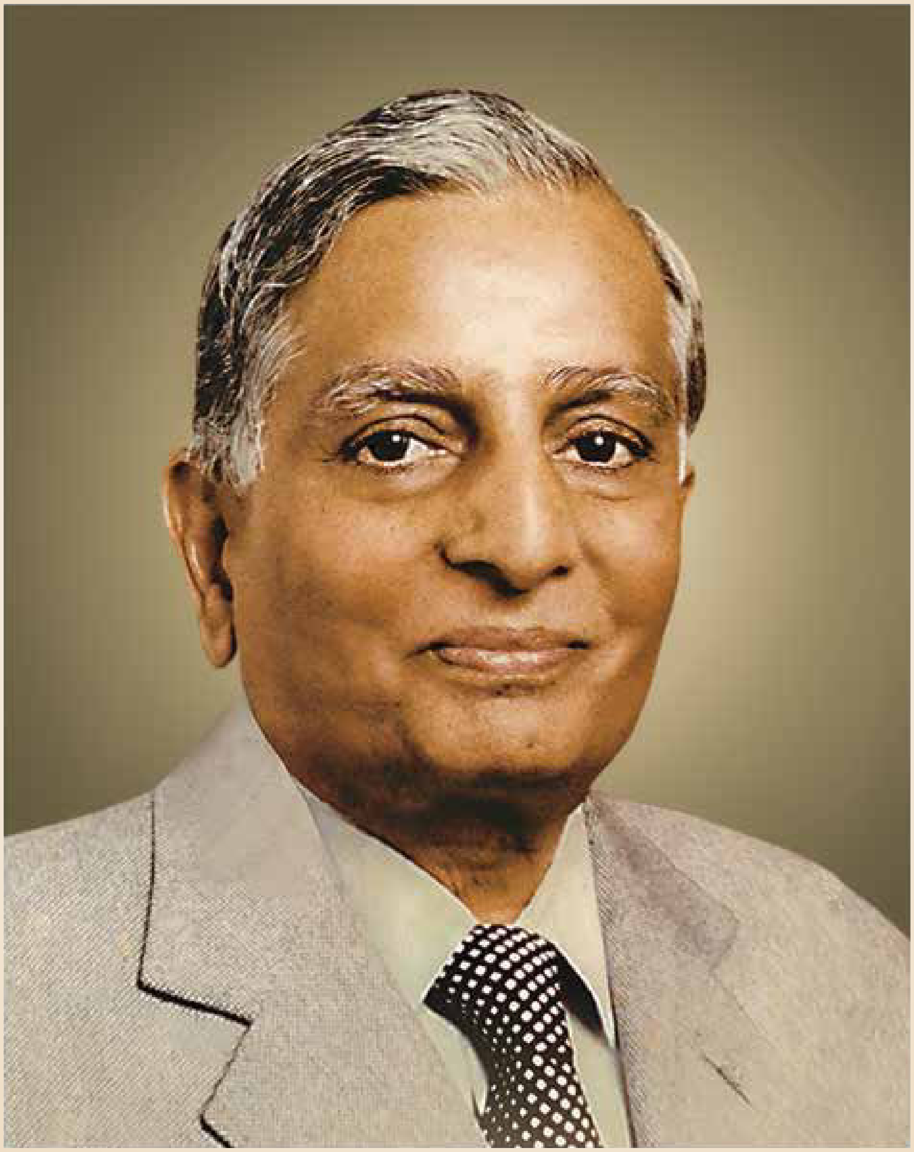
MP BIRLA GROUP

GROWING TOGETHER WITH

HEART & STRENGTH

Annual Report and Accounts 2020-21

ANNUAL REPORT AND ACCOUNTS 2020-21



Madhav Prasadji Birla
(1918-1990)

Priyamvadaji Birla

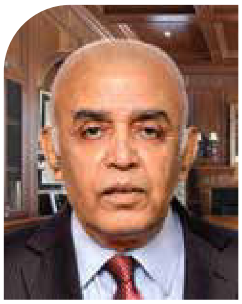
(1928-2004)

Rajendraji S. Lodha
(1942-2008)

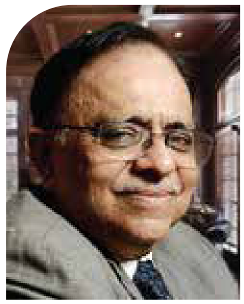
MP BIRLA GROUP

BOARD OF DIRECTORS

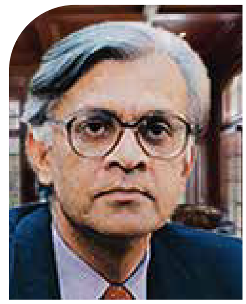
Shri Harsh V. Lodha
Chairman



Shri Pracheta Majumdar
Wholetime Director designated as Chief Management Advisor



Shri Vikram Swarup



Shri Anand Bordia

Shri Brij Behari Tandon

Shri Dhruba Narayan Ghosh

Dr. Deepak Nayyar

Smt. Shailaja Chandra

Shri Dilip Ganesh Karnik

Shri Arvind Pathak
Managing Director & Chief Executive Officer

---------- BOARD OF DIRECTORS ----------

Shri Harsh V. Lodha (DIN 00394094)
Chairman

Shri Pracheta Majumdar (DIN 00179118)
Wholetime Director designated as
Chief Management Advisor
(up to 19th May 2021)

Shri Vikram Swarup (DIN 00163543)

Shri Anand Bordia (DIN 00679165)

Shri Brij Behari Tandon (DIN 00740511)

Shri Dhruba Narayan Ghosh (DIN 00012608)

Dr. Deepak Nayyar (DIN 00348529)

Smt. Shailaja Chandra (DIN 03320688)

Shri Dilip Ganesh Karnik (DIN 06419513)

Shri Arvind Pathak (DIN 00585588)
Managing Director & Chief Executive Officer
(w.e.f. 31st March 2021)

---------- SENIOR MANAGEMENT TEAM ----------

Shri Asim Chattopadhyay
Executive President
Operations

Shri Aditya Saraogi
Chief Financial Officer

Shri Dev Banerjee
President
Sales & Logistics

Shri Bhaskar Bhattacharya
Unit Head
Satna

Shri Sunil Sood
Unit Head
Chanderia

Shri Uttam Kumar Roy
Unit Head
Maihar

Shri Manoj Kumar Mehta
Company Secretary &
Legal Head

Smt. Susmita Bhattacharya
Head-Corporate (HR)

Shri Ghisa Ram Verma
President
Birla Jute Mills

STATUTORY AUDITORS
V. Sankar Aiyar & Co.
Chartered Accountants
New Delhi - 110 008

REGISTRAR & SHARE TRANSFER AGENT
MCS Share Transfer Agent Limited
383, Lake Gardens, 1st Floor
Kolkata – 700 045

CORPORATE OFFICE
1, Shakespeare Sarani (2nd Floor)
Kolkata – 700 071
Phone : (033) 6603 3300/01/02

REGISTERED OFFICE
Birla Building (3rd & 4th Floors)
9/1, R. N. Mukherjee Road
Kolkata – 700 001
Phone : (033) 6616 6729/37
E-mail : investorsgrievance@birlacorp.com
Website : www.birlacorporation.com
CIN : L01132WB1919PLC003334

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HEART & STRENGTH

The past year has been quite unlike anything we've witnessed in our lives. As the pandemic spread despair and desolation, businesses and the economy were affected adversely. Amidst all the negativity, what stood out was the resilience of the human spirit. The feeling of togetherness - the spirit to stand up and lend a hand, extend support and be there in someone's hour of need. This spirit was also on display by all our people in the companies of the group. They were always there, mitigating hardships and finding solutions in the most trying circumstances. The attributes of Heart and Strength inherently ingrained in our group by our founders Syt. Madhav Prasadji Birla and Smt. Priyamvadaji Birla have truly helped us prevail in these extraordinary times. While the challenges were constant, it did not deter us from achieving new highs in the areas of operations and financial parameters. At the same time we continued to strive towards excellence in all our commercial enterprises, educational and healthcare institutions - founded on the pillars of integrity, compassion and strong ethics. As a group, following sustainable policies and practices have always been at the core of our operations, and we consistently encourage actions that create value for all our stakeholders and at the same time take care of our environment and help it rejuvenate.

Harsh V. Lodha
(Chairman)

VISION

To be admired
for our Performance,
Ethics and Culture.

MISSION

To be the best-in-class
in every sector we operate.

VALUES

- Integrity
- Professionalism
- Value Creation
- Social Commitment

SHOWING STRENGTH IN ADVERSITY

In a year that was challenging on several fronts, all our divisions showed immense inner strength and fortitude in overcoming the odds and emerged stronger. Even as our performances, growth and efficiencies reached new heights, there was a consistent effort to reach out to our people and be with them in their hour of need.

CEMENT PLANTS

Strengthening tomorrow

The challenges of the past year were met successfully at the Chanderia plant with a systematic plan in place. There was a significant rise in production while efficient methods in power and thermal consumption ensured a reduction in thermal use. The winning of the "GOLD AWARD" under the Apex India Green Leaf Award for Environment Excellence in the Cement Sector further highlighted the exemplary work done.

CHANDERIA

In these uncertain times, the safety measures followed at the plant resulted in a safe work culture and execution of operations. Additionally, several health programmes, skill development and livelihood projects for the underprivileged were also commissioned.

The installation of Cross Belt Analysers led to effective quality control of limestone from mines and pre-blend yard leading to improved quality production of clinker and cement. The setting up of the Bauxite Weigh Feeder at Raw Mills and Rotor Scale System enhanced the one-day strength of cement and increased fly ash consumption.

SATNA

Safety kits were distributed in neighbouring villages to counter the pandemic. A programme to distribute wheelchairs to the disabled was completed successfully. The plant also received the HR Best Strategy Award for excellent efforts during Covid-19 from Bharatiya Mazdoor Sangh, Bhopal.

The Maihar plant was the first in the region to start operations after the pandemic related lockdown. It also achieved the highest brick kiln lining life of more than 12 months. The increased use of fly ash during manufacturing had a positive impact on the environment. The plant also commissioned newer methods of unloading systems which ensured consistent supply of raw materials.

MAIHAR

For the well-being of the people living around the plant area, financial support was given to 'Rogi Kalyan Samiti, Maihar' for an oxygen plant at the Civil Hospital. A Covid-19 care centre was also established.

The Kundanganj plant exceeded all expectations and achieved its highest ever production level. It also fulfilled its environmental responsibility by ensuring its lowest ever power consumption.

KUNDANGANJ

A vaccination drive to prevent Covid-19 was carried out successfully. Full support in the form of hospitalisation and medical reimbursement was also extended to those affected. To assist the people of nearby areas, aid was provided for the development of a school and various skill development programmes were launched to empower local women.

Operational efficiency at the Butibori plant enabled consistent production of high quality cement. The plant also increased the one-day strength with the maximum fly ash addition in the manufacturing process.

BUTIBORI

Even with the pandemic raging, the plant continued with its responsibilities and engaged with *Gram Panchayats* to reach out and help people. These were primarily in the areas of education, health, employment and infrastructure development.

This year, the plant reduced its coal consumption considerably in Slag Grinding. The plant achieved its highest ever PSC production in a month by maximising Ground Slag production through Roller Press.

DURGAPUR

To ensure the safety of employees and their family members, the plant identified safe homes for recovery. In addition to the necessary precautions, regular supply of oxygen cylinders were ensured.

The past year was notable in terms of overall performance of the plant. The fly ash usage was at its highest ever for both units along with steady production of quality cement.

RAEBARELI

Despite the challenges of the pandemic, regular health check-up camps helped employees and their families stay healthy and fit. An *Anganwadi* centre was also renovated to ensure a caring environment that addressed the educational, health and nutritive requirements of children.

This upcoming integrated plant in the district of Yavatmal, Maharashtra is a part of green field expansion. On completion, it will be one of the largest plants in the region. The plant will also have a high-end robotic laboratory and will consistently produce superior quality cement.

MUKUTBAN

Even during the pandemic, the plant followed all safety protocols to ensure the welfare of workers. The plant also received the 'Certificate of Appreciation by the Director General of the NSCI (Construction Safety Awards 2020)' for exceptional safety performance in the construction sector category.

MARKETING

Connecting with consumers

Despite the pandemic, the Marketing Division communicated constantly with consumers. As markets opened up, the *Construction ka Second Innings* campaign was launched. It provided support to home builders to restart the construction of their homes that had stopped midway. To strengthen ties and engage with our trade members and dealers, various programmes under the Club Ultimate platform were conducted regularly. The advanced use of data analytics helped create customised initiatives for dealers to operate efficiently. Our films on Independence Day, Diwali and the Perfect Hai Humara Sheher series helped highlight the core values of Heart and Strength to consumers.

SALES

Moving ahead

In a challenging year that saw multiple setbacks, swift and affirmative action countered the impact on sales considerably. This was made possible with a focussed approach on the opportunities provided by the housing and infrastructure sector. In the blended variety, 92% of volumes were achieved. Premium brands like Perfect Plus across India, Samrat Advanced in UP and Unique in the East were much in demand and contributed majorly in increasing sales. Moreover, several development projects announced by the Government have boosted sentiments and spurred growth again.

LOGISTICS

Always on time

Decisive measures taken in the past year led to greater efficiencies and cost-effective movement of products. The Route to Market Optimisation, with the help of IT analytics and Vehicle Tracking Systems, has enabled better visibility and improved turn-around time. Greater focus on in-bound logistics to secure supply chain has yielded substantial savings through lowered inventory and cost-effective sourcing.

FINANCE

Securing the future

The past year saw refinancing, resulting in substantial savings. Renegotiations on the fully hedge cost and early payments of instalments also helped save on the differential finance costs.

IT

Ready for the future

Information Technology and the rapid adoption of digitisation played a stellar role in the company's growth. The upgradation of the Customer Relationship Management tools led to greater efficiencies and improved customer service. Implementation of the e-Sourcing Platform also helped procurement processes, better price discovery and spend analysis. Transformative processes are also being developed for predictive maintenance, digital solution to raise kiln productivity and robotics for quality management.

HR

Reaching out

People and their welfare have always been at the heart of all our endeavours. In a year affected by the pandemic, plantwise resilience teams were formed along with a Covid-19 helpdesk. Medical support was provided with regular health checkups, telemedicine consultations and vaccination camps for employees. Multiple steps were initiated in plants and residential colonies to raise awareness on safety measures.

JUTE

Creating a better way

There was a significant level of increase in output due to modernisation of critical aspects in the production process. The installation of the Inverter Control improved quality while reducing process wastage and achieved zero electrical breakdowns. Also, the replacement of the cylinder drive with the shaft and synthetic pulley drive led to an increase in production.

As the pandemic raged, our hospitals and medical staff rose to the challenge of caring for patients and very swiftly restructured operational procedures as per medical norms. Regular wards were transformed into Covid-19 treatment wards and additional manpower was deployed in managing the surge in cases. The selfless dedication and hard work of the medical staff went a long way in combating the number of cases.

MP BIRLA HOSPITAL AND RESEARCH CENTRE

Caring for all

NOTES

NOTICE

To the Members

NOTICE is hereby given that the 101st (Hundred and First) Annual General Meeting of the Members of the Company will be held on Wednesday, the 29th day of September, 2021 at 10.30 a.m. (IST) through Video Conferencing (“VC”)/Other Audio Visual Means (“OAVM”) to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt:

   (a) the Audited Standalone Financial Statements of the Company for the financial year ended 31st March, 2021 together with the Reports of the Board of Directors and Auditors thereon; and

   (b) the Audited Consolidated Financial Statements of the Company for the financial year ended 31st March, 2021 together with the Reports of the Auditors thereon.

2. To declare a dividend of ₹10/- per ordinary share of the face value of ₹10/- each, of the Company for the financial year ended 31st March, 2021.

3. To appoint a Director in place of Shri Dilip Ganesh Karnik (DIN: 06419513), who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

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

   “RESOLVED that pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and Article 138 of the Articles of Association of the Company, Shri Arvind Pathak (DIN: 00585588), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 31st March, 2021 and who holds office as such up to the date of this Annual General Meeting in terms of Section 161 of the Act and who is eligible for appointment and has consented to act as a Director of the Company and in respect of whom the Company has received notice in writing under Section 160 of the Act from a Member proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

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

   “RESOLVED that pursuant to the provisions of Sections 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to such approvals as may be necessary, consent of the members be and is hereby accorded to the appointment of Shri Arvind Pathak (DIN: 00585588) as the Managing Director & Chief Executive Officer of the Company, for a period of 3 (three) years with effect from 31st March, 2021, liable to retire by rotation, upon the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting, with further authority to the Board of Directors of the Company (hereinafter referred to as ‘the Board’, which term shall be deemed to include Nomination and Remuneration Committee) to alter and vary the terms and conditions of the said appointment in such manner as may be agreed between the Board and Shri Arvind Pathak provided that the total remuneration payable to Shri Arvind Pathak shall not exceed the limit specified under the Companies Act, 2013 and Schedules appended thereto as amended from time to time.”

   “RESOLVED FURTHER that the Board of Directors of the Company, be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this Resolution.”

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

   “RESOLVED that pursuant to the provisions of Section 148(3) and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration of ₹4,50,000 (Rupees four lakh fifty thousand only) plus applicable taxes and reimbursement of actual travelling and out of pocket expenses incurred in connection with the cost audit, payable to M/s. Shome & Banerjee, Cost Accountants (Firm Registration No. 000001), Cost Auditors of the Company, for the financial year 2021-2022 as approved by the Board of Directors of the Company, at its Meeting held on 12th May, 2021, be and is hereby ratified and confirmed."

"RESOLVED FURTHER that the Board of Directors of the Company, 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."

Registered Office:	By Order of the Board
Birla Building,	
9/1, R.N. Mukherjee Road,	Manoj Kumar Mehta
Kolkata - 700 001	Company Secretary & Legal Head
CIN: L01132WB1919PLC003334	
Email: investorsgrievance@birlacorp.com	
Website: www.birlacorporation.com	

Dated: 5th August, 2021
Place: Kolkata

Notes:

1. In view of the outbreak and continuing COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") vide its circular dated 13th January, 2021 read with circulars dated 8th April, 2020, 13th April, 2020 and 5th May, 2020 (collectively referred to as "MCA Circulars"), permitted the holding of the Annual General Meeting ("AGM") through VC/OAVM, without the physical presence of the Members at a common venue. Further, the Securities and Exchange Board of India ('SEBI') vide its Circulars dated 12th May, 2020 and 15th January, 2021 ('SEBI Circulars') has also granted certain relaxations. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC/OAVM. The venue of the Meeting shall be deemed to be the place from where the Chairman of the Company shall attend and conduct the Meeting.

2. A Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars and SEBI Circulars through VC/OAVM, physical attendance of Members has been dispensed with. **Accordingly, the facility for appointment of proxies by the Members will not be available for this AGM and hence the Proxy Form, Attendance Slip and Route Map of the AGM are not annexed to this Notice.**

3. Institutional Investors are encouraged to attend and vote at the AGM through VC/OAVM facility. Institutional/Corporate Members (i.e. other than individuals, HUF, NRI etc.) intending to authorize their representatives for the purpose of voting through remote e-Voting, participation in the AGM through VC/OAVM and e-Voting during the AGM are requested to send a certified copy of the Board Resolution to the Scrutinizer by email at evotingam@gmail.com with a copy marked to evoting@nsdl.co.in.

4. The Statement pursuant to Section 102(1) of the Act, in respect of Item Nos. 4, 5 and 6 which sets out details relating to Special Business at the Meeting and considered unavoidable by the Board, is annexed hereto and forms part of the Notice. The relevant details of the Directors seeking appointment/ re-appointment as required under Regulation 36(3) of the Listing Regulations and the Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India are also annexed as **Annexure- A** to the Notice.

5. Pursuant to the MCA Circulars and SEBI Circulars, Notice of the AGM along with the Annual Report for the financial year 2020-2021 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depository Participant(s). The Notice of AGM along with the Annual Report for the financial year 2020-2021 will also be available on the Company's website at www.birlacorporation.com, websites of the Stock Exchanges i.e. BSE Limited

and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of NSDL at www.evoting.nsdl.com.

6. The Register of Members and the Share Transfer Books of the Company will remain closed from 23rd September, 2021 to 29th September, 2021 (both days inclusive) for the purpose of this AGM and for the purpose of determining the entitlement of the members to the dividend, for financial year ended 31st March, 2021.

7. The dividend on the Ordinary Shares, if approved at the AGM, will be paid subject to deduction of tax at source, to the Members whose names appear in the Register of Members/list of Beneficial Owners as at the end of business hours on Wednesday, 22nd September, 2021, i.e. the date prior to the commencement of book closure.

8. Pursuant to the Finance Act, 2020, dividend income will be taxable in the hands of shareholders w.e.f. 1st April, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates in the Income Tax Act, 1961 ("IT Act"). To enable us to determine the appropriate TDS rates as applicable, Members are requested to complete and/or update their Residential Status, Permanent Account Number (PAN) with their depositories (in case of shares held in demat mode) or with the Company/Registrar & Share Transfer Agent (RTA) (in case of shares held in physical mode) by sending the documents through email at tds@birlacorp.com on or before Friday, 10th September, 2021. No communication on the tax determination/ deduction shall be entertained post 10th September, 2021. For the detailed process, the information is available on the Company's website at https://www.birlacorporation.com/notice.html.

9. Pursuant to the Listing Regulations, all companies mandatorily have to use the bank account details furnished by the depositories for payment of dividends. Dividend will be credited to the Members' Bank Account through NACH/NEFT wherever complete core banking details are available with the Company. In cases where the core banking details are not available, dividend warrants will be issued to the Members with bank details printed thereon as available in the Company's records.

10. Members holding shares in physical form are requested to notify to the Company's RTA, M/s. MCS Share Transfer Agent Limited, 383, Lake Gardens, 1st Floor, Kolkata -700045, quoting their folio number, any change in their registered address along with a copy of any one of the address proof i.e. Voter Identity Card, Aadhaar Card, Electric/Telephone Bill, Driving Licence, Passport or Bank Statement and any change in Bank mandate along with original cancelled cheque leaf/attested bank passbook showing name of the Account Holder. Members holding shares in demat form are requested to intimate any change in their address and/or bank mandate immediately to their respective Depository Participant.

11. The Company has transferred the unpaid or unclaimed dividends declared up to financial years 2012-2013 to the Investor Education and Protection Fund ("IEPF") established by the Central Government in compliance with the applicable provisions of the Act read with the rules framed thereunder. The details of the unpaid/unclaimed amounts lying with the Company as on 31st March, 2021 are available on the website of the Company at www.birlacorporation.com. Members who have not encashed their Dividend for the financial year 2013-2014 or any subsequent Dividend declared by the Company, are advised to write to the Company immediately.

12. Pursuant to the provisions of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules), as amended from time to time, all Shares in respect of which Dividend has not been paid or claimed by the Members for seven consecutive years or more would be transferred to the demat account of IEPF Authority. In terms of the aforesaid provisions, during the financial year 2020-2021, the Company has transferred all shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more as on the due date of transfer, i.e. 15th August, 2020. Details of shares transferred to the IEPF Authority are uploaded on the website of IEPF Authority and the same can be accessed through the link: www.iepf.gov.in.

13. The Members whose dividend/ shares has been transferred to the IEPF Authority can claim their shares from the IEPF Authority by following the Refund Procedure as detailed on the website of IEPF Authority http://www.iepf.gov.in/IEPF/refund.html. In case the Members have any query on the subject matter and the IEPF Rules, they may contact the Company/RTA.

14. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from 1st April, 2019, except in case of request received for transmission or transposition of securities. Members holding shares in physical form are requested to Dematerialize their holdings as it will not be possible to transfer shares held in physical mode. Members may contact the Company's RTA at mcssta@rediffmail.com for assistance in this regard. Members may also refer the procedure for dematerialization of shares available on the Company's website at https://www.birlacorporation.com/investors/demat_process.pdf.

15. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Registrars, the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.

16. As per the provisions of the Act, the facility for making/varying/canceling nominations is available to individuals, holding shares in the Company. Nominations can be made in Form SH-13 and any variation/cancellation thereof can be made by giving notice in Form SH-14, prescribed under the Companies (Share Capital and Debentures) Rules, 2014 for the purpose. The Forms can be obtained from the RTA/Company by sending email at mcssta@rediffmail.com and investorsgrievance@birlacorp.com respectively. The said forms can also be downloaded from the Company's website at https://www.birlacorporation.com/downloads.html.

17. The Securities and Exchange Board of India (SEBI) has mandated submission of PAN by every participant in the securities market. Members holding shares in dematerialized form are therefore, requested to submit their PAN details to their Depository Participant(s). Members holding shares in physical form are required to submit their PAN details to the RTA/Company.

18. To support "Green Initiatives", Members who have not yet registered their email address are requested to register the same with their Depository Participant(s) where shares are held in dematerialized form and with the RTA/Company where the shares are held in physical form. Members may follow the process detailed below for registration of email ID to obtain the Notice of AGM, Annual Report, user ID/password for e-Voting or any other document/information:

    a. Members holding shares in physical mode and who have not updated their email addresses with the Company are requested to update their email addresses by writing to the RTA/Company at mcssta@rediffmail.com and investorsgrievance@birlacorp.com respectively and along with the copy of the signed request letter mentioning the name, folio no., address of the Member, self-attested copy of the PAN card and self-attested copy of any document (eg.: Driving License, Bank Statement, Election Identity Card, Passport, Aadhaar Card) in support of the address of the Member.

    b. Members holding shares in dematerialized mode are requested to register/update their email addresses with their respective Depository Participants.

    In case of any queries/difficulties in registering the email address, Members may write to the Company at investorsgrievance@birlacorp.com.

19. Instructions for attending the AGM through VC/OAVM and remote e-Voting (before and during the AGM) are given below:

    A. Instructions for Members for attending the AGM through VC/OAVM:

    a) Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned in point no. B below for Access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the Notice to avoid last minute rush.

    b) Facility of joining the AGM through VC/OAVM shall open 30 minutes before the time scheduled for the AGM and shall be available for Members on first-come-first-served-basis.

    c) Members may join the Meeting through Laptops, Smartphones, tablets and ipads for better experience, etc. Further, Members will be required to use Internet with a good speed to avoid any disturbance during the Meeting. Please note that Members connecting from Mobile Devices or Tablets or through Laptops connecting via mobile hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of glitches.

    d) Members may submit their questions in advance with regard to the financial statements or any other matter to be placed at the AGM from their registered email address, mentioning their name, DP ID and Client ID number/folio number, PAN and mobile number to reach the Company's email address at agm@birlacorp.com on or before 5:00 p.m. (IST) on Saturday, 25th September, 2021. Such questions by the Members shall be taken up during the Meeting and suitably dealt with by the Company. The Management will decide, at its due discretion, whether and how it will answer the questions. It can summarize the questions and select, in the interest of the other shareholders, only meaningful questions.

e) Members who may like to express their views or ask questions during the AGM may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID and Client ID number/folio number, PAN and mobile number at agm@birlacorp.com between 9.00 a.m. (IST) on Thursday, 23rd September, 2021 and 5.00 p.m. (IST) on Saturday, 25th September, 2021. Only those Members who register themselves as speaker will be allowed to express views/ask questions during the AGM. The Company/Chairman of the Meeting reserves the right to restrict the number of speakers, time allotted for each speaker and number of questions depending upon the availability of time at the AGM in order to ensure smooth conduct of the AGM.

f) Members may note that facility of joining the AGM through VC/OAVM provided by NSDL allows participation of at least 1000 members on first-come-first-served-basis. However, the participation of members holding 2% or more shares, Promoters, Institutional Investors, Directors, Key Managerial Personnel, Chairpersons of the Audit Committee, Stakeholders Relationship Committee, Nomination and Remuneration Committee and Auditors are not restricted on first-come-first-served-basis.

g) Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

B. Instructions for Members for Remote e-Voting:

a) In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended, SS-2 and Regulation 44 of the Listing Regulations read with the MCA Circulars and SEBI Circulars and in terms of SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020 on "e-Voting facility provided by Listed Companies", the Company is pleased to provide the facility to members to exercise their right to vote on the resolutions proposed to be considered at the AGM by electronic means. The facility of casting the vote by the members using an electronic voting system from a place other than venue of the Meeting ("remote e-Voting") will be provided by National Securities Depository Limited (NSDL). Facility to cast vote through e-Voting system will also be provided by NSDL to Members participating in the AGM.

b) The remote e-Voting period commences on Sunday, 26th September, 2021 at 9.00 a.m. (IST) and ends on Tuesday, 28th September, 2021 at 5.00 p.m. (IST). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22nd September, 2021, may cast their vote by remote e-Voting. The remote e-Voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

c) Members desiring to vote through remote e-Voting may refer to the following steps:

How to vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1: Access to NSDL e-Voting system.

I. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.

In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020 on "e-Voting facility provided by Listed Companies", Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and e-mail address in their demat accounts in order to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode is given below:

<table>
<tr><th>Type of shareholders</th><th>Login Method</th></tr>
<tr><td>Individual Shareholders holding securities in demat mode with NSDL.</td><td>A. NSDL IDeAS facility:
1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. A new screen will open. You will have to enter your User ID and Password.
2. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against Company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
3. If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select “Register Online for IDeAS” Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp
B. E-Voting website of NSDL:
1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen.
2. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against Company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.</td></tr>
<tr><td>Individual Shareholders holding securities in demat mode with CDSL</td><td>1. Existing users who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi.
2. After successful login of Easi/Easiest the user will be also able to see the e-Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote.
3. If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration
4. Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.</td></tr>
<tr><td>Individual Shareholders (holding securities in demat mode) login through their depository participants</td><td>1. You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.
2. Once you login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature.
3. Click on options available against Company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & e-Voting during the meeting.</td></tr>
</table>

Important note: Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. NSDL and CDSL.

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30.
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-23058738 or 022-23058542/43.

II. Login method for remote e-Voting and joining virtual meeting for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section.
3. A new screen will open. You will have to enter your User ID, your Password/OTP and a Verification Code as shown on the screen.

   Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can login at https://eservices.nsdl.com/ with your existing IDEAS login. Once you login to NSDL e-services after using your login credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example, if your DP ID is IN300*** and Client ID is 12****** then your user ID is IN300***12******
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example, if your Beneficiary ID is 12************** then your user ID is 12**************
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the Company For example, if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Password details for shareholders other than Individual shareholders are given below:
   a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
   b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
   c) How to retrieve your 'initial password'?
      i. If your email ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or

folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

ii. If your email ID is not registered, please follow steps mentioned in the Notice in case of those shareholders whose email ids are not registered.

6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:

   a) Click on "Forgot User Details/Password?"(If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.

   b) Physical User Reset Password?" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.

   c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.

   d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2: Cast your vote electronically and join AGM on NSDL e-Voting system.

How to cast your vote electronically and join virtual meeting on NSDL e-Voting system?

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.

2. Select "EVEN" of "Birla Corporation Limited" to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".

3. Now you are ready for e-Voting as the Voting page opens.

4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

5. Upon confirmation, the message "Vote cast successfully" will be displayed.

6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.

7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

C. Instructions for Members for e-Voting on the day of the AGM:

a) The procedure for remote e-Voting during the AGM is same as the instructions mentioned above for remote e-Voting since the Meeting is being held through VC/OAVM.

b) Only those Members who will be present in the AGM through VC/OAVM facility and have not cast their vote on the Resolutions through remote e- Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting System during the AGM.

c) The Members who have voted through remote e-Voting prior to the AGM will be eligible to attend the AGM through VC/OAVM. However, they will not be eligible to vote at the AGM.

d) For details of the person who may be contacted for any grievances connected with the facility for e-Voting, before or during the AGM, please refer Note no. 20(b) below.

20. **General Guidelines for shareholders**

a. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-Voting Website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.

b. In case of any queries/grievances pertaining to e-Voting (before or during the AGM), you may refer the Frequently Asked Questions (FAQs) for Members and remote e-Voting user manual for Members available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 and 1800-224-430 or send a request at evoting@nsdl.co.in or contact Mr. Amit Vishal, Senior Manager or Ms. Pallavi Mhatre, Manager, National Securities Depository Ltd., at the designated email IDs: evoting@nsdl.co.in or amitv@nsdl.co.in or pallavid@nsdl.co.in or at telephone nos.:+91-22-24994360 or +91-22-24994545 who will address the grievances on e- Voting.

c. You can also update your mobile number and email id in the user profile details of the folio which may be used for sending future communication(s).

d. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of 22nd September, 2021. Any person who is not a member as on the said cut-off date should treat this Notice for information purpose only.

e. Any person, who acquires shares of the Company and become a member of the Company after dispatch of the notice and holding shares as on the cut-off date i.e. Wednesday, 22nd September, 2021 may obtain the User ID and password by sending a request at evoting@nsdl.co.in or mcssta@rediffmail.com.

   However, if you are already registered with NSDL for remote e-Voting then you can use your existing user ID and password for casting your vote.

f. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting or casting vote through e-Voting system during the meeting.

g. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.

h. Shri Anil Murarka (Membership No. F3150, C.P No. 1857), LLB, Company Secretary in Wholetime Practice, has been appointed as the Scrutinizer to scrutinize the voting and remote e-Voting process in a fair and transparent manner.

i. The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the AGM and thereafter unblock the votes cast through remote e-Voting and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, and submit the Report to the Chairman or a person authorized by him in writing, who shall countersign the same.

j. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.birlacorporation.com and on the website of NSDL https://www.evoting.nsdl.com. The Company shall simultaneously forward the results to the National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.

21. 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 the Directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice, if any, will also be available for electronic inspection without any fee by the members on all working days during normal business hours from the date of circulation of this Notice up to the date of AGM. Members seeking to inspect such documents can send an email to agm@birlacorp.com.

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

The following Statement sets out all material facts relating to the Special Business mentioned in the Notice:

Item No. 4 & 5

The Board of Directors of the Company, based on the recommendation of the Nomination and Remuneration Committee, appointed Shri Arvind Pathak (DIN: 00585588), as an Additional Director of the Company with effect from 31st March, 2021, in terms of Section 161 of the Companies Act, 2013 and he holds office upto the date of the 101st Annual General Meeting of the Company. He has also been appointed as the "Managing Director & Chief Executive Officer" for a period of 3 (three) years with effect from 31st March, 2021 and also designated as the Key Managerial Personnel of the Company.

The Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013 proposing the candidature of Shri Arvind Pathak for the office of Director of the Company.

The Company has also received the consent in writing from Shri Arvind Pathak to act as a Director of the Company and a declaration under Section 164 of the Companies Act, 2013 to the effect that he is not disqualified from being appointed as a Director.

Shri Pathak has around 36 years of experience in the cement industry and is skilled in manufacturing, operations management, strategic planning, project development and execution, driving cost reduction and negotiations. Shri Pathak has a strong track record of successful planning and execution of long-term business plans. To avail his Professional and Advisory Services in various strategic and operational matters of the Company, the Board of Directors at its Meeting held on 1st March, 2021 based on the recommendation of the Nomination and Remuneration Committee had appointed Shri Arvind Pathak as an Additional Director and simultaneously the Managing Director & Chief Executive Officer of the Company for a period of 3 (three) years with effect from 31st March, 2021 and also designated him as the Key Managerial Personnel subject to the approval of the shareholders of the Company at the Annual General Meeting and other required approvals, if any, on the terms and conditions including remuneration (duly approved by the Nomination and Remuneration Committee) as incorporated in the agreement entered into between the Company and Shri Pathak.

A brief profile of Shri Arvind Pathak, including nature of his expertise and shareholding in the Company, etc. is annexed as '**Annexure- A**' to the Notice.

The brief terms and conditions of the appointment are as set out herein below:

1. **Period of Appointment:** 31st March, 2021 to 30th March, 2024.

2. **Remuneration:**

   2.1 **Salary:**

   ₹10,00,000/- (Rupees Ten lakhs only) per month with such annual increment/increase as may be recommended by the Nomination and Remuneration Committee and approved by the Board as it may deem fit. The revision in salary will take effect from 1st day of April every year or as the Board may decide based on the recommendation of the Nomination and Remuneration Committee.

   2.2 **Performance Linked Bonus:**

   A maximum amount of ₹1,00,00,000/- (Rupees One Crore Only) or such other maximum amount as may be recommended by the Nomination and Remuneration Committee and approved by the Board, for each financial year.

   2.3 **Adhoc Allowance:**

   ₹10,95,467/- (Rupees Ten Lakhs Ninety Five Thousand Four Hundred and Sixty Seven only) per month or such other amount as may be recommended by the Nomination and Remuneration Committee and approved by the Board.

2.4 **House Rent Allowance:**

₹6,00,000/- (Rupees Six Lakhs Only) being 60% of the Basic Salary per month or such amount as may be recommended by the Nomination and Remuneration Committee and approved by the Board for each financial year, as House Rent Allowance.

2.5 **Soft Furnishing Allowance:**

₹10,00,000/- (Rupees Ten Lakh Only) per annum or such amount as may be recommended by the Nomination and Remuneration Committee and approved by the Board for each financial year, as Soft Furnishing Allowance.

2.6 **Leave Travel Allowance:**

₹1,00,000/- (Rupees One Lakh Only) per annum or such amount as may be recommended by the Nomination and Remuneration Committee and approved by the Board for each financial year, as Leave Travel Allowance.

2.7 **Medical Reimbursement/Allowance:**

₹1,00,000/- (Rupees One Lakh Only) per annum or such amount as may be recommended by the Nomination and Remuneration Committee and approved by the Board for each financial year, as Medical Reimbursement and/or Allowance.

2.8 **Joining Bonus:**

A Joining Bonus of ₹15,00,000/- (Rupees Fifteen Lakh Only) to be paid on joining the services of the Company.

2.9 **Perquisites:**

In addition, the Managing Director & Chief Executive Officer, will be entitled to the following perquisites, benefits and allowances as mentioned hereinafter:

2.9.1 **Club Fees:**

Membership of one club. The subscription fees of that club will be borne by the Company.

2.9.2 **Personal Accident Insurance:**

Personal Accident Insurance Policy of an amount the annual premium of which does not exceed ₹12,000/- (Rupees twelve thousand only).

2.9.3 **Car and Telephone:**

Free use of Company's Car for Company's work as well as for personal purposes along with driver and telephone at residence at Company's cost.

2.9.4 In addition to the above, he will also be entitled to the following:

a) **Provident Fund :**

Company's contribution towards Provident Fund as per the Rules of the Company.

b) **Leave:**

Leave with full pay and allowances (including encashment of unavailed earned leave thereof) as per the Rules of the Company.

c) **Medical Insurance:**

Medical insurance under Group Mediclaim Policy for self, spouse and children upto 25 years as per the Rules of the Company.

d) **Relocation Expenses:**

Relocation expenses including travelling expenses of self and spouse, transportation, packing and unpacking expenses incurred for shifting from Mumbai to Kolkata will be reimbursed on actuals.

2.9.5 **Other Allowances:**

Any other allowances, benefits and perquisites as the Board may decide from time to time based on the recommendation of the Nomination and Remuneration Committee.

2.9.6 **Minimum Remuneration:**

Notwithstanding the above, where in any financial year during the currency of tenure of the Managing Director & Chief Executive Officer, the Company has no profits or its profits are inadequate, it may pay him remuneration by way of salary and perquisites not exceeding the overall limit prescribed in Schedule V and other applicable provisions of the Companies Act, 2013, or any amendment thereof as minimum remuneration subject to the conditions stipulated therein in addition to the amounts mentioned in para 2.9.4(a) and encashment of leave at the end of the tenure which shall not be included in the computation of the ceiling of remuneration.

3. The Managing Director & Chief Executive Officer shall be subject to retirement by rotation during his tenure. However, the Managing Director & Chief Executive Officer re-appointed as a Director of the Company immediately on retirement by rotation, shall continue to hold his office of the Managing Director & Chief Executive Officer and such re-appointment shall not be deemed to constitute a break in his appointment/service as the Managing Director & Chief Executive Officer of the Company.

4. No sitting fees will be paid to the Managing Director & Chief Executive Officer for attending the Meetings of the Board of Directors or Committees thereof.

5. The Managing Director & Chief Executive Officer will also be entitled to reimbursement of entertainment expenses actually incurred in the course of legitimate business purpose of the Company.

6. The headquarters of the Managing Director & Chief Executive Officer will be based at Kolkata for attending his duties.

7. The Managing Director & Chief Executive Officer shall generally look after the management of the affairs of the Company subject to the overall superintendence, control and directions of the Board of the Company. The Board may from time to time entrust Managing Director & Chief Executive Officer with such powers exercisable by the Board as they think fit and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they may think proper, which shall be exercised by the Managing Director & Chief Executive Officer diligently, in the best interests of the Company.

8. During the continuance of the employment, the Managing Director & Chief Executive Officer shall not enter into any other service or employment. Any process, discovery, invention or patent acquired by the Managing Director & Chief Executive Officer in the course of his employment will belong to the company.

9. The Managing Director & Chief Executive Officer will abide by the rules and regulations of the Company as are in force at the moment or as may be in force from time to time and will carry out the duties in the best interest of the Company as well as in the most efficient manner as directed by the Management.

10. The Managing Director & Chief Executive Officer will not disclose to anyone, particulars or details of our manufacturing processes, technical know-how, business strategies, security arrangement, administrative/official and/or organizational matters of a confidential or secret nature which the Managing Director & Chief Executive Officer may come to know by virtue of being in the employment of the Company.

11. In all matters not specifically provided for herein, the Managing Director & Chief Executive Officer will be governed subject to rules & regulations of the Company as may be in force from time to time at the place where the Managing Director may be working.

12. The services of the Managing Director & Chief Executive Officer are subject to termination by either party at any time by giving three (3) months' notice in writing or on payment of equivalent salary in lieu thereof.

13. The services of the Managing Director & Chief Executive Officer are liable to be terminated without any notice in case of any breach on his part of any of the terms and conditions mentioned herein above.

14. If at any time the Managing Director & Chief Executive Officer ceases to be a Director of the Company, for any reason whatsoever, he shall cease to be the Managing Director & Chief Executive Officer and this Agreement with the Company shall stand terminated forthwith. Similarly, if at any time the Managing Director & Chief Executive Officer ceases to be in the employment of the Company for any cause/ reason whatsoever, he shall cease to be a Director of the Company.

15. The terms and condition contained in this Agreement including remuneration shall be subject to the approval of the Shareholders in the next General Meeting of the Company and in the event of any alteration directed/approved by the Shareholders in any terms and conditions mentioned herein above including remuneration, the same shall be binding on the Managing Director & Chief Executive Officer and his appointment shall be subject thereto. A supplemental deed of variation shall be entered into with the Managing Director & Chief Executive Officer for incorporation of such changes as may be approved by the Shareholders.

A copy of the agreement entered into by the Company with Shri Arvind Pathak containing the terms and conditions of appointment and remuneration payable to him and copy of the resolutions passed by the Board of Directors on 1st March, 2021 would be available electronically for inspection by the members during the AGM.

The above may be treated as a written memorandum setting out the terms of appointment of Shri Arvind Pathak under Section 190 of the Act.

In compliance with the provisions of Sections 196, 197, 203 and other applicable provisions of the Act, read with Schedule V to the Act, the terms and conditions of appointment and remuneration specified above are now being placed before the Members for their approval.

Shri Arvind Pathak and his relatives may be deemed to be interested in the resolutions as set out at Item No. 4 & 5 of the Notice.

Save and except above, none of the other Directors, Key Managerial Personnel and/or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolutions as set out at Item No. 4 & 5 of the Notice.

The Board of Directors, therefore, recommends the Resolution as set out at Item No. 4 & 5 to be passed as Ordinary Resolutions by the Members.

Item No. 6

The Board of Directors of the Company, based on the recommendation of the Audit Committee, at its meeting held on 12th May, 2021, has considered and approved the appointment of M/s. Shome & Banerjee, Cost Accountants (Firm Registration No. 000001), as the Cost Auditors of the Company for the financial year 2021-2022 to conduct the audit of the cost records of the Company for the following products at a total remuneration of ₹4,50,000 (Rupees four lakh fifty thousand only) per annum plus tax as applicable and reimbursement of travelling and incidental expenses incurred in connection with the Cost Audit:

1. Cement– ₹2,85,000 (Rupees two lakh eighty five thousand only) per annum.

2. Jute Goods– ₹1,40,000 (Rupees one lakh forty thousand only) per annum.

3. Steel– ₹25,000 (Rupees twenty five thousand only) per annum.

In accordance with the provisions of Section 148(3) of the Companies Act, 2013 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. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year 2021-2022.

None of the Directors/Key Managerial Personnel of the Company and/or their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution as set out at Item No. 6 of the Notice.

The Board of Directors, therefore, recommends the Resolution as set out at Item No. 6 to be passed as Ordinary Resolution by the Members.

By Order of the Board

Manoj Kumar Mehta
Company Secretary & Legal Head

Registered Office:
Birla Building,
9/1, R.N. Mukherjee Road,
Kolkata - 700 001
CIN: L01132WB1919PLC003334
Email: investorsgrievance@birlacorp.com
Website: www.birlacorporation.com

Dated: 5th August, 2021
Place: Kolkata

ANNEXURE-A

ANNEXURE TO ITEM NO. 3, 4 AND 5 OF THE NOTICE

Details of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting [in pursuance to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings]

(As on 31st March, 2021)

Name of the Director	**Shri Dilip Ganesh Karnik (DIN: 06419513)**	**Shri Arvind Pathak (DIN: 00585588)**
Date of Birth and Age	10.05.1950 (70 years)	08.01.1959 (62 years)
Nationality	Indian	Indian
Date of first appointment on the Board of Directors of the Company	11.11.2017	31.03.2021
Qualifications	Completed Bachelor of Science from University of Pune in the year 1969 and is also a Gold medalist in Law from University of Pune.	Shri Pathak holds an Electrical Engineering degree from the IIT (BHU) and PG degree in Industrial Engineering and Management.
Experience (including nature of expertise in specific functional areas)/ Brief Resume	He was a practicing advocate and Judge of Hon'ble Bombay High Court. He has a vast experience as an Arbitrator and Legal Consultant (Advisor in Commercial, Corporate, Property and Family Laws and Arbitrator in Commercial, Property and Family Disputes).	Skilled in manufacturing, operations management, strategic planning, project development and execution, driving cost reduction and negotiations. He has a strong track record of planning & executing long-term business plans.
Number of shares held in the Company	500	150
List of directorships held in other companies	1. Universal Cables Limited 2. Vindhya Telelinks Limited 3. ICICI Prudential Life Insurance Company Limited 4. ICICI Securities Primary Dealership Limited 5. ICICI Prudential Asset Management Company Limited	NIL
Chairman/Member of the Committees of the Boards of the Companies in which he is Director	**Chairman** *Nomination and Remuneration Committee–* ICICI Securities Primary Dealership Limited ICICI Prudential Life Insurance Company Limited *Corporate Social Responsibility Committee–* ICICI Securities Primary Dealership Limited ICICI Prudential Life Insurance Company Limited	NIL

	Member *Audit Committee –* ICICI Prudential Life Insurance Company Limited ICICI Securities Primary Dealership Limited ICICI Prudential Asset Management Company Limited *Risk Management Committee-* ICICI Prudential Asset Management Company Limited Birla Corporation Limited *Risk Management & I.T. Strategy Committee-* ICICI Securities Primary Dealership Limited *Customer Service & Policy Holders Protection Committee-* ICICI Prudential Life Insurance Company Limited	
Relationship with other Directors, Manager and Key Managerial Personnel of the Company	None	None
Number of meetings of the Board attended during the year 2020-2021	Two of Six	NA
Number of ESOPs granted	NIL	NIL
Terms and conditions of Re-appointment	He is a Non-Executive Non-Independent Director and liable to retire by rotation.	As mentioned in the explanatory statement at item no. 4 and 5 of this Notice.
Details of Remuneration sought to be paid	Entitled to Sitting Fees for attending meeting of the Board and the Committees thereof and Commission as may be decided by the Board of Directors of the Company from time to time.	As per the resolution at item no. 5 of the Notice convening this Meeting read with the Statement annexed thereto.
Remuneration last drawn (including sitting fees, if any)	The details of the Remuneration paid to the Directors during the financial year 2020-2021 are provided in the Report on Corporate Governance.	

CONSOLIDATED FINANCIAL HIGHLIGHTS

(₹ in Crores)

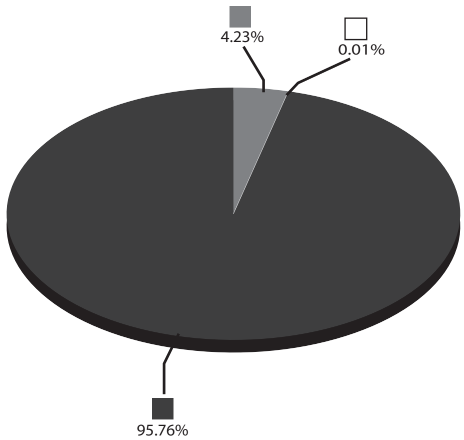
	As per IND AS						As per Indian GAAP			
	2020 - 21	2019 - 20	2018 - 19	2017 - 18	2016 - 17	2015 - 16	2014-15	2013-14	2012-13	2011-12
OPERATING RESULTS										
Revenue from Operations/Turnover	**6785.45**	**6915.69**	**6548.73**	**5943.11**	**4981.22**	**3761.59**	**3692.17**	**3477.92**	**2994.34**	**2596.82**
Surplus before Depreciation, Finance Cost, Tax Expenses & Exceptional items **(EBITDA)**	**1437.48**	1421.10	1027.08	882.12	769.40	463.47	457.55	382.03	521.15	479.65
Finance Cost	**296.28**	387.67	370.52	377.64	276.79	82.26	78.37	85.60	64.86	52.64
Surplus after Finance Cost but before Depreciation & Amortisation & Exceptional Items	**1141.20**	**1033.43**	**656.56**	**504.48**	**492.61**	**381.21**	**379.18**	**296.43**	**456.29**	**427.01**
Depreciation and Amortisation	**370.76**	351.91	339.12	332.16	255.50	148.76	153.46	133.06	104.91	80.58
Exceptional Items	**57.85**	-	-	12.48	6.82	31.49	12.84	10.93	-	-
Income Tax/Deferred Tax/Income Tax Refund (Net)	**82.45**	176.34	61.74	5.89	10.82	33.23	37.44	22.61	81.09	106.99
Net Profit	**630.14**	505.18	255.70	153.95	219.47	167.73	175.44	129.82	270.28	239.44
Dividend Payout	**57.75**	69.62#	60.34	60.24	55.61	55.61	55.61	54.06	62.92	53.70
Dividend Percentage	**75.00**	75.00	65.00	65.00	60.00	60.00	60.00	60.00	70.00	60.00
Retained Earning during the year	**572.39**	**435.56**	**195.36**	**93.71**	**163.86**	**112.12**	**119.83**	**75.76**	**207.36**	**185.74**
ASSETS & LIABILITIES										
Fixed Assets:										
Gross Block	**11213.62**	10345.24	9252.17	8867.18	7572.26	2245.88	3284.54	3090.27	2921.80	2723.51
Net Block	**9428.40**	8929.45	8178.35	8131.07	7168.32	2097.35	2050.38	2012.23	1967.16	1868.28
Other Assets	**3467.19**	3246.02	3153.26	2943.87	2529.50	3131.97	2940.88	2858.82	2562.18	2194.71
Total Assets	**12895.59**	**12175.47**	**11331.61**	**11074.94**	**9697.82**	**5229.32**	**4991.26**	**4871.05**	**4529.34**	**4062.99**
Represented by :										
Share Capital	**77.01**	77.01	77.01	77.01	77.01	77.01	77.01	77.01	77.01	77.01
Other Equity /Reserves & Surplus	**5408.98***	4729.12*	4418.21*	4202.81*	3227.98	2848.31	2547.10	2452.07	2375.97	2168.82
Net Worth	**5485.99**	**4806.13**	**4495.22**	**4279.82**	**3304.99**	**2925.32**	**2624.11**	**2529.08**	**2452.98**	**2245.83**
Borrowings	**4046.42**	4281.95	4049.20	4130.46	4254.94	1281.25	1302.18	1401.30	1226.05	1135.40
Other Liabilities & Provisions	**3363.18**	3087.39	2787.19	2664.66	2137.89	1022.75	1064.97	940.67	850.31	681.76
Total Equity & Liabilities	**12895.59**	**12175.47**	**11331.61**	**11074.94**	**9697.82**	**5229.32**	**4991.26**	**4871.05**	**4529.34**	**4062.99**
Key Indicators										
Earning per Ordinary Share (₹)	**81.83**	65.60	33.21	19.99	28.50	21.78	22.78	16.86	35.10	31.09
Cash Earning per Ordinary Share (₹) (annualised)	**140.68**	134.20	85.26	63.89	63.09	45.41	47.57	37.08	59.25	55.45
Net Worth per Ordinary Share (₹)	**712.42**	624.13	583.75	555.78	429.19	379.89	340.77	328.43	318.55	291.65
Debt Equity Ratio (on long-term loans)	**0.88:1**	1.08:1	1.13:1	1.21:1	1.26:1	0.42:1	0.44:1	0.49:1	0.39:1	0.34:1
Current Ratio	**1.32**	1.28	1.40	1.54	1.59	2.86	3.65	2.58	2.22	2.51

Dividend Paid in the FY 2020-2021

* Including Revaluation Surplus

Statement of Revenue from Operations by Activities
2020-21

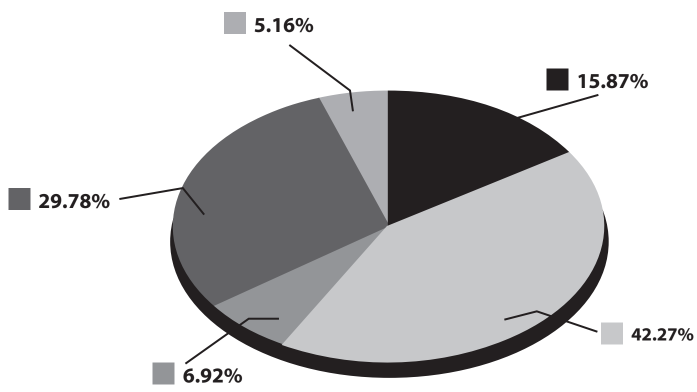
(₹ in Crores)



Cement :	6497.93 (95.76%)
Jute :	287.30 (4.23%)
Others :	0.22 (0.01%)

Revenue Distribution
2020-21

(₹ in Crores)



Raw Materials:	911.72	(15.87%)
Manufacturing Expenses:	2427.77	(42.27%)
Employees Benefits Expenses:	397.77	(6.92%)
Selling, Administration & Other Expenses:	1710.62	(29.78%)
Finance Costs:	296.28	(5.16%)

DIRECTORS' REPORT & MANAGEMENT DISCUSSION AND ANALYSIS

To the Members

The Directors have the pleasure in presenting the 101st Annual Report on the business and operations of the Company together with the Audited Financial Statements of the Company and its Subsidiaries for the financial year ended 31st March, 2021. The Management Discussion and Analysis also forms a part of this Report.

FINANCIAL PERFORMANCE

The financial performance of the Company (standalone and consolidated) for the financial year ended 31st March, 2021 and its comparison with the previous year is summarised below:

(₹ in Crore)

PARTICULARS	STANDALONE				CONSOLIDATED			
	31.03.2021		31.03.2020		31.03.2021		31.03.2020	
Revenue from Operations (Gross)		4442.15		4746.60		6785.45		6915.69
Total Revenue		4553.38		4829.08		6885.36		7000.82
Profit before Finance Costs, Tax, Depreciation, Amortization, Minority Interest and Exceptional items		720.89		757.53		1437.48		1421.10
Finance Costs		129.71		185.23		296.28		387.67
Profit before Tax, Depreciation, Amortization, Minority Interest and Exceptional items		591.18		572.30		1141.20		1033.43
Depreciation and Amortization Expense	160.82		151.18		370.76		351.91	
Exceptional items	-		-		57.85		-	
Tax Expense (Net)	1.85	162.67	105.28	256.46	82.45	511.06	176.34	528.25
Profit for the year		**428.51**		**315.84**		**630.14**		**505.18**
Profit for the year attributable to non-controlling interest		-		-		-		-
Profit for the year attributable to owner of the Parent		428.51		315.84		630.14		505.18
Re-measurement of the defined benefit plans (net of tax expenses)		2.10		(6.56)		1.46		(6.98)
Finance Lease adjustment due to Ind AS 116 (net of tax expenses)		-		(0.52)		-		(0.97)
Total Surplus during the year		**430.61**		**308.76**		**631.60**		**497.23**
Surplus as per the last Financial Statements*		574.95		353.48		923.83		513.89
Appropriations:								
Debenture Redemption Reserve		-		17.67		-		17.67
Dividend paid on Ordinary Shares		57.75		57.75		57.75		57.75
Corporate Dividend Tax on Dividend		-		11.87				11.87
General Reserve		-		-		-		-
Associates Investment Adjustment		-		-		-		-
Net Surplus		**947.81**		**574.95**		**1497.68**		**923.83**

* After adjustment of re-measurement of the defined benefit plans (net of tax expenses)

FINANCIAL HIGHLIGHTS AND STATE OF COMPANY'S AFFAIRS

During the financial year 2020-2021, the Company's consolidated revenue fell by 1.65% to ₹6,885.36 crore, as compared to ₹7,000.82 crore in the previous year due to shortfall of sales in the first quarter. The Company recorded its highest ever consolidated EBIDTA and cash profit in the financial year 2020-2021 at ₹1,437.48 crore and ₹1,141.20 crore, respectively, registering a growth of 1.15% in EBIDTA and 10.43% in cash profit over the previous year. Consolidated Net Profit for the year 2020-2021 at ₹630.14 crore was 24.74% higher than the previous year.

DIVIDEND

The Directors are pleased to recommend a dividend of ₹10 per share (i.e. 100%) on 7,70,05,347 Ordinary Shares of the Company for the year ended 31st March, 2021 aggregating to ₹77.01 crores as compared to ₹57.75 crores in the previous year. The dividend recommended is in accordance with the Company's Dividend Distribution Policy. The Dividend Distribution Policy of the Company is given in "**Annexure–A**" which is annexed hereto and forms part of the Directors' Report and is also uploaded on the Company's website at http://www.birlacorporation.com/investors/policies/dividend-distribution-policy.pdf.

Dividend is subject to approval of the Members at the ensuing Annual General Meeting. In view of the changes made under the Income Tax Act, 1961, by the Finance Act, 2020, dividends paid or distributed by the Company shall be taxable in the hands of the Shareholders. Accordingly, the Company shall make the payment of Dividend after deduction of tax at source as per the rules as may be applicable, at prescribed rates as per the Income Tax Act, 1961.

TRANSFER TO RESERVES

The Board of Directors have decided to retain the entire amount of profit for the financial year 2020-2021 in the profit and loss account.

SHARE CAPITAL

The paid up Equity Share Capital as on 31st March, 2021 stood at ₹77.01 crores comprising of 7,70,05,347 Ordinary Shares of ₹10 each. During the year under review, the Company has neither issued shares with differential voting rights nor has granted any stock options or sweat equity. As on 31st March, 2021, none of the Directors of the Company holds instruments convertible into equity shares of the Company.

FINANCIAL STATEMENTS

The Company has prepared its financial statements as per IND AS requirement for the financial year 2020-2021. The estimates and judgments relating to the financial statements are made on a prudent basis, so as to reflect, in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits and cash flows for the year ended 31st March, 2021.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Statements of the Company are prepared in accordance with the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 by following applicable IND AS issued by the Institute of Chartered Accountants of India and forms an integral part of this Report.

MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year 2020-2021 and the date of this Report.

COVID-19 AND ITS IMPACT

In view of the lockdown across the country due to the COVID-19 pandemic, manufacturing operations of the Company across all its locations were suspended temporarily during March and April, 2020, in compliance with the directives/orders issued by the relevant authorities. The Company has made an assessment of the recoverability and carrying values of its assets comprising property, plant and equipment, inventories, receivables and other current/non-current assets as of 31st March, 2021 and on the basis of evaluation, has concluded that no material adjustments are required in the financial results. The Company is taking all the necessary steps and precautionary measures to ensure smooth functioning of its operations and to ensure the safety and well-being of all its employees. The Management is also keeping a close watch on any other possible impacts of second wave of the pandemic. The Board and the Management will continue to closely monitor the situation as it evolves and do its best to take all necessary measures, in the interests of all stakeholders of the Company.

KEY FINANCIAL RATIOS

The key financial ratios of the Company showing financial performance for the financial year ended 31st March, 2021, are given herein below:

Sl. No.	Financial Ratios	2020-2021	2019-2020
1.	Debtors Turnover	23.37	25.39
2.	Inventory Turnover	38.61	40.56
3.	Interest Coverage Ratio*	5.56	4.09
4.	Current Ratio	1.58	1.49
5.	Debt Equity Ratio#	0.31	0.46
6.	Operating Profit Margin (%)	13.72%	14.22 %
7.	Net Profit Margin (%)**	9.65%	6.65 %
8.	Return on Net Worth	10.71%	8.96 %

* Interest Coverage Ratio was higher for the year ended 31st March, 2021 due to reduction in average interest rate, prepayment of high cost debt and part of loan converted from floating interest rate to fixed interest rate.

Debt Equity Ratio was lower for the year ended 31st March, 2021 due to reduction in debt and higher profitability.

** Net Profit Margin was higher for the year ended 31st March, 2021 due to higher profitability.

CHANGE IN NATURE OF BUSINESS

There has been no change in the nature of business of the Company during the financial year 2020-2021.

CEMENT DIVISION

(a) **INDUSTRY STRUCTURE AND DEVELOPMENTS:**

According to estimates of CARE Ratings, cement production in FY2020-2021 had fallen 11-13% from the previous year to less than 300 mt and capacity utilisation had remained around 50-55%. Complete lockdown was into force in April, 2020 when construction activities were at a peak and the full impact of the disruption was felt in the year under review, FY2020-2021.

In view of the challenging macro-economic situation, cement companies across India have opted to conserve cash by scaling back or deferring capital expenditure. Whereas, earlier it was expected that Indian cement manufacturers would add capacity for the next few years at a compounded annual rate of around 4%, the key focus now is on maximising utilisation of existing capacity.

Multiple agencies, including the Indian government, have estimated an 8% year-on-year contraction in the Indian economy in FY2020-2021. The government itself estimated the decline at 13% at the time of announcing budget proposals for the current year, FY2021-2022.

However, experts are of the view that the economy will bounce back sharply in the current year. The Reserve Bank of India (RBI) estimated the economy to grow at 10.5% over FY2020-2021. Several external agencies saw India's economy growing faster during FY2021-2022 than RBI's estimates.

Cement demand is closely linked to broader economic growth. Even amid the massive disruption facing the country in the wake of the second wave of the Covid-19 pandemic, cement manufacturers are hopeful that the Indian government will continue to inject cash into the economy through the construction sector. CARE Ratings sees cement production in the current year growing 10-12% over FY2020-2021 and cement companies shoring up capacity utilisation to 60-65%.

(b) **REVIEW OF OPERATIONS AND PERFORMANCE:**

The Company faced massive disruptions at the beginning of the year under review, FY2020-2021. Operations were suspended for almost the entire month of April and normalised only in the second half of May. But even after plants started to run full steam, sales were impacted by localised lockdowns and restrictions on movement of goods vehicles.

After resumption of operations in May 2020, the Company witnessed healthy demand. It was largely driven by stepped up government spending on rural infrastructure and push in demand from rural housing. This was sustained through the rest of the year and helped the Company register healthy sales volume and create new records in profitability.

The Company turned in its highest ever consolidated net profit of ₹630.14 crore, up 24.74% over the previous year, overcoming a 1.65% decline in revenue (the growth takes into account the jute division's contribution). The drop in revenue was due to the disruptions at the beginning of the financial year. Sales by volume fell 1.83% year-on-year, to 13.39 mt from 13.64 mt. The Company made up for its loss of production and sales by aggressively rationalising costs.

The Company registered a capacity utilisation of 85% for FY2020-2021 as against 91% in the previous year. Despite the drop, the Company's capacity utilisation was well ahead of the industry average for the financial year.

During FY2020-2021, the Company managed to substantially reduce its thermal power consumption by shifting to renewable sources such as Waste Heat Recovery System (WHRS) and solar power, whose share in total consumption went up by five percentage points. In FY2020-2021, WHRS and solar power accounted for 17.2% and 2.8%, respectively, of power consumed for cement production, as against 14% and 0.9% in the previous year.

Production of the Company (BCL Standalone):

The details of production of clinker and cement of the Company are as follows:-

Particulars	2020-2021 (Lakh Ts.)	2019-2020 (Lakh Ts.)	Change %
Clinker production	48.08	52.62	-8.63
Cement production	80.95	89.96	-10.01

Production of RCCPL Private Limited (RCCPL), wholly owned subsidiary of the Company:

The details of production of clinker and cement of RCCPL are as follows:-

Particulars	2020-2021 (Lakh Ts.)	2019-2020 (Lakh Ts.)	Change %
Clinker production	33.46	32.46	3.08
Cement production	52.11	51.06	2.06

Sales:

During the year under review, the Company has registered a decrease of 6.56% in cement sales on standalone basis and 1.83% on consolidated basis. In absolute terms, the sale of cement on standalone basis has decreased to 82.56 lakh tons compared to 88.35 lakh tons in the previous year.

RCCPL has sold 52.89 lakh tons of cement during the year 2020-2021 as compared to 49.86 lakh tons in the previous year.

Power Plant:

The details of power generated at various plants of BCL are as under:

Particulars	2020-2021 (Lakh Units)	2019-2020 (Lakh Units)	Change %
Thermal Power Plant	3460.44	3820.37	-9.42
WHRS	1048.39	1210.39	-13.38
Solar Power	102.48	52.31	95.91

Cost and Profitability:

Amid challenging business environment and little visibility into the future, the Company focused on improving efficiency and cost rationalisation. The Company identified area where scope for improvement existed in its supply chain and addressed them through effective use of information technology. It helped weed out inefficiencies and rationalise sales and logistics costs.

Alongside, several initiatives were taken to reduce operating costs, a special drive was taken for aggressive reduction in fixed costs, discretionary spending such as on marketing and advertising was scaled back, while power, fuel and finance costs were rationalised.

On the other hand, the Company's sustained thrust on sales of premium cement paid off. In the year under review, the Company's sale of premium cement jumped to 50% of trade sales from 40% last year. Share of blended cement was maintained at 92%, the same as last year.

As a result of above initiative and efforts, the Company was able to achieve EBITDA per ton of ₹1,012 for FY2020-2021 which was up 4% despite cost pressure building up in the last few months of the financial year. Profit margin expanded by 80 basis points to 21%.

Marketing Initiatives:

Faced with the pandemic, the Company adopted a strategy of reaching out to all sections of end users and this initiative paid off. Whereas on the one hand, Birla Corporation pushed sales of its premium brands, shoring up the share of their sales by volume within the trade segment to 50% for the year as against 40% in the previous year, on the other, it scaled up sales of regional brands such as Samrat in the East and Samrat Advanced in Uttar Pradesh.

While the upscale Perfect Plus continued to grow across key markets as the flagship brand, Samrat Advanced witnessed a sales growth of more than 300% in eastern Uttar Pradesh.

Digital Initiatives:

The Company has undertaken digital transformation with the key objectives of achieving operational excellence in the areas of sales and marketing, logistics, project management, customer service, plant operation and support functions.

Some of the key digitalization initiatives are as follows:

- New improved Customer Relationship Management system with customer 360 view & customer service for efficient sales & marketing processes.
- Implementation of e-sourcing platform for efficient sourcing and procurement processes. Spot e-bidding for transport services introduced to optimize the logistics cost.
- Integrated Logistics Management System and logistics control tower powered with Artificial Intelligence is underway in two plants to improve the operational efficiency in logistics operation and cost optimization.
- In-Plant Vehicle Management and control tower for reduction in Turn Around Time and logistics operation monitoring is implemented in one of the plant.
- Several process improvements using digital platform in the area of plant operation and maintenance to achieve the operational efficiency. Predictive analytics and plant information system also being planned.

Mining operations at Chanderia:

The Mining Operations (through blasting) at the Chanderia plant had been suspended since August, 2011 owing to the Order of Jodhpur High Court (Rajasthan), which was challenged by the Company before the Hon'ble Supreme Court. As a partial relief, the Supreme Court had allowed mining operations beyond two kms from the Chittorgarh Fort by using heavy earth moving machinery. The Hon'ble Supreme Court had further directed the Central Building Research Institute (CBRI) to submit a report after comprehensive study of all relevant aspects and facets relating to full-scale mining operations and its impact, if any, on the Chittorgarh Fort. The report of CBRI has concluded that vibrations and air pressures induced by the mine of Birla Cement Works and adjoining mines are well within safe limits as per national and international standards and there is no damage to the Fort due to the mining operations. The Company has filed an Interim Application seeking Interim Relief for blasting at the existing working pit. The matter is in the final stage of hearing.

The Principal Bench of the National Green Tribunal (NGT) on 8th March, 2019 had ordered to stop all mining activities which are being carried out within the municipal limits of Chittorgarh City and within 10 km of Bassi Wildlife Sanctuary or within the eco-sensitive zone of Bassi Wildlife Sanctuary, if finally notified. The Company has taken effective steps to ensure that no mining activity takes place in the area falling within the restrictions prescribed in NGT's Order.

The MoEFCC has vide Notification dated 8th April, 2021 duly notified an area to an extent varying from zero to 3.0 kilometres around the boundary of Bassi Wildlife Sanctuary as the Eco-Sensitive Zone. The Company is in the process to start mining activities in the part of mining lease area within 10 km of Bassi Wildlife Sanctuary in which mining was stopped in compliance with the NGT Order.

(c) **RISK AND CONCERNS:**

At the time of writing this report, it is unclear when the second wave of the Covid-19 pandemic in India will peak. Yet, already experts have started to warn about an impending third wave. The Company was able to cope with the first full year of Covid-19 related disruption, thanks to stepped up government spending on infrastructure. It boosted cement demand in key markets.

Looking at the current scenario, global rating agencies and brokerages have started to raise concerns about inflation, going forward. RBI itself has said in its most recent monetary policy review in April that "headline inflation at 5% in February, 2021 remains within the tolerance band (but) some underlying constituents are testing the upper tolerance level".

Though the government remains committed to pushing a capital expenditure-led growth of the Indian economy, inflation, if not contained can play spoilsport. It may impact the government's ability to borrow and inject cash into the economy. According to the government's own estimates, borrowing in the current year is set to rise 27% over last year to ₹15 trillion.

It is also feared that people may face another long spell of loss or impairment of livelihood. That, in turn, would impact consumption.

(d) **THREATS AND OPPORTUNITIES:**

Indian economy is faced with massive uncertainty and the cement industry is dependent on government spending. Projections of the economy growing at ~10% will not come true unless the Covid-19 pandemic is brought under control. India can ill afford another year of contraction in economy. So the key to the Company's performance in the immediate future is the government's ability to cope with the pandemic through vaccination and other means.

At the time of writing this report, the US was recording around 49,000 new cases every day. Still, the country was looking to open up and enter "a new, hopeful phase of the pandemic", said the New York Times. The reason: 56% of adults in the US had received at least one shot and more than 30% were fully vaccinated, according to the New York Times. If the campaign to get people vaccinated in India gains steam, hospitalisations will plateau and new cases will come down.

(e) **OUTLOOK:**

The government has budgeted for a capital expenditure of ₹5.5 trillion in FY2021-2022, up 29% over last year. Going by the experience of the year under review, it should augur well for core sector industries. But much depends on India's ability to quickly vaccinate its people and flatten the Covid curve.

The Company's gross borrowings stood at ₹4,046.42 crore at the end of March as against ₹4,281.95 crore a year earlier, even after investing ₹644 crore into the Mukutban project during the financial year. The Company's borrowing cost for the year ended 31st March was 7.83% inclusive of hedging cost for foreign exchange loans, compared with 9.26% for the previous year-a reduction of 143 basis points. By cutting debt and borrowing cost, the Company managed to reduce its finance cost for FY2020-2021 by 23.6% from the previous year. Net debt to EBITDA ratio stood at 2.26 at the end of March as against 2.36 a year earlier.

In the current year, the management expects debt levels to rise slightly and reach an interim peak as the new plant in Mukutban gets commissioned. Due to flight of migrant workers from the project site, commissioning of the Mukutban factory has been delayed by a few months. It is now expected that the factory will be commissioned in December, 2021.

JUTE DIVISION

(a) **INDUSTRY STRUCTURE AND DEVELOPMENTS:**

Jute Industry is mostly concentrated in the eastern part of India particularly in West Bengal. It plays a vital role in the economy of the state. Jute Industry supports over 300000 workers and over 4 million farm families. Jute Industry is principally dependent on the orders from the government food grains procuring agencies and over the previous few years, dependence on the government orders is increasing and now it accounts for about 70% of its installed capacity.

(b) **PERFORMANCE:**

Jute Division continues to report satisfactory results for past several years. The division has reported EBIDTA of ₹2,146.97 lakhs for the year as against ₹2,337.32 lakhs for the previous year.

Production & Dispatch

PARTICULARS	2020-2021	2019-2020	Change %
Production of Jute Goods (MT)	24907	35718	-30.27
Dispatches of Jute Goods (MT)			
a) Domestic	23035	31421	-26.69
b) Export	2957	3650	-18.99

Sales

PARTICULARS	2020-2021 (₹ in Lakh)	2019-2020 (₹ in Lakh)
Net Sales		
a) Domestic	24425.03	29068.05
b) Export	4045.11	3907.64
FOB Value	3964.12	3814.46

Impact of Covid-19 and Amphan Cyclone:

Covid-19 has affected operation of the jute mill during the year. Further, the production of the jute mill was severely affected due to Amphan Super Cyclone which hit West Bengal on 20th May, 2020. The Cyclone caused substantial damage to factory shed. The entire top structure of the shed has uprooted and is in the process of replacement/restoration. These two factors resulted in lower production for the year at 24907 MT as against 35718 MT during the previous year.

Amphan Cyclone have also caused substantial loss to the standing raw jute crop which led to increase in the prices of raw jute considerably.

(c) **OPPORTUNITIES, THREATS, RISK AND CONCERN:**

In the long-term, demand for Jute product is expected to increase due to increased awareness and acceptability of environmentally sustainable product.

Opportunities:

With increasing concern and awareness about the adverse effect of synthetic packaging material to the environment, the demand of jute goods is expected to revive in the future. Jute products being environment friendly and biodegradable have an edge over the packing material. Increase in use of jute shopping bag, floor covering, jute geotextile products provide opportunity to boost demand of jute goods. With the increased demand of jute products due to increased acceptability of environmentally friendly and sustainable products, it is expected that jute industry will do well in long term.

Threats, Risks and Concern:

Jute Industry faces daunting task of competing with subsidized duty-free imports from Bangladesh. The industry is not only loosing the market share in the overseas market to Bangladesh but Bangladesh is also extensively pushing the jute goods in India at the cost of market share of Indian Jute Mills.

Jute manufacturing is a labour-intensive process and requires huge labour force. Jute industry has traditionally been dependent on migrant labours from nearby states. Now, migration from the other states has virtually dried due to employment availability locally in those states. Further, local people are getting alternate employment in lighter job, like embroidery, masonry etc. Difficulty in getting worker for running the mills is resulting in lower capacity utilization causing further increase in cost of production per unit.

To overcome all these problems of a) loss of traditional market; b) lower availability of workers; c) subsidized import from Bangladesh; d) ever increasing raw jute prices, the Company has taken up large scale modernization of the mills resulting in lower requirement of manpower thereby reducing dependence on manpower availability, reducing cost and diversifying in non-traditional product category.

(d) **OUTLOOK:**

In the ensuing crop year, the sowing is reported to be better and with initial prediction of normal monsoon, the crop size is expected to be better. However, with carryover of raw jute being near to nil, the price of raw jute is likely to remain on the higher side.

The increase in cost of jute bags has further widened the gap between their prices with those of synthetic bags. If this trend continues, there is strong concern that packing of many more commodities will shift to synthetic packaging material. Loss of traditional market of jute to synthetic fabric is likely to cause a major problem of insufficient demand for the industry.

With a view to improve its performance, the Jute Division is taking various measures such as reducing dependence on Government orders, increase presence in food-grade jute bags in various countries, develop new value-added product/design, including new fabric for shopping bags, curtains, upholstery etc.

The Division is confident that the above efforts coupled with the investments made both currently and in the past will help to mitigate the structural risks facing the industry.

VINDHYACHAL STEEL FOUNDRY

Vindhyachal Steel Foundry produces iron & steel castings primarily for internal consumption. The total production of castings during the year has been 401 Ts. as against 493 Ts. in the previous year. The total sale of castings during the year was 467 Ts. (including 461 Ts. inter departmental transfer) as against 526 Ts. (including 465 Ts. inter departmental transfer) in the previous year.

CAPITAL EXPENDITURE

The details of various Capital Expenditure and Projects of the Company and its material Subsidiary during the financial year 2020-2021 are as follows:

Birla Corporation Limited

Projects under implementation:

- Expansion project of New Chanderia Cement Works (NCCW) plant at Chanderia to increase clinker production capacity from 3600 TPD to 5500 TPD.
- Replacement of two AFBC boilers with CFBC boilers at 27 MW CPP at Chanderia unit.

RCCPL Private Limited (Wholly Owned Material Subsidiary Company)

Project Completed:

- Setting up of Fly ash unloading and transport system (BTAP wagon unloading facility) at Maihar Unit, including a locomotive for shunting and procurement of rake on lease.

Project under implementation:

- Setting up of a 3.90 million ton Greenfield Integrated Cement Plant at Mukutban (Maharashtra) with 40 MW Captive Power Plant and 10.60 MW Waste Heat Recovery System at an estimated cost of ₹2,450 crore. The project is in advance stage of implementation. Civil work is almost complete. Mechanical erection work is progressing well. Most of the equipment have reached site. Commissioning of the project is likely to be delayed due to lockdown and uncertainty created due to second pandemic COVID-19. The project is now expected to be commissioned in December, 2021. On commissioning of the above project, the installed capacity of the Group will increase to around 20 MT.

ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013 and Rules framed thereunder, the Annual Return as on 31st March, 2021 is available on the Company's website at https://www.birlacorporation.com/annual-return.html

COMPOSITION, NUMBER AND DATES OF MEETINGS OF THE BOARD AND COMMITTEES

The details of the composition, number and dates of meetings of the Board and Committees held during the financial year 2020-2021 are provided in the Report on Corporate Governance forming part of this Annual Report. The number of meetings attended by each Director during the financial year 2020-2021 are also provided in the Report on Corporate Governance. The Independent Directors of the Company have held a separate meeting during the financial year 2020-2021 details of which are also provided in the Report on Corporate Governance.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

(a) in the preparation of the annual accounts for the year ended 31st March, 2021, the applicable accounting standards have been followed with proper explanation relating to material departures, if any;

(b) the accounting policies adopted in the preparation of the annual accounts have been applied consistently except as otherwise stated in the Notes to Financial Statements and reasonable and prudent judgments and estimates have been made so as to give a true and fair view of the state of affairs of the Company at the end of the financial year 2020-2021 and of the profit for the year ended 31st March, 2021;

(c) 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) the annual accounts for the year ended 31st March, 2021, have been prepared on a going concern basis;

(e) proper internal financial controls were in place and that the financial controls are adequate and are operating effectively;

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

PARTICULARS OF 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 forming part of the Standalone Financial Statements.

CREDIT RATING

CRISIL has reaffirmed its ratings on short term debt including Commercial Paper (CP) to the extent of ₹300 crores as "A1+".

ICRA has also reaffirmed its rating of "AA" with stable outlook for Long Term Non-Convertible Debentures of the Company of ₹400 crores.

Further, CARE has reaffirmed its rating on Long Term Facilities and Short Term facilities aggregating to ₹2,164.48 crores as "CARE AA" (Outlook Stable) and "CARE A1+" respectively. The rating Committee of CARE has reaffirmed as "CARE AA" (Outlook Stable) for the outstanding Non-Convertible Debentures of ₹400 crores.

India Ratings and Research have assigned IND AA/Stable ratings to Non-Convertible Debentures (unlisted) amounting to ₹150 crores.

Long Term Non-Convertible Debentures rated AA/Stable (ratings reaffirmed by CRISIL and CARE) amounting to ₹130 crores were repaid as scheduled during the financial year 2020-2021.

FINANCE

The Company efficiently manages its surplus funds by investing in highly rated debt securities, fixed deposits with banks and highly rated Financial Institutions and debt schemes of mutual funds considering safety, liquidity and return. It monitors the borrowings on a continuous basis for opportunities to refinance, prepay or restructure its loans in order to reduce borrowing costs and foreign exchange exposure.

The Company has timely repaid its outstanding Non-Convertible Debentures and other term loans aggregating to ₹315.56 crores along with interest due as scheduled.

CORPORATE GOVERNANCE

The Company is committed to maintain good standards of Corporate Governance and adheres to the Corporate Governance requirements set out by the Securities and Exchange Board of India ('SEBI'). The Company has complied with the Corporate Governance Code as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A separate section on Report on Corporate Governance, along with certificate from the auditors confirming the compliance of conditions of Corporate Governance, is annexed and forms part of the Annual Report.

RELATED PARTY TRANSACTIONS

All transactions entered with Related Parties during the financial year 2020-2021 were on an arm's length basis and in the ordinary course of business and the provisions of Section 188 of the Companies Act, 2013 are not attracted. The transactions are in compliance with the applicable provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, during the year under review, there were no materially significant related party transactions which may have a potential conflict with the interest of the Company at large. Accordingly, the disclosure required under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in Form AOC-2 is not applicable to the Company.

All Related Party Transactions are placed before the Audit Committee for review and approval. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted, along with a statement giving details of all related party transactions, are placed before the Audit Committee for its review on quarterly basis.

The policy on Related Party Transactions, as approved by the Board, is uploaded on the Company's website and may be accessed at the link http://www.birlacorporation.com/investors/policies/related-party-transactions-policy.pdf.

The details of the transactions with related parties pursuant to IND AS during financial year 2020-2021 are provided in the accompanying financial statements.

Transactions with person or entity belonging to the promoter/ promoter group which hold(s) 10% or more shareholding in the Company have been disclosed in the accompanying financial statements.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Pursuant to the provisions of the Companies Act, 2013 and Rule 8(3) of Companies (Accounts) Rules, 2014, details relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are given in "**Annexure–B**", which is annexed hereto and forms part of the Directors' Report.

RISK MANAGEMENT

The Board has formed a Risk Management Committee ('RMC') to frame, implement and monitor the Risk Management Policy of the Company and ensure the adequacy of the risk management systems. The Company has adopted a comprehensive Risk Management Policy which is reviewed by the Risk Management Committee and the Audit Committee and approved by the Board from time to time. Risk Management is the process of identification, assessment, and prioritisation of risks followed by coordinated efforts to minimise, monitor and mitigate/control the probability and/or impact of unfavourable events or to maximise the realisation of opportunities.

These procedures are reviewed to ensure that executive management controls risk through means of a properly defined framework. The major risks have been identified by the Company and its mitigation process/measures have been formulated in the areas such as raw materials and fuel, quality, market, safety, litigation, logistics, community relations, intellectual property, project execution, financial, human resources, fraud, environment, information technology and statutory compliance.

AWARDS & RECOGNITIONS

The details of various awards and recognitions received by various units of the Company during the financial year 2020-2021 are as follows:

- Satna Unit of the Company has been recognised by reputed bodies at different forums for excellent work viz. NABL accreditation from National Accreditation Board for testing and Calibration Laboratories, HR Best Strategy Award for excellent efforts during Covid-19 from "Bhartiya Mazdoor Sang, Bhopal (M.P.), 5S Re-Certification Award from Quality Circle Forum of India & CSR Platinum Award.
- Chanderia Unit received the following Awards/recognition:
  - "Energy Efficient Unit Award" at the 21st National Energy Award for Excellence in Energy Management, conducted by CII, Hyderabad.
  - State level 'BHAMASHAH' Award for the support provided for effective contribution in the field of education under CSR.

OCCUPATIONAL HEALTH & SAFETY

The Company aspires to become the most admired and respected organization by ensuring safety and occupational health in a sustainable manner. Personal and professional development of all the employees along with their robust health and safety are among the top priorities of the organization.

The Company has engaged a reputed safety consultancy organization to roll out all comprehensive Safety Management System with an aim of involving each and every employee of the company whether on permanent roll or contract manpower. A total of 15 separate elements of Safety Management System are implemented in a structured manner.

Separate capex is earmarked for safety and health related assets every year and all necessary safety related equipment and disaster management infrastructure is being put in place.

Health and environmental issues are the top most priority. The Company has taken extensive vaccination programme for all the employees. Free medical check-ups and financial assistance to the covid affected families have been taken up.

To get good results in the accident prevention, the Company has included safety programmes like investigation and analysis of all serious and fatal accidents, recommendations/remedial measures to prevent similar accidents. Near-miss situation/incident with no injury is accorded serious consideration for planning of preventive measures.

To inspire and energize the employees to change their behavior for better performance and safety attitude, the Company provides various training programmes related to Safety Management.

The Company complies with all statutory provisions as required under the Factories Act. Competent persons carry out compulsory testing/examination of lifting tools, pressure vessels, cranes, safety belts etc. as per statutory requirement. Safety posters, slogans are widely displayed inside the Company's factories-at shop floors, canteen and plant gates-to continuously remind everyone about safe working practices and environment so as to inculcate a culture of safety amongst the workers. Safety day/week celebration is organized every year with a view to create and motivate safety consciousness amongst the employees.

CORPORATE SOCIAL RESPONSIBILITY

In compliance with the provisions of the Companies Act, 2013, the Company has framed its Corporate Social Responsibility (CSR) Policy for the development of programmes and projects for the benefits of weaker sections of society and the same has been approved by the CSR Committee and the Board of Directors of the Company.

The CSR Policy of the Company provides a road maps for its CSR activities. The purpose of CSR Policy is to devise an appropriate strategy and focus its CSR initiatives and lay down the broad principles on the basis of which the Company will fulfil its CSR objectives. As per the said Policy, the Company continues the strategy of discharging parts of its CSR responsibilities related to social services through various trusts/societies, in addition to its own initiatives and donations made to other non-government organisations.

The CSR Policy has been uploaded on the Company's website and may be accessed at the link https://www.birlacorporation.com/investors/policies/csr-policy.pdf.

Pursuant to the provisions of Section 135 of the Companies Act, 2013 and Rules made thereunder, a Report on CSR activities and initiatives taken during the year in the prescribed format is given in "**Annexure–C**", which is annexed hereto and forms part of the Directors' Report.

The Company is actively associated with various social and philanthropic activities undertaken on its own as well as by different Trusts and Societies. As a constructive partner in the communities in which it operates, the Company has been taking concrete action to realize its social responsibility objective. The Company has been playing a pro-active role in the socio economic growth and has contributed to all spheres ranging from health, education, women empowerment, rural infrastructure development, environmental conservation etc. In the past ten decades, the Company has supported innumerable social initiatives in India, touching the lives of lakhs of people positively by supporting environmental and health care projects and social, cultural and educational programs.

The CSR Activities undertaken includes:

01. **Healthcare Activities:**

The Company provides active assistance, finance as well as managerial, to various hospitals set up by trust and societies.

The Company had provided financial as well as administrative support in setting up a hospital in Chittorgarh namely MP Birla Hospital and Research Centre, where the Company has two cement plants. This is a State-Of-the-Art multi-speciality hospital, which has diagnostic and treatment facilities for Emergency, General Medicines, Cardiology, Orthopaedics, Gynaecology, Childcare (NICU & SCBU), General Surgery, Urology, Nephrology, Ophthalmology, Radiology including CT scan & Colour Doppler, Pharmacy and Physiotherapy amongst others. The hospital has in-house modern medical & pathological laboratories. The hospital also has Modular Operation Theatres and advanced Intensive Cardiac Care Unit, Intensive Care Unit and Intensive Therapy Unit. The Blood Bank of the hospital is first and only private blood bank of the district. The hospital has empanelled with different schemes including Employees State Insurance Corporation and is in process of empanelment with Rajasthan Government Employees Health Scheme, among others. The hospital is also in the process of getting accreditation with NABH which is a seal of approval for quality care and service for any hospital. Currently, in the "In-Patient Department" approximately 115 beds are operational and best medical services are provided to patients at a nominal cost. At the time of Pandemic where the world has been fighting Coronavirus, the hospital has come forward as beacon of hope for the people of Chittorgarh. It is the only private hospital in Chittorgarh district having 128 slice CT Scan which is well-recognised diagnostic tool to measure the level of infection. The hospital also provides in-patient services to Covid- 19 patients, yet again the only private hospital in Chittorgarh district to do so. The initiative has helped people in and around Chittorgarh to avoid travelling to nearby cities like Ahmedabad and Udaipur to get themselves treated.

The 200,000 sq. ft hospital has capacity to hold up to 300 beds. The hospital building consists of basement, ground and four floors. The separate housing wing is made up of ground and four floors, which are used as residence by doctors, nurses and paramedical staff.

The Company has also provided various healthcare facilities like free medical check-up, free medicines and treatments for needy people. Organised medical check-up camps, free eye camps, speciality health camps. Apart from this, the Company conducted adolescent health awareness camp and provided baby kits to new born babies to improve maternal and child health. In the mother and child health care program, Anganwadi centres are developed in villages. Trainings are imparted to the mothers on better health, hygiene and sanitation at Company's different locations.

02. **COVID-19 Pandemic:**

After the outbreak of COVID-19 pandemic, masks, soaps, free rations (both dry and cooked) were provided to the migrant labours and villagers and in the community kitchens. Personal Protective Equipment's, were provided to the front-line COVID workers. The Company also supported the village quarantine centres. Awareness drives were undertaken in the localities.

03. **Educational Initiatives:**

In addition to financial and institutional support provided to the schools located close to the Company's plant, the Company has upgraded school infrastructures by providing furniture, electrification, repairing and painting. It promoted technology in schools by establishing smart education system in the government high schools. Scholarships are provided to the meritorious underprivileged children for their higher education. Under "Swachh Bharat" Mission, the Company renovated toilets for girls and boys and provided water tank for drinking water.

04. **Empowerment of Women:**

Empowerment of women is one of the Company's long term initiatives. With the aim of imparting women skills to get jobs, the Company has taken various initiatives (sewing & stitching, embroidery works) to promote skill development. The Company also supports schemes that generates employments for women in villages surrounding its factories and mining areas. Necessary training and support are provided to Self-Help Groups (SHG) under various projects to make them self-reliant.

05. **Livestock Development and Improvement in Agriculture Practices:**

Livestock development program provides an opportunity for farmers to improve their livestock based livelihoods by improving productivity of the progeny through breed improvement and dissemination of improved animal husbandry practices. The programme provided extension services, including breeding, fodder propagation and training of farmers to different villages. Our Sustainable Agriculture programme attempts to de-risk farmers from erratic weather events through the promotion of climate-smart agriculture premised on dissemination of relevant package of practices, adoption of appropriate mechanisation and provision of institutional services. These were supplemented by support activities (including hands-on training) in production of vermicompost, drip irrigation techniques, high-yield seed and nursery development etc.

06. **Horticulture Development:**

The Company has developed 60 orchards in its mining lease areas, where beneficiaries have started accruing income on regular basis.

07. **Rural Infrastructure Development Initiatives:**

Various rural development projects such as providing drinking water facilities, strengthening village infrastructure are undertaken in the plant's neighbourhood villages. The Company has also organised various awareness programmes on road and driver safety and the importance of voting in elections. It has promoted social forestry in the common and private land in the neighbourhood villages.

ENVIRONMENTAL SUSTAINABILITY

The Company is well aware of its responsibility towards sustainable development and environment. Various initiatives have been taken for Clean Development Mechanism (CDM) and pollution prevention. Extensive plantation of trees has been done in the mining area and special efforts have been made for rain water harvesting and conservation of water resources.

Eco-friendly plantations have been created in and around the plants. Equipment for pollution control is kept under regular inspection and emission levels are monitored to ensure that the same remain within statutory limits. Concerns for environment and sustainable development are integral to the Company's business decisions.

Interventions such as Bag Dust Collectors and water spray system in dust generation areas have significantly reduced pollution. SO_2 & NO_x gas analyzer in kiln stack has been installed for close monitoring. Sheds have been constructed for maintaining good housekeeping inside Plants. Measures have also been taken for conservation of limestone reserves. Water tankers, pumps, rain guns and water spray system have been provided for pressurized spraying to control dust pollution around mining areas and connecting roads.

The Company is using Alternative Fuel and Raw Material Feeding System (AFRS) for higher use of alternative fuel on continuous basis at its clinker manufacturing units. This move ensures availability of alternative fuel throughout the year and has resulted in reduction of fuel costs and also helped in reducing the carbon footprint. Company is extending its AFR facility to consume any of the available hazardous waste from other industry. Municipal waste whenever made available is also being burnt in the Kiln. Wasteland has been used for bio-mass plantation as well to reduce the carbon foot prints of the Company.

The Waste Heat Recovery System at Satna and Chanderia plants of the Company uses the hot gases coming out of the pre-heater and clinker cooler to generate substantial power, thereby reducing Greenhouse Gases (GHG) emissions. Grinding aid is introduced in all the units to improve consumption of fly ash and slag. Further, to protect the environment, the Company has consumed substantial quantity of fly ash during the financial year 2020-2021 at various cement plants. This has resulted in reduction of clinker usage, which in turn reduced GHG emissions at our plants, without compromising on the quality and the strength of our cement.

With a view to promote renewable energy and also to produce energy through cleaner and greener sources the Company has installed Solar Power Plants at its Satna and Chanderia Cement Plants.

A Waste Heat Recovery System and Solar Power Plant were also installed at Maihar plant of RCCPL Private Limited, Wholly Owned Subsidiary Company.

BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Report as required under Regulation 34(2) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms an integral part of this Annual Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Retirement by Rotation:

Shri Dilip Ganesh Karnik (DIN: 06419513) Non-Executive Non-Independent Director of the Company, who retires by rotation at the ensuing Annual General Meeting (AGM) and being eligible, offers himself for re-appointment.

Appointment/Change in designation/Cessation:

On the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company during its Meeting held on 1st March, 2021 had approved the following:

- Appointment of Shri Arvind Pathak (DIN: 00585588) as an Additional Director and simultaneously as the Managing Director & Chief Executive Officer, Key Managerial Personnel of the Company for a period of 3 (three) years with effect from 31st March, 2021.

  The above is subject to the approval of the shareholders in the ensuing Annual General Meeting of the Company.

- Re-designation of Shri Pracheta Majumdar (DIN: 00179118) from 'Wholetime Director & Chief Executive Officer' of the Company to 'Wholetime Director designated as Chief Management Advisor' of the Company w.e.f. 31st March, 2021. Accordingly, he ceased to be the Chief Executive Officer of the Company w.e.f. 31st March, 2021.

Shri Manoj Kumar Mehta (ACS: 10962), was appointed as the Company Secretary, Key Managerial Personnel of the Company w.e.f. 1st December, 2020.

Shri Girish Sharma ceased to be the Company Secretary, Key Managerial Personnel of the Company w.e.f. 1st December, 2020 in view of his retirement.

The tenure of Shri Pracheta Majumdar (DIN: 00179118) as Wholetime Director designated as Chief Management Advisor will expire on 19th May, 2021. Shri Majumdar has expressed his desire not to be re-appointed as the Wholetime Director/ continue as the Non-Executive Director of the Company. Accordingly, Shri Pracheta Majumdar will cease to be the 'Wholetime Director designated as Chief Management Advisor' (Key Managerial Personnel) of the Company with effect from the close of business hours on 19th May, 2021.

In terms of Section 203 of the Companies Act, 2013, the following are the Key Managerial Personnel (KMP) of the Company as on 31st March, 2021:

1. Shri Arvind Pathak: Managing Director & Chief Executive Officer.
2. Shri Pracheta Majumdar: Wholetime Director designated as Chief Management Advisor.
3. Shri Aditya Saraogi: Chief Financial Officer.
4. Shri Manoj Kumar Mehta: Company Secretary & Legal Head.

DECLARATION BY INDEPENDENT DIRECTORS

Shri Vikram Swarup, Shri Anand Bordia, Shri Brij Behari Tandon, Shri Dhruba Narayan Ghosh, Dr. Deepak Nayyar and Smt. Shailaja Chandra are Independent Directors on the Board of the Company. The Independent Directors hold office for a fixed term of five years and are not liable to retire by rotation.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further, declaration has been received from all the Independent Directors confirming compliance with Rule 6(3) of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, regarding the requirement relating to enrollment in the Data Bank maintained with the Indian Institute of Corporate Affairs ('IICA'). In terms of the amended Section 150 of the Companies Act, 2013 read with Rule 6(4) of the Companies (Appointment & Qualification of Directors) Rules, 2014, the Independent Director(s) of the Company are exempt from the requirement to undertake the online proficiency self-assessment test conducted by IICA.

COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Board of Directors of the Company, based on the recommendation of the Nomination and Remuneration Committee, had formulated a Nomination and Remuneration Policy in terms of Section 178(3) of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Nomination and Remuneration Policy of the Company, inter alia, includes the aims and objectives, principles of remuneration, fixed and variable components in the remuneration package, guidelines for remuneration to Executive Directors and Non-Executive Directors, criteria for identification of the Board members and appointment of senior management.

The criteria for identification of the Board Members, including those for determining qualification, positive attributes, independence etc. is summarily given hereunder:

- A Director should possess high level of personal and professional ethics, integrity and values. He/she should be able to balance the legitimate interest and concerns of all the Company's stakeholders in arriving at decisions, rather than advancing the interests of a particular constituency.
- A Director must be willing to devote sufficient time and energy in carrying out his/her duties and responsibilities effectively. He/she must have the aptitude to critically evaluate management's working as part of a team in an environment of collegiality and trust.
- Independent Directors shall be a person of integrity and possess expertise and experience and/or someone who the Committee/Board believes could contribute to the growth/ philosophy/strategy of the Company.
- In evaluating the suitability of individual Board members, the Committee takes into account many factors, including general understanding of the Company's business dynamics, global business, social perspective, educational and professional background and personal achievements. Factors like eligibility criteria, independence, term and tenure of a Director shall be in accordance with the provisions of the Act and the Listing Regulations for the time being in force.
- The Committee evaluates each individual with the objective of having a group that best enables the success of the Company's business and achieve its objectives in a sustainable manner.

The Nomination and Remuneration policy as approved by the Board is uploaded on the Company's website and may be accessed at the link https://www.birlacorporation.com/investors/nomination-and-remuneration-policy.pdf.

ANNUAL EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Nomination and Remuneration Committee pursuant to the powers delegated to it by the Board, has carried out an annual evaluation of the performance of the Board, the Directors individually as well as the evaluation of the functioning of various Committees based on the criteria for performance evaluation forming part of the Performance Evaluation Policy of the Company.

For the purpose of proper evaluation, the Directors of the Company have been divided into 3 (three) categories i.e. Independent Directors; Non-Independent Chairman and Non-Independent Non-Executive Directors; and Executive Directors.

The criteria for evaluation include factors such as engagement, strategic planning, vision and direction for growth and development, team spirit and consensus building, effective leadership, domain knowledge, ensuring best practices in governance, financial management and operations, contributions towards achieving short term and long term goals of the Company and roadmap for achieving them, management qualities, team work abilities, result/achievements, understanding and awareness, leadership qualities, motivation/commitment/ diligence, integrity/ethics/values and openness/ receptivity.

The Independent Directors of the Company in its separate meeting held during the year also reviewed the performance of Non-Independent Directors and Board as a Whole and Chairman of the Company taking into account the views of Executive Directors and Non-Executive Directors.

Further, the performance evaluation of Independent Directors of the Company was done by the entire Board, excluding the Independent Director being evaluated.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

As on 31st March, 2021, the Company has 7 (seven) subsidiary companies namely, RCCPL Private Limited, Lok Cement Limited, Talavadi Cements Limited, Birla Jute Supply Company Limited, Budge Budge Floorcoverings Limited, Birla Cement (Assam) Limited and M.P. Birla Group Services Private Limited. 2 (Two) subsidiary companies, namely Thiruvaiyaru Industries Limited and Birla Corporation Cement Manufacturing PLC, Ethiopia, are under the process of voluntary winding up. In view of the aforesaid, these subsidiaries have not been considered in preparing the Consolidated Financial Statements.

During the year under review, RCCPL Private Limited, wholly owned material subsidiary of the Company has performed extremely well and has achieved operating parameters that are among the best in the industry.

No Company has become or ceased to be the Company's Subsidiaries, Joint Venture or Associate Company during the financial year 2020-2021.

The "Policy on 'Material' Subsidiary" is available on the Company's website and may be accessed at the link https://www.birlacorporation.com/investors/policies/policy-on-material-subsidiary.pdf.

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the financial statements of Subsidiaries/Associate Companies/Joint Ventures in Form AOC-1 forms part of the consolidated financial statement and hence not repeated here for the sake of brevity. Further, pursuant to the provisions of Section 136 of the Companies Act, 2013, the Annual Financial Statements of each of the Subsidiaries are available on the Company's website at www.birlacorporation.com.

DEPOSITS

During the year under review, the Company has not accepted any deposits from the public falling within the ambit of Section 73 of the Companies Act, 2013 and the Rules framed thereunder.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

In the appeals filed by the Company and Mr. Harsh Vardhan Lodha, the Hon'ble Division Bench of the Hon'ble High Court at Calcutta ("the Hon'ble Division Bench") vide order dated 1st October, 2020 had inter-alia clarified the order passed by the Hon'ble Single Bench dated 18th September, 2020 in T. S. No. 6 of 2004 (proceedings relating to the grant of Letters of Administration with the Will annexed of Smt. Priyamvada Devi Birla, to which the Company is not a party) that "the operation of paragraph (b) among the directions would be a restriction on plaintiff no. 1 Harsh Vardhan Lodha to the extent of it being a restriction from holding any office in any of the entities of the M.P. Birla Group during the pendency of the suit, on the strength of the shares referable to the estate of PDB (Priyamvada Devi Birla)." (emphasis supplied by Court). Based on the above clarification, Shri Harsh Vardhan Lodha not being appointed as Director of the Company on the strength of the shares referable to the estate of PDB, is continuing as a Director & Chairman of the Company.

Two several contempt petitions filed by some of the defendants in T. S. No. 6 of 2004 against the Chairman and Directors and Key Managerial Personnels of the Company, for the alleged violation of the Order dated 1st October, 2020 has been dismissed by the judgment and Order dated 22nd April, 2021 passed by the Hon'ble Division Bench.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal control procedures commensurate with its size and nature of business. The objective of these procedures are to ensure efficient use and protection of the Company's resources, accuracy in financial reporting and due compliance with statutes, corporate policies and procedures.

Internal Audit is conducted periodically across all locations by Chartered Accountant/ Audit firms who verify and report on the efficiency and effectiveness of internal controls. The adequacy of internal control systems are reviewed by the Audit Committee of the Board periodically.

INTERNAL FINANCIAL CONTROL SYSTEM

The Company has a robust and comprehensive Internal Financial Control system commensurate with the size, scale and complexity of its operations. The system encompasses the major processes to ensure reliability of financial reporting, compliance with policies, procedures, laws, and regulations, safeguarding of assets and economical and efficient use of resources.

The controls were tested during the year and no reportable material weaknesses either in their design or operations were observed.

The policies and procedures adopted by the Company ensures orderly and efficient conduct of its business and adherence to the Company's policies, prevention and detection of frauds and errors, accuracy in the record-keeping and timely preparation of reliable financial information.

The Internal Auditors and the Management Audit Department continuously monitor the efficacy of Internal Financial Control system with the objective of providing to the Audit Committee and the Board of Directors an independent, objective and reasonable assurance on the adequacy and effectiveness of the organization's risk management measures with regard to the Internal Financial Control System.

The Audit Committee has satisfied itself on the adequacy and effectiveness of the internal financial control systems laid down by the management. The Statutory Auditors in its report have expressed an unmodified opinion on the adequacy and operating effectiveness of the internal financial control systems over financial reporting.

VIGIL MECHANISM/WHISTLE BLOWER POLICY

The Company has adopted a Vigil Mechanism/Whistle Blower Policy for Directors and employees to report concerns about unethical behaviour, actual or suspected fraud or violation of the Company's code of conduct or ethics policy, if any. The Policy provides for adequate safeguard against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. The Policy also provides mechanism for reporting of instances of leak or suspected leak of Unpublished Price Sensitive Information in terms of Regulation 9A of the SEBI (Prohibition of Insider Trading) Regulations, 2015. The Vigil Mechanism/Whistle Blower Policy has also been uploaded on the website of the Company.

DETAILS RELATING TO REMUNERATION OF DIRECTORS, KEY MANAGERIAL PERSONNEL AND EMPLOYEES

Disclosure 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 is given in "**Annexure–D**" which is annexed hereto and forms part of the Directors' Report.

In terms of the provisions of Section 197(12) of the Companies Act, 2013 and Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement comprising the names of top 10 (ten) employees in terms of remuneration drawn and every person employed throughout the year, who were in receipt of remuneration exceeding the prescribed limit, forms part of Directors' Report.

The above Annexure is not being sent along with this Annual Report to the Members of the Company in line with the provision of Section 136 of the Companies Act, 2013. Members who are interested in obtaining these particulars may write to the Company Secretary at agm@birlacorp.com. The aforesaid Annexure is also available for inspection by Members on any working day of the Company upto the date of the Annual General Meeting. Members seeking to inspect such documents can send an email at agm@birlacorp.com.

Commission to Non-Executive Directors:

The Board of Directors of the Company had approved payment of a sum of ₹10 Lakhs each as commission to all the Non-Executive Directors of the Company for the financial year 2020-2021. However, Shri Harsh V. Lodha, Non-Executive Chairman of the Company has decided not to accept any commission and foregone his right for the financial year 2020-2021 in view of the current pandemic situation on account of COVID-19.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

Employees are the core strength of the Company. The Company continued to focus on creating the right workplace environment that provides opportunities for our employees to improve their performance. Robust and up to date Human Resource (HR) Policies are in place for proper evaluation of performances, which is the key to building future leaders.

HR functions in the organization have witnessed a paradigm shift and evolved to bring together modern day practices with proper use of technology and automation. This had a profound impact on the morale and motivation of the employees who are the prime-movers. The Company has succeeded in fostering a relationship with its employees which will help transform the organization.

There is a well-calibrated mechanism to reward meritocracy. Learning and development initiatives for our employees are geared to enable all-round performance, both as individuals and as teams.

There is a continuous effort to improve HR service delivery in order to better serve the customers with simple well executed processes with proper use of technology.

Encouraging cordial working relation and maintaining good industrial relations have been the philosophy and endeavour of the HR Department. Industrial relations remained harmonious at all our offices and establishments throughout the year. Statutory compliances related to labour laws have been followed with due emphasis.

The Company had 7,212 permanent employees on its rolls at the close of business hours on 31st March, 2021. Suspension of Operation continues at Soorah Jute Mills, Auto Trim Division, Birlapur and Birla Vinoleum, Birlapur.

PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE

In order to provide women employees with a safe working environment at workplace and also in compliance with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, the Company has formulated a Policy on Prevention of Sexual Harassment of Women at the Workplace. The said Policy has been uploaded on the internal portal of the Company for information of all employees.

The Company has complied with the provisions relating to constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Internal Complaints Committee comprises of three employees and one outside member. One of the Senior female employee of the Company is the Presiding Officer of the said Committee.

No complaint pertaining to sexual harassment of women employees from any of the Company's locations was received during the financial year ended 31st March, 2021.

MAINTENANCE OF COST RECORDS

The Company is required to maintain cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and accordingly such accounts and records are made and maintained by the Company.

AUDITORS & AUDITORS' REPORT

Statutory Auditors:

M/s. V. Sankar Aiyar & Co., Chartered Accountants (Firm Registration No.109208W), were appointed as the Statutory Auditors of the Company at the 97th Annual General Meeting held on 31st July, 2017 for a term of five consecutive years commencing from the conclusion of the 97th Annual General Meeting till the conclusion of the 102nd Annual General Meeting of the Company to be held in the year 2022, subject to ratification of their appointment by Members at every Annual General Meeting.

However, pursuant to the amendment to Section 139 of the Companies Act, 2013 effective 7th May, 2018, ratification by Shareholders every year for the appointment of the Statutory Auditors is no longer required and accordingly, the Notice of ensuing Annual General Meeting does not include the proposal for seeking Shareholders' approval for ratification of Statutory Auditors' appointment.

The notes on accounts referred to in the Auditors' Report are self-explanatory and, therefore, do not call for any comments.

Cost Auditors:

The Board of Directors on the recommendation of the Audit Committee had appointed M/s. Shome & Banerjee, (Firm Registration No. 000001), Cost Accountants, as the Cost Auditors of the Company for the financial year 2021-2022 for auditing the cost records relating to cement, jute goods and steel products manufactured by the Company. The remuneration proposed to be paid to the Cost Auditors is subject to ratification by the shareholders of the Company at the ensuing Annual General Meeting.

M/s. Shome & Banerjee has confirmed that they are free from any disqualifications specified under Section 141(3) and proviso to Section 148(3) read with Section 141(4) and all other applicable provisions of the Companies Act, 2013 and their appointment meets the requirements of Section 141(3)(g) of the Companies Act, 2013. They have further confirmed their independent status and arm's length relationship with the Company.

The Company submits its Cost Audit Report with the Ministry of Corporate Affairs within the stipulated time period.

Secretarial Auditors:

The Board of Directors on the recommendation of the Audit Committee had appointed M/s Mamta Binani & Associates, Company Secretaries, to conduct secretarial audit of the Company for the financial year 2020-2021. The Secretarial Audit Report for the financial year ended 31st March, 2021 is given in "**Annexure-E**" which is annexed hereto and forms part of Directors' Report. The Report is self-explanatory and do not call for any comments.

Further, the Board on the recommendation of the Audit Committee has appointed M/s. Mamta Binani & Associates, Company Secretaries, to conduct secretarial audit of the Company for the financial year 2021-2022.

Further, pursuant to the provisions of Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, RCCPL Private Limited is a material subsidiary of the Company in terms of Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Secretarial Audit Report submitted by the Secretarial Auditor of RCCPL Private Limited has been given in "**Annexure-F**" which is annexed hereto and forms part of Directors' Report.

There are no audit qualifications, adverse remarks or disclaimer in the respective reports of the Statutory Auditors and Secretarial Auditors for the year under review.

None of the Auditors of the Company has reported any fraud as specified under Section 143(12) of the Companies Act, 2013.

COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has complied with all the applicable provisions of Secretarial Standards, i.e. SS-1 and SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, issued by the Institute of Company Secretaries of India.

CAUTIONARY STATEMENT

Statements in this Report, particularly those which relate to Management Discussion & Analysis, describing the Company's objectives, projections, estimates, expectations or predictions may be 'forward looking statements' within the meaning of applicable laws or regulations. Actual results could however differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and domestic demand-supply conditions, finished goods prices, raw materials and fuels cost & availability, transportation costs, changes in Government regulations and tax structure, economic developments within India and in the countries with which the Company has business contacts and other factors such as litigation and industrial relations.

APPRECIATION

The Directors wish to place on record their appreciation for the continued support and co-operation received by the Company from the Government of India, State Governments, Financial Institutions, Banks, Dealers, Customers, vendors and last but not the least, from the Stakeholders.

The Directors regret the loss of life due to Covid-19 pandemic and are deeply grateful and have immense respect for every person who risked their lives and safety to fight this pandemic.

For and on behalf of the Board of Directors

Harsh V. Lodha	**Arvind Pathak**
Chairman	Managing Director & Chief Executive Officer
(DIN: 00394094)	(DIN: 00585588)

Place: Kolkata
Dated, the 12th May, 2021

ANNEXURE TO DIRECTORS' REPORT

ANNEXURE – A

DIVIDEND DISTRIBUTION POLICY

PREAMBLE, OBJECTIVE AND SCOPE

In terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), the Company is required to formulate a Dividend Distribution Policy which shall be disclosed in its Annual Report and on its website.

To comply with the above requirement and with an endeavor to maintain a consistent approach to dividend pay-out plans, the Board of Directors ('Board') of Birla Corporation Limited ('the Company') adopts this Dividend Distribution Policy ('Policy').

The objective of this Policy is to:

(i) specify the parameters (including internal and external factors) that shall be considered while declaring the dividend;

(ii) lay down the circumstances under which the shareholders of the Company may or may not expect dividend; and

(iii) provide for the manner of utilization of retained earnings.

EFFECTIVE DATE

The Policy shall become effective from the date of its adoption by the Board i.e. 8th February, 2017.

PARAMETERS/FACTORS AFFECTING DIVIDEND DECLARATION:

The Board of Directors of the Company shall, inter alia, consider the following Parameters for recommendation/declaration of Dividend:

External Factors:

- **Macroeconomic conditions:** In the event of uncertain or recessionary economic and business conditions, the Board may consider retaining a larger part of the profits to have sufficient reserves to absorb unforeseen circumstances;
- **Statutory requirements:** Statutory requirements, regulatory conditions or restrictions as applicable including tax laws, the Companies Act, 2013 and SEBI regulations etc;
- **Agreements with Lending Institutions:** The Board may consider protective covenants in a bond indenture or loan agreement that may include leverage limits & restrictions on payment of cash dividends in order to preserve the Company's ability to service its debt;
- **Capital Markets:** In favourable market scenarios, the Board may consider liberal pay–out. However, it may resort to a conservative dividend pay-out in case of unfavourable market conditions.
- **Taxation Policy:** The tax policy of the country may also influence the dividend policy of the Company. The rate of tax directly influences the amount of profits available to the Company for declaring dividends.
- Any other factor as may be deemed fit by the Board.

Internal Factors:

Apart from the various external factors, the Board shall take into account various internal factors including the financial parameters while declaring dividend, which inter alia will include:

- Financial performance including profits earned (standalone), available distributable reserves etc;
- Impact of dividend payout on Company's return on equity, while simultaneously maintaining prudent and reasonably conservative leveraging in every respect e.g. Interest coverage, DSCR (Debt Service Coverage Ratio) Debt: EBITDA and Debt: Equity, including maintaining a targeted rating – domestically and internationally;
- Alternate usage of cash viz. acquisition/Investment opportunities or capital expenditures and resources to fund such opportunities/ expenditures, in order to generate significantly higher returns for shareholders;

ANNEXURE TO DIRECTORS' REPORT (Contd.)

- Leverage profile, liabilities and liquidity position of the Company;
- Fund requirement for contingencies and unforeseen events with financial implications;
- Past Dividend trend including Interim dividend paid, if any; and
- Any other factor as deemed fit by the Board.

CIRCUMSTANCES UNDER WHICH THE SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND

The circumstances under which shareholders may not expect dividend/or when the dividend could not be declared by the Company shall include, but are not limited to, the following:

- The Company is in higher need of funds for acquisition/diversification/expansion/investment opportunities/deleveraging or capital expenditures;
- The Company has incurred losses or in the stage of inadequacy of profits;
- Significantly higher working capital requirements adversely impacting free cash flow;
- Due to operation of any law in force.

The Shareholders of the Company may expect dividend only if the Company is having surplus funds after providing for all the expenses as may be statutorily required under various legislations applicable to the Company.

In addition to the above, the Board of Directors of the Company may also consider declaration of any special dividend, on special occasions, as and when they may deem fit, subject to the provisions of the Companies Act, 2013 and rules made thereunder and other relevant requirements, if any.

Further, the Board may also take into consideration such other circumstances as it may in its absolute discretion think fit.

UTILIZATION OF RETAINED EARNING

The Board may retain its earnings in order to make optimum utilisation of the available resources and enhance the shareholder's value. The retained earnings of the Company can be used for acquisitions, expansions, diversifications or for meeting the working capital requirements, other liabilities of the Company or for any other object covered in Memorandum of Association or may be retained for its business purpose in accordance with the applicable provisions of the Companies Act, 2013 read with the Rules framed thereunder, if any, the Listing Regulations, other applicable legislations governing dividends and the Memorandum and Articles of Association of the Company, as in force and as amended from time to time.

The decision of distributing dividend or utilisation of the retained earnings shall be taken after having due regard to the parameters laid down in this Policy.

PARAMETERS THAT SHALL BE ADOPTED WITH REGARD TO VARIOUS CLASSES OF SHARE

Presently, the issued share capital of the Company comprises of only one class of Shares i.e. equity shares. In the event of the Company issuing any other class(es) of shares, it shall consider and specify the other parameters to be adopted with respect to such class(es) of shares.

DISCLOSURE

The Company shall disclose the Policy on the Company's website and a web link thereto shall be provided in the Annual Report.

REVIEW & AMENDMENT

The Policy shall be reviewed as and when required to ensure that it meets the objectives of the relevant legislation and remains effective. The Board has the right to amend or modify this Policy in whole or in part, at any time without assigning any reason, whatsoever.

ANNEXURE TO DIRECTORS' REPORT (Contd.)

ANNEXURE – B

THE CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO, IN THE MANNER AS PRESCRIBED IN RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014

		Cement	Jute	Steel Foundry
A.	**Conservation of Energy**			
i)	a) Energy Conservation measures taken.	**Chanderia** 1 Upgradation of Pyro Circuit (Preheater, TAD, kiln feed system, kiln burner and RABH). 2 Upgradation of NCCW Raw Grinding Circuit - Conversion of RP-2 mono drive to twin drive and installation of separate circuit for RP-2 roller press. 3 Modification in cooler hood and TAD. 4 Optimization of cement grinding at CCW - CM1 and BCW. 5 Improvement of clinkerization by process optimization and Raw mix/ fuel optimization at CCW Kiln -2. 6 Installation of VFD Panel for CCW GCT Water Pump. 7 Installation of VFD Panel for WHRS Water Pump. **Satna** 1 Replacement of Slip Ring Induction motor of VRM Fan with Squirrel Cage Induction Motor for both SCW & BVC Plant. 2 Replacement of Pressure & Ventilation System with high efficiency fan and modification of duct in both WHRS system at BVC & SCW. 3 Replacement of old and inefficient pumps in BVC filter house. **Durgapur** 1 Installation of VVVF Drive for material handling Belt 61. 2 Rationalization of compressor capacity in Roller Press. 3 Optimization of PD Pump cycle time. **Raebareli** 1 Utilization of Solar Power at RCW Unit. 2 Replacement of conventional light fittings by LED lights at our Fly Ash Extraction & Handling Unit at NTPC-Unchahar. 3 Installation of Capacitor Bank (APFC Panel) for improvement of power factor. 4 Unloading of Clinker trucks directly at VRM Hopper during Plant operation.	Replacement of 12 nos transformers of total 15000 KVA installed at various places by 2 nos new transformers of total 5000 KVA to reduce transformers losses and transmission losses @ 750300 Kwh per year.	1 The conservation of energy is a continuous exercise. Trend of energy consumption is regularly monitored and remedial measures are initiated to improve energy efficiency. 2 Control of metal heating process temperature to optimize energy requirement. 3 Efficiency improvement in cooling system leads to reduced energy consumption. 4 Optimize air requirement to improve efficiency of compressor.
	b) Impact on conservation of energy.	**Chanderia** 1 Increase in production as well as reduction in sp. heat consumption and power consumption. 2 Reduction in sp. power consumption 1 Kwh/T of raw meal. 3 After this modification saving in specific heat consumption would be 5 - 8 Kcal/kg of clinker. 4 Reduction in sp. power consumption. 5 Reduced clinker thermal Energy consumption by 6.0 Kcal/kg. 6 Reduction in water pump power consumption. 7 Reduction in power consumption. **Satna** 1 Replacement of motor leads substantial energy saving in both BVC & SCW VRM. 2 Modification in pressurization system improve the system performance and reduce power consumption in both BVC & SCW WHRS. 3 Saving in power consumption by installation of new pump. **Durgapur** 1 Savings in power consumption. 2 Optimize the compressor running time and saving in power. 3 Optimize the PD Pump operation and saving in power. **Raebareli** 1 Replacing grid power and promote green energy. 2 Savings in lighting power substantially and also reduce maintenance cost. 3 Improve power factor leads to reduced energy cost. 4 Improve plant operation by eliminating double handling of clinker and saving in power.	Reduction in power consumption by 28 Kwh/MT of production.	–

ANNEXURE TO DIRECTORS' REPORT (Contd.)

		Cement	Jute	Steel Foundry
ii)	Steps in utilization of alternate sources of energy	1 AFR used in kiln in both Satna & Chanderia Plant which includes Carbon Black, Waste mix solids, ETP sluge, Mustard husk, TDI Tar, Industrial waste, Non hazardous waste, liquid waste etc. and replacing fossil fuel in sustainable manner. 2 WHRS system is operating in both Satna & Chanderia Unit for power generation from waste flue gas. 3 Sourcing renewable energy from captive solar power plant at both Satna & Chanderia. 4 Sourcing renewable energy from solar power plant at Raebareli.	–	–
iii)	Capital investment on energy conservation equipments	₹207 Lakh	₹396.62 Lakh	–
B.	**Technology Absorption** Research & Development i) Specification of Technology absorption and/ or R&D	1 Installation of Coriolis coal firing system of higher accurancy at SCW and BVC. 2 Installation of Coriolis Kiln Feed system of higher accuracy at BVC. 3 Installation of Roto-scale of higher accuracy at CM-1 for Fly Ash Feeding System at BVC. 4 Installation of Cross Belt Analyzer in S1 Belt of Linear Stacker and Reclaimer Circuit. 5 DCS & Servers Upgradation of BVC. 6 Installation of Gas Analysers in Fine Coal Bin & Coal Mill Bag Filters of BVC & SCW. 7 Upgradation of BVC Kiln Main Drive VFD panels. 8 Upgradation of DC motor and DC Drive of CM2 O sepa with AC Motor & VFD 9 Installation of GRR for BVC Pet Coke mill Main motor. 10 Upgradation of Automatic Voltage regulator (AVR) of 27MW TPP generator at Satna. 11 Retrofitting of breakers at 132KV switchyard & Substation at Satna. 12 Installation of Dense Phase system to convey the coarse fly ash from RHTC Coarse Silo to RCW Fly ash Silo.	1 Replacement of pneumatic air cylinder by hydraulic cylinder at Roll former of spreader machine. This device eliminates Air compressor (having 35 HP Motor) for 11 nos. of spreader machine, whereas for each Hydraulic cylinder there is 1 HP Motor. Moreover Roll formation of spreader machine is much better than that of pneumatic cylinder. Also weight of each Roll is higher by 7 to 10 kg due to its hard compactness. 2 Replacement of metallic Heald wire & Heald frame by synthetic Heald wire and Heald frame at S4 looms to reduce warp breakage resulting in increase of loom efficiency. 3 Bio Chemical Plant has been established for in-house production of "IJIRA Bacterial Culture". 4 Digital moisture determination system for procured raw jute has been started for quick and accurate measurement of moisture.	–
	ii) Benefits	1 Maintained consistent feed of fine coal with high accuracy and low power consumption. 2 Maintained consistent feed of fine coal with high accuracy to stable kiln operation leads to increase in production. 3 Increase in fly ash consumption. 4 Effective quality control from lime stone pre-blending yard to ensure quality production of clinker / Cement. 5 Improve in plant operation and analysis. 6 Monitor CO & O2 level and reduce fire risk. 7 Upgraded for reliable operation and better speed control. 8 Better operational control and reduce maintenace. 9 Improve speed regulation during operation to avoid tripping due to high vibration. 10 Upgarded for better sharing and reliable operation of generator. 11 Upgraded breakers are with fast and safe opearation which will help in clearing the faults within short duration and avoid major losses. 12 Easy transfer of fly ash with cost effective and reduce vehicle/bulker movement within the plant leads to improve plant safety.	Conservation of Energy	Conservation of Energy

C. Foreign Exchange Earning & Outgo

i)	Total Foreign Exchange used -	₹28,648.06 Lakh
ii)	Total foreign exchange earned (including export in Indian Currency)	₹4,056.39 Lakh

Note: Excludes borrowings and repayments in foreign currency.

For and on behalf of the Board of Directors

Place: Kolkata
Dated, the 12th May, 2021

Harsh V. Lodha
Chairman
(DIN: 00394094)

Arvind Pathak
Managing Director & Chief Executive Officer
(DIN: 00585588)

ANNEXURE – C

ANNUAL REPORT ON CSR ACTIVITIES FOR THE FINANCIAL YEAR 2020-2021

1. Brief outline on CSR Policy of the Company:

As per the provisions of the Companies Act, 2013 and Rules framed thereunder, the Company has formulated its CSR policy to contribute to economic development in different ways to ensure the economically disadvantaged section of society is benefited. The CSR initiatives are steered by the guiding principle of sensitivity to the needs of the people, enhancing the quality of their lives and protection of the environment.

The Company's CSR Programs are directed mainly in the areas of Education, Healthcare, Water, Infrastructure and Enhancement of livelihood of Rural Poor. While planning the CSR activities the needs of the people are taken into account and people living around the places where our manufacturing operations are carried out, are consulted. Greater emphasis is laid on activities for Preventive healthcare, Education of poor children, Water Facility, Rural Infrastructure development, Cleanliness and enhancing the income of the poor people. The Company has undertaken the CSR activities directly through its staff with support from reputed NGOs and also through Madhav Prasad Priyamvada Birla Apex Charitable Trust and M P Birla Netralaya.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri Harsh V. Lodha	Chairman (Non-Independent Non-Executive Director)	2	2
2	Shri Vikram Swarup	Member (Independent Director)	2	2
3	Shri Brij Behari Tandon	Member (Independent Director)	2	2
4	Shri Dhruba Narayan Ghosh	Member (Independent Director)	2	2

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

The Composition of CSR Committee, CSR Policy and CSR projects approved by the Board are placed on the website of the Company and the web-link for the same is as under:

Particulars	Web-link of the website
Composition of CSR Committee	https://www.birlacorporation.com/board-committees.html
CSR Policy	https://www.birlacorporation.com/investors/policies/csr-policy.pdf
CSR projects approved by the Board	https://www.birlacorporation.com/csr.html

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

Not Applicable

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

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
Nil			

6. Average net profit of the Company as per Section 135(5): ₹21,396.89 Lakhs

7. (a) Two percent of average net profit of the Company as per Section 135(5): ₹427.94 Lakhs

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: Nil

ANNEXURE TO DIRECTORS' REPORT (Contd.)

(c) **Amount required to be set off for the financial year, if any:** Nil

(d) **Total CSR obligation for the financial year (7a+7b-7c):** ₹427.94 Lakhs

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

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
4,53,07,385	Nil	NA	NA	Nil	NA

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

There are no ongoing projects against which CSR amount has been spent during the financial year 2020-2021.

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	**Name of the Project/ Programme**	**Item from the list of activities in schedule VII to the Act**	**Local Area (Yes/No)**	**Location of the Project (State/ District)**	**Amount Spent for the Project (in ₹)**	**Mode of Implem-entation-Direct (Yes/No)**	**Mode of Implementation-Through implementing agency (Name, CSR Registration Number)**
1	Support basic infrastructure and healthcare services at Hospital e.g. Provide Healthcare services to the underprivileged patients	Healthcare	Yes	Rajasthan (Chittorgarh)	**45,00,000**	No	Madhav Prasad Priyamvada Birla Apex Charitable Trust
2	Eye Check-up Camps & surgeries for the under privileged in the communities and Capex for Eye Camps	Healthcare	Both	West Bengal (Kolkata)	**1,60,00,000**	No	M.P. Birla Netralaya
3	Free Eye Check-up Camps & surgeries for the under privileged in the communities and Capex for Eye Camps, Mother & Child Health Program, Awareness on WASH, Making available of safe Drinking water Projects	Healthcare, Hygiene & Sanitation	Both	Uttar Pradesh (Raebareli) Madhya Pradesh (Satna) West Bengal (Durgapur) Rajasthan (Chittorgarh)	**50,17,012**	Direct & NGO	Implementing Partner-Shamayita Math (CSR Registration Number-CSR00000552), Priyanshi Educational, Cultural & Social Society (CSR Registration Number-CSR00000450)
4	COVID-19 Alleviating Program, Supply of dry and cooked food to the migrant labours and villagers and support to the community kitchen in villages during the lockdown period, support villages/ panchayats quarantine centres, free distribution of masks & sanitizers in communities, create awareness on COVID-19, provide safety kits, sanitizers to the Covid warriors in the Covid Hospitals and district administration	Disaster Management	Yes	Uttar Pradesh (Raebareli) Madhya Pradesh (Satna) West Bengal (Durgapur) Rajasthan (Chittorgarh)	**21,66,008**	Yes	–

ANNEXURE TO DIRECTORS' REPORT (Contd.)

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	**Name of the Project/ Programme**	**Item from the list of activities in schedule VII to the Act**	**Local Area (Yes/No)**	**Location of the Project (State/ District)**	**Amount Spent for the Project (in ₹)**	**Mode of Implem-entation-Direct (Yes/No)**	**Mode of Implementation-Through implementing agency (Name, CSR Registration Number)**
5	Promotion of Primary & Secondary Education and assistant for school infrastructure development	Promote Education	Yes	Uttar Pradesh (Raebareli) Madhya Pradesh (Satna) West Bengal (Durgapur) Rajasthan (Chittorgarh)	**40,11,051**	Yes	–
6	Vocational training and Micro Enterprise Development & Self Help Group Development Program	Women Empowerment	Yes	Madhya Pradesh (Satna) West Bengal (Durgapur) Rajasthan (Chittorgarh)	**21,30,182**	No	Implementing Partner-Shamayita Math (CSR Registration Number-CSR00000552), BAIF (CSR Regd-CSR00000259), Priyanshi Educational, Cultural & Social Society (CSR Registration Number-CSR00000450)
7	Improved Animal Husbandry Program, Advance Agriculture Practices & Environmental Sustainability	Livelihood & Environmental Sustainability	Yes	Madhya Pradesh (Satna) West Bengal (Durgapur) Rajasthan (Chittorgarh)	**58,44,117**	No	Implementing Partner-Shamayita Math (CSR Registration Number-CSR00000552), BAIF (CSR Registration Number-CSR00000259), Sarv Mangal Gramin Sansthan (CSR Registration Number-CSR00000154)
8	Rural Development Projects	Rural Development	Yes	Uttar Pradesh (Raebareli) Madhya Pradesh (Satna) West Bengal (Durgapur) Rajasthan (Chittorgarh)	**56,39,015**	Yes	–
Total					**4,53,07,385**		

(d) Amount spent in administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Not Applicable

(f) Total amount spent for the financial Year (8b+8c+8d+8e): ₹4,53,07,385/-

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

Sl. No.	Particular	Amount (in ₹)
(i)	Two percent of average net profit of the Company as per Section 135(5)	4,27,93,785
(ii)	Total amount spent for the Financial Year	4,53,07,385
(iii)	Excess amount spent for the financial year [(ii)-(i)]	25,13,600
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	25,13,600

ANNEXURE TO DIRECTORS' REPORT (Contd.)

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

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

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

    (a) **Date of Creation or acquisition of the capital asset(s)**- Not Applicable

    (b) **Amount of CSR Spent for creation or acquisition of capital asset-** Not Applicable

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

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

11. **Specify the reason (s), if the Company has failed to spend two per cent of the average net profit as per the Section 135(5)-** Not Applicable

For and on behalf of the Board of Directors

Harsh V. Lodha
Chairman of the CSR Committee
(DIN: 00394094)

Arvind Pathak
Managing Director &
Chief Executive Officer
(DIN: 00585588)

Place: Kolkata
Dated, the 12th May, 2021

ANNEXURE TO DIRECTORS' REPORT (Contd.)

ANNEXURE – D

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2020-2021 and ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2020-2021:

Sl. No.	Name of Director(s)/KMPs	Designation	Ratio of remuneration of each Director to median remuneration of employees**	% increase in Remuneration in the FY 2020-2021
01.	Shri Arvind Pathak*	Managing Director & Chief Executive Officer	-	-
02.	Shri Pracheta Majumdar#	Wholetime Director designated as Chief Management Advisor	100.60	14.29%
03.	Shri Aditya Saraogi	Chief Financial Officer	N.A.	8.00%
04.	Shri Girish Sharma^	Jt. President (Indirect Taxes) & Company Secretary	N.A.	-
05.	Shri Manoj Kumar Mehta$	Company Secretary & Legal Head	N.A.	-

* Appointed as the Managing Director & Chief Executive Officer of the Company w.e.f. 31st March, 2021.

\# Re-designated as the Wholetime Director designated as Chief Management Advisor of the Company w.e.f. 31st March, 2021.

^ Ceased to be the Company Secretary of the Company w.e.f. 1st December, 2020.

$ Appointed as the Company Secretary & Legal Head of the Company w.e.f. 1st December, 2020.

** The median remuneration of employees of the Company during the financial year was ₹2.39 Lakhs.

Notes:

a. The ratio of remuneration to Median Remuneration is provided only for those directors who have drawn remuneration from the Company for the full financial year 2020-2021.

b. The % increase of remuneration is provided only for those directors and KMP who have drawn remuneration from the Company for the full financial year 2020-2021.

c. For the purposes of computations of increase, incentive remuneration has been considered based on accruals and payments relating to earlier years have been excluded.

d. The Non-Executive Directors of the Company are entitled for sitting fees and commission as per the statutory provisions and within the limits approved by the Members. The details of sitting fees and commission paid to the Non-Executive Directors are provided in the Report on Corporate Governance.

(ii) There was an increase of 5.9% in the median remuneration of employees during the financial year 2020-2021.

(iii) There were 7,212 permanent employees on the rolls of Company as on 31st March, 2021.

(iv) Average percentage increase made in the salaries of employees other than the managerial personnel in the financial year i.e. 2020-2021 was 3.7% whereas the increase in the managerial remuneration for the same financial year was 11.6%.

Averages increase in the remuneration of the employees other than the Managerial Personnel and that of the managerial personnel depends upon the factors like industry standards, individual performance etc. during the year.

(v) It is hereby affirmed that the remuneration paid during the year ended 31st March, 2021 is as per the Nomination and Remuneration Policy of the Company.

For and on behalf of the Board of Directors

Harsh V. Lodha	**Arvind Pathak**
Chairman	Managing Director &
(DIN: 00394094)	Chief Executive Officer
	(DIN: 00585588)

Place: Kolkata
Dated, the 12th May, 2021

ANNEXURE – E

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31.03.2021

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
Birla Corporation Limited
Birla Building
9/1, R N Mukherjee Road
Kolkata 700001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Birla Corporation Limited (hereinafter called the Company), bearing CIN: L01132WB1919PLC003334. The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit and considering the relaxations granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the Covid 19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021, to the extent applicable, according to the provisions of:

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

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

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

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

v. The Investor Education and Protection Fund Authority Rules, 2016;

vi. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'), to the extent applicable:

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

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

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

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

   (e) 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;

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

   (g) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

vii. The other laws applicable specifically to the Cement/Jute/Iron & Steel division of the Company, namely:

   (a) Mineral Conservation and Development Rules, 2017

   (b) The Mines and Minerals (Development and Regulation) Act,1957

   (c) The Explosive Rules, 2008

ANNEXURE TO DIRECTORS' REPORT (Contd.)

(d) Ammonium Nitrate Rules, 2012

(e) The Environment (Protection) Act,1986

(f) The Limestone and Dolomite Mines Labour Welfare Fund Act, 1972

(g) Indian Electricity Rules,1956

(h) The Jute Packaging Materials (Compulsory Use in Packing Commodities) Act,1987

(i) The Jute Manufactures Cess Act,1983

(j) The National Jute Board Act, 2008

(k) The Employees' Provident Funds and Miscellaneous Provisions Act, 1952

(l) The West Bengal Factories Rules,1958

(m) West Bengal Labour Welfare Fund Act 1974 & Rules 1976

(n) Contract Labour (R&A) Act,1970

We have also examined the compliance of Secretarial Standards issued by The Institute of Company Secretaries of India.

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

We further report that:

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

Adequate notice had been 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.

As per the minutes of the meetings duly recorded and signed by the Chairman, the decisions of the Board were unanimous and therefore there were no dissenting views that were required to be recorded.

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 there were no investments/disinvestments made by the Company having a major bearing on the Company's affairs. The details are given as under:

1. **Details of investments of the Company in other companies resulting which a subsidiary company has been formed:**

   No

2. **Company/Bodies Corporate which has become associate:**

   No

3. **Company which have become Joint Venture:**

   No

For **Mamta Binani & Associates**

CS Madhuri Pandey
Partner
CP No. : 20723
Membership No: A55836
UDIN: A055836C000282865

Date: 12.05.2021
Place: Kolkata

ANNEXURE – F

FORM NO. MR-3

SECRETARIAL AUDIT REPORT
OF RCCPL PRIVATE LIMITED (A MATERIAL UNLISTED SUBSIDIARY)

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2021

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To
The Members
RCCPL Private Limited
Industry House, 2nd Floor,
159, Churchgate Reclamation,
Mumbai - 400 020

Dear Sir(s)/Madam,

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **RCCPL Private Limited** (formerly Reliance Cement Company Private Limited) (hereinafter called "**the Company**") bearing CIN: U26940MH2007PTC173458. The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on the verification of Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit and considering the relaxations granted by the Ministry of Corporate Affairs warranted due to the spread of the Covid 19 pandemic, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2021 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has followed proper Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2021, to the extent applicable, according to the provisions of:

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

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

(iii) The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder for compliance in respect of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;

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

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

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

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

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

   (e) The Securities and Exchange Board of India (Registrars to an issue and Share Transfers Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

   (f) The Securities & Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015**;

   (g) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

   *The Company being a 'material subsidiary' of Birla Corporation Limited (BCL) as defined in Regulation 16(1)(c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, certain employees of the Company have been categorised as Designated Persons and are covered by BCL's Code of Conduct framed under the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.

   **The Company has not entered into any listing agreement with the Stock Exchanges.

ANNEXURE TO DIRECTORS' REPORT (Contd.)

(vi) I further report that having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on testcheck basis, the Company has complied with following laws applicable specifically to the Company, to the extent applicable:

(a) The Factories Act, 1948

(b) Contract Labour (R&A) Act, 1970

(c) Indian Electricity Rules, 1956

(d) The Employees' Provident Funds and Miscellaneous Provisions Act, 1952

(e) The Mines Act, 1952

(f) The Mines and Minerals (Development and Regulation) Act, 1957 and its amendment Act, 2015

(g) The Explosives Rules, 2008

(h) The Environment (Protection) Act, 1986

(i) Ammonium Nitrate Rules, 2012

(j) The Limestone and Dolomites Mines Labour Welfare Fund Act, 1972.

I have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company Secretaries of India.

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, Standards, etc. mentioned above read with circulars, notifications and amended rules, regulations, standards etc. issued by the Ministry of Corporate Affairs, Secretarial Standards issued by the Institute of Company Secretaries of India and such other regulatory authorities as may be applicable, from time to time issued for compliances under the pandemic situation.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There was no change in the composition of the Board of Directors of the Company.

Adequate notice had been given to all Directors to schedule the Board Meetings (including meetings of the Committees), agenda and detailed notes on agenda were sent at least seven days in advance except in a case where the meeting was conducted at a shorter notice with the consent of all the Directors and all the provisions with regard to conducting meeting at a shorter notice was duly complied with. A system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meetings duly recorded and signed by the Chairman, none of the members have communicated dissenting views in the matters / agenda proposed from time to time for consideration of the Board and its Committees thereof, during the year under the report, hence were not required to be recorded as part of the minutes.

I 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.

I further report that during the audit period the Company has passed at its Annual General Meeting held on 15th September, 2020 a Special Resolution under Sections 12, 13 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder for shifting the Registered Office of the Company from the 'State of Maharashtra' to the 'State of West Bengal' and amendment of Clause II of the Memorandum of Association of the Company.

CS Sweta Goyal
Practising Company Secretary
ACS No. 35513
CP No. 17288
UDIN: A035513C000265424

Date:10.05.2021

Place: Kolkata

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

"ANNEXURE A"

To,
The Member,
RCCPL Private Limited
Industry House, 2nd Floor,
159, Churchgate Reclamation,
Mumbai - 400 020

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

1. Maintenance of Secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices, followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

CS Sweta Goyal
Practising Company Secretary
ACS No. 35513
CP No. 17288
UDIN: A035513C000265424

Date: 10.05.2021
Place: Kolkata

BUSINESS RESPONSIBILITY REPORT 2020-2021

The Directors present the Business Responsibility Report of the Company for the financial year ended on 31st March, 2021, pursuant to Regulation 34(2)(f) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This Business Responsibility Report is a testament to our accountability towards creating enduring value for all stakeholders in a responsible manner. In line with SEBI's proposed index and the nine principles of the Government of India's 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business', the report summarises our efforts to conduct business with responsibility.

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

<table>
<tr><td>1</td><td>Corporate Identity Number (CIN) of the Company</td><td colspan="4">L01132WB1919PLC003334</td></tr>
<tr><td>2</td><td>Name of the Company</td><td colspan="4">Birla Corporation Limited</td></tr>
<tr><td>3</td><td>Registered address</td><td colspan="4">9/1, R N Mukherjee Road, Birla Building,
Kolkata -700001</td></tr>
<tr><td>4</td><td>Website</td><td colspan="4">www.birlacorporation.com</td></tr>
<tr><td>5</td><td>E-mail id</td><td colspan="4">coordinator@birlacorp.com</td></tr>
<tr><td>6</td><td>Financial Year reported</td><td colspan="4">1st April, 2020 to 31st March, 2021</td></tr>
<tr><td rowspan="4">7</td><td rowspan="4">Sector(s) that the Company is engaged in (industrial activity code-wise)</td><td colspan="4">Details of major Products</td></tr>
<tr><td>Group</td><td>Class</td><td>Sub Class</td><td>Description</td></tr>
<tr><td>239</td><td>2394</td><td>23941
23942</td><td>Manufacturing of Clinker and Cement</td></tr>
<tr><td>131</td><td>1313</td><td>13135</td><td>Manufacturing of Jute Goods.</td></tr>
<tr><td>8</td><td>List three key products/services that the Company manufactures/provides (as in balance sheet)</td><td colspan="4">(i) The Company manufactures cement of various kinds viz. Ordinary Portland Cement, Portland Pozzolana Cement and Portland Slag Cement.
(ii) The Company also manufactures Jute Goods.</td></tr>
<tr><td>9</td><td>Total number of locations where business activity is undertaken by the Company</td><td colspan="4">(a) Number of International Locations (Provide details of major 5)- Nil
(b) Number of National Locations:
2 Integrated Cement Units, 2 Grinding Units, 1 Blending Unit, 1 Jute Mill, 1 Steel Foundry, Registered Office and Corporate Office & Regional Sales Offices in various states.</td></tr>
<tr><td rowspan="3">10</td><td rowspan="3">Markets served by the Company–Local/State National/International</td><td colspan="4">Local/State/National/International</td></tr>
<tr><td>Local</td><td>State</td><td>National</td><td>International</td></tr>
<tr><td>Yes</td><td>Yes</td><td>Yes</td><td>Yes</td></tr>
</table>

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid up Capital (INR)	₹77.01 crores
2	Total Turnover (INR)	₹4,442.15 crores
3	Total profit after taxes (INR)	₹428.51 crores
4	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	During the year 2020-2021, an amount of ₹453.07 Lakhs was spent on CSR activities. This represents more than the statutory limit of 2% of average net profit for three financial years immediately preceding the financial year 2020-2021.

5	List of activities in which expenditure in 4 above has been incurred:-	1. Health Care and Sanitation 2. Education 3. Disaster Management (Covid-19) 4. Women Empowerment 5. Livelihood and Environment Sustainability 6. Rural Development Program

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies?

Yes, as on 31st March, 2021, the Company has 7 (Seven) Subsidiary Companies, viz. RCCPL Private Limited (material subsidiary), Lok Cement Limited, Talavadi Cements Limited, Birla Jute Supply Company Limited, Budge Budge Floorcoverings Limited, Birla Cement (Assam) Ltd. and M.P. Birla Group Services Pvt. Ltd.

2. Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s)

The Business Responsibility initiatives of the Company apply to its material subsidiary.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]

Other entities viz. suppliers, distributors etc. with whom the Company does business, do not participate in the Business Responsibility initiatives of the Company.

SECTION D: BR INFORMATION

1. Details of Director/ Directors responsible for BR

a) Details of the Director/ Directors responsible for implementation of the BR policy/ policies

1	DIN Number	:	00179118
2	Name	:	Shri Pracheta Majumdar
3	Designation	:	Wholetime Director designated as Chief Management Advisor

b) Details of the BR head

No.	Particulars	Details
1	DIN Number (if applicable)	00179118
2	Name	Shri Pracheta Majumdar
3	Designation	Wholetime Director designated as Chief Management Advisor
4	Telephone Number	(033) 6603-3300
5	E-mail ID	pmajumdar@birlacorp.com

BUSINESS RESPONSIBILITY REPORT 2020-2021 (Contd.)

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

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

The Nine principles as per BRR are as given below:-

P 1	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
P 2	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
P 3	Businesses should promote the well-being of all employees.
P 4	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.
P 5	Businesses should respect and promote human rights.
P 6	Businesses should respect, protect, and make efforts to restore the environment.
P 7	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
P 8	Businesses should support inclusive growth and equitable development.
P 9	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

No.	**Questions**	**P 1**	**P 2**	**P 3**	**P 4**	**P 5**	**P 6**	**P 7**	**P 8**	**P 9**
1	Do you have a policy/ policies for	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	Y	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	The policies are based on the 'National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business' released by the Ministry of Corporate Affairs.								
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	Y	Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	Y	Y	Y
6	Indicate the link for the policy to be viewed online?	Copy of the policy will be made available on receipt of written request from a stakeholder.								
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	The policy has been communicated to key internal stakeholders of the Company.								
8	Does the Company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	Y	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	Y	Y	Y
10	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The policies are evaluated internally from time to time and updated whenever required.								

BUSINESS RESPONSIBILITY REPORT 2020-2021 (Contd.)

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

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	The Company has not understood the Principles	Not Applicable								
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles									
3	The Company does not have financial or manpower resources available for the task									
4	It is planned to be done within next 6 months									
5	It is planned to be done within the next 1 year									
6	Any other reason (please specify)									

3. Governance related to BR

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

BR performance of the Company is assessed annually.

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 prepares Business Responsibility Report annually. The Business Responsibility Report is part of this Annual Report and the same is also placed on the website of the Company at www.birlacorporation.com.

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 considers Corporate Governance as an integral part of good management and guides the operations of the Company alone. The Code of Conduct is applicable to the Directors and Senior Management of the Company. A Whistle Blower Policy/ Vigil Mechanism is also in place to provide opportunity to all stakeholders to report any concerns/issues/incidents about unethical behaviour, actual or suspected fraud or violation of the code of conduct or policies.

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 financial year 2020-2021, the Company has received 6 (Six) complaints from the shareholders which were resolved by the management.

PRINCIPLE 2: BUSINESSES SHOULD PROVIDE GOODS AND SERVICES THAT ARE SAFE AND CONTRIBUTE TO SUSTAINABILITY THROUGHOUT THEIR LIFE CYCLE

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

The Company keeps a vigil eye on social and environment issues. The Company has adopted latest technology in manufacturing process and focussing on developing products that are environment friendly, utilising waste by-product from other industries. The

Company also utilises waste heat of clinkerization process for power generation by installation of Waste Heat Recovery System (WHRS). This helps into reduction of carbon footprint and making the plant more energy efficient.

The Company's product range comprises of blended cements which include Portland Pozzolana Cement (PPC) and Portland Slag Cement (PSC). Fly ash from waste from thermal power plant is used in PPC and also Slag waste from steel industry is used in PSC. Another product is "Pozzolana" Composite Cement (PCC) in which both fly ash and slag are used.

For conservation of fossil fuel, Company is using alternate fuel sourced from waste of different sectors. Agricultural waste, industrial waste, hazardous & non-hazardous waste are used in different form (solid/liquid) to the extent of availability.

The Company is focusing on green energy to reduce carbon footprint by installation of Solar Power Plants in different location for captive consumption.

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?

The Company is committed to Environment protection, climate change and taking lot of initiatives to reduce carbon footprint. As a part of promoting renewal energy, the Company has installed WHRS (Waste Heat Recovery System) at Satna and Chanderia Units to capture waste heat of kilns and utilize the same for power generation and resultantly save water and fossil fuels. The Company is always promoting energy efficient technology to ensure lower energy consumption. The Company, as a part of conserving natural resources and to reduce energy consumption, consumes industrial waste by-products like fly ash, steel slag in the cement manufacturing process, which reduces Greenhouse Gas emission. The Company has installed Solar Power Plants at different factories for increasing share of renewable power in captive power consumption. For further details, please refer to Annexure – 'B' to the Directors' Report covering inter-alia, details of Conservation of Energy.

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

The Company's products are used by variety of consumers and it is neither feasible to measure reduction in the usage (energy, water) nor available with us. However, at plant level the Company is taking various measures to reduce energy and water as explained under Sl. No. 2(a) above.

The Company has also installed effluent treatment plant for recycling waste water and use the same for plantation, dust suppression etc.

3. Does the Company have procedures in place for sustainable sourcing (including transportation)?

(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

The Company's main raw material, is sourced mostly through its own mines, situated close to the plants. These are transported through long belt conveyors/ropeway. Most of the Company's inward bulk materials are sourced from nearby areas in a sustainable manner.

The Company has its own slag processing (granulation) plant near to steel plant and procure fly ash and slag from nearby areas as much as possible. The Company is also planning to source fly ash through rail wagon for sustainable sourcing.

The Company is using Alternate Fuel (bio mass, plastic wastes, co-processed industrial waste, hazardous & non-hazardous waste) to replace part of fossil fuel, in a sustainable manner.

4. **Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?**

   (a) **If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

   The Company encourages local vendors to supply its regular needs. The Company also encourages procurement of goods and services from SME & MSME vendors and contributes in their overall development. Services like general maintenance, small repairs job, catering, housekeeping, horticulture and other various work are sourced from local contractor/workforce.

   The Company has trained and developed local contractors to meet its repair and maintenance needs as much as possible. These contractors employ workmen mostly from local villages. Company also provides training for skill development, safety measure, and environment issues to workmen of these vendor/contractor for better growth led to overall well-being of their employees.

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.**

   Cement manufacturing process does not generate any by-product / waste as such. The Company utilises wastes of other industries like steel plants, power plants and other chemical plants as additives in cement manufacture and thus contributes to sustainable development. Fly ash generated in power plants and Slag a waste generated from steel industry are used in the cement manufacturing process. Fly ash generated from own captive thermal power plants is also used in cement manufacturing process. Apart from that waste from agriculture and industries are used as alternate fuel in kiln to replace fossil fuel. Solid waste such as electronic waste and liquid waste such as used oil, lubricants are sold/disposed to authorize recycling vendors. Waste water is treated in effluent plant and used for green belt development and dust suppression.

PRINCIPLE 3: BUSINESSES SHOULD PROMOTE THE WELL-BEING OF ALL EMPLOYEES

1. **Please indicate the Total number of employees.**

   As on 31st March, 2021, the Company had total 7,212 number of employees.

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

   Total temporary/contractual/casual employees were 5,438 as on 31st March, 2021 out of which 211 comprises of Trainees and Apprentices.

3. **Please indicate the Number of permanent women employees.**

   There were 42 permanent women employees as on 31st March, 2021.

4. **Please indicate the Number of permanent employees with disabilities.**

   There were 3 permanent employees with disabilities as on 31st March, 2021.

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

   Yes.

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

   53.72%.

BUSINESS RESPONSIBILITY REPORT 2020-2021 (Contd.)

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.

No.	Category	No. of complaints filed during the financial year 2020-2021	No. of complaints pending as on end of the financial year 31st March, 2021
1	Child labour/ forced labour/ involuntary labour	The Company does not employ such labour	Not Applicable
2	Sexual harassment	Nil	Not Applicable
3	Discriminatory employment	Nil	Not Applicable

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

No.	Category	Safety and skill up-gradation training
(a)	Permanent Employees	38.48%
(b)	Permanent Women Employees	54.76%
(c)	Casual/Temporary/Contractual Employees	90.76%
(d)	Employees with Disabilities	Nil

PRINCIPLE 4: BUSINESSES SHOULD RESPECT THE INTERESTS OF, AND BE RESPONSIVE TOWARDS ALL STAKEHOLDERS, ESPECIALLY THOSE WHO ARE DISADVANTAGED, VULNERABLE AND MARGINALIZED.

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

Yes. For Birla Corporation Limited, maintaining relationship with stakeholders is a business imperative. The business revolves around stakeholders, right from suppliers to customers, shareholders to communities, government to workforce and contractors.

2. Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders.

The Company has mapped disadvantaged, vulnerable and marginalised stakeholders viz. communities in and around the areas of its significant operations and is actively working towards their inclusive growth as part of Company's CSR efforts.

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

The Company runs initiatives in the areas of Health Care including preventive health care and sanitation, providing safe drinking water, education, skill development leading to creation of alternative employment, Infrastructure development and ensuring environmental sustainability through agro forestry, conservation of natural resources and maintaining quality of soil, air and water, all directed towards helping neighbouring communities, including disadvantaged, vulnerable and marginalised stakeholders and being instrumental in cultivating their progress. To achieve the same, the Company has a well-established CSR policy which reflects the objective of economic and social development to create a positive impact.

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 Policy relating to respecting and promoting human rights covers the Company and its subsidiaries only. The Company encourage its business partners and third parties with whom it conducts business to abide by this policy.

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

During the financial year 2020-2021, the Company did not receive any complaint with regard to violation of human rights.

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 Policy relating to respecting, protecting and restoring the Environment covers the Company and its subsidiaries.

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.**

   Climate change, global warming and environmental risks are serious challenges that the Company is fully engaged with and has started various initiatives to address the same. The Company proactively takes measure to reduce carbon foot print by trying to maximise production of blended cement by using waste generated from power plant and steel industry. The Company is using different waste material from different sector as alternate fuel to reduce fossil fuel which leads to reduction in carbon foot print. The Company has also taken several initiatives to reduce and control other Greenhouse Gases (GHG) like NOx, SOx etc., installed Air Cooled Condenser (ACC) in Captive Power Plants to reduce water consumption, sourcing of green energy through captive solar power plants to reduce carbon emission and harvest rain water at mined out areas for supply of water to the plant as well as local areas during summer. The Company has special program for tree plantation in the mined out areas, waste land and plant premises. The hyperlink for the same is http://www.birlacorporation.com/climatic.html.

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

   Yes. The Company identifies and assesses potential environmental risks periodically across its plant operations and projects. The Company has invested heavily to comply with all the new Environment norms. The Company has dedicated Sustainable Development Team to identify, assess, monitor and mitigate the environmental risk on regular basis.

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?**

   Currently no projects related to Clean Development Mechanism (CDM) has been taken up by the Company. However, the Company has already completed CDM project on Waste Heat Recovery based power generation at Satna and Chanderia Units. It is continuously endeavouring to identify opportunities to contribute in this regard.

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.**

   Yes. The Company has taken various initiatives on clean technology, energy efficiency, renewable energy etc., to reduce its impact on the environment. The Company has taken several initiatives in process and technology to improve plant performance and energy efficiency. The Company have installed Waste Heat Recovery System to generate power from waste heat of clinkerization process. The Company has already commissioned Solar Power System to promote green energy and reduce carbon emission. Installed solar power plant also complies RPO obligation. In addition, the Company have installed system for feeding AFR (bio mass, plastic waste, co-processed industrial and chemical wastes hazardous & non-hazardous waste etc.). The Company has installed SNCR system for reduction of NOx. In the coming periods, it is proposed to increase alternate fuel consumption to reduce the dependence on fossil fuel. For further details please refer to Annexure- 'B' to the Directors' Report covering inter-alia, details of Conservation of Energy.

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

   Yes. The emissions/waste generated by the Company are within the permissible limits for the financial year 2020-2021.

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.**

   There are no show cause/ legal notices received from CPCB/SPCB which are pending as at end of the financial year 2020-2021.

BUSINESS RESPONSIBILITY REPORT 2020-2021 (Contd.)

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 the following trade/chamber associations:

   (a) Indian Chamber of Commerce.

   (b) Cement Manufacturer's Association.

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

   The Company continuously advocates the use of eco-friendly mining practices, use of alternative fuels, increase in usage of fly-ash, installation of Waste Heat Recovery System in cement manufacturing units, energy conservation and construction of concrete roads.

PRINCIPLE 8: BUSINESSES SHOULD SUPPORT INCLUSIVE GROWTH AND EQUITABLE DEVELOPMENT

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

   In line with the provisions of the Companies Act, 2013, the Company has framed its Corporate Social Responsibility (CSR) Policy for the development of programmes and projects for the benefits of weaker sections of society and the same has been approved by the CSR Committee and the Board of Directors of the Company. The CSR Policy of the Company provides a road map for its CSR activities. The Company has been playing a pro-active role in the socio economic growth and has contributed to all spheres ranging from Health, Water & Sanitation, Education, Women Empowerment, Livelihood & Environmental Sustainability and Rural Development Program etc. In the past ten decades, the Company has supported a large number of social initiatives in India, touching the lives of lakhs of people positively. In recent times, the CSR Committee and Board approved initiatives taken at nearly all our units to support the State and Central Govt. initiatives to handle the Covid-19 Pandemic. The Company carried out CSR activities, primarily focusing on:

   1) Health Care Activities
   2) Educational Initiatives
   3) Disaster Management
   4) Empowerment of Women
   5) Environment Sustainability
   6) Livestock Development and Improved Agriculture Practices
   7) Rural Infrastructure Development Initiatives.

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

   The Company has undertaken the CSR activities directly through its employees as well as through reputed NGOs (M/s. BAIF Research Development Foundation, Pune, M/s. Shamayita Math, Bankura, WB, M/s. Sarv Mangal Gramin Sansthaan, Bundi, Rajasthan, M/s. Priyanshi Educational, Cultural and Social Society, Bhopal, MP and also through Madhav Prasad Priyamvada Birla Apex Charitable Trust and MP Birla Netralaya).

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

   The CSR activities are designed and implemented as per community's need and priorities. Base line survey and community need assessment survey are carried out location wise. Yearly basis, project wise physical targets and budget are set up to meet out the needs and priority. In house monitoring and reporting system are designed, developed and implemented to meet out the target on time. Programs generally have their own sustainable approach mechanism, so that it can run self-sustainable after phasing out.

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

   During the financial year 2020-2021, the Company has spent ₹453.07 Lakhs as part of its CSR initiatives. Details of the projects are given in Annexure-'C'- Report on CSR Activities forming part of Directors' Report.

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.**

   Yes. Community need assessment was carried out by using different multiple tools in the neighbourhood villages of plant locations. Primary and secondary data were procured through Participatory Appraisal (PRA) method and focus group discussion and different Govt. sources. As per the need and priority of the communities different interventions are carried out in the field. Community contributions and Village level institutions are formed in villages to implement and sustain the programs successfully. Regular Field visits, different MIS are designed to monitor and evaluate the program in the field.

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.**

   The Company is steadfast to provide world class products and services to customers, backed by proficient, competent and qualified manpower to extend pre and post sales services. The Company empathises with concerns of all its stakeholders, influencers and recommenders. The Company has a well-established formal system of receiving Customer complaints through Toll free number, e-mail, telephone, website, social media and feedback forms. It is a robust mechanism to address appropriately and resolve any type of grievance. A total of 70 (Seventy) complaints were received from customers during the financial year 2020-2021 which were addressed and disposed off leaving 1(One) (accounting for 1.43%) case pending as on end of the financial year 2020-2021.

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

   The Company displays and maintains high standards of communication and information dissemination to ensure full compliance with applicable regulations. The product quality is governed by the Bureau of Indian Standards (BIS). As per the BIS mandate, the product information is clearly displayed on the bag. No other label is displayed over and above than the mandated ones. The test report of cement supplied is available and produced on demand to the customers.

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 cases in relation to unfair trade practices, irresponsible advertising and/or violation of any such laws during the financial year 2020-2021.

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

   Yes. The Company carries out periodic customer satisfaction and consumer perception surveys from time to time based on commercial needs to fine tune its market offerings and products. The feedback of various programs for customers/ influencers education is also taken. We have a practice of conducting Brand Equity Survey influencer, dealers & consumer to know our brand health in the market. The exercise enables the Company to take appropriate measures, often proactively, to increase customer satisfaction.

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Company's philosophy on Code of Governance is to achieve the highest levels of transparency, integrity, fairness and accountability in all its interactions with its stakeholders including shareholders, employees, lenders and the government. We believe that Corporate Governance is a voluntary and self discipline code which means not only ensuring compliance with regulatory requirements but also being responsive to our stakeholders needs. Focus of the Company has always been to ensure continuing value creation for each of its stakeholders and above all to achieve business excellence with the goal of long-term sustainable development.

A Report on compliance with the principles of Corporate Governance as prescribed by the Securities and Exchange Board of India (SEBI) in Chapter IV read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (hereinafter referred to as "**Listing Regulations**"), for the year ended 31st March, 2021 is given below:

2. BOARD OF DIRECTORS:

Board Composition:

The Board of Directors (Board) of the Company comprises of an optimum combination of Executive and Non-Executive Directors with Independent Directors forming majority which not only meet the legal obligation but also make a diversified Board with a mixed blend of experiences, expertise, and professionals.

The strength of the Board of Directors of the Company as on 31st March, 2021, is 10 (Ten). Of the 10 (Ten) Directors, 2 (Two) are Executive Directors and 8 (Eight) are Non-Executive Directors out of which 6 (six) are Independent Directors including 1(One) Independent Woman Director. The Chairman of the Board is a Non-Executive Director and is not related to the Managing Director & Chief Executive Officer of the Company. The composition of the Board is in conformity with Regulation 17 of the Listing Regulations read with Section 149 of the Companies Act, 2013.

None of the Directors of the Company are Members of more than 10 (Ten) Committees (i.e. Audit Committee and Stakeholders Relationship Committee) nor Chairman of more than 5 (Five) such Committees (as specified in Regulation 26 of the Listing Regulations).

None of the Directors of the Company serves as an Independent Director in more than 7 (Seven) listed companies, nor any of the Wholetime Director serves as an Independent Director in more than 3 (Three) listed companies.

Directors' Profile:

The Board of Directors is composed of highly renowned professionals drawn from diverse fields, who bring with them a wide range of skill and experience to the Board, which enhances the quality of the Board's decision making process.

The brief profile of the Company's Board of Directors is as under:

Shri Harsh V. Lodha, Chairman of the Company has over 35 years of experience in the fields of business, finance, advisory and consultancy. He is the Chairman of Birla Corporation Limited, RCCPL Private Limited, Universal Cables Ltd., Vindhya Telelinks Ltd., Birla Cable Limited, Birla Furukawa Fibre Optics Pvt. Ltd. and Hindustan Gum & Chemicals Limited. He has served on the Board of several reputed companies and as Trustee and Managing Committee Member of many social and philanthropic organizations. He is the executive committee member of Indian Chamber of Commerce where he has also served as Vice President. He has served as the member of the executive committee of FICCI and served as the Co-chairman of its Young Leaders Forum amongst other committees. He has served as the member of the Accounting Standards Board of the Institute of Chartered Accountants of India.

As a Chartered Accountant he has in the past handled audits of several large publicly quoted companies. He has also been involved in and handled several advisory assignments in the fields of international takeovers and financing, domestic financing, project structuring, capital mobilisation, joint ventures/ collaborations, mergers/reconstructions and rehabilitation.

Shri Pracheta Majumdar, Wholetime Director designated as Chief Management Advisor, a former Managing Director of CEAT Tyres Ltd., is a Mechanical Engineer and a Management Advisor by profession. He has worked in the fields of design and project management of Chemicals, Petrochemical and

Fertilizer Plants. He has worked with Hindustan Unilever Limited for about 12 years. Shri Majumdar has served in very Senior Management positions in diverse fields with large corporates and Multinational Companies. Shri Majumdar attended various international management courses organized by Unilever and Executive Development Programmes and Advanced Management Programmes conducted by Stanford University and Harvard Business School.

Shri Vikram Swarup is the Managing Director of Paharpur Cooling Towers Limited. He is a Mechanical Engineer and is an acknowledged authority on thermal design of cooling towers in India. He has vast experience in Marketing, Engineering and other General Management functions. He is the Vice Chairman of Kalyan Bharti Trust which owns and operates The Heritage Group of Educational Institutions in Kolkata, Chairman of the School Management Committee of The Heritage School and Vice Chairman of the Board of Governors of the Heritage Institute of Technology. He is also on the Executive Committee of the Indo-Italian Chamber of Commerce & Industries.

Shri Anand Bordia, Member of the Indian Revenue Service (Retd.), held senior positions in the Central Government such as, Director Audit, Indian Customs and Central Excise, Member Finance, National Highways Authority of India. He worked in the Secretariat of the World Customs Organization, Brussels, Belgium. He undertook consultancy projects for the Harvard Institute for International Development, UNODC and Asian Development Bank.

Shri Brij Behari Tandon, a Member of the Indian Administrative Service (IAS), has served as Former Chief Election Commissioner of India and as a Member of the Delimitation Commission. He was Secretary, Ministry of Personnel, as well as Secretary, Mines to the Government of India. He served as Additional Secretary in the Department of Company Affairs and Cabinet Secretariat. He was the convener of the Working Group on Revision of the Companies Act, 1956. In the State Government of Himachal Pradesh, he served as Principal Secretary, Department of Industries and Power as well as Chairman of the H.P. State Electricity Board.

Shri Dhruba Narayan Ghosh was the former Secretary to the Govt. of India and a former Chairman of State Bank of India. He was the Founder Chairman of ICRA Ltd., the premier Rating Agency and former Chairman of Larsen & Toubro Ltd., Philips (India) Ltd. and the Management Development Institute, Gurgaon and Founder Chairman of the Indian Institute of Management, Lucknow.

Dr. Deepak Nayyar is an eminent economist and Emeritus Professor of Economics at Jawaharlal Nehru University. Earlier, he taught at the University of Oxford, University of Sussex, IIM Calcutta. More recently, he was Distinguished University Professor of Economics at the New School of Social Research, New York. He is the Chairman of the Board of the Institute of Development Studies, Sussex, in the UK. He was a Rhodes Scholar at Oxford and is Honorary Fellow, Balliol College, Oxford. He served as Chief Economic Adviser to the Government of India and Secretary, Ministry of Finance. He also served as Vice Chancellor, University of Delhi. He has published 18 books and more than 100 papers in academic journals. Dr. Nayyar was an Independent Director on the Board of the State Bank of India, ICRA, SAIL and ONGC. He is, at present, on the Board of The Press Trust of India Limited.

Ms. Shailaja Chandra was a Member of the Indian Administrative Service (IAS) who distinguished herself in several assignments including as Secretary in the Ministry of Health and later as Delhi's only woman Chief Secretary. Apart from 15 years with the Central Government where she held assignments in the Ministries of Defence, Power and Health, she has been posted in Maharashtra, Manipur, Goa, Delhi and the Andaman & Nicobar Islands.

After retirement Ms. Chandra held a series of assignments carrying full-time responsibility including as the Chairman of the Public Grievances Commission and Appellate Authority under the Delhi Right to Information Act and as the first Executive Director of the National Population Stabilisation Fund, under the Ministry of Health & Family Welfare.

She was a full-time member of the Yamuna Monitoring Committee set up by the National Green Tribunal until early 2021. She continues to be on the Boards and Management Committees of listed Indian companies and Apex level NGOs working for women’s and children’s welfare.

Recently she was conferred an honorary degree of Doctor of Literature by the University of Transdisciplinary Health Sciences & Technology, Bengaluru.

Shri Dilip Ganesh Karnik, Arbitrator and Legal Consultant, retired as a Judge of Bombay High Court in May 2012. He was elevated as Additional Judge of the Court in October 2001. A practicing advocate from 1972 to 2001, he was a Gold Medalist in Law from the University of Pune. He is currently serving on the Board of the ICICI group of companies and M.P. Birla group of companies.

Shri Arvind Pathak, Managing Director & Chief Executive Officer, has around 38 years of overall experience of which 36 years has been in the cement industry. He has held CEO or equivalent positions for over 14 years in various large organisations which includes ACC, Dangote, Adani and Reliance ADAG group. Skilled in manufacturing, operations management, strategic planning, project development and execution, driving cost reduction and negotiations, Shri Pathak has a strong track record of successful planning and execution of long-term business plans. He holds a degree in Electrical Engineering from Indian Institute of Technology (Banaras Hindu University), Varanasi and a postgraduate degree in Industrial Engineering and Management. He has also been trained in a number of international management institutions.

Directors' induction, familiarisation and training:

The Company acknowledges the importance of continuous education and training of the Directors to enable effective discharge of their responsibility.

A formal induction programme for new Directors and an on-going familiarisation process with respect to the business/ working of the Company is done on regular basis by the Company. While inducting a Director on the Board, a formal letter of appointment is issued to such Director which, inter-alia, explains the role, functions, duties and responsibilities of the Director and the Board's expectations from him/her. The requirement of obtaining declarations from a Director under the Companies Act, 2013, Listing Regulations and other relevant regulations are also explained in detail to the Directors and necessary affirmations received from them in respect thereto.

Directors are regularly briefed about the industry's specific issues to enable them to understand the business environment in which the company operates. To enhance their skills and knowledge, the Directors are regularly updated on the changes in the policies, laws and regulations, developments in the business environment etc. The Board members are provided necessary documents, reports and other presentations about the Company from time to time.

Efforts are also made to familiarise the Directors about their roles, rights, responsibility in the Company, its business model and the environment in which the Company operates.

The details of such familiarisation programmes have been placed on the website of the Company under the web link/ url:http://www.birlacorporation.com/directors-induction.html

Meetings, attendance and agenda of the Board Meetings:

During the financial year 2020-2021, 6 (Six) Meetings of the Board of Directors of the Company were held on 22nd May, 2020; 7th August, 2020; 5th November, 2020; 16th December, 2020; 23rd January, 2021 and 1st March, 2021. The maximum time gap between two consecutive board meetings was not more than one hundred and twenty days.

The Agenda and other related papers are circulated to the Directors in advance. All the agenda items are backed by necessary supporting information and documents to enable the Board to take informed decisions. The Chairman along with the Executive Directors, Chief Executive Officer, Chief Financial Officer, Executive Presidents, Presidents of the Company makes presentation on the quarterly and annual financial performance and on annual operating and capex budget, as and when required. Presentations relating to major projects for which Board's approval are sought are also made. Post meetings, important decisions taken by the Board are communicated to the concerned officials and departments. The Board is also kept updated about the developments on various functional areas. The minutes of the meetings of all the Board and Committees are circulated to all the Directors and are finalized incorporating the comments of the Directors.

The composition and category of the Board of Directors, their relationship with other Directors, their attendance at the Board Meetings as well as at the Annual General Meeting held during the financial year 2020-2021 (through Video- Conferencing/Other Audio Visual Means), number of Directorships and Committee Memberships/Chairmanships in other Companies, name of other listed companies in which the Director is a Director and number of shares held by them as on 31st March, 2021 are as follows:

REPORT ON CORPORATE GOVERNANCE (Contd.)

Name of the Director	Category	No. of Board Meetings attended	Attendance at last AGM held on 25.08.2020	No. of shares held	No. of other Directorship$	Details of other Board Committee / Membership#		List of Directorship held in Other Listed Companies and Category of Directorship
						Member	Chairman	
Shri Harsh V. Lodha (Chairman)	Non-Independent Non- Executive	6	P	1260*	7	-	-	1. Alfred Herbert (India) Ltd., (NED) 2. Birla Cable Ltd., (NED) 3. Universal Cables Ltd., (NED) 4. Vindhya Telelinks Ltd., (NED)
Shri Pracheta Majumdar (Whole time Director designated as Chief Management Advisor) **	Executive	6	P	500*	1	1	-	1. Vindhya Telelinks Ltd., (NED)
Shri Vikram Swarup	Independent Non-Executive	6	P	500*	7	1	-	1. Jay Shree Tea & Industries Limited (ID)
Shri Anand Bordia	Independent Non-Executive	6	A	500*	1	1	-	1. Roto Pumps Ltd., (ID)
Shri Brij Behari Tandon	Independent Non-Executive	6	A	500*	4	4	-	1. Oriental Carbon & Chemicals Ltd., (ID) 2. Filatex India Ltd., (ID) 3. Duncan Engineering Ltd., (ID)
Shri Dhruba Narayan Ghosh	Independent Non-Executive	6	A	500*	1	-	-	None
Dr. Deepak Nayyar	Independent Non-Executive	6	A	500*	1	1	-	None
Ms. Shailaja Chandra	Independent Non-Executive	6	P	500*	3	2	-	1. Fortis Healthcare Limited (ID) 2. Fortis Malar Hospitals Limited (ID)
Shri Dilip Ganesh Karnik	Non-Independent Non-Executive	2	A	500	5	3	-	1. ICICI Prudential Life Insurance Co. Ltd., (ID) 2. Universal Cables Ltd., (NED) 3. Vindhya Telelinks Ltd., (NED)
Shri Arvind Pathak (Managing Director & Chief Executive Officer)***	Executive	0	N.A	150	-	-	-	None

P= Present, A= Absent, NED= Non-Independent Non-Executive Director, ID= Independent Non-Executive Director

* Shares held jointly with other shareholder.

$ As per the disclosure received from the respective directors and excludes Alternate Directorships, Directorships held in Private Limited Companies, Foreign Companies and Section 8 Companies.

\# Only covers Membership/Chairmanship of Audit Committee and Stakeholders Relationship Committee of other Public Limited Companies.

** Re-designated as 'Wholetime Director designated as Chief Management Advisor' w.e.f. 31st March, 2021.

*** Appointed as an Additional Director and simultaneously the Managing Director & Chief Executive Officer of the Company w.e.f. 31st March, 2021.

None of the Directors are related to any other Director on the Board.

The requisite quorum was present at all the Board and Committee Meetings.

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

The Board comprises of persons of repute with strength of character and professional eminence who bring a wide range of experience and expertise by providing leadership, strategic guidance, an objective and independent view to the Company's management while discharging its fiduciary responsibilities, thereby ensuring that the management adheres to high standards of ethics, transparency and disclosure.

The brief profile of Directors forming part of this Report gives an insight into the education, expertise, skills and experience of the Directors, thus bringing in diversity to the Board's perspectives.

REPORT ON CORPORATE GOVERNANCE (Contd.)

The Board of Directors have identified the following core skills/expertise/competencies fundamental for the effective functioning of the Company, which are currently available with the Board:

Skills and its description	Shri Harsh V. Lodha	Shri Pracheta Majumdar	Shri Vikram Swarup	Shri Anand Bordia	Shri Brij Behari Tandon	Dr. Deepak Nayyar	Shri Dhruba Narayan Ghosh	Smt. Shailaja Chandra	Shri Dilip Ganesh Karnik	Shri Arvind Pathak
Understanding the business and domain knowledge of Industry	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Strategic Planning and Development	✓	✓	✓	✓	✓	✓	✓	✓	–	✓
Financial expertise	✓	✓	✓	✓	✓	✓	✓	✓	–	✓
Risk Management	✓	✓	✓	✓	✓	–	✓	✓	✓	✓
Industrial Relationship Management including Labour and Environment, Health and Safety	✓	✓	✓	–	–	–	–	✓	–	✓
Legal knowledge & expertise	✓	✓	✓	–	✓	✓	–	✓	✓	✓
Governance, Statutory and other Compliances	✓	✓	✓	✓	✓	✓	–	✓	✓	✓
Project Management-Adopting best practices	✓	✓	✓	✓	–	–	–	–	–	✓
General Administration	✓	✓	✓	–	✓	✓	–	✓	✓	✓
Human Resource Development	✓	✓	✓	✓	✓	✓	–	✓	–	✓
Social sciences of health, Demographics and Education	–	–	–	–	–	–	–	✓	–	✓
Economic Analysis and Evaluation	–	–	–	–	✓	✓	–	✓	–	✓

Independent Directors confirmation by the Board:

All Independent Directors are non-executive directors as defined under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Companies Act, 2013 along with rules framed thereunder. In terms of Regulation 25(8) of the Listing Regulations, they have confirmed that they are not aware of any circumstances or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties with an objective independent judgement and without any external influence. Based on the declarations received from the Independent Directors, the Board of Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the Listing Regulations and Section 149 of the Companies Act, 2013 and that they are independent of the management.

Video Conferencing:

The Companies Act, 2013 read with the relevant rules made thereunder, facilitates the participation of a Director in Board/Committee Meetings through video conferencing or other audio visual mode. In compliance with the relaxations granted by the Ministry of Corporate Affairs due to the outbreak of Covid-19, all the Board and Committee Meetings of the Company were held through Video Conferencing during the financial year 2020-2021.

Information Placed before Board of Directors:

The Company has complied with Part A of Schedule II of the Listing Regulations read with Regulation 17(7) of the said Regulations with regard to information to be placed before the Board of Directors.

Code of Conduct:

The Board of Directors has laid down a Code of Conduct for all Board members and all employees in management grade of the Company. The Code of Conduct has been placed on the website of the Company.

All Board members and senior management personnel have affirmed their adherence to the provisions of the said Code of Conduct during the year 2020-2021.

A declaration to this effect signed by the Managing Director & Chief Executive Officer in terms of the Listing Regulations is attached in this report and forms part of the Annual Report of the Company.

Code of Conduct of Independent Directors:

As per the provisions of Section 149(8) of the Companies Act, 2013, the Company and Independent Directors shall abide by the provisions specified in Schedule IV of the Companies Act, 2013. Further, Schedule IV lays down a Code for Independent Directors of the Company. Pursuant to the said provisions of the Companies Act, 2013, the Company has formulated a Code for Independent Directors of the Company and the same has also been placed on the website of the Company.

3. AUDIT COMMITTEE:

3.1 The Company has a qualified and independent Audit Committee in place. The role and terms of reference of the Committee are in conformity with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. The Committee acts as a link between the statutory and internal auditors and the Board of Directors.

3.2 The terms of reference of the Audit Committee inter-alia includes the following:

1. Oversight of the company’s financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
    a. Matters required to be included in the Director’s Responsibility Statement to be included in the Board’s Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013,
    b. Changes, if any, in accounting policies and practices and reasons for the same,
    c. Major accounting entries involving estimates based on the exercise of judgment by management,
    d. Significant adjustments made in the financial statements arising out of audit findings,
    e. Compliance with listing and other legal requirements relating to financial statements,
    f. Disclosure of any related party transactions,
    g. Modified opinion(s) in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses/ application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
7. Review and monitor the auditor’s independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;

    Provided that the Committee may grant omnibus approval for Related Party Transactions proposed to be entered into by the Company subject to the conditions prescribed under the Act and the Listing Regulations.
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department,

staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower/ Vigil mechanism;
19. Approval of appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
20. To review the system for storage, retrieval, display or printout of the electronic records, if the Books of Accounts are kept in electronic mode;
21. To formulate the scope, functioning, periodicity and methodology for conducting the Internal Audit in consultation with the Internal Auditor;
22. To review the Financial Statements in particular the investments made by the Unlisted Subsidiary of the Company;
23. To appoint the Registered Valuers under Section 247 of the Act;
24. To call for the comments of the Auditors about internal control systems, the scope of audit, including the observations of the Auditors and review of Financial Statements before their submission to the Board and discuss any related issues with the Internal and Statutory Auditors and the Management of the Company;
25. To investigate any activity within its terms of reference, seek information from any employee, access the information contained in the records of the Company, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if considered necessary;
26. Reviewing the utilization of loans and/ or advances from/ investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower;
27. Review compliance with the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time, at least once in a financial year;
28. To perform such other functions as may be delegated by the Board and/or mandated by any regulatory provisions from time to time.

The Committee is also required to review the following information:

- Management Discussion and Analysis of financial condition and results of operations;
- Statement of significant Related Party Transactions (as defined by the Committee), submitted by Management;
- Management letters / letters of internal control weaknesses issued by the statutory auditors;
- Internal audit reports relating to internal control weaknesses;
- The appointment, removal and terms of remuneration of the Chief Internal Auditor shall be subject to review by the Committee;
- Statement of deviations:
  - o Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to Stock Exchange(s) in terms of Regulation 32(1) of the Listing Regulations;
  - o Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice in terms of Regulation 32(7) of the Listing Regulations.

3.3 During the financial year 2020-2021, 5 (Five) meetings of the Audit Committee of the Company were held on 20th May, 2020, 6th August, 2020, 4th November, 2020, 12th November, 2020 and 22nd January, 2021. The maximum time gap between any two consecutive meetings was not more than one hundred and twenty days. The composition of the Committee and the attendance of members of the Committee during the year 2020-2021 is as under:

Name of the Member	Category	No. of meetings attended
Shri Vikram Swarup (Chairman)	Independent Non-Executive Director	5
Shri Anand Bordia	Independent Non-Executive Director	5
Shri Brij Behari Tandon	Independent Non-Executive Director	4
Dr. Deepak Nayyar	Independent Non-Executive Director	5

As on 31st March, 2021 all the Members of the Audit Committee are Non-Executive Directors and all of them, including the Chairman are Independent Directors. As per the requirements of Regulation 18 of the Listing Regulations and Section 177 of the Companies Act, 2013, all Members of the Audit Committee including the Chairman are financially literate and have expertise in accounting or related financial management.

The Executive Directors, Chief Financial Officer, Executive Presidents, Presidents, Head of Management Audit Department and representatives of the Statutory Auditors are invited to the Audit Committee Meetings as and when required. Internal Auditors are also invited for discussion with the Audit Committee members. The Cost Auditors appointed by the Company under Section 148 of the Companies Act, 2013 attend the Audit Committee Meeting, where cost audit reports are discussed.

During the year under review, in terms of SEBI Circular No. SEBI/HO/MIRSD/CRADT/CIR/P/2019/121 dated 4th November, 2019, the Audit Committee also held a separate one-to-one meeting with the Credit Rating Agencies to discuss issues including related party transactions, internal financial control and other material disclosures made by the management, which have a bearing on rating of the listed Non-Convertible Debentures.

The Company Secretary acts as the Secretary of the Audit Committee.

The minutes of the meetings of the Audit Committee are placed before and noted by the Board. All recommendations made by the Audit Committee were accepted by the Board of Directors of the Company during the financial year 2020-2021.

The Chairman of the Audit Committee was present at the last Annual General Meeting of the Company held on 25th August, 2020.

4. NOMINATION AND REMUNERATION COMMITTEE:

4.1 The Nomination and Remuneration Committee acts in accordance with the prescribed provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

The terms of reference of the Nomination and Remuneration Committee are as follows:

i) Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key management personnel and other employees;

ii) Formulation of criteria for evaluation of performance of Independent Directors and the Board of Directors;

iii) Specify the manner for effective evaluation of performance of Board, its Committees and Individual Directors to be carried out either by the Committee or by an independent external agency and review its implementation and compliance;

iv) Devising a policy on Board diversity;

v) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal;

vi) Recommend whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;

vii) To affirm Compliance with the provisions of Schedule V to the Companies Act, 2013;

viii) Recommend to the board, all remuneration, in whatever form, payable to senior management;

ix) Perform such other functions as may be delegated by the Board and/or mandated by any regulatory provisions from time to time.

4.2 During the year 2020-2021, 5 (Five) meetings of the Nomination and Remuneration Committee of the Company were held on 22nd May, 2020, 6th August, 2020, 4th November, 2020, 23rd January, 2021 and 1st March, 2021. The composition of the Committee and the attendance of members of the

REPORT ON CORPORATE GOVERNANCE (Contd.)

Committee during the year 2020-2021 is as under:

Name of the Member	Category	No. of meetings attended
Shri Vikram Swarup (Chairman)	Independent Non-Executive Director	5
Shri Harsh V. Lodha	Non-Independent Non-Executive Director	5
Shri Anand Bordia	Independent Non-Executive Director	5
Shri Brij Behari Tandon	Independent Non-Executive Director	5
Dr. Deepak Nayyar	Independent Non-Executive Director	5

As on 31st March, 2021, the Nomination and Remuneration Committee consisted of five directors, all of whom are Non-Executive Directors.

The minutes of the meetings of the Nomination and Remuneration Committee are placed before and noted by the Board. All recommendations made by the Nomination and Remuneration Committee were accepted by the Board of Directors of the Company during the financial year 2020-2021. However, during the financial year 2020-2021, the recommendation made by the Nomination and Remuneration Committee w.r.t. the increase in remuneration of Executive Presidents for the financial year 2020-2021 was reconsidered by the Board based on their individual roles and responsibilities.

The Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting of the Company held on 25th August, 2020.

4.3 Nomination and Remuneration Policy:

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and the Listing Regulations, the Board of Directors of the Company, based on the recommendation of the Nomination and Remuneration Committee, has formulated a Nomination and Remuneration Policy for Directors and Senior Management, the details of which forms part of the Directors' Report.

4.4 Performance Evaluation criteria:

The Nomination and Remuneration Committee of the Board approved the criteria for determining qualifications, positive attributes and independence of Directors in terms of the Companies Act, 2013 and the Rules made thereunder and Listing Regulations, both in respect of Independent Directors and other Directors as applicable. The details in this regard are covered in the Directors' Report.

4.5 Details of remuneration paid to the Executive/Non-Executive Directors during the financial year ended 31st March, 2021:

(a) Shri Arvind Pathak, Managing Director & Chief Executive Officer*:

(₹ in Lakhs)

Name	Salary	Perquisites and Allowances**	Sitting Fees	Performance Linked Bonus	Total amount paid in 2020-2021	Period of Service Contract
Shri Arvind Pathak	0.32	15.62	–	–	15.94	3 Years w.e.f. 31.03.2021

* Appointed as the Managing Director & Chief Executive Officer w.e.f. 31st March, 2021.

** Includes Joining Bonus.

(b) Shri Pracheta Majumdar, Wholetime Director designated as Chief Management Advisor*:

(₹ in Lakhs)

Name	Salary	Perquisites and Allowances**	Sitting Fees	Performance Linked Bonus	Total amount paid in 2020-2021	Period of Service Contract
Shri Pracheta Majumdar	139.25	0.75	-	185.00**	325.00	3 Years w.e.f. 20.05.2018

* Re-designated as Wholetime Director designated as Chief Management Officer w.e.f. 31st March, 2021.

** Includes Performance linked bonus of ₹ 85.00 Lakhs for the financial year 2019-2020 and ₹ 1.00 crore for the financial year 2020-2021.

(c) Non-Executive Directors:

The details of the Commission and sitting fees paid to Non-Executive Directors for the financial year 2020-2021 is given below:

(In ₹)

Name	Commission (Relating to financial year 2020-2021)	Sitting Fees
Shri Harsh V. Lodha*	–	9,50,000
Shri Vikram Swarup	10,00,000	16,00,000
Shri Anand Bordia	10,00,000	14,50,000
Shri Brij Behari Tandon	10,00,000	14,50,000
Shri Dhruba Narayan Ghosh	10,00,000	7,50,000
Dr. Deepak Nayyar	10,00,000	14,50,000
Ms. Shailaja Chandra	10,00,000	7,50,000
Shri Dilip Ganesh Karnik	10,00,000	2,50,000

* Shri Harsh V. Lodha, Non-Executive Chairman of the Company has decided not to accept any commission and foregone his right for the financial year 2020-2021 in view of the current pandemic situation on account of COVID-19.

Non-Executive Directors, including Independent Directors, are paid sitting fees for attending the meetings of the Board and Committees of the Board. The Non-Executive Directors including Independent Directors are also paid commission, the amount whereof is determined by the Board within the prescribed ceiling under the Companies Act, 2013.

There is no other pecuniary relationship or transactions with the Non-Executive Directors *vis-à-vis* the Company.

The Company has no stock option plans and hence such instruments do not form a part of the remuneration package payable to any Executive and/or Non-Executive Director.

5. DIRECTORS AND OFFICERS INSURANCE:

In line with the requirements of Regulation 25(10) of the Listing Regulations, the Company has undertaken Directors and Officers Insurance ('D and O' insurance) for all its Directors, including Independent Directors for such quantum and risks as determined by the Board of Directors of the Company.

6. STAKEHOLDERS RELATIONSHIP COMMITTEE:

6.1 Stakeholders Relationship Committee acts in accordance with the prescribed provisions of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations and inter-alia approves transfer and transmission of shares, issue of duplicate share certificates/re-materialization of shares, consolidation and sub-division of share certificates.

6.2 Stakeholders Relationship Committee has been empowered to deal with and dispose of the instruments of transfer of shares in the Company including the power to reject transfer of shares in terms of the provisions of the Companies Act, 2013, Securities Contract (Regulations) Act, Listing Regulations and the Company's Articles of Association and take necessary actions for all of the matters effecting the interest of the shareholders such as:-

i. To look into the mechanism of redressal of grievances of Shareholders, Debenture holders and other Security holders;

ii. 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.;

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

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

v. 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 share-holders of the Company;

vi. Perform such other functions as may be delegated by the Board and/or mandated by any regulatory provisions from time to time.

6.3 During the year 2020-2021, 4 (Four) meetings of the Stakeholders Relationship Committee of the Company were held on 22nd May, 2020, 7th August, 2020, 5th November, 2020 and 23rd January, 2021. The composition of the Committee and the attendance of members of the Committee during the year 2020-2021 is as under:

Name of the Member	Category	No. of meetings attended
Shri Harsh V. Lodha (Chairman)	Non-Independent Non-Executive Director	4
Shri Pracheta Majumdar	Executive Director	4
Shri Vikram Swarup	Independent Non-Executive Director	4

6.4 In addition, the Stakeholders Relationship Committee approved 10 Resolutions by Circulation for effecting registration of transmission of shares and other issues concerning investor services during the year.

The Company has received 6 (Six) complaints from the shareholders during the year 2020-2021 and the same has been processed in time and replied/resolved to the satisfaction of the shareholders.

As on 31st March, 2021, no grievances of the Shareholders remained unaddressed/pending.

The minutes of the meetings of the Stakeholders Relationship Committee are placed before and noted by the Board. During the year, all recommendations of the Committee as mandatorily required were accepted by the Board.

Shri Manoj Kumar Mehta, Company Secretary & Legal Head is the Compliance Officer of the Company for complying with the requirements of the Listing Regulations.

7. COMMITTEE OF DIRECTORS:

7.1 The Committee of Directors has been constituted by the Board of Directors of the Company with necessary powers delegated to it with a view to conduct the affairs of the Company smoothly.

7.2 During the year 2020-2021, no meeting of the Committee of Directors of the Company was held. The composition of the Committee is as under:

Name of the Member	Category
Shri Harsh V. Lodha	Non-Independent Non-Executive Director
Shri Pracheta Majumdar	Executive Director
Shri Vikram Swarup	Independent Non-Executive Director

8. CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE:

8.1 The Corporate Social Responsibility (CSR) Committee has been constituted by the Board of Directors of the Company as per the provisions of Section 135 of the Companies Act, 2013 read with Corporate Social Responsibility (CSR) Rules, 2014.

8.2 The terms of reference of the Corporate Social Responsibility Committee of the Company are as under:

(a) to formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013;

(b) to recommend the amount of expenditure to be incurred on the activities referred to in clause (a) in a Financial Year;

(c) to monitor the Corporate Social Responsibility Policy of the company from time to time; and

(d) any other matter/thing as may be considered expedient by the members in furtherance of and to comply with the CSR Policy of the Company.

8.3 During the year 2020-2021, 2 (Two) meetings of the CSR Committee were held on 22nd May, 2020 and 5th November, 2020. The composition of the Committee and the attendance of members of the Committee during the year 2020-2021 is as under:

Name of the Member	Category	No. of meetings attended
Shri Harsh V. Lodha (Chairman)	Non-Independent Non-Executive Director	2
Shri Vikram Swarup	Independent Non-Executive Director	2
Shri Brij Behari Tandon	Independent Non-Executive Director	2
Shri Dhruba Narayan Ghosh	Independent Non-Executive Director	2

The minutes of the meetings of the CSR Committee are placed before and noted by the Board. During the year, all recommendations of the Committee as mandatorily required were accepted by the Board.

9. RISK MANAGEMENT COMMITTEE:

9.1 Pursuant to the provisions of Regulation 21 of the Listing Regulations the Risk Management Committee has been constituted by the Board of Directors of the Company.

Risk Management Committee acts in accordance with the provisions of Section 134 of the Companies Act, 2013 read with the provisions of the Listing Regulations, 2015 and the roles and responsibilities of the Risk Management Committee are as under:

i. To develop the Risk Management Policy of the Company;

ii. To monitor and review the Risk Management Policy of the Company as may be approved by the Board;

iii. To review the Cyber Security systems of the Company;

iv. To perform such other functions as may be delegated by the Board and/or mandated by any regulatory provisions from time to time.

9.2 During the year 2020-2021, 1 (One) meeting of the Risk Management Committee was held on 22nd January, 2021. The composition of the Committee and the attendance of members of the Committee during the year 2020-2021 is as under:

Name of the Member	Category	No. of meetings attended
Shri Brij Behari Tandon (Chairman)	Independent Non-Executive Director	1
Ms. Shailaja Chandra	Independent Non-Executive Director	1
Shri Dilip Ganesh Karnik	Non- Independent Non-Executive Director	1
Shri Sandip Ranjan Ghose (Chief Operating Officer)*	Member	0
Shri Aditya Saraogi (Chief Financial Officer)	Member	1

*ceased to be a member w.e.f. 30th September, 2020

The minutes of the meetings of the Risk Management Committee are placed before and noted by the Board. During the year, all recommendations of the Committee as mandatorily required were accepted by the Board.

10. SEPARATE MEETING OF INDEPENDENT DIRECTORS':

Section 149(8) read with Schedule IV of the Companies Act, 2013 and the Rules thereunder and Regulation 25(3) of the Listing Regulations mandate that the Independent Directors of the Company shall hold at least one meeting in a year, without the attendance of Non-Independent Directors and members of the Management.

In compliance with Regulation 25(3) of the Listing Regulations and Schedule IV of the Companies Act, 2013, during the year under review, 1 (One) separate meeting of the Independent Directors of the Company was held on 3rd February, 2021, without the presence of Non-Independent Directors and members of the management. At the said meeting, the Independent Directors, inter-alia, considered and discussed the following:

10.1 Evaluation of the performance of Non-Independent Directors and the Board of Directors as a whole.

10.2 Evaluation of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-Executive Directors.

10.3 Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The attendance of Directors at the meeting held during the year 2020-2021 is as under:

Name of the Director	No. of meetings Attended
Shri Dhruba Narayan Ghosh *	1
Shri Vikram Swarup	1
Shri Anand Bordia	1
Shri Brij Behari Tandon	1
Dr. Deepak Nayyar	1
Ms. Shailaja Chandra	1

* Shri Dhruba Narayan Ghosh was unanimously elected as the Chairman of the Meeting.

The Independent Directors expressed satisfaction on the performance of Non-Independent Directors, the Board as a whole and the Chairman of the Company. The Independent Directors were also satisfied with the quality, quantity and timeliness of flow of information between the Company, Management and the Board.

11. SUBSIDIARY COMPANIES:

In terms of Regulation 24(1) of the Listing Regulations, the Company has a material unlisted Subsidiary namely RCCPL Private Limited. The requirements relating to composition of Board of Directors of unlisted material subsidiary has been complied with.

The Company monitors performance of the subsidiary companies, inter-alia, by the following means:

a) Financial statements, in particular the investments made by the unlisted subsidiary companies are reviewed quarterly by the Audit Committee of the Company.

b) Minutes of the Meetings of the Board of Directors of all subsidiary companies are placed before the Company's Board regularly.

c) A statement containing all the significant transactions and arrangements entered into by the unlisted subsidiary companies are placed before the Company's Board/Audit Committee.

d) Reviewing, the utilization of loans and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower, by the Audit Committee of the Company.

12. GENERAL BODY MEETINGS:

12.1 The details of Annual General Meetings held during the last three years are as under:

AGM	Financial Year	Venue	Date	Time
100th	2019-2020	AGM held through Video Conference / Other Audio-Visual Means (Deemed Venue was 1, Shakespeare Sarani, 2nd Floor, Kolkata - 700 071)	25.08.2020	10.30 A.M.
99th	2018-2019	Kalpataru Uttam Mancha 10/1/1, Monohar Pukur Road, Kolkata - 700 026	13.08.2019	10.30 A.M.
98th	2017-2018	Kalpataru Uttam Mancha 10/1/1, Monohar Pukur Road, Kolkata - 700 026	20.07.2018	10.30 A.M.

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12.2 The details of the Special Resolutions passed in the last three Annual General Meetings are as follows:

AGM	Financial Year	Details of Special Resolution passed
100th	2019-2020	1. Payment of Commission to Shri Harsh V. Lodha (DIN: 00394094), Non-Executive Chairman of the Company for the financial year 2020-2021.
99th	2018-2019	1. Re-appointment of Ms. Shailaja Chandra (DIN: 03320688) as an Independent Director for a second term of 5 (Five) consecutive years w.e.f. 5th February, 2020.
		2. Payment of Commission to Shri Harsh V. Lodha (DIN: 00394094), Non-Executive Chairman of the Company for the financial year 2019-2020.
98th	2017-2018	1. Re-appointment of Shri Pracheta Majumdar (DIN: 00179118) as Whole-time Director designated as the Chief Management Advisor for a period of 3 years w.e.f. 20th May, 2018.
		2. Re-appointment of Shri Vikram Swarup (DIN: 00163543) as an Independent Director for a second term of 5 (Five) consecutive years w.e.f. 1st April, 2019.
		3. Re-appointment of Shri Anand Bordia (DIN: 00679165) as an Independent Director for a second term of 5 (Five) consecutive years w.e.f. 1st April, 2019.
		4. Re-appointment of Shri Brij Behari Tandon (DIN: 00740511) as an Independent Director for a second term of 5 (Five) consecutive years w.e.f. 1st April, 2019.
		5. Re-appointment of Shri Dhruba Narayan Ghosh (DIN: 00012608) as an Independent Director for a second term of 5 (Five) consecutive years w.e.f. 1st April, 2019.
		6. Re-appointment of Dr. Deepak Nayyar (DIN: 00348529) as an Independent Director for a second term of 5 (Five) consecutive years w.e.f. 1st April, 2019.

12.3 **Extraordinary General Meeting:**

No Extraordinary General Meeting of the members was held during the Financial Year 2020-2021.

12.4 **Postal Ballot:**

During the Financial Year 2020-2021, no resolution has been passed through Postal Ballot.

At present, there is no proposal for passing any Special Resolution through Postal Ballot.

13. DISCLOSURES:

i) Disclosure on materially significant related party transactions:

All transactions entered into with Related Parties as defined under the Companies Act, 2013 and the Listing Regulations during the financial year 2020-2021 were in the ordinary course of business and on an arms length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. There were no materially significant transactions with related parties during the financial year 2020-2021 which were in conflict with the interest of the Company.

Suitable disclosure as required by the Indian Accounting Standard (IND-AS 24) has been made in the Note No. 58 of the Financial Statements.

The Policy on Related Party Transaction has been placed on the website of the Company and can be accessed at http://www.birlacorporation.com/investors/policies/related-party-transactions-policy.pdf

ii) Compliance with Accounting Standard:

In the preparation of the financial statements, the Company has followed and adopted all relevant Accounting Standards notified by the Companies (Indian Accounting Standards) Rules, 2015 (IND AS) specified under Section 133 of the Companies Act, 2013 read with relevant Rules made thereunder and other recognized accounting policies and practices. The Significant Accounting Policies which are consistently applied and followed by the Company to the extent applicable have been set out in the Notes to the Financial Statements.

iii) Details of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchanges, SEBI or any Statutory Authority on any matter related to Capital Markets:

The Company has complied with all the requirements of the Listing Regulations as well as regulations and guidelines of SEBI. There has been no non-compliance by the Company on any matter related to Capital Markets during the last three years. No penalties or strictures have been imposed on the Company by SEBI, Stock Exchanges or any statutory authority during last three years except for the nominal fine of ₹8,260/- (including GST), in terms of circular no. SEBI/HO/CFD/CMD/CIR/P/2018/77 dated 7th May, 2018 with respect to submission of Statement of Investors Complaints for the quarter ended June, 2019 on account of some technical reasons. The Company had contested the levy of fine and had deposited the amount under protest.

iv) Risk Management:

The Company has laid a comprehensive Risk Management Policy which is reviewed by the Risk Management Committee and the Audit Committee and approved by the Board from time to time. These procedures are reviewed and updated to ensure that executive management controls risk through means of a properly defined framework and the risks are properly dealt with and mitigated.

v) Vigil Mechanism/Whistle Blower Policy:

In compliance with the provisions of Section 177(9) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations, the Company has framed a Vigil Mechanism/Whistle Blower Policy and the same has also been placed on the website of the Company.

None of the Directors nor any employees of the Company has been denied access to the Chairman of the Audit Committee.

vi) Details of compliance with mandatory requirements and adoption of non-mandatory requirements:

The Company has complied with all the applicable mandatory requirements of Regulation 34(3) read with Schedule V of the Listing Regulations.

The following non-mandatory requirements under Part E of Schedule II of the Listing Regulations to the extent they have been adopted are mentioned below:

i) **Shareholders' Rights:** 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 same are not being sent to the shareholders.

ii) **Modified Opinion in Auditors Report:** The Company's financial statements for the financial year 2020-2021 do not contain any modified audit opinion.

iii) **Reporting of Internal Auditors:** The Internal Auditors reports to the Audit Committee and they participate in the meetings of the Audit Committee and presents their internal audit observations to the Audit Committee.

vii) Policy for determining 'Material' Subsidiaries:

The Company's Policy for determining Material Subsidiary is placed on the website of the Company and can be accessed through link: https://www.birlacorporation.com/investors/policies/policy-on-material-subsidiary.pdf

viii) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):

The Company did not raise any funds through preferential allotment or qualified institutions placement during the year under review.

ix) A certificate from a Company Secretary in practice regarding Non-Debarment and Non-Disqualification of Directors:

The Certificate received from M/s. Mamta Binani & Associates, Company Secretary certifying that none of the Directors of the Company have been debarred or disqualified from being appointed or continuing as Director of Company by the Securities and Exchange Board of India and Ministry of Corporate Affairs or any such other Statutory Authority is attached to this report and forms part of the Annual Report.

x) Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year:

All the recommendations of the various Committees were accepted by the Board. However, during the financial year 2020-2021, the recommendation made by the Nomination and Remuneration Committee w.r.t. the increase in remuneration of Executive Presidents for the financial year 2020-2021 was reconsidered by the Board based on their individual roles and responsibilities.

xi) Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/ network entity of which the statutory auditor is a part:

The Company has paid a total sum of ₹0.95 Crores on consolidated basis to M/s. V. Sankar Aiyar & Co., Statutory Auditors of the Company for all the services provided to the Company and its subsidiaries.

xii) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has adopted zero tolerance for sexual harassment at workplace and has formulated a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder for prevention and redressal of complaints of sexual harassment at workplace.

There were no complaints relating to sexual harassment, pending at the beginning of financial year, received during the year and pending as on the end of the Financial Year 2020-2021.

xiii) There have been no instances of non-compliance of any requirement of Corporate Governance Report as mentioned in sub-paras (2) to (10) of para C of Schedule V to the Listing Regulations.

xiv) The Company has duly complied with the applicable requirement specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

14. PREVENTION OF INSIDER TRADING:

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015 ('Prohibition of Insider Trading Regulations'), the Company has formulated and adopted the 'Internal Code of Conduct to Regulate, Monitor and Report Trading by Designated Persons and Code of Practices and Procedures for Fair Disclosures of Unpublished Price Sensitive Information' ('Code').

The said Code was amended and approved by the Board of Directors at its meeting held on 5th November, 2020.

The said Code is applicable to all the Designated Persons, their immediate relatives, and subsidiaries of the Company, inter-alia, prohibits trading in securities of the Company while in possession of unpublished price sensitive information in relation to the Company. The Code is also placed on the Company's website and can be accessed through link: http://www.birlacorporation.com/bcl-insider-trading.pdf

Pursuant to the above, the Company has put in place adequate and effective system of internal controls to ensure compliance with the requirements of the Prohibition of Insider Trading Regulations.

A structured digital database is being maintained by the Company, which contains the names of the Designated Persons and other particulars as prescribed under the Code.

The Board has also framed a policy for determination of Legitimate Purposes as a part of Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information as per the requirements of the Prohibition of Insider Trading Regulations.

The Code expressly lays down the guidelines and the procedures to be followed and disclosures to be made, while dealing with the Shares of the Company.

The Company follows closure of trading window from the end of every quarter till 48 hours after the declaration of financial results. The Company has been advising the Designated Persons covered by the Code not to trade in Company's securities during the closure of trading window period.

The Board of Directors and the Designated Persons have affirmed their adherence to the provisions of the said Code.

As required under Regulation 9A of the Prohibition of Insider Trading Regulations, the Audit Committee and Board of the Company has reviewed the Compliances with the provisions of these regulations and has also verified the internal control systems in this respect and the same are adequate and operating effectively.

15. CEO & CFO CERTIFICATION:

The Managing Director & Chief Executive Officer and Chief Financial Officer of the Company have issued a certificate pursuant to the provisions of Regulation 17(8) of the Listing Regulations certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The said Certificate is attached to this report and forms part of the Annual Report.

The Chief Executive Officer and Chief Financial Officer also give quarterly certification on financial results to the Board in terms of Regulation 33(2) of the Listing Regulations.

16. COMPLIANCE CERTIFICATE OF THE AUDITORS:

A Compliance Certificate has been received from the Company's Statutory Auditors, M/s. V. Sankar Aiyar & Co., Chartered Accountants, pursuant to Schedule V of the Listing Regulations regarding the compliance of conditions of Corporate Governance. The said certificate is attached to this report and forms part of the Annual Report.

17. MEANS OF COMMUNICATION:

The quarterly, half-yearly and the annual financial results of the Company are published in leading newspapers in English and vernacular newspapers. The results are also displayed on the Company's website at www.birlacorporation.com. The Company issues Press Releases on the quarterly, half-yearly and the annual financial results which are also displayed on the Company's website. As per the requirements of the Listing Regulations, the financial results, Statutory Notices and Press Releases are furnished to the Stock Exchanges where the securities of the Company are listed. The Management Discussion and Analysis, forms part of the Directors' Report and is covered in the Annual Report.

Annual Report: Pursuant to the MCA circulars and SEBI Circulars, the Annual Report for Financial Year 2019-2020 containing the Notice of AGM was sent through email to all those Members whose email IDs were registered with the Company/Depository Participants.

SEBI Complaints Redressal System (SCORES): The investors complaints are also being processed through the centralized web based complaint redressal system. The salient features of SCORES are availability of centralized data base of the complaints, uploading online action taken reports by the Company. Through the SCORES website, the investors can view online, the action taken and the current status of the complaints.

Communication related to Dividend and updation of records: The Company issues various reminder letters to shareholders whose dividend is outstanding, PAN, Bank details are not updated and those shareholders whose shares are liable to be transferred to IEPF.

18. GENERAL SHAREHOLDERS' INFORMATION:

18.1 **Annual General Meeting**

Date and Time	:	29th September, 2021 at 10.30 a.m.
Venue	:	To be held through Video Conference ("VC") or Other Audio Visual Means ("OAVM") (Deemed Venue for the Meeting: The place from where the Chairman of the Company shall attend and conduct the Meeting)

18.2 **Financial Year** : 1st April to 31st March

18.3 **Financial Calendar (tentative and subject to change)**

1st Quarterly Results 2nd Quarterly/Half yearly Results 3rd Quarterly Results	:	Within 45 days of the end of the quarter
Audited yearly Results (for the year ending on 31st March, 2022)	:	Within 60 days of the end of the Financial Year

18.4 **Date of Book closure** : 23rd September, 2021 to 29th September, 2021 (both days inclusive)

18.5 **Dividend Payment date :**

Within 30 days from the date of Annual General Meeting.

18.6 **Listing of Shares and Debentures:**

A. Ordinary Shares

The Ordinary shares are at present listed on the following Stock Exchanges:

Name of the Stock Exchanges	Stock Code/Symbol
1. National Stock Exchange of India Ltd. (NSE) Exchange Plaza, C - 1, Block - G, Bandra-Kurla Complex, Bandra (East), Mumbai- 400 051.	BIRLACORPN – EQ
2. BSE Limited (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai-400 001.	500335

B. Debt Securities

The details of Non-Convertible Debentures issued by the Company are as under:

Non-Convertible Debentures Series	Listing Details
Series V	Listed on the Wholesale Debt Market Segment of BSE Limited.
Series VI	Listed on the Wholesale Debt Market Segment of BSE Limited.
Series VII	Listed on the Wholesale Debt Market Segment of BSE Limited.
Series VIII	Not listed

Annual Listing fees for the financial year(s) 2020-2021 and 2021-2022 have been paid by the Company to the above Stock Exchanges.

C. Debenture Trustees

IDBI Trusteeship Services Limited
Asian Bldg., Ground Floor, 17, R. Kamani Marg,
Ballard Estate, Mumbai- 400001

18.7 **ISIN Code for the Company's Ordinary Shares:**

INE340A01012

18.8 **ISIN Code for various series of Debentures is as under:**

Secured Redeemable Non-Convertible Debentures Series IV	INE340A07068*
Secured Redeemable Non-Convertible Debentures Series V	INE340A07076
Secured Redeemable Non-Convertible Debentures Series VI	INE340A07084
Secured Redeemable Non-Convertible Debentures Series VII	INE340A07092
Secured Redeemable Non-Convertible Debentures Series VIII	INE340A07100

*Redeemed during the financial year 2020-2021.

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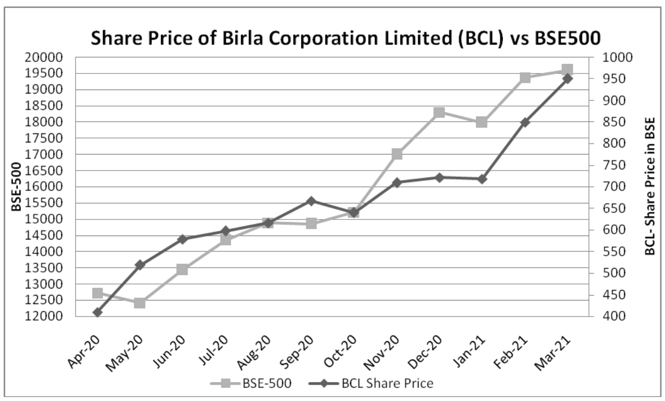
18.9 **Corporate Identity Number (CIN):**

L01132WB1919PLC003334

18.10 **Market Price Data during financial year 2020-2021:**

Month	BSE (in ₹)		NSE (in ₹)	
	High	Low	High	Low
April, 2020	483.60	401.00	478.00	401.00
May, 2020	580.00	372.50	580.00	372.20
June, 2020	654.70	493.50	656.00	492.65
July, 2020	620.50	530.00	621.10	540.55
August, 2020	682.00	559.00	682.00	586.10
September, 2020	736.40	576.10	736.95	575.20
October, 2020	693.55	617.00	697.00	616.10
November, 2020	779.00	631.00	779.00	622.30
December, 2020	782.00	661.25	783.05	662.00
January, 2021	769.40	701.80	770.00	701.10
February, 2021	930.00	708.40	932.00	707.50
March, 2021	959.00	753.55	960.00	751.65

18.11 **Stock Performance in comparison to broad-based indices:**



Note – Indicates monthly closing positions

18.12 **Registrar & Share Transfer Agent:**

MCS Share Transfer Agent Limited.
383, Lake Gardens, 1st Floor,
Kolkata - 700 045
Phone: (033) 4072 4051 to 4052
Fax: (033) 4072 4050
E-mail: mcssta@rediffmail.com

18.13 **Share Transfer System:**

All requests for dematerialisation of shares, which are found to be in order, are generally processed within 15 days and the confirmation is given to the respective depositories i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

Share transfers in physical form are generally registered within 15 days from the date of receipt provided that the documents are found to be in order. Stakeholders Relationship Committee considers and approves the transfer proposals.

As per SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018 and further amendment vide Notification No. SEBI/LAD-NRO/GN/2018/49 dated November 30, 2018, requests for effecting transfer of securities (except in case of transmission or transposition of securities) shall not be processed from 1st April, 2019 unless the securities are held in the dematerialised form with the depositories. According to the Listing Regulations, no shares can be transferred unless they are held in dematerialised mode. Therefore, for effecting any transfer, the securities shall mandatorily be required to be in demat form. Hence, Members holding shares in physical form are requested to dematerialize their holdings.

Further, SEBI vide its Circular no. SEBI/HO/MIRSD/RTAMB/CIR/P/2020/166 dated 7th September, 2020 has fixed 31st March, 2021 as the cut-off date for re-lodgement of physical share transfer requests and has provided that such transferred shares shall be issued only in demat mode. The Company has received no such request for transfer of securities held in physical mode during the financial year 2020-2021.

18.14 **Outstanding GDRs/ADRs/warrants or any convertible instruments, conversion date and likely impact on equity:**

Nil.

18.15 **Commodity price risk or foreign exchange risk and hedging activities:**

The Company does not have material exposure of any commodity and accordingly, no hedging activities for the same are carried out. Therefore, there is no disclosure to offer in terms of SEBI circular no. SEBI/HO/CFD/CMD1/CIR/P/2018/0000000141 dated 15th November, 2018.

During the year 2020-2021, 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. 54 to the Annual Standalone Financial Statement.

18.16 **Details of Credit Ratings assigned/re-affirmed to the Company during financial year 2020-2021:**

Instrument details	Amount (₹ in Crore)	Rating
9.25% Non-Convertible Debentures	200.00	ICRA AA (Stable); CARE AA (Stable)
9.25% Non-Convertible Debentures	50.00	ICRA AA (Stable); CARE AA (Stable)
9.15% Non-Convertible Debentures	150.00	ICRA AA (Stable); CARE AA (Stable)
9.05% Non-Convertible Debentures	130.00*	CRISIL AA (Stable); CARE AA (Stable)
7.05% Non-Convertible Debentures	150.00	IND AA (Stable)
Commercial Paper	300.00	CRISIL A1+
Long Term Bank facilities	1271.48	CARE AA (Stable)
Short Term Bank facilities	843.00	CARE A1+
Long / Short Term Bank facilities	50.00	CARE AA (Stable)/ CARE A1+

*Redeemed during the financial year 2020-2021.

18.17 **Dividend history for the last 5 years is as under:**

Financial Year	Date of Declaration	Dividend per Share (₹)
2020 – 2021	29.09.2021	10.00*
2019 – 2020	25.08.2020	7.50
2018 – 2019	13.08.2019**	7.50
2017 – 2018	20.07.2018	6.50
2016 – 2017	31.07.2017	6.50
2015 – 2016	08.07.2016	6.00

* Subject to approval of shareholders.

** The Hon'ble High Court at Calcutta vide its Order dated 9th August, 2019 had imposed restriction on the Company for publishing the voting results of the business transacted at the Annual General Meeting held on 13th August, 2019. Subsequent upon the lifting of the above restriction by the Division Bench of Hon'ble High Court vide its Order dated 4th May, 2020, the Company paid the dividend to the Shareholders.

18.18 **Unclaimed Dividends:**

The Company is required to transfer dividends which have remained unpaid/unclaimed for a period of seven years to the Investor Education & Protection Fund established by the Government. Accordingly, during the financial year 2021-2022, final dividend for the financial year 2013-2014 declared at the Annual General Meeting of the Company held on 21st August, 2014 which remains unpaid/unclaimed on due date i.e. 26th September, 2021, will be transferred to the IEPF Authority.

18.19 **Transfer of 'Shares' to Investor Education and Protection Fund (IEPF) (in cases where unclaimed dividends have been transferred to IEPF for a consecutive period of seven years):**

In accordance with the provisions of Sections 124 and 125 of the Companies Act, 2013 read with Investor Education & Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company is required to transfer shares in respect of which dividends remained unpaid/ unclaimed for a period of seven consecutive years or more to the IEPF Account established by the Central Government. Accordingly, during the financial year 2020-2021, the Company has transferred 10,660 equity shares to the demat account of IEPF Authority in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more as on the due date of transfer, i.e. 15th August, 2020.

In the interest of the shareholders, the Company sends periodical reminders to the shareholders to claim their dividends in order to avoid transfer of dividends/shares to IEPF Authority.

All Shares in respect of which dividends have remained unpaid/unclaimed for a consecutive period of seven years or more since 2013-2014 will also be transferred to the IEPF Authority by September, 2021. Before transferring the shares, the Company shall publish Notice in the newspapers inviting the Members attention in this regard. The Company will also send out individual communication to the concerned Members whose shares are liable to be transferred to IEPF Account, pursuant to the IEPF Rules. Members who have not encashed the dividend warrant(s) from financial year 2013-2014, onwards may forward their claims to the Company's Registrar & Share Transfer Agent before 3rd September, 2021, to avoid any transfer of dividend or shares to the IEPF Authority.

Further, it may also be noted that in terms of Sections 124(6) and 125(3) of the Companies Act, 2013 read with Rule 7 of the IEPF Rules, the shares and unclaimed dividends transferred to the IEPF Authority can however be claimed back by the concerned shareholders from IEPF Authority after complying with the procedure prescribed under the IEPF Rules. The Member/Claimant is required to make an online application to the IEPF Authority in e-Form No. IEPF-5 (available on www.iepf.gov.in) and submit the requisite documents to the Company.

18.20 **Payment of Dividend to Investors through Electronic Mode:**

Shareholders can opt for receiving their dividends directly to their bank account by updating their bank account details with their Depository Participants, in case the shares are held in dematerialised mode or with the Registrar & Share Transfer Agent of the Company, in case the shares are held in physical form. The Company on the basis of information submitted by the members to the Registrar & Share Transfer Agent or Depository Participants, as the case may be, is using electronic modes such as RTGS, NEFT, Direct Credit for making payment of dividend directly to the bank account of the shareholders.

18.21 **Details of outstanding shares in the Unclaimed Suspense Account:**

The details in respect of ordinary shares lying in the unclaimed suspense account which was issued in demat form and physical form, respectively as on 31st March, 2021, are as under:

Particulars	Demat		Physical	
	Number of Share-holders	Number of Ordinary shares	Number of Share-holders	Number of Ordinary shares
Aggregate Number of shareholders and outstanding shares in the Unclaimed Suspense Account lying at the beginning of the year i.e. 1st April, 2020	98	6943	0	0
Number of shareholders/ legal heirs who approached the Company for transfer of shares and to whom shares were transferred from Unclaimed Suspense Account during the year	1	24	0	0
Number of shareholders and shares transferred to the IEPF Authority from the Unclaimed Suspense Account	1	15	0	0
Aggregate Number of shareholders and the outstanding shares in the Unclaimed Suspense Account lying at the end of the year i.e. 31st March, 2021	96	6904	0	0

The voting rights on the aforesaid shares lying in the Unclaimed Suspense Account as on 31st March, 2021 shall remain frozen till the rightful owner of such shares claims the shares.

Shareholders who have not claimed their shares are requested to contact the Registrar & Share Transfer Agent of the Company by forwarding a request letter duly signed by shareholders furnishing their postal address, self-attested copies of PAN card & proof of address, and for delivery of shares in Demat form, a copy of Demat Account-Client Master Report duly certified by the Depository Participant and a recent demat account statement, to enable the Company to release the said shares to the rightful owner.

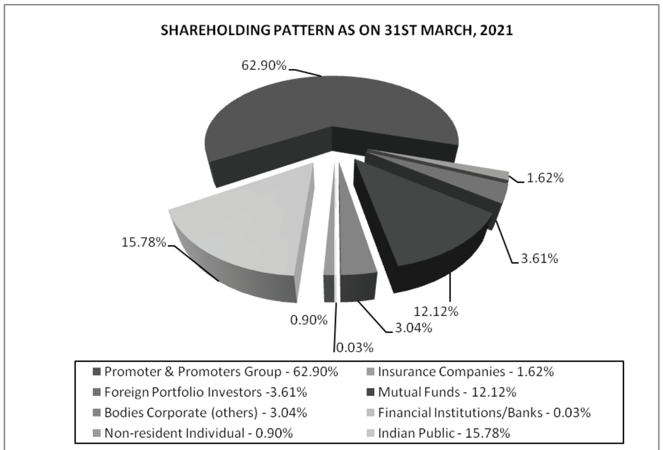
18.22 **Distribution of shareholding as on 31st March, 2021:**

No. of Ordinary shares held	No. of shareholders	% of Shareholders	No. of Ordinary shares	% of shareholding
Upto 500	66735	95.79	5098284	6.62
501 to 1000	1521	2.18	1113321	1.45
1001 to 2000	687	0.99	995891	1.29
2001 to 3000	212	0.30	534953	0.69
3001 to 4000	115	0.17	407820	0.53
4001 to 5000	71	0.10	325504	0.43
5001 to 10000	123	0.18	887852	1.15
10001 and above	205	0.29	67641722	87.84
TOTAL	**69669**	**100.00**	**77005347**	**100.00**
Physical Mode	**3319**	**4.76**	**306012**	**0.42**
Electronic Mode	**66350**	**95.24**	**76699335**	**99.58**

18.23 **Shareholding Pattern:**

Category of Shareholders as on 31st March, 2021:

Category	No. of shareholders	% of Shareholders	No. of Ordinary shares	% of shareholding
Promoter & Promoters Group	32	0.05	48434191	62.90
Insurance Companies	6	0.01	1245126	1.62
Foreign Portfolio Investors	88	0.13	2782371	3.61
Mutual Funds	54	0.08	9332396	12.12
Bodies Corporate (others)	1195	1.72	2342365	3.04
Financial Institutions/ Banks	17	0.02	22150	0.03
NRIs/ Foreign Nationals	2691	3.86	689408	0.90
Indian Public	65586	94.13	12157340	15.78
TOTAL	**69669**	**100.00**	**77005347**	**100.00**



18.24 **Dematerialisation of Shares and Liquidity:**

As on 31st March, 2021, 99.60% of the Company's total ordinary shares representing 76699335 shares were held in dematerialised form and 306012 shares representing 0.40% of paid-up share capital were held in physical form.

The Company's shares are compulsorily traded in dematerialised form on NSE and BSE and have adequate liquidity.

18.25 **Reconciliation of Share Capital Audit:**

As stipulated by the Securities and Exchange Board of India (SEBI), a practicing Chartered Accountant or a practicing Company Secretary carries out the Share Capital Audit to reconcile the total admitted Capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges, and is also placed before the Board of Directors.

18.26 **Plant Locations:**

Birla Corporation Limited:

Satna (Madhya Pradesh)	P.O. Birla Vikas, Satna - 485 005, Madhya Pradesh
Chanderia (Rajasthan)	Madhavnagar, P.O. Cement Factory, Chanderia-312 021, Rajasthan
Kolkata (West Bengal)	102, Narkeldanga Main Road, Kolkata -700 054
Birlapur (West Bengal)	Birlapur -743 318, 24 Parganas (S), West Bengal
Durgapur (West Bengal)	Near DSP Slag Bank, Durgapur - 713 203, Dist: Paschim Bardhaman, West Bengal
Raebareli (Uttar Pradesh)	Plot No. D/9 to D/15, UPSIDC Industrial Area, Phase II, Amawan Road, P.O. Raebareli 229 001, Uttar Pradesh
Chakan (Maharashtra)	Gate nos. 357/96, 97, 98 & 100, Village-Kharabwadi, Chakan Talegaon Road, Chakan- 410 501, Taluka- Khed, Dist- Pune, Maharashtra
Gurgaon (Haryana)	Village- Nawada : Fatehpur, Post Office-Sikanderpur- Badha, Dist- Gurugram, Gurugram- 122 001

RCCPL Private Limited (wholly owned material subsidiary of the Company):

Maihar (Madhya Pradesh)	Village - Bharauli, PO - Itahra, Maihar - 485 775, Satna, Madhya Pradesh
Kundanganj (Uttar Pradesh)	Village - Karanpur, Near Kundanganj Railway Station, Dist. Raebareli – 229 303, UP
Butibori (Maharashtra)	J-2, M.I.D.C., Butibori Industrial Area, Butibori, Nagpur- 441 122, Maharashtra

18.27 **Address for Correspondence:**

The shareholders may address their communications/ suggestions/grievances/queries to:

The Company Secretary,
Birla Corporation Limited,
Birla Building, 9/1, R.N. Mukherjee Road,
Kolkata-700 001
Phone No.: (033) 66166729, 66166737
Fax: (033) 2248-7988/2872
Email: investorsgrievance@birlacorp.com

18.28 **Exclusive e-mail id for Investors' Grievances:**
investorsgrievance@birlacorp.com

DECLARATION ON CODE OF CONDUCT

This is to confirm that the Board of Directors of the Company has laid down a Code of Conduct for its members and senior management personnel of the Company. The same has also been posted on the Company's website. It is further confirmed that all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the Financial Year ended 31st March, 2021 as envisaged under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For **BIRLA CORPORATION LIMITED**

(ARVIND PATHAK)
Managing Director &
Chief Executive Officer

Place: Kolkata
Dated: 12th May, 2021

CERTIFICATE

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

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Birla Corporation Limited** and having registered office at Birla Building, 9/1, R N Mukherjee Road, Kolkata 700001, West Bengal, India (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 for the Financial Year ending on 31st March, 2021 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.

For **Mamta Binani & Associates**

CS Madhuri Pandey
Partner
CP No. : 20723
Membership No: A55836
UDIN: A055836C000276749

Place: Kolkata
Date: 12th May, 2021

Managing Director & Chief Executive Officer and Chief Financial Officer (CFO) Certification

[Pursuant to Regulation 17(8) of SEBI (Listing Obligations & Disclosure Requirements), Regulations, 2015]

The Board of Directors
Birla Corporation Limited
9/1, R.N. Mukherjee Road,
Kolkata – 700 001

We, Arvind Pathak, Managing Director & Chief Executive Officer and Aditya Saraogi, Chief Financial Officer of Birla Corporation Limited certify that:

a) We have reviewed the Financial Statements and the Cash Flow Statement for the financial year ended 31st March, 2021 and that to the best of our knowledge and belief, we state that:

   i) these statements do not contain any materially untrue statement, or omit any material fact or contain any statements that might be misleading;

   ii) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.

b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.

c) We accept the responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

d) We have indicated to the Auditors and Audit Committee:

   i) significant changes, if any, in the internal controls over financial reporting during the year;

   ii) significant changes, if any, in accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and

   iii) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

(ARVIND PATHAK)
Managing Director & Chief Executive Officer

(ADITYA SARAOGI)
Chief Financial Officer

Place: Kolkata
Date: 12th May, 2021

INDEPENDENT AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

TO THE MEMBERS OF BIRLA CORPORATION LIMITED

1. We have examined the compliance of regulations of Corporate Governance by **Birla Corporation Limited** ('the Company') for the year ended 31st March, 2021, 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 the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the 'Listing Regulations').

Management's Responsibility

2. The compliance of conditions of corporate governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

Auditors' Responsibility

3. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the Company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

4. We have examined the relevant records of the Company in accordance with the applicable Generally Accepted Auditing Standards in India, the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India (the 'ICAI'), and 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.

5. 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

6. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended 31st March, 2021. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Restriction on use

7. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

For **V. Sankar Aiyar & Co.**
Chartered Accountants
(Firm Regn. No.: 109208W)

(M.S. BALACHANDRAN)
Partner (M. No:024282)
UDIN : 024282AAAAGA2817

Place: Delhi
Dated: 12th May, 2021

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BIRLA CORPORATION LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **BIRLA CORPORATION LIMITED** ("the Company"), which comprise the Balance Sheet as at 31st March 2021, the Statement of Profit & Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India, of the state of affairs (financial position) of the Company as at 31st March 2021, its profit (financial performance including other comprehensive income), its cash flows and changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone 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 "Auditor's Responsibilities for the Audit of the Standalone Financial Statements" section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("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 made 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 opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	Auditor's Response
Recoverability of MAT Credit Entitlement in future: The Company has recognised deferred tax assets mainly on account of tax credit available for set off (Minimum Alternate Tax) under the Income Tax Act, 1961. Under Ind AS 12 – Income Taxes, deferred tax assets shall be recognised to the extent that it is probable that future taxable profit will be available against which the unused tax credit can be utilised. The assessment of valuation of deferred tax assets requires significant management judgement and estimation. This include, amongst others, estimation of long-term future profitability, future revenue from proposed projects and tax regulations and developments. As a result, the recognition of the deferred tax asset on above is significant to our audit. The disclosures relating to the above are included in Note No. 25 of the standalone financial statements.	Audit procedures included, among others, review of: • The appropriateness of the methodology applied by the Company with applicable Indian accounting standards and applicable taxation laws along with the future business forecast of taxable profits. • The likelihood of the Company to utilize the available MAT credit entitlements in the future with underlying projections and assumptions relating to future estimated profits, future capitalisations and depreciation allowance thereon and future estimates of taxable income. • The adequacy of the Company's disclosures in the financials on deferred tax assets and assumptions used.
Litigations and Claims The Company is exposed to different laws, regulations and interpretations thereof which encompasses direct/ indirect taxation and legal matters. In the normal course of business, provisions and contingent liabilities may arise from legal and tax proceedings, including regulatory and other Governmental proceedings, constructive obligations as well as investigations by authorities and commercial claims. Based on the nature of regulatory and legal cases management applies significant judgement when considering whether, and how much, to provide for the potential exposure of each matter. These estimates could change significantly over time as new facts emerge and each legal case progresses. Given the inherent complexity and magnitude of potential exposures and the judgement necessary to estimate the amount of provisions required or to determine required disclosures, this is a key audit matter. (Refer Note No. 40 to the Standalone Ind AS Financial Statements)	Our audit procedure in response to this key Audit Matter included, among others, • Assessment of the process and relevant controls implemented to identify legal and tax litigations, and pending administrative proceedings. • Assessment of assumptions used in the evaluation of possible legal and tax risks by the legal and tax department of the Company considering the legal precedence and other rulings in similar cases. • Inquiry with the legal and tax divisions of the Company regarding the status of the most significant disputes and perusal of the relevant documentation. • Taking note of opinion received from the experts, where available. • Review of the adequacy of the disclosures in the notes to the standalone financial statements.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Directors' Report and Management Discussion and Analyses, Business Responsibility Report and the Report on Corporate Governance but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

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

In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors 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.

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up

to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1 As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Government of India in terms of sub-section (11) of section 143 of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in "Annexure A" a statement on the matters specified in the paragraphs 3 and 4 of the said 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 of the aforesaid standalone financial statements;

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 Cash Flows and the statement of Changes in Equity dealt with by this report are in agreement with the books of account;

d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards (Ind AS) specified under section 133 of the Act, read with relevant rules issued thereunder;

e) On the basis of written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B";

g) With respect to the other matters to be included in the Auditor's 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.

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

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 40.1 to 40.4 to the standalone financial statements;

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

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company in accordance with the relevant provisions of the Act and Rules made there under.

For V. Sankar Aiyar & Co.
Chartered Accountants
(Firm Regn. No.: 109208W)

(M.S. BALACHANDRAN)
Partner (M. No:024282)
UDIN: 21024282AAAAFY6281

Place: New Delhi
Dated: 12th May, 2021

Annexure-A referred to in the Independent Auditors' Report to the Members of Birla Corporation Limited on the standalone accounts for the year ended 31st March, 2021

(i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) The fixed assets have been physically verified by the management/ outside agencies in a phased manner and reconciled with books of account, except in case of Soorah Jute Mills (due to suspension of work) with carrying value other than land and building, at Rs. 0.30 Crore and Auto Trim Division at Gurgaon & Chakan with carrying value, other than land and building, at Rs.1.54 Crores, where verification could not be done. We are informed that no major discrepancies were noticed on such verification. Minor discrepancies stands adjusted in the accounts. In our opinion, the frequency of verification is reasonable in relation to the size of the Company.

(c) According to the information and explanations given to us and the records examined by us and based on the examination of the registered sale deed/ transfer deed/ conveyance deed etc., provided to us, we report that the title deeds of immovable properties are held in the name of the Company. The title deeds relating to certain immovable properties have been pledged as security with banks and financial institution for loans, guarantees etc., are held in the name of the Company based on the confirmations from the Security Trustees.

(ii) The stock of finished goods, stores, spare parts and raw materials have been physically verified by the management/ outside agencies at reasonable intervals during the year, except for Soorah Jute Mills (due to suspension of work) and Auto Trim Division at Gurgaon and Chakan, where physical verification could not be done. We are informed that inventory held at these locations were insignificant. No material discrepancies were noticed on physical verification and minor discrepancies stands adjusted in the accounts.

(iii) 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 Companies Act, 2013. Therefore, the provisions of clause 3(iii)(a),(b)&(c) of the Order are not applicable.

(iv) The Company has not given any loan or provided any guarantees or security to parties covered under section 185 of the Companies Act, 2013. In respect of loans, investments, guarantees and security, the Company has complied with the provisions of section 186 of the Companies Act, 2013.

(v) The Company has not accepted deposits during the year from the public within the provisions of section 73 to 76 or any other provisions of the Companies Act, 2013 and the Rules framed thereunder.

(vi) We have broadly reviewed the books of accounts maintained by the Company, pursuant to rules made under sub-section (1) of section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate and complete.

(vii) (a) According to the records of the Company, the Company has been generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, service tax, sales-tax, goods and services tax (GST), duty of excise, duty of custom, value added tax, cess and any other statutory dues with the appropriate authorities. There were no arrears of undisputed statutory dues as at 31st March 2021, which were outstanding for a period of more than six months from the date they became payable.

(b) The disputed dues of different years, relating to income-tax, service-tax, sales-tax, duty of customs, duty of excise, value added tax or goods and services tax (GST) which have remained unpaid as on 31st March, 2021 for which appeals are pending as under:

Name of the Statute	Nature of dues	Amount (Rs. in Crores)	Period to which amount relates	Forum where the dispute is pending
Sales Tax & VAT Laws	Sales tax and VAT	6.43	FY 1993-94 to 2017-18	Department / 1st Appellate Authority
		1.84	FY 1989-90 to 2007-08	Appellate Tribunals
		2.79	FY 1989-90 to 2005-06	High Court
IGST, SGST and CGST Act	IGST and SGST	38.19	FY 2017-18 to 2019-20	Department / 1st Appellate Authority
		0.80	FY 2017-18	High Court
Central Excise Act, 1944	Excise Duty	21.27	FY 1980-81 to 2017-18	Department / 1st Appellate Authority
		41.77	FY 2001-02 to 2017-18	Appellate Tribunals
		16.57	FY 2012-13 to 2017-18	High Court

Name of the Statute	Nature of dues	Amount (Rs. in Crores)	Period to which amount relates	Forum where the dispute is pending
Finance Act, 1994	Service Tax	6.62	FY 2005-06 to 2010-11 and 2013-14 to 2016-17	Appellate Tribunals
Customs Act, 1962	Custom Duty	3.18	FY 2012-13	Appellate Tribunals
Income Tax Act, 1961	Income Tax	1.18	AY 2016-17	Department / 1st Appellate Authority

(viii) On the basis of the verification of records and information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions or banks and dues to debenture holders.

(ix) In our opinion and according to the information and explanations given to us, the Company has utilized the monies raised by way of debt instruments and term loans for the purposes for which they were raised/obtained.

(x) Based on the audit procedures performed and representation obtained from the management, we report that no case of material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year.

(xi) The managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

(xii) The Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable.

(xiii) In our opinion and according to the information and explanations given to us, all the transactions with the related parties are in compliance with section 177 and 188 of the Companies Act, 2013 to the extent applicable and the details have been disclosed in the financial statements as required by the applicable Indian Accounting Standards (Ind AS).

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Therefore, the provisions of clause 3(xiv) of the Order are not applicable.

(xv) According to the information and explanations given to us and the representation obtained from the management, the Company has not entered into any non-cash transactions with directors or persons connected with them. Therefore, the provisions of clause 3(xv) of the Order are not applicable.

(xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For V. Sankar Aiyar & Co.
Chartered Accountants
(Firm Regn. No.: 109208W)

(M.S. BALACHANDRAN)
Partner (M. No:024282)
UDIN: 21024282AAAAFY6281

Place: New Delhi
Dated: 12th May, 2021

Annexure-B referred to in the Independent Auditors' Report to the Members of Birla Corporation Limited on the standalone accounts for the year ended 31st March, 2021

We have audited the internal financial controls over financial reporting of the Company as of 31st March, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting(the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by 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 issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting 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 over financial reporting 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 over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2021 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For V. Sankar Aiyar & Co.
Chartered Accountants
(Firm Regn. No.: 109208W)

(M.S. BALACHANDRAN)
Partner (M. No:024282)
UDIN: 21024282AAAAFY6281

Place: New Delhi
Dated: 12th May, 2021

STANDALONE BALANCE SHEET AS AT 31ST MARCH, 2021

(₹ in Crores)

	Note No.	As at 31st March, 2021		As at 31st March, 2020	
ASSETS					
NON-CURRENT ASSETS					
Property, Plant and Equipment	5	3,050.35		3,043.99	
Capital Work-In-Progress	5	189.87		146.99	
Investment Property	6	0.13		0.16	
Intangible Assets	7	26.97		21.06	
Intangible Assets under Development	7	1.37		1.92	
Biological Assets other than Bearer Plants	8	0.84		0.82	
Investment in Subsidiaries	9	2,280.49		2,281.25	
Financial Assets					
Investments	10	288.98		282.50	
Loans	11	0.29		0.46	
Other Financial Assets	12	147.24		30.50	
Non-Current Tax Asset (Net)		15.55		12.98	
Other Non-Current Assets	13	85.77	**6,087.85**	97.05	**5,919.68**
CURRENT ASSETS					
Inventories	14	591.56		583.64	
Financial Assets					
Investments	15	524.29		582.45	
Trade Receivables	16	196.67		179.32	
Cash and Cash Equivalents	17	36.16		37.89	
Bank Balances other than Cash and Cash Equivalents	18	85.43		51.75	
Loans	11	1.24		1.11	
Other Financial Assets	12	232.99		334.77	
Other Current Assets	13	190.12		164.06	
Non-Current Assets classified as Held for Sale	19	1.42	**1,859.88**	1.49	**1,936.48**
Total Assets			**7,947.73**		**7,856.16**
EQUITY AND LIABILITIES					
EQUITY					
Equity Share Capital	20	77.01		77.01	
Other Equity	21	4,750.27	**4,827.28**	4,271.40	**4,348.41**
LIABILITIES					
NON-CURRENT LIABILITIES					
Financial Liabilities					
Borrowings	22	978.64		1,256.42	
Other Financial Liabilities	23	463.09		386.42	
Provisions	24	40.33		36.43	
Deferred Tax Liabilities (Net)	25	310.01		380.31	
Non-Current Tax Liabilities (Net)		1.39		1.35	
Other Non-Current Liabilities	26	150.73	**1,944.19**	144.89	**2,205.82**
CURRENT LIABILITIES					
Financial Liabilities					
Borrowings	27	30.42		63.17	
Trade Payables	28				
- Total outstanding dues of micro enterprises and small enterprises		3.49		2.86	
- Total outstanding dues of creditors other than micro enterprises and small enterprises		393.05		352.59	
Other Financial Liabilities	23	515.11		735.78	
Other Current Liabilities	26	217.70		131.39	
Provisions	24	10.76		16.14	
Current Tax Liabilities (Net)		5.73	**1,176.26**	-	**1,301.93**
Total Equity and Liabilities			**7,947.73**		**7,856.16**
Basis of Preparation	2				
Significant Accounting Policies	3				
Significant Judgements and Key Estimates	4				

The Notes are an integral part of the Standalone Financial Statements

As per our annexed Report of even date
For **V. SANKAR AIYAR & CO.**
Chartered Accountants
Firm Registration No. 109208W

M. S. BALACHANDRAN
Partner
Membership No. 024282

New Delhi
Date: 12th May, 2021

For and on behalf of the Board of Directors

ADITYA SARAOGI
Chief Financial Officer

HARSH V. LODHA
Chairman
(DIN : 00394094)

MANOJ KUMAR MEHTA
Company Secretary
& Legal Head

ARVIND PATHAK
Managing Director
& Chief Executive Officer
(DIN: 00585588)

Kolkata
Date: 12th May, 2021

STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

	Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
INCOME			
Revenue from Operations	**29**	4,442.15	4,746.60
Other Income	**30**	111.23	82.48
Total Income		**4,553.38**	**4,829.08**
EXPENSES			
Cost of Materials Consumed	**31**	959.53	1,019.55
Purchases of Stock-In-Trade	**32**	24.67	16.05
Changes in Inventories of Finished Goods, Stock-In-Trade and Work-In-Progress	**33**	35.82	(46.11)
Employee Benefits Expense	**34**	297.65	298.16
Finance Costs	**35**	129.71	185.23
Depreciation and Amortisation Expense	**36**	160.82	151.18
Other Expenses	**37**	2,514.82	2,783.90
Total Expenses		**4,123.02**	**4,407.96**
Profit before Exceptional Items and Tax		**430.36**	**421.12**
Exceptional Items		-	-
Profit before Tax		**430.36**	**421.12**
Tax Expense:	**38**		
Current Tax		86.67	75.25
Deferred Tax		(34.81)	48.30
Income Tax for earlier years		-	(18.27)
Deferred Tax for earlier years	**25.3**	(50.01)	-
		1.85	105.28
Profit for the Year		**428.51**	**315.84**
Other Comprehensive Income			
A. Items that will not be reclassified to profit or loss	**39.1**	131.87	(128.13)
Income tax relating to these items		(17.79)	4.59
		114.08	(123.54)
B. Items that will be reclassified to profit or loss	**39.2**	(9.24)	0.44
Income tax relating to these items		3.27	(0.16)
		(5.97)	0.28
Other Comprehensive Income for the Year (Net of Tax)		108.11	(123.26)
Total Comprehensive Income for the Year		**536.62**	**192.58**
Earnings Per Share (Face value of ₹ 10/- each)			
Basic & Diluted (₹)	**46**	55.65	41.02
Basis of Preparation	**2**		
Significant Accounting Policies	**3**		
Significant Judgements and Key Estimates	**4**		

The Notes are an integral part of the Standalone Financial Statements

As per our annexed Report of even date
For **V. SANKAR AIYAR & CO.**
Chartered Accountants
Firm Registration No. 109208W

M. S. BALACHANDRAN
Partner
Membership No. 024282

New Delhi
Date: 12th May, 2021

For and on behalf of the Board of Directors

ADITYA SARAOGI
Chief Financial Officer

HARSH V. LODHA
Chairman
(DIN : 00394094)

MANOJ KUMAR MEHTA
Company Secretary
& Legal Head

ARVIND PATHAK
Managing Director
& Chief Executive Officer
(DIN: 00585588)

Kolkata
Date: 12th May, 2021

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

	For the year ended 31st March, 2021		For the year ended 31st March, 2020	
Cash Flow from Operating Activities:				
Profit after Exceptional Items & before Tax	430.36		421.12	
Adjustments for :				
Depreciation & Amortisation	160.82		151.18	
Investing Activities (Net)	(55.90)		(62.16)	
Provision for doubtful debts	-		0.03	
Bad Debts	0.19		0.06	
Expected Credit loss on Incentive and Subsidy	32.62		-	
Inter Corporate Loan Written Off	-		2.75	
(Profit)/Loss on sale/ discard of Property, Plant and Equipment / CWIP (Net)	(0.85)		(0.40)	
Profit on sale of Non-Current Assets classified as Held for Sale	-		(2.70)	
Fair Valuation for Biological Assets other than Bearer Plants	0.02		0.04	
Amortisation of Deferred Revenue	(1.24)		(1.33)	
Excess liabilities and unclaimed balances & provision written back (Net)	(15.35)		(9.73)	
Effect of Foreign Exchange Fluctuations	1.17		1.73	
Finance Costs	129.71		185.23	
Operating Profit before Working Capital changes	**681.55**		**685.82**	
Adjustments for :				
(Increase)/ Decrease in Trade Receivables	(17.42)		11.31	
(Increase)/ Decrease in Inventories	(7.92)		4.52	
(Increase)/ Decrease in Loans, Other Financial Assets & Other Assets	(38.31)		37.70	
Increase/ (Decrease) in Trade Payables & Other Liability	135.12		(4.39)	
Increase/ (Decrease) in Provisions	1.74		0.21	
Cash generated from operations	**754.76**		**735.17**	
Direct Taxes (Paid) / Refund Received (Net)	(83.47)		2.24	
Net Cash from Operating Activities		**671.29**		**737.41**
Cash Flow from Investing Activities:				
Purchase of Tangible & Intangible Assets including CWIP/ Capital Advances	(179.07)		(221.06)	
Sale of Tangible Assets	4.42		4.70	
(Purchase)/ Sale of Liquid Investments (Net)	58.06		233.09	
Purchase of other Current Investments	(615.50)		(372.33)	
Sale of other Current Investments	783.26		92.35	
Purchase of Non-Current Investments	-		(3.45)	
Payment towards Investment in Subsidiary	(0.25)		-	
(Increase)/ Decrease in Other Bank Balances	(70.10)		(129.99)	
Loan (given)/ taken back from Related Parties	-		(0.04)	
Interest received	11.99		6.84	
Dividend received	1.01		2.61	
Net Cash used in Investing Activities		**(6.18)**		**(387.28)**

STANDALONE STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

	For the year ended 31st March, 2021		For the year ended 31st March, 2020	
Cash Flow from Financing Activities				
Proceeds from Long Term Borrowings	312.13		115.00	
Repayments of Long Term Borrowings	(685.75)		(362.68)	
(Repayments)/Proceeds from Short Term Borrowings (Net)	(31.58)		36.60	
Payment of Lease Liabilities	(0.50)		(0.50)	
Interest paid	(132.60)		(167.76)	
Dividend paid	(115.50)		-	
Dividend Distribution Tax paid	(11.87)		-	
Net Cash used in Financing Activities		**(665.67)**		**(379.34)**
Net Increase/(Decrease) in Cash and Cash Equivalents		**(0.56)**		**(29.21)**
Cash and Cash Equivalents (Opening Balance)		**36.72**		**65.93**
Cash and Cash Equivalents (Closing Balance)		**36.16**		**36.72**
Cash and Cash Equivalents as per balance sheet (Closing Balance) (Refer Note 17)		**36.16**		**37.89**
Overdraft Balance in Current Account shown under Short Term Borrowings		-		(1.17)
Cash and Cash Equivalents (Closing Balance) after adjusting Overdraft balance		**36.16**		**36.72**

Note :

a) **Reconciliation of Liabilities arising from financing activities**

Particulars	Balance as on 1st April, 2020	Proceeds	Repayments	Forex Adjustments	Fair Value Changes/ Other Adjustments	Balance as on 31st March, 2021
Long Term Borrowings (Including current maturity)	1,606.61	312.13	685.75	(10.39)	(1.47)	1,221.13
Short Term Borrowings (Excluding Overdraft Balance in Current Account)	62.00	56.68	88.26	–	–	30.42

b) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

c) The composition of Cash & Cash Equivalents has been determined based on the Accounting Policy No. 3.2.

d) Figures for the previous year have been re-grouped wherever considered necessary.

e) Direct Taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.

f) The Notes are an integral part of Standalone Financial Statements.

As per our annexed Report of even date
For **V. SANKAR AIYAR & CO.**
Chartered Accountants
Firm Registration No. 109208W

M. S. BALACHANDRAN
Partner
Membership No. 024282

New Delhi
Date: 12th May, 2021

For and on behalf of the Board of Directors

ADITYA SARAOGI
Chief Financial Officer

HARSH V. LODHA
Chairman
(DIN : 00394094)

MANOJ KUMAR MEHTA
Company Secretary
& Legal Head

ARVIND PATHAK
Managing Director
& Chief Executive Officer
(DIN: 00585588)

Kolkata
Date: 12th May, 2021

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2021

a) Equity Share Capital (Refer Note No. 20)

(₹ in Crores)

Balance as at 1st April, 2019	77.01
Add/(Less): Changes in Equity Share Capital during the year	–
Balance as at 31st March, 2020	**77.01**
Add/(Less): Changes in Equity Share Capital during the year	–
Balance as at 31st March, 2021	**77.01**

b) Other Equity (Refer Note No. 21)

Particulars	Reserves & Surplus				Items of Other Comprehensive Income				Total
	Capital Reserve	Debenture Redemption Reserve	General Reserve	Retained Earnings	Debt Instrument through Other Comprehensive Income	Effective Portion of Cash Flow Hedges	Equity Instrument through Other Comprehensive Income	Revaluation Surplus	
Balance as at 1st April, 2020	**1.05**	**84.59**	**2,667.55**	**574.95**	**(0.67)**	**–**	**121.74**	**822.19**	**4,271.40**
Profit for the Year	–	–	–	428.51	–	–	–	–	428.51
Remeasurement Gain/(Loss)	–	–	–	3.22	–	–	–	–	3.22
Mark to Market Gain/(Loss)	–	–	–	–	0.35	(9.59)	128.65	–	119.41
Impact of Tax	–	–	–	(1.12)	(0.08)	3.35	(18.08)	1.41	(14.52)
Total Comprehensive Income	**–**	**–**	**–**	**430.61**	**0.27**	**(6.24)**	**110.57**	**1.41**	**536.62**
Final Dividend Paid(₹ 7.50 per share)	–	–	–	(57.75)	–	–	–	–	(57.75)
Transfer to General Reserve	–	(32.50)	32.50	–	–	–	–	–	–
Total Appropriations/ Adjustments	**–**	**(32.50)**	**32.50**	**(57.75)**	**–**	**–**	**–**	**–**	**(57.75)**
Balance as at 31st March, 2021	**1.05**	**52.09**	**2,700.05**	**947.81**	**(0.40)**	**(6.24)**	**232.31**	**823.60**	**4,750.27**

STANDALONE STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

Particulars	Reserves & Surplus				Items of Other Comprehensive Income			Total
	Capital Reserve	Debenture Redemption Reserve	General Reserve	Retained Earnings	Debt Instrument through Other Comprehensive Income	Equity Instrument through Other Comprehensive Income	Revaluation Surplus	
Balance as at 1st April, 2019	**1.05**	**104.42**	**2,630.05**	**353.48**	**(0.95)**	**239.78**	**821.13**	**4,148.96**
Profit for the year	–	–	–	315.84	–	–	–	315.84
Remeasurement Gain/(Loss)	–	–	–	(10.09)	–	–	–	(10.09)
Mark to Market Gain/(Loss)	–	–	–	–	0.44	(118.04)	–	(117.60)
Impact of Tax	–	–	–	3.53	(0.16)	–	1.06	4.43
Transition Impact of Ind AS 116 – Leases (Refer Note No. 45)	–	–	–	(0.57)	–	–	–	(0.57)
Impact of Tax thereon	–	–	–	0.05	–	–	–	0.05
Total Comprehensive Income	**–**	**–**	**–**	**308.76**	**0.28**	**(118.04)**	**1.06**	**192.06**
Final Dividend (₹ 7.50 per share) (Refer Note No. 41.2)	–	–	–	(57.75)	–	–	–	(57.75)
Dividend Distribution Tax on Final Dividend (Refer Note No. 41.2)	–	–	–	(11.87)	–	–	–	(11.87)
Transfer to Debenture Redemption Reserve	–	17.67	–	(17.67)	–	–	–	–
Transfer to General Reserve	–	(37.50)	37.50	–	–	–	–	–
Total Appropriations/Adjustments	**–**	**(19.83)**	**37.50**	**(87.29)**	**–**	**–**	**–**	**(69.62)**
Balance as at 31st March, 2020	**1.05**	**84.59**	**2,667.55**	**574.95**	**(0.67)**	**121.74**	**822.19**	**4,271.40**

The Notes are an integral part of the Standalone Financial Statements

As per our annexed Report of even date
For **V. SANKAR AIYAR & CO.**
Chartered Accountants
Firm Registration No. 109208W

M. S. BALACHANDRAN
Partner
Membership No. 024282

New Delhi
Date: 12th May, 2021

For and on behalf of the Board of Directors

ADITYA SARAOGI
Chief Financial Officer

HARSH V. LODHA
Chairman
(DIN : 00394094)

MANOJ KUMAR MEHTA
Company Secretary
& Legal Head

ARVIND PATHAK
Managing Director
& Chief Executive Officer
(DIN: 00585588)

Kolkata
Date: 12th May, 2021

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

1. CORPORATE AND GENERAL INFORMATION

Birla Corporation Limited is the flagship company of the M. P. Birla Group. The Company is a Public Limited Listed Company domiciled and incorporated in India having its registered office at Kolkata, West Bengal, India. It was incorporated as per the provisions of the Companies Act as Birla Jute Manufacturing Company Limited in the year 1919.The Company is primarily engaged in the manufacturing of cement as its core business activity. It has significant presence in the jute industry as well.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

These standalone financial statements ("the financial statements") have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), other relevant provisions of the Act and other accounting principles generally accepted in India.

The financial statements of the Company for the year ended 31st March, 2021 have been approved by the Board of Directors in their meeting held on 12th May, 2021.

2.2 Basis of Measurement

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

- ➢ Financial Assets and Liabilities (including Derivative Instruments) that is measured at fair value/ amortised cost;
- ➢ Non-Current Assets classified as Held for Sale - measured at the lower of the carrying amounts and fair value less cost to sell;
- ➢ Defined Benefit Plans - plan assets measured at fair value;
- ➢ Biological Assets - At fair value less cost to sell; and
- ➢ Freehold Land falling under Property, Plant & Equipment that is measured at fair value.

2.3 Functional and Presentation Currency

The financial statements have been presented in Indian Rupees (INR or ₹), which is also the Company's functional currency. All financial information presented in INR has been rounded off to the nearest Crores, unless otherwise stated. Wherever the amount represented ₹ "0.00" (Zero) construes value less than Rupees fifty thousand.

2.4 Use of Estimates and Judgements

The preparation of financial statements require judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities including contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the period prospectively in which the results are known/ materialized.

2.5 Current versus Non-Current classification

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

- ➢ Expected to be realized or intended to be sold or consumed in normal operating cycle;
- ➢ Held primarily for the purpose of trading;
- ➢ Expected to be realized within twelve months after the reporting period; or
- ➢ 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 the other assets are classified as non-current.

A liability is current when:

- ➢ It is expected to be settled in normal operating cycle;
- ➢ It is held primarily for the purpose of trading;
- ➢ It is due to be settled within twelve months after the reporting period; or
- ➢ There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current. Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities respectively.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

3. SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the standalone financial statements are as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

3.1 Inventories

Inventories are valued at Cost or Net Realizable Value, whichever is lower. Cost comprise of all costs of purchase (Net of Input Tax Credit), costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis. Net Realizable Value is the estimated selling price in the ordinary course of business less estimated cost of completion and the estimated cost necessary to make the sale. 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.

3.2 Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprise cash in hand, balance with Banks and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value. However, for the purpose of the Cash Flow Statement the same is net of outstanding bank overdrafts.

3.3 Income Tax

Income Tax comprises current and deferred tax. It is recognized in the Statement of Profit and Loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

3.3.1. Current Tax

Current tax liabilities (or assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities using the tax rates (and tax laws) that have been enacted or substantively enacted, at the end of the reporting period.

3.3.2. Deferred Tax

- ➢ Deferred tax assets and liabilities shall be measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.
- ➢ Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (i.e., tax base). Deferred tax is also recognized for carry forward of unused tax losses and unused tax credits.
- ➢ Deferred tax assets are recognized 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 utilized.
- ➢ The carrying amount of deferred tax assets is reviewed at the end of each reporting period. The Company reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.
- ➢ Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized either in other comprehensive income or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.
- ➢ Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.
- ➢ The Government of India, on September 20, 2019, vide the Taxation Laws (Amendment) Ordinance 2019, inserted a new Section 115BAA in the Income Tax Act, 1961, which provides an option to the Company for paying Income Tax at reduced rates as per the provisions/conditions defined in the said section. The Company is continuing with higher income tax rate option, based on the available outstanding MAT credit entitlement and different exemptions & deduction enjoyed by the Company. However, the Company has estimated and applied the lower income tax rate on the deferred tax assets / liabilities to the extent these are expected to be realized or settled in the future period when the Company may be subjected to lower tax rate.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

3.4 Property, Plant and Equipment

3.4.1. Recognition and Measurement

➢ Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the Balance Sheet at cost, less accumulated depreciation and accumulated impairment losses (if any) except freehold land where the Company had opted revaluation model, (Refer Note No.5.2).

➢ Cost of an item of property, plant and equipment acquired comprises its purchase price including import duties and non-refundable purchase taxes, directly attributable borrowing costs, any other directly attributable costs of bringing the assets to its working condition and location for its intended use, present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located.

➢ In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of directly attributable overheads, directly attributable borrowing costs incurred in bringing the item to working condition for its intended use, and estimated cost of dismantling and removing the item and restoring the site on which it is located. The costs of testing whether the asset is functioning properly, after deducting the net proceeds from selling items produced while bringing the asset to that location and condition are also added to the cost of self-constructed assets.

➢ If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

➢ Profit or loss arising on the disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

3.4.2 Subsequent Expenditure

➢ Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.

➢ Major Inspection/ Repairs/ Overhauling expenses are recognized in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any unamortized part of the previously recognized expenses of similar nature is derecognized.

3.4.3 Depreciation and Amortization

➢ Depreciation on tangible assets is provided on straight line method at the rates determined based on the useful lives of respective assets as prescribed in the Schedule II of the Act.

➢ In case the cost of part of tangible asset is significant to the total cost of the assets and useful life of that part is different from the remaining useful life of the asset, depreciation has been provided on straight line method based on internal assessment and independent technical evaluation carried out by external valuers, which the management believes that the useful lives of the component best represent the period over which it expects to use those components. In case of certain components of plant and machineries depreciation has been provided based on the useful life considered at 2-15 years.

➢ Depreciation and amortization on right of use assets (leasehold land and plant & machinery) is provided on straight line method over the period of lease.

➢ Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed off).

➢ Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted, if appropriate.

3.4.4 Disposal of Assets

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and loss.

3.4.5 Reclassification to Investment Property

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

3.4.6 Capital Work in Progress

Capital work-in-progress is stated at cost less accumulated impairment loss, if any,which includes expenses incurred during construction period, interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production.

3.4.7 Stripping Cost

The stripping cost incurred during the production phase of a surface mine is recognized as an asset if such cost provides a benefit in terms of improved access to ore in future periods and following criteria are met.

- It is probable that the future economic benefits (improved access to an ore body) associated with the stripping activity will flow to the entity;
- The entity can identify the component of an ore body for which access has been improved; and
- The costs relating to the improved access to that component can be measured reliably.

  The stripping activity asset is subsequently depreciated on a unit of production basis over the life of the identified component of the ore body that became more accessible as a result of the stripping activity and is then stated at cost less accumulated depreciation and any accumulated impairment loss, if any. The expenditure which cannot be specifically identified to have been incurred to access ore is charged to revenue based on stripping ratio as per the mining plan.

3.5 Leases

3.5.1 Determining whether an arrangement contains a lease

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfillment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

3.5.2 Company as lessor

- **<u>Finance Lease</u>**

  Leases which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item are classified and accounted for as finance lease. Lease rental receipts are apportioned between the finance income and capital repayment based on the implicit rate of return. Contingent rents are recognized as revenue in the period in which they are earned.

- **<u>Operating Lease</u>**

  Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease except where scheduled increase in rent compensates the Company with expected inflationary costs.

3.5.3 Company as Lessee

The Company's lease asset classes primarily comprise of lease for land and building. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. 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 and low value leases, the Company recognizes 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 Assets**

  The Company recognizes 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 loss, if any, and adjusted for any remeasurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognized, 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 underlying 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. The right of use assets are also subject to impairment. Refer to the accounting policies in section 'Impairment of Non-Financial Assets'.

➢ **Lease Liabilities**

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercized by the Company and payments of penalties for terminating the lease, If any.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company's lease liabilities are included in other current and non-current financial liabilities.

➢ **Short-term leases and leases of low-value assets**

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

"Lease liability" and "Right of Use Asset" have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

3.6 Revenue Recognition

Effective 1stApril, 2018, the Company has adopted Ind AS 115 "Revenue from Contracts with Customers" in respect of recognition of revenue from contracts with customers which provides a control-based revenue recognition model and a five step application approach for revenue recognition as under:

➢ Identification of the contract(s) with customers;

➢ Identification of the performance obligations;

➢ Determination of the transaction price;

➢ Allocation of the transaction price to the performance obligations;

➢ Recognition of the revenue when or as the Company satisfies performance obligation.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue excludes amounts collected on behalf of third parties.

3.6.1 Sale of Goods

Revenue from the sale of goods is recognized when the Company satisfies a performance obligation at a point in time by transferring the goods to customers, i.e., when customers obtain control of the goods. Revenue from the sale of goods is measured at fair value of the consideration received or receivable, net of returns and variable considerations i.e. discounts, rebates, sales claim etc.

3.6.2 Variable Consideration

If the consideration in a contract includes a variable amount, the Company estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to customer. The variable consideration is estimated at contract inception and constrained untilit is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

The Company provides volume rebates to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. The volume rebates/ cash discountgive rise to variable consideration. To estimate the variable consideration for the expected future rebates/ cash discount, the Company applies the most likely amount method for contracts with a single volume threshold and the expected value method for contracts with more than one volume threshold that best predicts the amount of variable consideration.

3.6.3 Interest Income

For all debt instruments measured either at amortized cost or at fair value through other comprehensive income (FVTOCI), interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

3.6.4 Dividend Income

Dividend Income from investments is recognized when the Company's right to receive payment has been established.

3.7 Employee Benefits

3.7.1 Short Term Benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employee's services up to the end of the reporting period.

3.7.2 Other Long Term Employee Benefits

The liabilities for earned leaves and sick leaves that are not expected to be settled wholly within twelve months are measured as the present value of the 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 government securities (G-Sec) rates at the end of the reporting period that have terms approximating to the terms of related obligation. Remeasurements as the result of experience adjustment and changes in actuarial assumptions are recognized in the Statement of Profit and Loss.

3.7.3 Post Employment Benefits

The Company operates the following post employment schemes:

➢ **Defined Benefit Plans**

The liability or asset recognized in the Balance Sheet in respect of defined benefit 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 Company's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

The liability recognized for defined benefit plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The benefits are discounted using the government securities (G-Sec) rates at the end of the reporting period that have terms approximating to the terms of related obligation.

Remeasurements of the net defined benefit obligation, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling, are recognized in other comprehensive income. Remeasurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the Statement of Profit and Loss.

➢ **Defined Contribution Plan**

Contributions to defined contribution plans such as provident fund contribution to government administered fund in respect of certain employees are charged to the Statement of Profit and Loss as and when incurred. Such benefits are classified as defined contribution plans as the Company does not carry any further obligations, apart from the contributions made on monthly basis.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Further in respect of other employees, provident fund contributions are made to various non government administered trusts. The interest rates payable to the members of the trust cannot not be lower than the statutory rate of interest notified by the government. The Company has an obligation to make good the shortfall in the interest amount, if any. In view of the Company's obligation to meet the shortfall, the same has been considered as the defined benefit plan.The expenses on account of provident fund maintained by the trusts are based on actuarial valuation using projected unit credit method.

3.7.4 Termination Benefit

Expenditure incurred on Voluntary Retirement Scheme is charged to the Statement of Profit and Loss immediately.

3.8 Government Grants

Government grants are recognized at their fair values when there is reasonable assurance that the grants will be received and the Company will comply with all the attached conditions. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. Grants related to purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to the Statement of Profit and Loss on a straight line basis over the expected useful life of the related asset and presented within other operating revenue or netted off against the related expenses.

3.9 Foreign Currency Transactions

➢ Foreign currency transactions are translated into the functional currency using the spot rates of exchanges at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchanges at the reporting date.

➢ Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities are generally recognized in the Statement of Profit and Loss in the year in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those qualifying assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings, the balance is presented in the Statement of Profit and Loss within finance costs.

➢ Non monetary items are not retranslated at period end and are measured at historical cost (translated using the exchange rate at the transaction date).

3.10 Borrowing Cost

➢ Borrowing Costs consists of interest and other costs that an entity incurs in connection with the borrowings of funds. Borrowing costs also includes exchange difference to the extent regarded as an adjustment to the borrowing costs.

➢ Borrowing costs directly attributable to the acquisition or construction of a qualifying asset are capitalized as a part of the cost of that asset that necessarily takes a substantial period of time to complete and prepare the asset for its intended use or sale. The Company considers a period of twelve months or more as a substantial period of time.

➢ Transaction costs in respect of long term borrowing are amortized over the tenure of respective loans using Effective Interest Rate (EIR) method. All other borrowing costs are recognized in the Statement of Profit and Loss in the period in which they are incurred.

3.11 Interest in Subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed and written down immediately to its recoverable amount. On disposal of investments in subsidiaries, the difference between net disposal proceeds and the carrying amounts are recognized in the Statement of Profit and Loss.

3.12 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

3.12.1 Financial Assets

➢ **Recognition and Initial Measurement:**

All financial assets are initially recognized when the Company becomes a party to the contractual provisions of the instruments. A financial asset is initially measured at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

➢ **Classification and Subsequent Measurement:**

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

- Measured at Amortized Cost;
- Measured at Fair Value Through Other Comprehensive Income (FVTOCI);
- Measured at Fair Value Through Profit or Loss (FVTPL); and
- Equity Instruments measured at Fair Value Through Other Comprehensive Income (FVTOCI).

  Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

- Measured at Amortized Cost: A debt instrument is measured at the amortized cost if both the following conditions are met:
  - ❑ The asset is held within a business model whose objective is achieved by both collecting 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 (SPPI) on the principal amount outstanding.

  After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

- Measured at FVTOCI: A debt instrument is measured at the FVTOCI if both the following conditions are met:
  - ❑ The objective of the business model is achieved by both collecting contractual cash flows and selling the financial assets; and
  - ❑ The asset's contractual cash flows represent SPPI.

    Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on remeasurement recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognized in the Statement of Profit and Loss in investment income.

- Measured at FVTPL: FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. In addition, the Company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

- Equity Instruments measured at FVTOCI: All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are, held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. In case the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the other comprehensive income. There is no recycling of the amounts from other comprehensive income to the Statement of Profit and Loss, even on sale of investment.

➢ **Derecognition**

The Company derecognizes a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

➢ **Impairment of Financial Assets**

The Company assesses at each date of Balance Sheet whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognizes lifetime expected credit losses for all contract assets and/ or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

3.12.2 Financial Liabilities

➢ **Recognition and Initial Measurement:**

Financial liabilities are classified, at initial recognition, as at fair value through profit or loss, loans and borrowings, payables or as derivatives, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

➢ **Subsequent Measurement:**

Financial liabilities are measured subsequently at amortized cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in the Statement of Profit and Loss. Other financial liabilities including borrowings and payables are subsequently measured at amortized cost using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognized in the Statement of Profit and Loss. Any gain or loss on derecognition is also recognized in the Statement of Profit and Loss.

➢ **Financial Guarantee Contracts:**

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirement of Ind AS 109 and the amount recognized less cumulative amortization.

➢ **Derecognition:**

A financial liability is derecognized 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 reported in the Balance Sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize 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 counter party.

3.12.3 Derivative financial instruments Hedge Accounting:

➢ The Company enters into derivative financial instruments viz. foreign exchange forward contracts, interest rate swaps and cross currency swaps to manage its exposure to interest rate and foreign exchange rate risks. The Company does not hold derivative financial instruments for speculative purposes.

➢ Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately except for the effective portion of cash flow hedges which is taken in the other comprehensive income (net of tax).

➢ The Company designates certain hedging instruments in respect of certain foreign currency risk and interest rate risk as cash flow hedges. The Cash flow hedge are initially recognized at fair value on the date when a derivative contract is entered into and are subsequently remeasured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Company designates certain derivatives as either:

- hedges of the fair value of recognized assets or liabilities or a firm commitment (fair value hedges); or
- hedges of a particular risk associated with the cash flows of recognized assets and liabilities and highly probable forecast transactions (cash flow hedges).

➢ The Company documents at the inception of the hedging transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Company also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items.

- ➢ The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.
- ➢ The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss.
- ➢ Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss.
- ➢ When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss.

3.13 Impairment of Non-Financial Assets

- ➢ The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful lives of the assets. For the purpose 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 of assets (Cash Generating Units - CGU).
- ➢ An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been an improvement in recoverable amount.

3.14 Provisions, Contingent Liabilities and Contingent Assets

3.14.1 Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

- ➢ **Restoration (including Mine closure), rehabilitation and decommissioning:**

  It includes the dismantling and demolition of infrastructure, the removal of residual materials and the remediation of disturbed areas for mines. This provision is based on all regulatory requirements and related estimated cost based on best available information. Restoration/ Rehabilitation/ Decommissioning costs are provided for in the accounting period when the obligation arises based on the net present value of the estimated future costs of restoration to be incurredand are reviewed at each Balance Sheet date.

- ➢ **Onerous Contracts:**

  Present obligations arising under onerous contracts are recognized and measured as provisions. An onerous contract is considered to exist when a contract under which the unavoidable costs of meeting the obligations exceed the economic benefits expected to be received from it.

3.14.2 Contingent Liabilities

Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events but is not recognized because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. The Company discloses the existence of contingent liabilities in Other Notes to financial statements.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

3.14.3 Contingent Assets

Contingent assets are not recognised in Financial Statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

3.15 Intangible Assets

3.15.1 Recognition and Measurement

3.15.1.1 Mining Rights

Mining Rights are initially recognized at cost and subsequently at cost less accumulated amortization and accumulated impairment loss, if any.

Acquisition Cost i.e., cost associated with acquisition of licenses, and rights to explore including related professional fees,payment towards statutory forestry clearances, as and when incurred, are treated as addition to the Mining Right.

3.15.1.2 Other Intangible Assets

Software which is not an integral part of related hardware, is treated as intangible asset and stated at cost on initial recognition and subsequently measured at cost less accumulated amortization and accumulatedimpairment loss, if any.

3.15.2 Subsequent Expenditure

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Company and the cost of the item can be measured reliably. All other expenditure is recognized in the Statement of Profit and Loss.

3.15.3 Amortization

- ➢ Mining Rights are amortized on the basis of annual production to the total estimated mineable reserves. In case the mining rights are not renewed, the balance related cost will be charged to revenue in the year of decision of non-renewal.
- ➢ Other Intangible assets are amortized over a period of three years.
- ➢ The amortization period and the amortization method are reviewed at least at the end of each financial year. If the expected useful life of the assets is significantly different from previous estimates, the amortization period is changed accordingly.

3.15.4 Intangible Assets under Development

Intangible Assets under development is stated at cost less accumulated impairment losses (if any).Cost includes expenses incurred in connection with development of Intangible Assets in so far as such expenses relate to the period prior to the getting the assets ready for use.

3.16 Investment properties

- ➢ Investment Property is property (comprising land or building or both) held to earn rental income or for capital appreciation or both, but not for sale in ordinary course of business, use in the production or supply of goods or services or for administrative purposes.
- ➢ Upon initial recognition, an investment property is measured at cost. Subsequently they are stated in the Balance Sheet at cost, less accumulated depreciation and accumulated impairment losses, if any.
- ➢ Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognized in the Statement of Profit and Loss.
- ➢ The depreciable investment property i.e., buildings, are depreciated on a straight line method at a rate determined based on the useful life as provided under Schedule II of the Act.
- ➢ Investment properties are derecognized either when they have been disposed of or no future economic benefit is expected from their disposal. The net difference between the net disposal proceeds and the carrying amount of the asset is recognized in the Statement of Profit and Loss in the period of derecognition.
- ➢ When the use of a property changes from investment property to owner-occupied (for Company's business purpose), the property is reclassified as Property, Plant & Equipment at its carrying amount on the date of reclassification.

3.17 Biological Assets other than Bearer Plants

Biological Assets other than Bearer Plants are recognized when the Company controls the asset as a result of past events and it is probable that future economic benefits associated with the asset will flow to the entity and the fair value or cost of the asset can be measured reliably. A Biological Asset other than Bearer Plants is measured on initial recognition and at the end of each reporting period at its fair value less cost to sell.

3.18 Non-current assets (or disposal groups) held for sale and discontinued operations

- ➢ Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of the carrying amount and the fair value less cost to sell.
- ➢ An impairment loss is recognized for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognized for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset (or disposal group) is recognized at the date of de-recognition.
- ➢ Non-current assets (including those that are part of a disposal group) are not depreciated or amortized while they are classified as held for sale. Non-current assets (or disposal group) classified as held for sale are presented separately in the Balance Sheet. Any profit or loss arising from the sale or remeasurement of discontinued operations is presented as part of a single line item in Statement of Profit and Loss.

3.19 Operating Segment

The identification of operating segment is consistent with performance assessment and resource allocation by the Chief Operating Decision Maker. An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses including revenues and expenses that relate to transactions with any of the other components of the Company and for which discrete financial information is available. Operating segments of the Company comprises three segments Cement, Jute and Others. All operating segments' operating results are reviewed regularly by the Chief Operating Decision Maker to make decisions about resources to be allocated to the segments and assess their performance.

3.20 Measurement of Fair Values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- ➢ In the principal market for the asset or liability, or
- ➢ In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the input that is significant to the fair value measurement as a whole:

- ➢ Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- ➢ Level 2 - Inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- ➢ Level 3 - Inputs which are unobservable inputs for the asset or liability.

External valuers are involved for valuation of significant assets and liabilities. Involvement of external valuers is decided by the management of the Company considering the requirements of Ind AS and selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

NOTES TO STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

3.21 Standard Issued/amended but not yet effective

There is no standard that is issued but not yet effective on 31st March, 2021.

4. Significant Judgements and Key sources of Estimation in applying Accounting Policies

Information about Significant judgements and Key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

- **Recognition of Deferred Tax Assets:** The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Company's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.
- **Useful lives of depreciable/ amortisable assets (tangible and intangible):** Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to actual normal wear and tear that may change the utility of plant and equipment.
- **Leases**: The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).
- **Defined Benefit Obligation (DBO):** Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.
- **Restoration (including Mine closure), rehabilitation and decommissioning:** Estimation of restoration/ rehabilitation/ decommissioning costs requires interpretation of scientific and legal data, in addition to assumptions about probability of future costs.
- **Provisions and Contingencies:** The assessments undertaken in recognising provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.
- **Impairment of Financial Assets:** The Company reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is indication of impairment. If recoverable amount is less than its carrying amount, the impairment loss is accounted for.
- **Allowances for Doubtful Debts:** The Company makes allowances for doubtful debts through appropriate estimations of irrecoverable amount. The identification of doubtful debts requires use of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.
- **Fair value measurement of financial Instruments:** When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The input to these models are taken from observable markets where possible, but where this not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.
- **Revenue Recognition:** The Company's contracts with customers include promises to transfer goods to the customers. Judgement is required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as discounts, rebates,etc. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.Estimates of discounts and rebates are sensitive to changes in circumstances and the Company's past experience regarding returns, discount and rebate entitlements and may not be representative of customers' actual returns, discount and rebate entitlements in the future.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

5 PROPERTY, PLANT AND EQUIPMENT

(₹ in Crores)

Particulars	Year Ended 31st March, 2021															
	Gross Carrying Amount								Accumulated Depreciation							Net Carrying Amount
	As at 1st April, 2020	Transfer from Investment Property (Refer Note No. 6.1)	Transition impact on adoption of Ind AS 116 "Leases"	Additions	Transfer	Disposals	Other Adjust-ments	**As at 31st March, 2021**	As at 1st April, 2020	Transfer from Investment Property (Refer Note No. 6.1)	Charged during the year	Transfer	Deductions	Other Adjust-ments	**As at 31st March, 2021**	**As at 31st March, 2021**
Freehold Land (Refer Note No. 5.1 to 5.2)	1,161.33	–	–	4.92	–	–	–	1,166.25	–	–	–	–	–	–	–	1,166.25
Sub–Total	**1,161.33**	**–**	**–**	**4.92**	**–**	**–**	**–**	**1,166.25**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**1,166.25**
Buildings (Refer Note No. 5.1)	230.99	0.04	–	8.06	–	0.01	(0.01)	239.07	40.11	0.01	9.10	–	0.00	–	49.22	189.85
Plant and Machinery (Refer Note No. 5.4)	2,291.19	–	–	113.10	–	1.38	(0.10)	2,402.81	645.76	–	135.11	–	0.95	–	779.92	1,622.89
Furniture and Fittings	8.13	–	–	1.43	–	0.01	0.02	9.57	3.93	–	0.88	–	0.01	–	4.80	4.77
Vehicles	23.45	–	–	0.64	–	0.20	–	23.89	10.42	–	2.49	–	0.15	–	12.76	11.13
Office Equipments	25.88	–	–	3.34	–	0.04	0.09	29.27	15.59	–	3.40	–	0.03	–	18.96	10.31
Railway Sidings	14.90	–	–	–	–	–	–	14.90	5.09	–	1.18	–	–	–	6.27	8.63
Right of Use Assets (Refer Note No. 45)																
– Leasehold Land	9.33	–	–	–	–	–	–	9.33	0.31	–	0.31	–	–	–	0.62	8.71
– Plant and Machinery	–	–	–	27.97	–	–	–	27.97	–	–	0.16	–	–	–	0.16	27.81
Total	**3,765.20**	**0.04**	**–**	**159.46**	**–**	**1.64**	**–**	**3,923.06**	**721.21**	**0.01**	**152.63**	**–**	**1.14**	**–**	**872.71**	**3,050.35**
Capital Work–In–Progress	**146.99**	**–**	**–**	**179.60**	**136.63**	**3.00**	**2.91**	**189.87**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**189.87**

Particulars	Year Ended 31st March, 2020															
	Gross Carrying Amount								Accumulated Depreciation							Net Carrying Amount
	As at 1st April, 2019	Transfer from Investment Property (Refer Note No. 6.1)	Transition impact on adoption of Ind AS 116 "Leases"	Additions	Transfer	Disposals	Other Adjust-ments	As at 31st March, 2020	As at 1st April, 2019	Transfer from Investment Property (Refer Note No. 6.1)	Charged during the year	Transfer	Deductions	Other Adjust-ments	As at 31st March, 2020	As at 31st March, 2020
Leasehold Land	0.57	(0.57)	–	–	–	–	–	–	0.04	(0.04)	–	–	–	–	–	–
Freehold Land (Refer Note No. 5.1 to 5.2)	1,156.05	–	–	5.28	–	–	–	1,161.33	–	–	–	–	–	–	–	1,161.33
Sub–Total	**1,156.62**	**(0.57)**	**–**	**5.28**	**–**	**–**	**–**	**1,161.33**	**0.04**	**(0.04)**	**–**	**–**	**–**	**–**	**–**	**1,161.33**
Buildings (Refer Note No. 5.1)	223.93	–	–	7.06	–	–	–	230.99	31.44	–	8.67	–	–	–	40.11	190.88
Plant and Machinery (Refer Note No. 5.4)	2,208.62	–	–	88.90	–	4.24	(2.09)	2,291.19	522.17	–	127.54	–	3.34	(0.61)	645.76	1,645.43
Furniture and Fittings	7.58	–	–	0.56	–	0.01	–	8.13	3.10	–	0.84	–	0.01	–	3.93	4.20
Vehicles	21.39	–	–	2.70	–	0.64	–	23.45	8.51	–	2.49	–	0.58	–	10.42	13.03
Office Equipments	22.88	–	–	3.13	–	0.13	–	25.88	12.39	–	3.31	–	0.11	–	15.59	10.29
Railway Sidings	14.90	–	–	–	–	–	–	14.90	3.90	–	1.19	–	–	–	5.09	9.81
Right of Use Assets (Refer Note No. 45)																
– Leasehold Land	–	0.53	8.80	–	–	–	–	9.33	–	–	0.31	–	–	–	0.31	9.02
Total	**3,655.92**	**(0.04)**	**8.80**	**107.63**	**–**	**5.02**	**(2.09)**	**3,765.20**	**581.55**	**(0.04)**	**144.35**	**–**	**4.04**	**(0.61)**	**721.21**	**3,043.99**
Capital Work–In–Progress	**54.99**	**–**	**–**	**137.99**	**46.06**	**–**	**0.07**	**146.99**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**146.99**

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

Notes:

5.1 Gross Carrying Amount includes ₹ 1.59 Crores (Previous Year ₹ 1.59 Crores) in Land and ₹ 7.00 Crores (Previous Year ₹ 7.00 Crores) in Building under Co-ownership basis and also ₹ 0.00 Crore (Previous Year ₹ 0.00 Crore) being value of investments in Shares of a Private Limited Company.

5.2 In the financial year 2017-18, the Company had adopted revaluation model for one class of assets i.e. Freehold Land and accordingly freehold land was revalued (as on 1st April, 2017) on the basis of valuation report made by independent valuers. Carrying amount as on 1st April, 2020 includes revaluation surplus of ₹ 1,054.56 Crores. In the opinion of the management, as there is no significant change in the fair value indicators, no fair valuation is done as on 31st March, 2021.

The fair valuation was based on current prices in the active market for similar properties. The main inputs used were quantum, area, location, demand, restrictive entry to the land. This valuation was based on valuations performed by accredited independent valuers. Fair valuation was based on depreciated open market price method. The fair value measurement was categorized in level 2/ level 3 fair value hierarchy.

5.3 Other Adjustments also include finance costs capitalized during the year on the qualifying assets as required by IND AS 23 Borrowing Costs amounting to ₹ 2.91 Crore (Previous Year ₹ 0.07 Crores), (Refer Note No. 35).

5.4 Other Adjustments related to Plant & Machinery represents Gross carrying Amount of ₹ Nil (Previous Year ₹ 2.09 Crores) and Accumulated Depreciation thereon of ₹ Nil (Previous Year ₹ 0.61 Crore) related to the assets transfer to "Non-Current Assets classified as Held for Sale", (Refer Note No. 19).

5.5 During the previous year the net block of Leasehold Land of ₹ 0.53 Crore (Gross Block of ₹ 0.57 Crore and Accumulated Depreciation of ₹ 0.04 Crore) has been reclassified to "Right of Use Assets" on account of adoption of Ind AS 116 "Leases".

5.6 Right of Use Assets :-

(a) "Leasehold Land" represents land obtained on long term lease from various Government and other authorities.

(b) "Plant & Machinery" represents machinery recognized as per long term power purchase agreement in accordance with the principles of IND AS 116 "Leases". (Refer Note No. 59)

5.7 Refer Note No. 42 for disclosure of contractual commitments for the acquisition of Property, Plant and Equipment.

5.8 Refer Note No. 43 for information on property, plant and equipment pledged as securities by the Company.

6 INVESTMENT PROPERTY

(₹ in Crores)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Gross Carrying Amount		
Opening Gross Carrying Amount	0.19	0.19
Additions	–	–
Transferred to Property, Plant & Equipment (Refer Note No. 6.1)	(0.04)	–
Disposals	–	–
Other Adjustments	–	–
Closing Gross Carrying Amount	**0.15**	**0.19**
Accumulated Depreciation		
Opening Accumulated Depreciation	0.03	0.02
Depreciation charged during the year	0.00	0.01
Transferred to Property, Plant & Equipment (Refer Note No. 6.1)	(0.01)	–
Closing Accumulated Depreciation	**0.02**	**0.03**
Net Carrying Amount	**0.13**	**0.16**

6.1 During the year, certain portion of an Investment Property is started to be used by the Company for its normal business purpose. Hence, this portion of Building is transferred from Investment Property to Property, Plant and Equipment.

6.2 The fair value of the Company's Investment Properties as at 31st March, 2021 (after excluding proportionate portion transferred to Property, Plant & Equipment) and 31st March, 2020 are ₹ 15.74 Crores and ₹ 25.09 Crores respectively. The fair value has been arrived on the basis of valuation performed by independent valuers, who are specialist in valuing these types of Investment Properties, having appropriate qualifications and recent experience in the valuation of properties in relevant locations.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

6.3 The fair valuation is based on current prices in the active market for similar properties and rental income of similar type of property in the same locality. The main inputs used are quantum, area, location, demand, restrictive entry to the land and building, age of the building and trend of fair market rent in the locality. This valuation is based on valuations performed by accredited independent valuers. Fair valuation is based on depreciated open market price method and rental method. The fair value measurement is categorized in level 3 fair value hierarchy.

6.4 The amounts recognized in Statement of Profit and Loss in relation to the Investment Properties:

Particulars	For the Year ended 31st March, 2021	For the Year ended 31st March, 2020
Rental Income	0.10	0.11
Direct Operating Expenses in relation to		
- Properties generating rental income	0.31	0.32

6.5 The Company has no restriction on the realisability of it's Investment Properties or the remittance of income and proceeds of disposal. There is no contractual obligations to purchase, construct or develop Investment Property or for repairs, maintenance or enhancements.

7 INTANGIBLE ASSETS

(₹ in Crores)

Particulars	Year Ended 31st March, 2021										
	Gross Carrying Amount					Accumulated Amortisation					Net Carrying Amount
	As at 1st April, 2020	Additions	Disposals/ Transfer	Other Adjustments	As at 31st March, 2021	As at 1st April, 2020	Charged during the year	Deductions	Other Adjustments	As at 31st March, 2021	As at 31st March, 2021
Computer Software	7.08	1.80	–	–	8.88	4.46	1.55	–	–	6.01	2.87
Mining Rights (includes site preparation)	27.34	12.30	–	–	39.64	8.90	6.64	–	–	15.54	24.10
Total	**34.42**	**14.10**	**–**	**–**	**48.52**	**13.36**	**8.19**	**–**	**–**	**21.55**	**26.97**
Intangible Assets under Development	**1.92**	**13.55**	**14.10**	**–**	**1.37**	**–**	**–**	**–**	**–**	**–**	**1.37**

Particulars	Year Ended 31st March, 2020										
	Gross Carrying Amount					Accumulated Amortisation					Net Carrying Amount
	As at 1st April, 2019	Additions	Disposals/ Transfer	Other Adjustments	As at 31st March, 2020	As at 1st April, 2019	Charged during the year	Deductions	Other Adjustments	As at 31st March, 2020	As at 31st March, 2020
Computer Software	6.49	0.59	–	–	7.08	2.96	1.50	–	–	4.46	2.62
Mining Rights (includes site preparation)	11.92	15.42	–	–	27.34	3.58	5.32	–	–	8.90	18.44
Total	**18.41**	**16.01**	**–**	**–**	**34.42**	**6.54**	**6.82**	**–**	**–**	**13.36**	**21.06**
Intangible Assets under Development	**2.11**	**15.82**	**16.01**	**–**	**1.92**	**–**	**–**	**–**	**–**	**–**	**1.92**

7.1 Refer Note No. 42 for disclosure of contractual commitments for the acquisition of Intangible Assets.

7.2 Refer Note No. 43 for information on Intangible Assets pledged as securities by the Company.

8 BIOLOGICAL ASSETS OTHER THAN BEARER PLANTS

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Opening Balance	0.82	0.87
Additions/ Acquisitions	0.05	–
Disposals	0.01	0.01
Fair Value Adjustments	(0.02)	(0.04)
Closing Balance	**0.84**	**0.82**

8.1 The Company owns Bearer Biological Assets i.e., livestock from which milk is produced. The livestock is maintained by the Company at Satna and Birlapur. The milk produced from the live stock are internally consumed and not sold commercially.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

9. INVESTMENT IN SUBSIDIARIES (₹ in Crores)

Particulars	Refer Note No.	Face Value of ₹ 10 each unless otherwise stated	As at 31st March, 2021		As at 31st March, 2020	
			Qty.	Amount	Qty.	Amount
EQUITY INVESTMENTS VALUED AT COST						
UNQUOTED (FULLY PAID UP)						
Investment In Subsidiaries						
Birla Corporation Cement Mfg PLC	9.1	1,000 Birr	1,699	0.45	1,699	0.45
Less: Impairment				0.45		0.45
Net				–		–
Lok Cements Ltd.	9.2	10	12,50,700	1.26	10,00,700	1.01
Less: Impairment	9.3			1.01		–
Net				0.25		1.01
RCCPL Private Ltd.		10	31,28,22,900	2,272.26	31,28,22,900	2,272.26
Talavadi Cements Ltd.		10	58,80,400	5.88	58,80,400	5.88
Budge Budge Floor Coverings Ltd.		10	40,00,000	2.00	40,00,000	2.00
Birla Cement (Assam) Ltd.		10	50,000	0.05	50,000	0.05
Birla Jute Supply Co. Ltd.		10	6,000	0.03	6,000	0.03
MP Birla Group Services Pvt. Ltd.		10	20,000	0.02	20,000	0.02
TOTAL				**2,280.49**		**2,281.25**
Aggregate amount of Unquoted Investments				**2,281.95**		**2,281.70**
Aggregate amount of impairment in value of Investments				**1.46**		**0.45**

9.1 The Company stands liquidiated as per Ethiopian Laws. However, distribution (repatriation) of the available money after satisfaction of liabilities still remains and hence shown in accounts.

9.2 During the year, the Company subscribed for the Rights Issue of equity share aggregating to 250,000 @ ₹ 10 per share.

9.3 Due to diminution in the value of net assets of the investment company, a provision of ₹ 1.01 Crores has been made.

10. NON-CURRENT INVESTMENTS (₹ in Crores)

	Particulars	Refer Note No.	Face Value	As at 31st March, 2021		As at 31st March, 2020	
				Qty.	Amount	Qty.	Amount
A	**DEBT INSTRUMENTS AT AMORTISED COST**						
	UNQUOTED						
	National Savings Certificate	10.1	7500	–	–	1	0.00
	Sub Total				–		**0.00**
	TOTAL (A)				–		**0.00**

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

	Particulars	Refer Note No.	Face Value	As at 31st March, 2021		As at 31st March, 2020	
				Qty.	Amount	Qty.	Amount
B	**INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME**						
	EQUITY INSTRUMENTS (FULLY PAID UP)						
	QUOTED						
	Century Textiles & Industries Ltd.		10	18,07,660	84.06	18,07,660	53.52
	Birla Cables Ltd.		10	53,88,515	32.49	53,88,515	17.51
	Universal Cables Ltd.		10	8,00,157	10.91	8,00,157	6.73
	Hindustan Media Ventures Ltd.		10	4,440	0.03	4,440	0.02
	Rameshwara Jute Mills Ltd.	10.2	10	19,133	0.01	19,133	0.01
	Vindhya Telelinks Ltd.		10	100	0.01	100	0.00
	Birla Precision Technologies Ltd.		2	2,121	0.00	2,121	0.00
	Zenith Steel Pipes and Industries Ltd (Previously known as Zenith Birla (I) Ltd)		10	6,362	0.00	6,362	0.00
	UltraTech Cement Ltd.	10.3	10	2,25,957	152.25	2,25,957	73.32
	Sub Total				**279.76**		**151.11**
	UNQUOTED	10.2					
	Birla Buildings Ltd.		10	24,000	0.02	24,000	0.02
	Neosym Industry Limited		10	52,000	0.01	52,000	0.01
	Lotus Court Ltd.		10	1	0.01	1	0.01
	Industry House Ltd.		10	600	0.01	600	0.01
	Eastern Economist Ltd.		10	400	0.01	400	0.01
	Woodlands Multispeciality Hospital Ltd.		10	520	0.00	520	0.00
	Twin Star Venus Co–Operative Society Housing Society Ltd.		10	10	0.00	10	0.00
	Elgin Mills Co. Ltd.		10	2,250	0.00	2,250	0.00
	Bally Jute Mills Employees Consumers' Co–operative Stores Limited		10	250	0.00	250	0.00
	Gangangiri Park Co–Operative Society Housing Society Ltd.		10	15	0.00	15	0.00
	Craig Jute Mills Ltd.		3	50	0.00	50	0.00
	Sub Total				**0.06**		**0.06**
	Investment in Quoted Government Securities						
	8.97% GOI 2030	10.4	100	1,00,000	1.21	1,00,000	1.19
	Sub Total				**1.21**		**1.19**
	Investments In Quoted Bonds						
	9.70% IFCI Ltd. 2030		10,00,000	63	6.54	63	6.25
	9.55% IFCI Ltd. 2025		10,00,000	13	1.41	13	1.39
	Sub Total				**7.95**		**7.64**
	TOTAL (B)				**288.98**		**160.00**
C	**INVESTMENTS AT FAIR VALUE THROUGH PROFIT AND LOSS**						
	Investment In Preference Shares – Unquoted (Fully paid up)						
	RCCPL Private Ltd. – 10% Redemable Cumulative Preference Shares	10.5	100	–	–	1,00,00,000	122.50
	Elgin Mills Co. Ltd. – 5% Preference Shares	10.2	10	100	0.00	100	0.00
	Sub Total				**0.00**		**122.50**
	TOTAL (C)				**0.00**		**122.50**
	TOTAL NON–CURRENT INVESTMENTS				**288.98**		**282.50**
	Aggregate Book Vaue of Quoted Investments				**288.92**		**159.94**
	Aggregate Fair Value of Quoted Investments				**288.92**		**159.94**
	Aggregate amount of Unquoted Investments				**0.06**		**122.56**
	Aggregate amount of Impairment in value of Investments				–		–

Notes:

10.1 Deposited with Government Department as Security.

10.2 Fair valuation not carried out as amounts are not significant.

10.3 In terms of the Scheme of Demerger of the Cement Divison of Century Textiles & Industries Ltd and acquisition by UltaTech Cement Limited, the Company had received in the previous year 2,25,957 equity shares of ₹ 10/- each of Ultratech Cement Limited without any consideration in ratio of 1:8 for its holding in Century Textiles & Industries Ltd.

10.4 Lien marked in favour of Clearing Corporation of India Limited.

10.5 Since the investment is due for redemption in next financial year, classified as current investments (Refer Note No. 15).

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

11 LOANS (₹ in Crores)

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
Loans & Advances to Related Parties	11.1, 11.2 & 11.3				
Loan Receivables		–	–	0.07	0.07
Less: Provision for Doubtful Receivables		–	–	0.07	0.07
		–	–	–	–
Loans & Advances to Others	11.1, 11.2 & 11.3				
Loan Receivables		0.29	0.46	1.24	1.11
Less: Provision for Doubtful Receivables		–	–	0.00	0.00
		0.29	0.46	1.24	1.11
Total		**0.29**	**0.46**	**1.24**	**1.11**
11.1 Break Up of Loans					
Loan Receivables considered good – Secured		–	–	–	–
Loan Receivables considered good – Unsecured		0.29	0.46	1.24	1.11
Loan Receivables which have significant increase in Credit Risk		–	–	0.07	0.07
Loan Receivables – Credit Impaired		–	–	–	–
		0.29	0.46	1.31	1.18
Less: Provision for Doubtful Receivables		–	–	0.07	0.07
		0.29	**0.46**	**1.24**	**1.11**

11.2 No Loans are due from directors or other officers of the Company either severally or jointly with any other person. Nor any Loan due from firms or private companies respectively in which any director is a partner, a director or a member except as disclosed in Note No. 11.3 given below.

11.3 Details of loans and advances to related parties as required by Sec. 186 of the Companies Act, 2013 read with SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015:

	Particulars	Refer Note No.	Balance Outstanding		Maximum amount Outstanding	
			As at		For the year ended	
			31st March, 2021	31st March, 2020	31st March, 2021	31st March, 2020
i.	**Subsidiary Companies**					
	Lok Cements Ltd.	(ii)(a) & (d)	–	–	0.00	2.75
	Birla Corporation Cement Manufacturing PLC	(ii)(a) & (c)	–	–	0.07	0.07
	Talavadi Cements Ltd.	(ii)(b)	–	–	0.13	0.20
	Birla Jute Supply Co. Ltd.	(ii)(b)	–	–	0.00	0.00
	Budge Budge Floorcovering Ltd.	(ii)(b)	–	–	0.01	0.00
	Birla Cement (Assam) Ltd.	(ii)(b)	–	–	0.00	0.00
	M. P. Birla Group Services Pvt. Ltd.	(ii)(b)	–	–	0.00	0.00
ii.	**Purpose for which the advance was provided**					
	a. Advance given for implementation of Project					
	b. Advance given for working capital needs					
	c. Net of Provision for Doubtful Receivables					
	d. Company had written off Loan Balance outstanding as on 31st March, 2020 of ₹ 2.75 Crores.					
iii.	**For Guarantee refer Note No. 40.3 and for Investments refer Note No. 9, 10, 15 & 59.**					

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

12 OTHER FINANCIAL ASSETS

(₹ in Crores)

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
Security Deposits					
Unsecured, considered good	59	27.00	26.46	8.61	8.61
		27.00	26.46	8.61	8.61
Incentive and Subsidy Receivable		138.58	–	40.67	190.94
Less : Provision for Expected Credit Loss	54.1.2	33.61	–	0.45	1.44
		104.97	–	40.22	189.50
Other Deposits, Advances and Claims Recoverable					
Unsecured, considered good	12.1	12.24	1.64	23.62	5.59
Unsecured, considered doubtful		–	–	2.01	2.01
		12.24	1.64	25.63	7.60
Less: Provision for Doubtful Advances		–	–	2.01	2.01
		12.24	1.64	23.62	5.59
Deposits with Bank having maturity of more than one year from the balance sheet date	12.2	0.63	0.03	–	–
Fixed Deposit with Others		–	–	156.00	120.00
Interest Accrued on Deposits		0.03	0.00	4.27	5.57
Derivative Contracts (Net)		–	–	0.26	5.49
Amount Paid Under Protest		2.37	2.37	–	–
Others		–	–	0.01	0.01
		3.03	2.40	160.54	131.07
Total		**147.24**	**30.50**	**232.99**	**334.77**

12.1 No other receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

12.2 Represents deposits marked lien in favour of Govt. Authorities.

13 OTHER ASSETS

(₹ in Crores)

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
Advance against supply of Goods and Services		–	–	164.79	137.34
Less : Provision for Doubtful Advances		–	–	0.04	0.04
		–	–	164.75	137.30
Capital Advances	59	20.60	28.28	–	–
Prepaid Expenses		0.98	2.27	3.76	2.51
Amount Paid Under Protest		61.47	63.79	–	–
Balances with Government & Statutory Authorities		0.29	0.29	17.11	21.16
Security Deposits					
Unsecured considered good		1.85	1.85	0.45	0.45
Other Advances		0.58	0.57	4.05	2.64
(Including Balance with Gratuity Fund)					
Total		**85.77**	**97.05**	**190.12**	**164.06**

No other receivables are due from directors or other officers of the Company either severally or jointly with any other person. No other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member except ₹ 1.32 Crores (Previous Year ₹0.01 Crore) are receivables from a private company in which a director of the Company is director.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

14 INVENTORIES

(₹ in Crores)

Particulars	Refer Note No.	As at 31st March, 2021	As at 31st March, 2020
(As valued and certified by the Management)	3.1		
Raw Materials	14.1	110.90	100.63
Work-In-Progress	14.1	87.44	60.74
Finished Goods	14.1	82.53	145.04
Stock-In-Trade		0.92	0.93
Stores and Spares	14.1	164.66	164.41
Fuels		138.85	105.61
Packing Materials		10.80	6.28
		596.10	583.64
Less: Provision on Non-Moving Stores and Spares		4.54	-
Total		**591.56**	**583.64**

14.1 The above includes goods-in-transit as under:			
Raw Materials		1.68	0.12
Work-In-Progress		0.12	0.55
Finished Goods		7.78	6.26
Stores and Spares		0.95	0.30
Total		**10.53**	**7.23**

14.2 Amount of write down of inventories carried at net realisable value and recognised as expense: Nil (Previous Year ₹ 0.23 Crore).

14.3 Refer Note No. 43 for information on amount of inventories pledged as securities by the Company.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

15. CURRENT INVESTMENTS

(₹ in Crores)

	Particulars	Refer Note No.	Face Value	As at 31st March, 2021		As at 31st March, 2020	
				Qty.	Amount	Qty.	Amount
A	**INVESTMENT AT FAIR VALUE THROUGH PROFIT OR LOSS**						
	Investments in Mutual Funds						
	UNQUOTED						
	Axis Liquid Fund - Direct Growth			-	-	58,262	12.84
	Axis Treasury Advantage Fund - Direct Growth			-	-	1,67,736	39.00
	Axis Short Term Fund- Direct Plan -Growth			-	-	21,50,898	5.03
	Axis Money Market Fund Direct Growth			45,178	5.00	-	-
	Axis Ultra Short Term Fund Direct Growth			92,34,001	11.05	-	-
	Baroda Banking and PSU Bond Fund -Direct Plan Growth			19,99,900	2.00	-	-
	Baroda Liquid Fund -Plan B Growth			33,783	8.00	43,869	10.04
	DSP Liquidity Fund - Direct Plan- Growth			-	-	66,768	18.97
	DSP Low Duration Fund- Direct Plan -Growth			-	-	1,83,17,379	27.30
	DSP Savings Fund- Direct Plan- Growth			11,89,309	5.01	-	-
	HSBC Corporate Bond Fund Direct Growth			9,99,950	1.02	-	-
	HSBC Ultra Short Duration Fund Direct Growth			-	-	50,000	5.05
	HDFC Short Term Debt Fund -Direct Plan-Growth Option			-	-	43,84,273	10.04
	HDFC Floating Rate Debt Fund- Direct Plan- Growth Option			-	-	60,96,981	21.57
	HDFC Ultra Short Term Fund -Direct Growth			-	-	7,61,60,143	85.75
	IDFC Ultra Short Term Fund Direct Plan -Growth			7,45,05,438	89.19	6,58,69,212	75.13
	IDFC Low Duration Fund - Growth- (Direct Plan)			-	-	66,66,760	19.26
	IDFC Corporate Bond Fund Direct Plan -Growth			-	-	1,50,37,795	21.00
	IDFC Floating Rate Fund Direct Plan-Growth			99,99,500	10.04	-	-
	IDFC Money Manager Fund Growth- (Direct Plan)			39,04,110	13.14	-	-
	ICICI Prudential Savings Fund - Direct Plan- Growth			-	-	4,60,284	17.97
	Invesco India Money Market Fund- Direct Plan Growth			41,014	10.03	-	-
	Invesco India Treasury Advantage Fund- Direct Plan Growth			-	-	60,004	17.17
	Invesco India Ultra Short term Fund -Direct Plan Growth			10,655	2.36	-	-
	Kotak Liquid Fund Direct Plan Growth			12,030	5.00	-	-
	Kotak Money Market Fund -Direct Plan- Growth (Erstwhile Kotak Floater ST)			57,512	20.04	-	-
	Kotak Savings Fund - Direct Plan - Growth			1,05,62,382	36.63	1,05,62,382	34.70
	LIC MF Liquid Fund -Direct Plan- Growth			-	-	15,185	5.47
	LIC MF Savings Fund -Direct Plan- Growth			15,09,828	5.00	-	-
	L & T Short Term Bond Fund Direct Plan- Growth			-	-	61,29,465	12.34
	L & T Money Market Fund Direct Plan- Growth			46,72,947	10.03	-	-
	L & T Ultra Short Term Fund Direct Plan- Growth			1,15,26,884	40.45	1,15,26,884	38.53
	Nippon India Liquid Fund - Direct Plan Growth Plan -Growth Option			14,417	7.26	-	-
	Nippon India Money Market Fund -Direct Growth Plan Growth Option			65,430	21.07	1,09,710	33.49
	Sundaram Money Fund -Direct Growth			-	-	38,80,150	16.25
	SBI Liquid Fund Direct Growth			-	-	58,943	18.33
	SBI Magnum Low Duration Fund Direct - Growth	15.1		1,03,038	28.81	1,03,038	27.10
	SBI Savings Fund -Direct Plan- Growth			70,10,551	23.97	-	-
	Tata Money Market Fund Direct Plan -Growth			57,896	21.25	29,207	10.12
	UTI Treasury Advantage Fund- Direct Growth Plan Growth			30,971	8.19	-	-
	Sub Total				**384.54**		**582.45**
	Investment In Preference Shares - Unquoted (Fully paid up)						
	RCCPL Private Ltd. - 10% Redemable Cumulative Preference Shares	10.5	100	1,00,00,000	139.75	-	-
	Sub Total				**139.75**		**-**
	TOTAL CURRENT INVESTMENTS				**524.29**		**582.45**
	Aggregate Book value of Quoted Investments				**-**		-
	Aggregate Fair Value of Quoted Investments				**-**		-
	Aggregate amount of Unquoted Investments				**524.29**		582.45
	Aggregate amount of impariment in value of investments				**-**		-

Notes:

15.1 Out of the same 45,930 units (Previous Year: 45,930 units) are held as margin in favour of State Bank of India against bank guarantee.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

16 TRADE RECEIVABLES (₹ in Crores)

Particulars	Refer Note No.	As at 31st March, 2021	As at 31st March, 2020
Trade Receivables	16.1 & 16.2	207.45	190.22
Less: Provision for Doubtful Receivables		10.78	10.90
Total		**196.67**	**179.32**
Break Up of Trade Receivables			
Trade Receivables considered good - Secured		106.53	103.24
Trade Receivables considered good - Unsecured		90.14	76.08
Trade Receivables which have significant increase in Credit Risk		10.78	10.90
Trade Receivables-Credit Impaired		–	–
Total		**207.45**	**190.22**
Less: Provision for Doubtful Receivables		10.78	10.90
Total		**196.67**	**179.32**

16.1 Trade receivables are non-interest bearing and are generally on terms of 0 to 90 days. Refer Note No. 43 for information on amount of trade receivables pledged as securities by the Company.

16.2 No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member, except ₹ 12.34 Crores (Previous year ₹ 7.64 Crores) are receivables from a private company in which directors of the Company are directors.

17 CASH AND CASH EQUIVALENTS

Particulars	Refer Note No.	As at 31st March, 2021	As at 31st March, 2020
Balances with Banks :			
In Current/ Cash Credit Account		20.70	37.66
In Deposit Accounts with Original Maturity of less than three months		14.93	–
Cheques/ Drafts on Hand		0.41	0.09
Cash on Hand		0.12	0.14
Total		**36.16**	**37.89**

18 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Balance in Unpaid Dividend Account		1.44	1.26
Other Fixed Deposit with Banks	18.1	83.99	50.49
Total		**85.43**	**51.75**

18.1 Includes deposits marked lien in favour of Govt. Authorities and Banks.		2.54	0.49

19 NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

Plant & Machinery	19.1	1.42	1.49
Total		**1.42**	**1.49**

19.1 Plant & Machinery related to:

Unit Birla Carbide & Gases: Suspension of operations was declared of the Company's unit Birla Carbide & Gases, Birlapur, West Bengal w.e.f. 29th October, 2001. Subsequently, closure of the Unit was declared w.e.f. 31st January, 2005. A resolution was passed by Board of Directors of the Company on 4th November, 2015 for disposal of assets of the Unit. All Plant & Machineries, except some insignificant portion thereof, were disposed off till March, 2020 and it was expected that the sale for the remaining portion completed by March, 2021. However, due to Covid 19 Pandemic the disposal could not take place and now the Company expects to carry out the same by March, 2022. The assets of the unit comprising remaining Plant & Machineries are presented within total assets of the "Unallocated Corporate Assets" under Segment Reporting.

Unit Auto Trim Division: Suspension of operations was declared of the Company's unit Auto Trim Division at Birlapur, West Bengal w.e.f. 18th February, 2014. There have been no operations at Gurgaon plant, Haryana and at Chakan plant, Maharastra since November, 2007 and August, 2007 respectively. All Plant & Machineries, except some Machineries were transferred to other units of the Company till April, 2019. A resolution was passed by Board of Directors of the Company on 3rd May, 2019 for disposal of remaining assets of the Unit. It was expected that the sale of the

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

assets completed by March, 2021. However, due to Covid 19 Pandemic the disposal could not take place and now the Company expects to carry out the same by March, 2022. The assets of the unit comprising remaining Plant & Machineries are presented within total assets of the "Others Segment Assets" under Segment Reporting."

Non recurring fair value measurements

The fair value of the Plant & Machineries, classified as held for sale, was determined using the sales comparison approach. This is level 2 measurement as per the fair value hierarchy set out in accounting policies related to fair value measurement. The key inputs under this approach are price of the similar Plant & Machineries at the same location, condition and age.

20 EQUITY SHARE CAPITAL (₹ in Crores)

	Particulars	As at 31st March, 2021		As at 31st March, 2020	
		No. of Shares	Amount	No. of Shares	Amount
20.1	**Authorised Share Capital**				
	Ordinary Shares of ₹ 10/- each	9,00,00,000	90.00	9,00,00,000	90.00
	Preference Shares of ₹ 100/- each	10,00,000	10.00	10,00,000	10.00
	Total	**9,10,00,000**	**100.00**	**9,10,00,000**	**100.00**
20.2	**Issued Share Capital**				
	Ordinary Shares of ₹ 10/- each	7,70,13,416	77.01	7,70,13,416	77.01
	Total	**7,70,13,416**	**77.01**	**7,70,13,416**	**77.01**
20.3	**Subscribed and Paid-up Share Capital**				
	Ordinary Shares of ₹10/- each fully paid-up	7,70,05,347	77.01	7,70,05,347	77.01
	Add: Forfeited Ordinary Shares (Amount originally paid-up)	-	0.00	-	0.00
	Total	**7,70,05,347**	**77.01**	**7,70,05,347**	**77.01**

20.4 Reconciliation of the number of shares at the beginning and at the end of the year

There has been no change/ movements in number of shares outstanding at the beginning and at the end of the year.

20.5 Terms/ Rights attached to Equity Shares :

The Company has only one class of issued shares i.e., Ordinary Shares having par value of ₹ 10 per share. Each holder of the Ordinary Shares is entitled to one vote per share and equal right for dividend. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the ordinary shareholders are eligible to receive the remaining assets of the Company after payment of all preferential amounts, in proportion to their shareholding.

20.6 Shareholding Pattern in respect of Holding or Ultimate Holding Company

The Company does not have any Holding Company or Ultimate Holding Company.

20.7 Details of Equity Shareholders holding more than 5% shares in the Company

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares	% Holding	No. of Shares	% Holding
Ordinary Shares of ₹ 10/- each fully paid				
Hindustan Medical Institution	71,59,460	9.30	71,59,460	9.30
Vindhya Telelinks Limited	63,80,243	8.29	63,80,243	8.29
August Agents Limited	60,15,912	7.81	60,15,912	7.81
Insilco Agents Limited	60,04,080	7.80	60,04,080	7.80
Laneseda Agents Limited	59,94,680	7.78	59,94,680	7.78
The Punjab Produce & Trading Co. (P) Ltd.	45,20,572	5.87	45,20,572	5.87
Nippon Life India Trustee Limited (Previously Known as Reliance Capital Trustee Company Limited) (Shares held in their various Schemes)	36,60,075	4.75	41,04,723	5.33

20.8 No ordinary shares have been reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment as at the Balance Sheet date.

20.9 The Company has neither allotted any equity shares against consideration other than cash nor has issued any bonus shares nor has bought back any shares during the period of five years preceding the date at which the Balance Sheet is prepared.

20.10 No securities convertible into Equity/ Preference shares have been issued by the Company during the year.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

20.11 No calls are unpaid by any Director or Officer of the Company during the year.

21 OTHER EQUITY (Refer Statement of Change in Equity)

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

21.1 Capital Reserve: Capital reserve are mainly the reserve created during business combination for the gain on bargain purchase.

21.2 Debenture Redemption Reserve (DRR): The Company has issued redeemable non-convertible debentures. Accordingly, the Companies (Share Capital and Debentures) Rules, 2014 (as amended), requires the company to create DRR out of profits of the company available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued. However, this requirement is no more applicable as per the amendment in the Companies (Share capital and Debentures) Rules, 2014. Accordingly in current year, the Company has not made any new addition in the said reserve and accounted the reversal of outstanding reserve linked to payment of specific non-convertible debentures.

21.3 General Reserve: General reserve is created out of retained earnings and being used for appropriation purposes.

21.4 Retained Earnings: Retained earnings represents the undistributed profit of the Company.

21.5 Debt Instrument through Other Comprehensive Income: This reserve is created on account of fair valuation of selected debt instrument and will be transferred to statement of profit and loss on liquidation of respective instruments.

21.6 Effective Portion of Cashflow Hedges: The Company has designated certain hedging instruments as cash flow hedges and any effective portion of cashflow hedge is maintained in the said reserve. In case the hedging becomes ineffective or instruments settled, the amount will be transferred to the statement of profit and loss.

21.7 Equity Instrument through Other Comprehensive Income: This reserve is created on account of fair valuation of equity instruments other than investments in subsidiaries and associates. This will be directly transferred to retained earnings on disposal of respective equity instruments.

21.8 Revaluation Surplus: Revaluation surplus arises on account of fair valuation of freehold land. This will be directly transferred to retained earnings at the time of sale/disposal/transfer (if any) of the respective portion of freehold land.

22 LONG TERM BORROWINGS

Particulars	Refer Note No.	Non-Current Portion		Current Maturities	
		As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
Non-Convertible Debentures (NCD)	22.1(a)				
(Face Value of ₹ 10,00,000/- each)					
2,500 (Previous Year - 2,500) 9.25% NCD 2026		250.00	250.00	-	-
1,500 (Previous Year - 1,500) 9.15% NCD 2021		-	150.00	150.00	-
NIL (Previous Year - 1,300) 9.05% NCD 2020		-	-	-	130.00
1,500 (Previous Year - NIL) 7.05% NCD 2024		150.00	-	-	-
		400.00	**400.00**	**150.00**	**130.00**
Term Loans					
From Banks:					
Rupee Loans	22.1(b)	107.73	848.69	56.18	69.31
Foreign Currency Loans	22.1 (c)	457.56	-	36.31	150.88
From Other:					
Rupee Loan	22.1(d)	13.35	7.73	-	-
		578.64	**856.42**	**92.49**	**220.19**
Total		**978.64**	**1,256.42**	**242.49**	**350.19**
Amount disclosed under the head "Other Financial Liabilities"	23	-	-	(242.49)	(350.19)
Total		**978.64**	**1,256.42**	**-**	**-**
Break Up of Security Details					
Secured		943.64	1,186.42	242.49	350.19
Unsecured		35.00	70.00	-	-
Total		**978.64**	**1,256.42**	**242.49**	**350.19**

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

22.1 Terms and Conditions of Long Term Borrowings : (₹ in Crores)

	Particulars	Refer Note No.	As at 31st March, 2021	As at 31st March, 2020
a)	**Non-Convertible Debentures**			
	i) 9.25% NCD 2026	22.1 (e) (i)	250.00	250.00
	ii) 9.15% NCD 2021	22.1 (e) (ii)	150.00	150.00
	iii) 7.05% NCD 2024	22.1 (e) (iii)	150.00	–
	iv) 9.05% NCD 2020		–	130.00
b)	**Rupee Term Loans - From Banks - in Indian Rupees**	22.1 (h), (j) and (k)	163.91	921.48
c)	**Foreign Currency Loans - From Banks - in Foreign Currency**	22.1 (f), (g) and (i)	495.62	151.16
d)	**Rupee Term Loan - From Other - in Indian Rupees**	22.1 (l)	20.99	11.91

e) **Non-Convertible Debentures are redeemable fully at par as under :-**

i) 9.25% NCD 2026 of ₹ 250.00 Crores, includes ₹ 60.00 Crores repayable in August 2024, ₹ 15.00 Crores repayable in September 2024, ₹ 60.00 Crores repayable in August 2025, ₹ 15.00 Crores repayable in September 2025, ₹ 80.00 Crores repayable in August 2026 and ₹ 20.00 Crores repayable in September 2026.

ii) 9.15% NCD 2021 repayable in August 2021.

iii) 7.05% NCD 2024 of ₹ 150.00 Crores, includes ₹ 30.00 Crores repayable in December 2022, ₹ 60.00 Crores repayable in December 2023 and ₹60.00 Crores repayable in December 2024.

f) **Foreign Currency Loan from Bank is repayable as under:-**

Term Loan ₹ 151.71 Crores (Rate of Interest @ 1.58 %)

i) ₹ 30.34 Crores repayable in 8 equal quarterly installments starting from September 2021 to June 2023.

ii) ₹ 121.37 Crores repayable in 12 equal quarterly installments starting from September 2023 to June 2026.

g) **Foreign Currency Loan from Bank is repayable as under:-**

Term Loan ₹ 258.74 Crores (Rate of Interest 6M LIBOR plus spread of 1.73625%)

₹ 11.01 Crores repayable in 4 equal quarterly installments from June 2021 to March 2022.

₹ 55.05 Crores repayable in 8 equal quarterly installments from June 2022 to March 2024.

₹ 68.81 Crores repayable in 8 equal quarterly installments from June 2024 to March 2026.

₹ 82.58 Crores repayable in 8 equal quarterly installments from June 2026 to March 2028.

₹ 41.29 Crores repayable in 2 equal quarterly installments from June 2028 to September 2028.

The above loans (e), (f) and (g) are secured by first charge on the movable and immovable Property, Plant and Equipment & Intangible Assets of the Company's Cement Division, ranking pari-passu with debenture holders and other lender banks.

h) **Rupee Loan from Bank is repayable as under:-**

Term Loan ₹ 128.82 Crores, (Rate of Interest Repo Rate Plus spread of 2.60%)

₹ 9.92 Crores repayable in 2 equal quarterly installments from May 2021 to August 2021.

₹ 44.68 Crores repayable in 8 equal quarterly installments from November 2021 to August 2023.

₹ 68.31 Crores repayable in 11 equal quarterly installments from November 2023 to May 2026.

₹ 5.91 Crores repayable in August 2026.

i) **Foreign Currency Loan from Bank is repayable as under:-**

Term Loan ₹ 85.17 Crores, (Rate of Interest 6M LIBOR plus spread of 1.73625%)

₹ 6.55 Crores repayable in 2 equal quarterly installments from June 2021 to September 2021.

₹ 29.49 Crores repayable in 8 equal quarterly installments from December 2021 to September 2023.

₹ 24.54 Crores repayable in 6 equal quarterly installments from December 2023 to March 2025.

₹ 24.59 Crores repayable in 6 equal quarterly installments from June 2025 to September 2026.

The above loans (h) and (i) are secured by first ranking pari-passu charge on the movable and immovable Property, Plant and Equipment & Intangible Assets of the Company's Jute Division and land situated at Birlapur & Narkeldaga.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

j) **Rupee Loan from Bank is repayable as under:-**

Term Loan ₹ 35 Crores, (Rate of Interest Repo rate Plus spread of 2.55%) is unsecured loan and repayable in March 2022.

k) **Rupee Loan from Bank is repayable as under:-**

Term Loan ₹ 0.09 Crore, (Rate of Interest 1 year MCLR)

The loan is sanctioned for ₹ 0.20 Crore and drawdown till 31st March 2021 is ₹ 0.09 Crore. Loan is secured by the charge on Plant & Machinery purchased out the term loan and ₹ 0.20 Crore repayable in 8 equal quarterly installments from May 2021 to February 2023.

l) **Rupee Loan from Other is repayable as under:-**

Interest free Term Loan ₹ 20.99 Crores from Pradeshiya Industrial & Investment Corporation of U.P. Ltd.

₹ 20.99 Crores includes, ₹ 2.82 Crores repayable in January 2025, ₹ 2.42 Crores repayable in March 2025, ₹ 6.67 Crores repayable in May 2025 and ₹9.08 Crores repayable in March 2028 .

The above loan is secured by Bank Guarantees.

23 OTHER FINANCIAL LIABILITIES

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
Current Maturities of Long Term Debt	22	-	-	242.49	350.19
Lease Liabilities	45	30.70	5.36	1.00	0.06
Trade & Security Deposits (Unsecured)		420.82	373.50	-	-
Interest Accrued but not due on Borrowings		-	-	26.14	28.11
Interest accrued and due on Borrowings		-	-	2.01	2.64
Unpaid and Unclaimed Dividends	41.2	-	-	1.44	59.01
Employees Related Liabilities		-	-	25.77	25.33
Amount Payable for Capital Goods		-	-	25.91	19.80
Derivative Contracts (Net)		4.01	-	12.75	-
Other Payables (including rebates and discounts)		-	-	177.60	250.64
		455.53	378.86	515.11	735.78
Liabilities Under Litigation		32.41	30.12	-	-
Less : Paid Under Protest		24.85	22.56	-	-
		7.56	7.56	-	-
Total		**463.09**	**386.42**	**515.11**	**735.78**

24 PROVISIONS

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
Provision for Employee Benefits		40.33	36.43	3.85	9.55
Provision for Mines Restoration	24.1	-	-	6.91	6.59
Total		**40.33**	**36.43**	**10.76**	**16.14**

24.1 Movement of Provision:-

Particulars	Provision for Mines Restoration	
	31st March, 2021	31st March, 2020
Balance as at year beginning	6.59	6.60
Provision made during the year	0.50	-
Provision utilised/written back during the year	0.18	0.01
Balance as at year end	**6.91**	**6.59**

The Company has an obligation to restore the mines after extracting of reserves. Therefore provision has been recognised for the estimated decommissioning and restoration cost in accordance with the mines closure plan.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

25 DEFERRED TAX LIABILITIES (NET)

(₹ in Crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Deferred Tax Liabilities		
Arising on account of :		
Depreciation	285.18	381.39
Revaluation Surplus	230.96	232.37
Mark to Market Gain on Investments	26.19	11.49
Others	3.35	0.26
	545.68	625.51
Less: Deferred Tax Assets		
Arising on account of :		
Mat Credit Entitlement	181.28	181.90
Items u/s 43B of Income Tax Act, 1961	47.97	55.92
Others	6.42	7.38
	235.67	245.20
Deferred Tax Liabilities (Net)	**310.01**	**380.31**

25.1 Movement in deferred tax assets and liabilities during the year ended 31st March, 2020 and 31st March, 2021

Particulars	As at 1st April, 2020	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Recognised in Retained Earnings (Directly)	As at 31st March, 2021
Deferred Tax Liabilities					
Depreciation	381.39	(96.21)	-	-	285.18
Revaluation Surplus	232.37	-	(1.41)	-	230.96
Mark to Market Gain on Investments	11.49	(3.46)	18.16	-	26.19
Remeasurement of the Defined Benefit Plans	-	(1.12)	1.12	-	-
Others	0.26	6.44	(3.35)	-	3.35
	625.51	**(94.35)**	**14.52**	**-**	**545.68**
Deferred Tax Assets					
Mat Credit Entitlement	181.90	(0.62)	-	-	181.28
Items u/s 43B of Income Tax Act, 1961	55.92	(7.95)	-	-	47.97
Others	7.38	(0.96)	-	-	6.42
	245.20	**(9.53)**	**-**	**-**	**235.67**
Deferred Tax Liabilities (Net)	**380.31**	**(84.82)**	**14.52**	**-**	**310.01**

Particulars	As at 1st April, 2019	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	Recognised in Retained Earnings (Directly)	As at 31st March, 2020
Deferred Tax Liabilities					
Depreciation	378.17	3.27	-	(0.05)	381.39
Revaluation Surplus	233.43	-	(1.06)	-	232.37
Mark to Market Gain on Investments	5.54	5.79	0.16	-	11.49
Remeasurement of the Defined Benefit Plans	-	3.53	(3.53)	-	-
Others	0.27	(0.01)	-	-	0.26
	617.41	**12.58**	**(4.43)**	**(0.05)**	**625.51**
Deferred Tax Assets					
Mat Credit Entitlement	215.94	(34.04)	-	-	181.90
Items u/s 43B of Income Tax Act, 1961	56.94	(1.02)	-	-	55.92
Others	8.04	(0.66)	-	-	7.38
	280.92	**(35.72)**	**-**	**-**	**245.20**
Deferred Tax Liabilities (Net)	**336.49**	**48.30**	**(4.43)**	**(0.05)**	**380.31**

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

25.2 Deferred tax assets and Deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income tax levied by the same taxation authority.

25.3 During the year, the Company has recognised unused tax credits (MAT credit entitlements) of ₹ 50.01 Crores related to Financial Year 2010-11 and 2011-12, which were earlier not recognised on account of prudence.

26 OTHER LIABILITIES

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
Liabilities Under Litigation		293.03	289.92	–	–
Less : Paid Under Protest		153.49	154.21	–	–
		139.54	135.71	–	–
Advances Received from Customers		–	–	106.20	61.54
Statutory Dues		–	–	101.40	59.32
Bonus Liability		–	–	8.33	9.20
Deferred Revenue	26.1	6.30	4.29	1.77	1.33
Others		4.89	4.89	0.00	0.00
Total		**150.73**	**144.89**	**217.70**	**131.39**

26.1 Movement of Deferred Revenue

Particulars	2020-21	2019-20
Opening Balance	5.62	6.95
Grants Received during the year	3.69	–
Less: Released to Statement of Profit & Loss	1.24	1.33
Closing Balance	**8.07**	**5.62**
Current portion	1.77	1.33
Non Current portion	6.30	4.29

27 SHORT TERM BORROWINGS

Particulars	Refer Note No.	As at 31st March, 2021	As at 31st March, 2020
Loans Repayable on Demand			
From Banks			
Rupee Loans	27.1	10.24	63.17
Other Loans			
From Banks			
Packing Credit in Indian Currency		20.18	–
Total		**30.42**	**63.17**
The above amount includes			
Secured Borrowings		30.42	63.17
Unsecured Borrowings		–	–
Total		**30.42**	**63.17**

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

27.1 The above short term borrowings are Working Capital Loans from Banks which are secured by way of first charge on hypothecation of Company's Current Assets viz. Raw Materials, Stock-in-Trade, Consumable Stores and Books Debts, both present & future and further secured by way of second charge on pari-passu basis on Movable and Immovable Property, Plant and Equipment and Intangible Assets of the Company's Cement Division.

28 TRADE PAYABLES

Particulars	Refer Note No.	As at 31st March, 2021	As at 31st March, 2020
Trade Payables for goods and services			
- Total outstanding dues of micro enterprises and small enterprises	44	3.49	2.86
- Total outstanding dues of creditors other than micro enterprises and small enterprises		393.05	352.59
Total		**396.54**	**355.45**

29 REVENUE FROM OPERATIONS

Particulars	Refer Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Sale of Products	29.1 to 29.4	4,392.75	4,689.72
		4,392.75	**4,689.72**
Other Operating Revenues			
Incentives & Subsidies		7.63	19.08
Export Benefits	56.5	1.90	2.29
Income from Royalty		29.99	28.84
Insurance and Other Claims (Net)		1.18	1.43
Miscellaneous Sale		8.70	5.24
		49.40	**56.88**
Total		**4,442.15**	**4,746.60**

29.1 Disaggregated Revenue Information

a) Disaggregation of the Company's Revenue from Contracts with Customers:

Particulars	For the year ended 31st March, 2021				For the year ended 31st March, 2020			
	Cement	Jute	Others	Total	Cement	Jute	Others	Total
Sale of Products								
Manufactured Goods	4,076.97	284.65	0.17	4,361.79	4,340.50	328.20	0.99	4,669.69
Traded Goods	30.94	0.02	–	30.96	18.48	1.55	–	20.03
Total Revenue from Contracts with Customers	**4,107.91**	**284.67**	**0.17**	**4,392.75**	**4,358.98**	**329.75**	**0.99**	**4,689.72**
Other Operating Revenues								
Incentives & Subsidies	7.19	0.44	–	7.63	18.56	0.52	–	19.08
Export Benefits	–	1.90	–	1.90	–	2.29	–	2.29
Income from Royalty	29.99	–	–	29.99	28.84	–	–	28.84
Insurance and Other Claims (Net)	1.18	–	–	1.18	1.43	–	–	1.43
Miscellaneous Sale	8.36	0.29	0.05	8.70	4.49	0.70	0.05	5.24
	46.72	**2.63**	**0.05**	**49.40**	**53.32**	**3.51**	**0.05**	**56.88**
Total Revenue from Operations	**4,154.63**	**287.30**	**0.22**	**4,442.15**	**4,412.30**	**333.26**	**1.04**	**4,746.60**
Within India	4,154.52	246.85	0.22	4,401.59	4,411.80	294.18	1.04	4,707.02
Outside India	0.11	40.45	–	40.56	0.50	39.08	–	39.58
Total Revenue from Operations	**4,154.63**	**287.30**	**0.22**	**4,442.15**	**4,412.30**	**333.26**	**1.04**	**4,746.60**
Timing of Revenue Recognition								
Goods or Services transferred at a point in time	4,154.63	287.30	0.22	4,442.15	4,412.30	333.26	1.04	4,746.60
Total Revenue from Operations	**4,154.63**	**287.30**	**0.22**	**4,442.15**	**4,412.30**	**333.26**	**1.04**	**4,746.60**

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

b) Reconciliation of the Revenue from Contracts with Customers with the amounts disclosed in the segment information:

Particulars	For the year ended 31st March, 2021				For the year ended 31st March, 2020			
	Cement	Jute	Others	Total	Cement	Jute	Others	Total
Revenue								
External Sales	4,154.63	287.30	0.22	4,442.15	4,412.30	333.26	1.04	4,746.60
Inter Segment Revenue	0.60	0.04	5.87	6.51	1.04	0.01	7.17	8.22
Total	**4,155.23**	**287.34**	**6.09**	**4,448.66**	**4,413.34**	**333.27**	**8.21**	**4,754.82**
Less : Inter Segment Revenue	0.60	0.04	5.87	6.51	1.04	0.01	7.17	8.22
Revenue from Operations	**4,154.63**	**287.30**	**0.22**	**4,442.15**	**4,412.30**	**333.26**	**1.04**	**4,746.60**

29.2 Information about Receivables, Contract Assets and Contract Liabilities from Contracts with Customers:

Particulars	Refer Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Trade Receivables	16	196.67	179.32
Contract Liabilities			
Advances from Customers	26	106.20	61.54

29.3 Reconciling the amount of Revenue recognised in the Statement of Profit and Loss with the Contracted Price:

Particulars	Refer Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Revenue as per contracted price		4,733.50	5,036.21
Less: Sales Claims		0.37	0.45
Less: Rebate & Discounts		340.38	346.04
Total Revenue from Contracts with Customers		4,392.75	4,689.72
Other Operating Revenues		49.40	56.88
Revenue from Operations		**4,442.15**	**4,746.60**

29.4 The transaction price allocated to the remaining performance obligation (unsatisfied or partially unsatisfied) as at Balance Sheet date are, as follows:

Particulars	Refer Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Advances from Customers	26	106.20	61.54

Management expects that the entire transaction price allotted to the unsatisfied contract as at the end of the reporting period will be recognised as revenue during the next financial year.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

30 OTHER INCOME

(₹ in Crores)

Particulars	Refer Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Interest Income			
On Investments		0.81	0.77
On Deposits with Banks and Other Financial Institutions		9.91	9.73
On Income Tax Refund		–	6.22
On Other Deposits, etc.		14.24	1.34
Dividend Income		1.01	2.61
Net Gain/ (Loss) on sale of Investments measured at fair value through Profit & Loss		17.97	16.76
Net Gain/ (Loss) on restatement of Investments (Mark to Market) measured at fair value through Profit & Loss		27.17	26.04
Transfer of Profit from Other Comprehensive Income related to G-Sec Matured during the year	39.2.1	–	0.01
Other Non Operating Income			
Profit on sale/discard of Property, Plant and Equipment (Net)		0.06	0.40
Profit on sale of Capital Work In Progress		0.79	–
Profit on sale of Non Current Assets classified as Held for Sale		–	2.70
Excess Liabilities and Unclaimed Balances written back (Net)		15.23	7.74
Excess Provision written back (Net)		0.12	1.99
Excess Depreciation written back		0.00	–
Insurance and Other Claims (Net)		3.23	2.98
Miscellaneous Income		20.69	3.19
Total		**111.23**	**82.48**

31 COST OF MATERIALS CONSUMED

Raw Materials Consumed		959.53	1,019.55
Total		**959.53**	**1,019.55**

32 PURCHASES OF STOCK IN TRADE

Traded Goods		24.67	16.05
Total		**24.67**	**16.05**

33 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

Inventories at the beginning of the year			
Finished Goods		145.04	86.22
Stock-In-Trade		0.93	0.15
Work-In-Progress		60.74	74.23
		206.71	160.60
Inventories at the end of the year			
Finished Goods		82.53	145.04
Stock-In-Trade		0.92	0.93
Work-In-Progress		87.44	60.74
		170.89	206.71
Changes in Inventories		**35.82**	**(46.11)**

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

34 EMPLOYEE BENEFITS EXPENSE

(₹ in Crores)

Particulars	Refer Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Salaries & Wages		261.96	254.89
Contribution to Provident and Other Funds		26.87	26.84
Staff Welfare Expenses		9.92	16.48
		298.75	298.21
Less: Amount Capitalized		1.10	0.05
Total		**297.65**	**298.16**

35 FINANCE COST

Interest Expenses			
To Debenture Holders		46.41	62.32
To Banks on Term Loans, etc.		66.79	89.25
To Banks On Working Capital Loans		0.42	2.04
On Deposits and Others		21.16	20.76
Exchange Differences regarded as an adjustment to Borrowing Costs		(3.23)	10.45
Other Borrowing Costs			
Other Financial Charges		1.07	0.48
		132.62	185.30
Less: Amount Capitalized	35.1	2.91	0.07
Total		**129.71**	**185.23**

35.1 The borrowing cost on specific borrowing has been capitalised at the rate applicable specific borrowing.

36 DEPRECIATION AND AMORTISATION EXPENSE

On Tangible Assets	5	152.16	144.04
On Intangible Assets	7	8.19	6.82
On Investment Property	6	0.00	0.01
On Right of Use Assets	5	0.47	0.31
Total		**160.82**	**151.18**

37 OTHER EXPENSES

Manufacturing Expenses			
Stores & Spare Parts Consumed		197.41	192.83
Packing Materials Consumed		149.64	154.55
Power & Fuel		817.09	962.34
Royalty & Cess		62.48	68.33
Repairs to Buildings		15.83	16.46
Repairs to Machinery		68.94	64.75
Freight & Material Handling on Inter Unit Transfer		35.35	77.74
Other Manufacturing Expenses		73.96	69.90
		1,420.70	**1,606.90**

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

Particulars	Refer Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Selling and Administration Expenses			
Brokerage & Commission on Sales		36.70	36.60
Transport & Forwarding Expenses		863.69	954.99
Insurance		10.33	6.47
Rent		16.30	16.91
Repairs to Other Assets		5.04	4.18
Rates & Taxes		11.36	15.89
Advertisement		26.46	38.66
Inter Corporate Loan written off		–	2.75
Corporate Social Responsibility Expenses	48	4.53	3.48
Auditors' Remuneration	37.1	0.69	0.69
Loss on Revaluation of Live Stock (Net)		0.02	0.04
Net (Gain)/ Loss on Foreign currency transaction and translation	37.2	1.17	1.73
Provision for Diminution in value of Investment	9.3	1.01	–
Non Current Investment written off		0.00	–
Net Provision for doubtful debts/ advances		–	0.03
Expected Credit Loss on Incentive and Subsidy	54.1.2	32.62	–
Bad Debts		0.19	0.06
Directors' Fees		0.87	0.60
Directors' Commission		0.70	0.00
Other Expenses	37.3	82.44	93.92
		1,094.12	**1,177.00**
Total		**2,514.82**	**2,783.90**

37.1 Auditors' Remuneration

a) Statutory Auditors			
Audit Fees		0.27	0.27
Tax Audit Fees		0.07	0.07
Limited Review		0.19	0.17
Travelling Expenses		0.01	0.03
Issue of Certificates		0.11	0.11
		0.65	**0.65**
b) Cost Auditors			
Audit Fees		0.04	0.04
Travelling Expenses		0.00	0.00
		0.04	**0.04**
Total		**0.69**	**0.69**

37.2 Net (Gain)/ Loss on Foreign Currency Transaction and Translation

Net (Gain)/ Loss on foreign currency transaction and translation		10.76	1.73
Less: Transfer to Other Comprehensive Income		9.59	–
Total		**1.17**	**1.73**

37.3 Other expenses includes Nil (Previous Year ₹ 3.02) contributed to Electoral Trust Company.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

38 TAX EXPENSE

(₹ in Crores)

Particulars	Refer Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Current Tax	38.1	86.67	75.25
Deferred Tax			
On Other Items		(85.44)	14.26
Less : MAT Credit Entitlement		-	-
Add : MAT Credit Utilised		50.63	34.04
		(34.81)	**48.30**
Income Tax for earlier years		-	(18.27)
Deferred Tax for earlier years	25.3	(50.01)	-
Total		**1.85**	**105.28**

38.1 Reconciliation of Estimated Income Tax Expense at Indian Statutory Income Tax Rate to Income Tax Expense reported in Statement of Comprehensive Income

Income before Income Taxes		430.36	421.12
Indian Statutory Income Tax Rate	38.2	34.944%	34.944%
Estimated Income Tax Expenses		**150.38**	**147.16**
Tax Effect of adjustments to reconcile expected Income Tax Expense to reported Income Tax Expense:			
Deduction under Chapter VIA		(28.52)	(33.61)
Tax payable at different rate / Capital Gain		(1.12)	(2.56)
Deferred Tax Adjustment		(3.97)	0.09
Permanent Difference		9.78	7.40
Others		0.28	5.07
Income Tax for earlier years		-	(18.27)
Deferred Tax for earlier years	25.3	(50.01)	-
Effect of Reversal of Deferred Tax Liability for change in income tax rates	38.2	(74.97)	-
		(148.53)	**(41.88)**
Income Tax Expense in the Statement of Profit and Loss		**1.85**	**105.28**

38.2 The Government of India, on 20th September 2019, vide the Taxation Laws (Amendment) Ordinance 2019, inserted a new Section 115BAA in the Income Tax Act, 1961, which provides an option to a corporate for paying Income Tax at reduced rates as per the provisions/conditions defined in the said section. The Company is continuing to provide for income tax at old rates, based on the available outstanding MAT credit entitlement and various exemptions and deductions available to the Company under the Income Tax Act, 1961. However, the Company has applied the lower income tax rates on the deferred tax assets / liabilities as on 31st March, 2021 to the extent these are expected to be realised or settled in the future period when the Company may be subjected to lower tax rate and accordingly as on 31st March, 2021 the Company has reversed net deferred tax liability of ₹ 74.97 Crores. Applicable Indian Statutory Income Tax Rate for both the Fiscal Years 2021 and 2020 is 34.944%.

39 OTHER COMPREHENSIVE INCOME

39.1 Items that will not be reclassified to profit or loss

39.1.1 Remeasurement of the Defined Benefit Plans		3.22	(10.09)
Less: Tax expense on the above		1.12	(3.53)
		2.10	**(6.56)**
39.1.2 Revaluation Surplus	5.2	-	-
Less: Tax expense on the above		(1.41)	(1.06)
		1.41	**1.06**
39.1.3 Equity Instruments through Other Comprehensive Income		128.65	(118.04)
Less: Tax expense on the above		18.08	-
		110.57	**(118.04)**

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

39.2 Items that will be reclassified to profit or loss (₹ in Crores)

	Particulars	Refer Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
39.2.1	Debt Instruments through Other Comprehensive Income		0.35	0.45
	Less: Amount reclassified to Statement of Profit and Loss	30	-	0.01
			0.35	**0.44**
	Less: Tax expense on the above		0.08	0.16
			0.27	**0.28**
39.2.2	Effective Portion of Cash Flow Hedges	54.4	(9.59)	-
	Less: Amount reclassified to Statement of Profit and Loss		-	-
			(9.59)	**-**
	Less: Tax expense on the above		(3.35)	
			(6.24)	**-**
	Total Other Comprehensive Income for the year (Net of tax)		**108.11**	**(123.26)**

40 CONTINGENT LIABILITIES :

40.1 Claims/Disputes/Demands against the Company not acknowledged as debt :

Sl. No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
40.1.1	Sales Tax, VAT, CST and Entry Tax matters	150.53	163.63
40.1.2	Excise Duty, Service Tax, Goods & Service Tax and Custom Duty matters	134.51	100.09
40.1.3	Income Tax matters	4.56	4.56
40.1.4	Electricity Duty and Renewable Energy Surcharge matters	21.52	21.52
40.1.5	Royalty on Limestone	67.91	67.91
40.1.6	Others (Primarily related to demand for Alleged Impermissible Mining, Water Supply Charges, Stamp Duty, House Tax, Education Cess, etc.)	37.30	37.47

40.2 In respect of the matters in Note No. 40.1, future cash outflows are determinable only on receipt of judgements/decisions pending at various forums/ authorities. Furthermore, there is no possibility of any reimbursements to be made to the Company from any third party.

40.3 The Company has provided corporate guarantee in the nature of financial guarantee to the lenders of one of its wholly owned subsidiary amounting to ₹ 340.75 Crores (Previous Year ₹ 378.12 Crores) against the long term loans availed by the Subsidiary. As on the Balance Sheet date, the balance of such loans outstanding of ₹ 340.75 Crores (Previous Year ₹ 378.12 Crores).

40.4 Other Contingent Liabilities

Sl. No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
40.4.1	Bills discounted with Banks remaining outstanding	2.99	2.91
40.4.2	Customs Duty including interest thereon, which may have to be paid on account of non-fulfillment of Export Obligation under EPCG and Advance License Scheme	0.03	0.15

41 DIVIDEND

41.1 The Board of Directors at its meeting held on 12th May, 2021 have recommended a payment of final dividend of ₹ 10.00 per equity share of face value of ₹ 10 each for the financial year ended 31st March, 2021. The same amounts to ₹ 77.01 Crores.

The above is subject to approval at the ensuing Annual General Meeting of the Company and hence is not recognized as a Liability.

41.2 The Company had proposed final dividend for the financial year 2018-19 aggregating of ₹ 57.75 Crores (₹ 7.50 per equity share of face value of ₹ 10 each), at its Annual General Meeting (AGM) held on 13th August, 2019. However the Company could not publish the voting results of the business transacted at the AGM and make payment of Dividend due to the restriction by the Hon'ble High Court of Calcutta which has since been lifted on 4th May, 2020. As per the voting results published thereafter, the resolution for payment of dividend has been passed by the share holders. As the Dividend was payable in financial year 2019-20, the same had been provided in the previous year's accounts.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

42 COMMITMENTS

Capital Commitments

(₹ in Crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Estimated amount of contracts remaining to be executed on Capital Account (Net of Advances) and not provided for	98.93	78.61

43 Assets Pledged as Security

The carrying amounts of Assets Pledged as Security for Current and Non-Current Borrowings are:

Particulars	Refer Note No.	As at 31st March, 2021	As at 31st March, 2020
Current			
Financial Assets			
Trade Receivables	16	196.67	179.32
		196.67	**179.32**
Non-Financial Assets			
Inventories	14	591.56	583.64
Others	13	0.03	0.03
		591.59	**583.67**
Total Current Assets Pledged as Security		**788.26**	**762.99**
Non-Current			
Land	5	1,076.52	1,072.55
Buildings	5	173.74	174.84
Plant & Machinery	5	1,619.18	1,641.47
Others Tangible Assets	5	224.71	178.19
Capital work-in progress	5	189.87	146.99
Other Non Current Assets (including Intangible Assets)	7 & 13	44.29	18.69
Total Non-Current Assets Pledged as Security		**3,328.31**	**3,232.73**
Total Assets Pledged as Security		**4,116.57**	**3,995.72**

44 Disclosure as required under the Micro, Small and Medium Enterprises Development Act, 2006, to the extent ascertained and as per notification number GSR 679 (E) dated 4th September, 2015 :

Sl. No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
i	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each financial year:		
	Trade Payable		
	Principal	3.49	2.86
	Interest	–	–
	Other Financial Liability		
	Principal	0.90	1.61
	Interest	–	–
ii	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.		
	Principal	0.04	0.23
	Interest	0.00	0.01
iii	The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	–	–
iv	The amount of interest accrued and remaining unpaid at the end of each accounting year.	–	–
v	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	–	–

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

45 LEASES

45.1 As Lessee

45.1.1 The Company's significant leasing arrangements are in respect of leases for premises (residential, manufacturing facilities, office, stores, godown, etc.) These leasing arrangements which are cancellable ranging between 11 months and 99 years generally, or longer, and are usually renewable by mutual consent on mutually agreeable terms. Effective 1st April 2019, the Company had adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1st April 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 at an amount equal to lease liability adjusted for any prepaid and accrued lease payments previously recognised.

45.1.2 The following is the summary of practical expedients elected on initial application (For existing leases) & Subsequent recognition (for new leases):

(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 recognised right of use assets and liabilities for leases with less than 12 months of lease term and low value of assets.

(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 the contract that were previously identified as leases under Ind AS 17.

(d) Used hindsight in determining the lease term whether the contract contained options to extend or terminate the lease.

45.1.3 Following is carrying value of right of use assets recognized on date of transition and the movements thereof during the year ended 31st March, 2020 and 31st March, 2021:

Particulars	Right of Use Assets		
	Leasehold Land	Plant and Machinery	Total
Balance as at 1st April, 2019	–	–	–
Transition impact on account of adoption of Ind AS 116 "Leases" (Refer Note No. 5)	5.35	–	5.35
Reclassified from Property, Plant and Equipment on account of adoption of Ind AS 116 "Leases" (Refer Note No. 5)	0.53	–	0.53
Adjustment to Prepaid and accrued lease payments	4.02	–	4.02
Adjustment to Retained Earnings on account of Ind AS 116 "Leases"	(0.57)	–	(0.57)
Total Right of Use Assets on the date of transition	**9.33**	**–**	**9.33**
Additions during the year	–	–	–
Deletion during the year	–	–	–
Depreciation of Right of Use Assets (Refer Note No. 36)	(0.31)	–	(0.31)
Balance as at 31st March, 2020	**9.02**	**–**	**9.02**
Additions during the year (Refer Note No. 59)	–	27.97	27.97
Deletion during the year	–	–	–
Depreciation of Right of Use Assets (Refer Note No. 36)	(0.31)	(0.16)	(0.47)
Balance as at 31st March, 2021	**8.71**	**27.81**	**36.52**

45.1.4 The following is the carrying value of lease liability on the date of transition and movement thereof during the year ended 31st March, 2020 and 31st March, 2021:

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balance as at year beginning	**5.42**	**0.13**
Transition impact on account of adoption of Ind AS 116 "Leases"	-	5.35
Additions during the year	26.07	-
Finance cost accrued during the year	0.71	0.44
Deletions	-	-
Payment of Lease Liabilities	(0.50)	(0.50)
Balance as at year end	**31.70**	**5.42**
Current maturities of Lease Liability (Refer Note No. 23)	1.00	0.06
Non-Current Lease Liability (Refer Note No. 23)	30.70	5.36

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

45.1.5 Amounts recognised in the statement of profit and loss during the year:

(₹ in Crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Depreciation charge of right-of-use assets - Leasehold Land	0.31	0.31
Depreciation charge of right-of-use assets - Plant and Machinery	0.16	-
Finance cost accrued during the year (included in finance cost) (Refer Note No. 35)	0.71	0.44
Expense related to short term leases (included in other expense) (Refer Note No. 37)	16.30	16.91

45.1.6 The maturity analysis of lease liabilities:

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Lease Payments	Present value of Lease Payments	Lease Payments	Present value of Lease Payments
Within one year	4.49	1.00	0.51	0.06
After one year but not more than five years	17.16	4.30	2.03	0.30
More than five years	47.55	26.40	11.67	5.06
Total lease liabilities payments	**69.20**	**31.70**	**14.21**	**5.42**
Less: Amounts representing Finance Charges	37.50	-	8.79	-
Present value of lease liabilities payments	**31.70**	**31.70**	**5.42**	**5.42**

45.1.7 Non-cash investing activities during the year:

Particulars	As at 31st March, 2021	As at 31st March, 2020
Acquisition of right of use assets	27.97	-
Disposals of right of use assets	-	-

45.1.8 The weighted average incremental borrowing rate applied to lease liabilities for leasehold land is 8.00% and for plant and machinery is 11.77%.

45.1.9 The Company does not face a significant liquidity risk with regards to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when the fall due.

45.2 As Lessor

45.2.1 The Company leased out its investment property on operating lease basis on cancellable basis. Rental income earned and direct operating expenses incurred on property letting on lease has been disclosed in Note No 6.

46 EARNINGS PER SHARE

Particulars	As at 31st March, 2021	As at 31st March, 2020
Profit for the year attributable to the owner of the Company	428.51	315.84
Weighted average number of equity shares	7,70,05,347	7,70,05,347
Earnings per share basic and diluted (₹)	55.65	41.02
(Face value of ₹ 10/- per share)		

47 Disclosure pursuant to Indian Accounting Standard - 19 'Employee Benefits' as notified u/s 133 of the Companies Act, 2013:

47.1 Defined Contribution Plan:

The amount recognized as an expense for the Defined Contribution Plans are as under:

Sl. No.	Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
47.1.1	Provident Fund	1.10	1.04
47.1.2	Superannuation Fund	2.82	2.94
47.1.3	Pension Fund	6.31	6.61

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

47.2 Defined Benefit Plan:

The following are the types of defined benefit plans:

47.2.1 Gratuity Plan

Every employee who has completed five years or more of service is entitled to gratuity on terms not less favourable than the provisions of the Payment of Gratuity Act, 1972. The present value of defined obligation and related current cost are measured using the Projected Unit Credit Method with actuarial valuation being carried out at Balance Sheet date.

47.2.2 Pension Plan

Pension is payable to certain categories of employees who are eligible under the Company's Pension Scheme.

47.2.3 Provident Fund

Provident Fund (other than government administered) as per the provisions of the Employees Provident Funds and Miscellaneous Provisions Act, 1952.

47.2.4 Risk Exposure

Defined Benefit Plans

Defined benefit plans expose the Company to actuarial risks such as Interest Rate Risk, Salary Risk and Demographic Risk.

a) **Interest rate risk:** The defined benefit obligation calculated uses a discount rate based on government bonds. If the bond yield falls, the defined benefit obligation will tend to increase.

b) **Salary risk:** Higher than expected increases in salary will increase the defined benefit obligation.

c) **Demographic risk:** This is the risk of variability of results due to unsystematic nature of decrements that includes mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefits obligations is not straight forward and depends on the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of the short career employee typically costs less per year as compared to a long service employee.

47.2.5 Reconciliation of the Net Defined Benefit Obligation

The following table shows a reconciliation from the opening balances to the closing balances for the net Defined Benefit Obligation and its components:

Particulars	**Gratuity (Funded)**		**Pension (Unfunded)**	
	2020-21	**2019-20**	**2020-21**	**2019-20**
Balance at the beginning of the year	134.06	122.24	0.64	0.66
Current Service Cost	8.20	7.24	-	-
Interest Cost on Defined Benefit Obligation	8.36	8.42	0.04	0.04
Actuarial Gain and Losses arising from				
Changes in Demographic Assumptions	-	-	-	-
Changes in Financial Assumptions	0.09	7.40	-	0.02
Experience Adjustment	(1.93)	2.69	0.03	0.04
Benefits Paid	(10.99)	(13.93)	(0.11)	(0.12)
Balance at the end of the year	**137.79**	**134.06**	**0.60**	**0.64**

47.2.6 Reconciliation of the Plan Assets

The following table shows a reconciliation from the opening balances to the closing balances for the Plan Assets and its Components:

Particulars	**Gratuity (Funded)**		**Pension (Unfunded)**	
	2020-21	**2019-20**	**2020-21**	**2019-20**
Balance at the beginning of the year	128.24	128.09	-	-
Interest Income on Plan Assets	8.32	9.02	-	-
Remeasurement of Defined Benefit Obligation:				
Return on Plan Assets greater/ (lesser) than discount rate	1.41	0.06	-	-
Employer Contributions to the Plan	10.50	5.00	-	-
Benefits Paid	(10.99)	(13.93)	-	-
Balance at the end of the year	**137.48**	**128.24**	**-**	**-**

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

47.2.7 The amount recognised in the Balance Sheet

(₹ in Crores)

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2020-21	2019-20	2020-21	2019-20
Present value of Defined Benefit Obligation	137.79	134.06	0.60	0.64
Fair Value of Plan Assets	137.48	128.24	-	-
Net Asset/ (Liability) recognised in the Balance Sheet	**(0.31)**	**(5.82)**	**(0.60)**	**(0.64)**

47.2.8 Expenses recognised in Profit and Loss

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2020-21	2019-20	2020-21	2019-20
Current Service Cost	8.20	7.24	-	-
Interest Cost	8.36	8.42	0.04	0.04
Interest Income on Plan Assets	(8.32)	(9.02)	-	-
Total Expenses recognised in Profit and Loss	**8.24**	**6.64**	**0.04**	**0.04**

47.2.9 Remeasurements (gain)/ loss recognised in Other Comprehensive Income

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2020-21	2019-20	2020-21	2019-20
Actuarial (gain)/ loss on Defined Benefit Obligation	(1.84)	10.09	0.03	0.06
Return on Plan Assets (greater)/ lesser than discount rate	(1.41)	(0.06)	-	-
Total remeasurements (gain)/ loss recognised in Other Comprehensive Income	**(3.25)**	**10.03**	**0.03**	**0.06**

47.2.10 Major Categories of Plan Assets

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2020-21	2019-20	2020-21	2019-20
Qualified Insurance Policy	100%	100%	-	-

The Gratuity Scheme is invested in a Group Gratuity-cum-Life Assurance Cash accumulation policy offered by Life Insurance Corporation (LIC) of India, Cap Assure Group Gratuity Scheme offered by SBI Life Insurance Co. Limited, HDFC Life Group variable employee benefit plan offered by HDFC Standard LIfe Insurance Company Limited, IndiaFirst New Corporate Benefit plan for gratuity offered by IndiaFirst Life Insurance Company Limited and Bajaj Allianz Group Employee Care plan offered by Bajaj Allianz Life Insurance Company Ltd. The information on the allocation of the fund into major asset classes and expected return on each major class are not readily available.

47.2.11 Asset-Liability Matching Strategy

The Company's investment is in Cash Accumulation Plan/Traditional Plan of various Insurance Companies, the investments are being managed by these Insurance Companies and at the year end interest is being credited to the fund value. The Company has not changed the process used to manage its risk from previous periods. The Company's investments are fully secured and would be sufficient to cover its obligations.

47.2.12 Actuarials Assumptions

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2020-21	2019-20	2020-21	2019-20
Financial Assumptions				
Discount Rate	6.50%	6.50% to 6.70%	6.50%	6.50%
Salary Escalation Rate	5% to 8%	5% to 8%	-	-
Demographic Assumptions				
Mortality Rate	IAL (2006-08) Modified Ultimate	IAL (2006-08) Modified Ultimate	LIC (1996-1998) Ultimate	LIC (1996-1998) Ultimate
Withdrawal Rate	2.00%	2.00%	-	-

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

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

47.2.14 As on 31st March 2021, the weighted average duration of the Defined Benefit Obligation is 4 to 11 years (previous year 2 to 10 years). The distribution of the timing of benefits payment i.e., the maturity analysis of the benefit payments is as follows:

Expected benefits payment for the year ending on (undiscounted)	Gratuity (Funded)		Pension (Unfunded)	
	2020-21	2019-20	2020-21	2019-20
Within 1 Year	15.72	15.64	0.10	0.10
1 to 2 Year	13.49	12.66	0.10	0.10
2 to 3 Year	14.54	13.38	0.09	0.10
3 to 4 Year	15.61	14.69	0.08	0.10
4 to 5 Year	16.53	15.32	0.07	0.10
More than 5 Years	73.33	77.60	0.24	0.41

47.2.15 The Company expects to contribute ₹ 10.00 Crores (previous year ₹ 10.00 Crores) to its gratuity fund in 2021-22.

47.2.16 The following payments are expected contributions to the defined benefit plan in future years:

Expected contributions	Gratuity (Funded)		Pension (Unfunded)	
	2020-21	2019-20	2020-21	2019-20
Within next 12 months (next annual reporting period)	10.00	10.00	-	-
Between 2 and 5 years	10.00	8.00	-	-
Between 5 and 10 years	10.00	8.00	-	-
Beyond 10 years	12.00	10.00	-	-

47.2.17 Sensitivity Analysis

The sensitivity analysis below have been determined based on a method that extrapolates the impact on defined benefit obligation (DBO) as a result of reasonable changes in key assumptions occuring at the end of the reporting period. Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2020-21	2019-20	2020-21	2019-20
Effect on DBO due to 1% increase in Discount Rate	(9.29)	(8.70)	(0.02)	(0.03)
Effect on DBO due to 1% decrease in Discount Rate	10.56	10.03	0.03	0.03
Effect on DBO due to 1% increase in Salary Escalation Rate	10.40	5.66	–	–
Effect on DBO due to 1% decrease in Salary Escalation Rate	(9.18)	(12.31)	–	–

Sensitivity due to mortality and withdrawl rate are being insignificant, hence ignored.

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

47.2.18 Provident Fund

Provident fund for certain eligible employees is managed by the Company through the various Provident Fund Trusts, namely "M P Birla Group Provident Fund Institution", "Satna Cement Works Employees' Provident Fund Trust", "Birla Cement Works Staff Provident Fund Trust", "Birla Jute Mills Workers' Provident Fund Trust", "Soorah Jute Mills Employees' Provident Fund Trust", "Durgapur Cement Works Employees' Provident Fund Trust" and "Birla Industries Provident Fund", in line with the Provident Fund and Miscellaneous Provisions Act, 1952. The plan guarantees interest at the rate notified by the Provident Fund Authorities. The contribution by the employer and employee together with the interest accumulated thereon are payable to employees at the time of their separation from the Company or retirement, whichever is earlier. The benefits vest immediately on rendering of the services by the employee.

The Company has an obligation to fund any shortfall on the yield of the trust's investments over the administered interest rates on an annual basis. These administered rates are determined annually predominantly considering the social rather than economic factors and in most cases the actual return earned by the Trust has been higher in the past years. The actuary has provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India and based on the below provided assumptions there is no shortfall, except in one Trust, there is

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

shortfall of ₹ 0.10 Crore & ₹ 0.59 Crore as at 31st March, 2021 and as at 31st March, 2020 respectively.

The details of fund and plan asset position are given below:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at 31 March, 2021	348.30	360.90	12.60
As at 31 March, 2020	333.03	343.58	10.55

The plan assets have been primarily invested in government securities.

Assumptions used in determining the present value obligation of the interest rate guarantee under the Deterministic Approach:

Particulars	31st March, 2021	31st March, 2020
Discount Rate (per annum)	6.50%	6.50%
Expected Rate of Return on Plan Assets (per annum)	8.00% to 8.50%	8.25%

The Company contributed ₹ 7.01 Crores and ₹ 6.70 Crores during the year ended 31st March, 2021 and 31st March, 2020 respectively.

48 In accordance with the Guidance Note on Accounting for Expenditure on Corporate Social Responsibility Activities, issued by The Institute of Chartered Accountants of India the requisite disclosure are as follows:

48.1

Particulars	For the year ended on	
	31st March, 2021	31st March, 2020
Gross Amount required to be spent by the Company during the year	4.28	3.12
Related Party transactions as per Ind AS 24 in relation to CSR Expenditure	NIL	NIL
Provision made in relation to CSR Expenditure	NIL	NIL

48.2 Amount spent during the year on:

Sl. No.	Particulars	For the year ended on 31st March, 2021			For the year ended on 31st March, 2020		
		In Cash	Yet to be paid in cash	Total	In Cash	Yet to be paid in cash	Total
i	Construction/ Acquisition of any asset	-	-	-	-	-	-
ii	On purposes other than (i) above	4.53	-	4.53	3.48	-	3.48

49 The Board of Directors of the Company at its meeting held on 25th July, 2013 had approved the Scheme of Amalgamation to amalgamate Talavadi Cements Limited, a 98% subsidiary, with the Company with an appointed date of 1st April, 2013. The Scheme is pending for approval of the National Company Law Tribunal, Kolkata.

50 The Ministry of Coal had allocated Bikram and Brahampuri Coal Blocks in the state of Madhya Pradesh through E-Auction process vide CMDPA (Coal Mine Development and Production Agreement) dated 18th December, 2019 and Vesting Order dated 10th February, 2020. The Company is in process to develop these blocks for extraction of Coal. Till 31st March 2021 and 31st March 2020, Company has spent Rs. 15.11 Crores and Rs. 3.96 Crores respectively and shown under Capital Work-In-Progress.

51.1 As a policy, the Company annually assesses the impairment of property plant and equipment (PPE) and other non-current assets by comparing the carrying value of PPE and other non-current assets with its fair value. In case the fair value is less than the carrying value an impairment charge is created. Management has concluded that there is no impairment of PPE and other assets during the year, except in the case of an investment in a subsidiary Company (Refer Note No. 9)

51.2 Certain Trade Receivables, Loans & Advances and Trade Payables are subject to confirmation. In the opinion of the management, the value of Trade Receivables and Loans & Advances on realisation in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.

52.1 The Company's Unit Soorah Jute Mills is under Suspension of Operations since 29th March, 2004.

52.2 The Company's Unit Birla Vinoleum and Auto Trim Division at Birlapur, are under Suspension of Operations since 18th February, 2014.

52.3 In respect of mining matter of Chanderia before the Hon'ble Supreme Court, a comprehensive report has been submitted by Central Building Research Institute (CBRI) on full scale mining. The matter is in the final stage of hearing. Further, Principal Bench of National Green Tribunal on 8th March, 2019 has ordered to stop all mining activities which are being carried on within the municipal limites of Chittorgarh City and within 10 km of Bassi Wild Life Sanctuary or within Eco-Sensitive Zone of Bassi Wild Life Sanctuary, if finally notified. Government of India, MOEFCC has vide notification dated 8th April, 2021 notified the boundary limits of Eco Sensitive Zone of Bassi Wildlife Sanctuary which is zero to 3 Kms from

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

the boundaries of the Sanctuary. No part of mining lease of the Company is falling within the Sanctuary or within finally notified ESZ Limits. In the opinion of the management, there is no material impact of such order on the current mining operations of the Company.

53 FAIR VALUE MEASURMENT:

The fair value of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

53.1.1 The bonds and government securities being listed, the fair value has been taken at the market rates of the same as on the reporting dates. They are classified as Level 1 fair values in fair value hierarchy.

53.1.2 The fair values of non-current borrowings are based on the discounted cash flows using a current borrowing rate. Debentures are classified as Level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including own credit risks, which was assessed as on the balance sheet date to be insignificant.

53.1.3 The management has assessed that the fair values of cash and cash equivalents, trade receivables, trade payables, short term borrowings, and other current financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments. The management has assessed that the fair value of floating rate instruments approximates their carrying value.

53.2 Fair Value Hierarchy

The following are the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair value are disclosed in the Standalone Financial Statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels of fair value measurement as prescribed under the Ind AS 113 "Fair Value Measurement". An explanation of each level follows underneath the tables.

53.3 The following table provides classification of financial instruments and the fair value hierarchy of the Company's assets and liabilities:

53.3.1 Disclosure for the year ended 31st March, 2021

Particulars	Carrying Value	Fair Value heirarchy			
		Fair Value	Level 1	Level 2	Level 3
(1) Financial Assets					
Financial Assets at amortised cost					
Investment					
- Government Securities	-	-	-	-	-
Trade Receivables	196.67	196.67	-	-	-
Loan Receivables	1.53	1.53	-	-	-
Cash and Cash Equivalents	36.16	36.16	-	-	-
Other Bank Balances	85.43	85.43	-	-	-
Security Deposits	35.61	35.61	-	-	-
Other Deposits, Advances and Claims Recoverable	35.86	35.86	-	-	-
Fixed Deposit with Others	156.00	156.00	-	-	-
Interest Accrued on Deposits	4.30	4.30	-	-	-
Fixed Deposits maturing after 12 months from Balance Sheet date	0.63	0.63	-	-	-
Other Financial Assets	2.38	2.38	-	-	-
Incentive and Subsidy Receivable	145.19	145.19	-	-	-
Sub Total	**699.76**	**699.76**	**-**	**-**	**-**
Financial Assets at fair value through Profit & Loss					
Investments					
- Unlisted Preference Shares	139.75	139.75	-	-	139.75
- Mutual Funds	384.54	384.54	384.54	-	-
Derivative Contracts	0.26	0.26	-	0.26	-
Sub Total	**524.55**	**524.55**	**384.54**	**0.26**	**139.75**

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

Particulars	Carrying Value	Fair Value heirarchy			
		Fair Value	Level 1	Level 2	Level 3
Financial Assets at fair value through Other Comprehensive Income					
Investments					
- Listed Equity Instrument	279.76	279.76	279.76	-	-
- Unlisted Equity Instrument	0.06	0.06	-	-	0.06
- Bonds	7.95	7.95	7.95	-	-
- Government Securities	1.21	1.21	1.21	-	-
Sub Total	**288.98**	**288.98**	**288.92**	**-**	**0.06**
Total Financial Assets	**1,513.29**	**1,513.29**	**673.46**	**0.26**	**139.81**
(2) Financial Liabilities					
Financial Liabilities at amortised cost					
Long Term Borrowings					
Fixed Rate					
- Debentures	550.00	552.07	-	-	552.07
Floating Rate					
- Rupee Term Loan	163.91	163.91	-	-	-
- Foreign Currency Term Loan	493.87	493.87	-	-	-
Others - Rupee Term Loan	13.35	13.35	-	-	-
Short Term Borrowings	30.42	30.42	-	-	-
Lease Liabilities	31.70	31.70	-	-	-
Trade Payables	396.54	396.54	-	-	-
Trade & Security Deposits	420.82	420.82	-	-	-
Amount Payable for Capital Goods	25.91	25.91	-	-	-
Interest accrued but not due on Borrowings	26.14	26.14	-	-	-
Interest accrued and due on Borrowings	2.01	2.01	-	-	-
Employees Related Liabilities	25.77	25.77	-	-	-
Other Financial Liabilities	186.60	186.60	-	-	-
Sub Total	**2,367.04**	**2,369.11**	**-**	**-**	**552.07**
Financial Liabilities at fair value through Profit & Loss					
Derivative Contracts	16.76	16.76	-	16.76	-
Sub Total	**16.76**	**16.76**	**-**	**16.76**	**-**
Total Financial Liabilities	**2,383.80**	**2,385.87**	**-**	**16.76**	**552.07**

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

53.3.2 Disclosure for the year ended 31st March, 2020

(₹ in Crores)

Particulars	Carrying Value	Fair Value heirarchy			
		Fair Value	Level 1	Level 2	Level 3
(1) Financial Assets					
Financial Assets at amortised cost					
Investment					
- Government Securities	0.00	0.00	–	–	–
Trade Receivables	179.32	179.32	–	–	–
Loan Receivables	1.57	1.57	–	–	–
Cash and Cash Equivalents	37.89	37.89	–	–	–
Other Bank Balances	51.75	51.75	–	–	–
Security Deposits	35.07	35.07	–	–	–
Other Deposits, Advances and Claims Recoverable	7.23	7.23	–	–	–
Fixed Deposit with Others	120.00	120.00	–	–	–
Interest accrued on Deposits	5.57	5.57	–	–	–
Fixed Deposits maturing after 12 months from Balance Sheet date	0.03	0.03	–	–	–
Other Financial Assets	2.38	2.38	–	–	–
Incentive and Subsidy Receivable	189.50	189.50	–	–	–
Sub Total	**630.31**	**630.31**	**–**	**–**	**–**
Financial Assets at fair value through Profit & Loss					
Investments					
- Unlisted Preference Shares	122.50	122.50	–	–	122.50
- Mutual Funds	582.45	582.45	582.45	–	–
Derivative Contracts	5.49	5.49	–	5.49	–
Sub Total	**710.44**	**710.44**	**582.45**	**5.49**	**122.50**
Financial Assets at fair value through Other Comprehensive Income					
Investments					
- Listed Equity Instrument	151.11	151.11	151.11	–	–
- Unlisted Equity Instrument	0.06	0.06	–	–	0.06
- Bonds	7.64	7.64	7.64	–	–
- Government Securities	1.19	1.19	1.19	–	–
Sub Total	**160.00**	**160.00**	**159.94**	**–**	**0.06**
Total Financial Assets	**1,500.75**	**1,500.75**	**742.39**	**5.49**	**122.56**

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

Particulars	Carrying Value	Fair Value heirarchy			
		Fair Value	Level 1	Level 2	Level 3
(2) Financial Liabilities					
Financial Liabilities at amortised cost					
Long Term Borrowings					
Fixed Rate					
- Debentures	530.00	538.70	–	–	538.70
Floating Rate					
- Rupee Term Loan	918.00	918.00	–	–	–
- Foreign Currency Term Loan	150.88	150.88	–	–	–
Others - Rupee Term Loan	7.73	7.73	–	–	–
Short Term Borrowings	63.17	63.17	–	–	–
Lease Liabilities	5.42	5.42	–	–	–
Trade Payables	355.45	355.45	–	–	–
Trade & Security Deposits	373.50	373.50	–	–	–
Amount Payable for Capital Goods	19.80	19.80	–	–	–
Interest accrued but not due on Borrowings	28.11	28.11	–	–	–
Interest accrued and due on Borrowings	2.64	2.64	–	–	–
Employees Related Liabilities	25.33	25.33	–	–	–
Other Financial Liabilities	317.21	317.21	–	–	–
Sub Total	**2,797.24**	**2,805.94**	**–**	**–**	**538.70**
Financial Liabilities at fair value through Profit & Loss					
Derivative Contracts	–	–	–	–	–
Sub Total	**–**	**–**	**–**	**–**	**–**
Total Financial Liabilities	**2,797.24**	**2,805.94**	**–**	**–**	**538.70**

53.4 Description of significant unobservable inputs to Valuation

Particulars	Significant Unobservable Inputs	Fair value as at		Sensitivity of the Input to Fair Value
		31st March, 2021	31st March, 2020	
Unquoted Preference Shares	Risk Adjusted Discount Rate (10.28%, Previous Year: 8.88%)	139.75	122.50	Increase in Risk adjusted discount rate by 50 bps would lead to a decrease in fair value by ₹ 0.45 Crore (Previous Year: ₹ 1.32 Crores) whereas a decline by 50 bps would increase the fair value by ₹ 0.46 Crore (Previous Year: ₹ 1.34 Crores).

53.5 During the year ended 31st March, 2021 and 31st March, 2020, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements.

54 FINANCIAL RISK MANAGEMENT

The Company has a Risk Management Policy which covers risk associated with the financial assets and liabilities. The Risk Management Policy is approved by the Board of Directors. The different types of risk impacting the fair value of financial instruments are as below:

54.1 Credit Risk

The credit risk is the risk of financial loss arising from counter party failing to discharge an obligation. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits placed with banks and financial institutions and other financial instruments.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

54.1.1 Trade Receivables

The credit risk is controlled by analysing credit limits and credit worthiness of customers on continuous basis to whom the credit has been granted, obtaining necessary approvals for credit and taking security deposits from trade channels. Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

As at 31st March, 2021

Ageing schedule	Not due	0-30 days past due	31-60 days past due	61-90 days past due	Above 90 days past due
Gross carrying amount	10.94	141.55	19.67	8.18	27.11
Expected loss rate	0.00%	0.00%	0.00%	0.00%	39.76%
Expected credit losses (Loss allowance provision)	-	-	-	-	10.78
Carrying amount of trade receivables (net of impairment)	10.94	141.55	19.67	8.18	16.33

As at 31st March, 2020

Ageing schedule	Not due	0-30 days past due	31-60 days past due	61-90 days past due	Above 90 days past due
Gross carrying amount	4.24	89.03	52.26	13.99	30.70
Expected loss rate	0.00%	0.00%	0.00%	0.00%	35.50%
Expected credit losses (Loss allowance provision)	-	-	-	-	10.90
Carrying amount of trade receivables (net of impairment)	4.24	89.03	52.26	13.99	19.80

Reconciliation of loss allowance provision for Trade Receivable:

Particulars	2020-21	2019-20
Loss allowance as at beginning	10.90	11.50
Changes in loss allowance (Net)	(0.12)	(0.60)
Loss allowance as at Year end	10.78	10.90

There is no customer (Previous Year Nil) who represents more than 10% of the total balance of trade receivables.

54.1.2 Incentives receivable from the Government

The Company's manufacturing units in various states; mainly those in West Bengal, Rajasthan and Madhya Pradesh are eligible for incentives under the respective State Industrial Policy. The Company accrued these incentives as refund claims in respect of VAT/GST paid, on the basis that all attaching conditions were fulfilled by the Company and there was reasonable assurance that the incentive claims will be disbursed by the State Governments. During the current year, in view of the management re-assessing the expected recovery period for incentives receivables, a charge of ₹ 32.62 Crores due to time value of money computed based on the expected credit loss method is included in Other Expenses. The Company is confident about the ultimate realisation of the dues from the State Governments.

54.2 Liquidity Risk

The Company determines its liquidity requirement in the short, medium and long term. This is done by drawings up cash forecast for short term and long term needs.

The Company manages its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalents position. The management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity monitoring future cash flow and liquidity on a regular basis. Surplus funds not immediately required are invested in certain mutual funds and fixed deposit which provide flexibility to liquidate. Besides, it generally has certain undrawn credit facilities which can be assessed as and when required; such credit facilities are reviewed at regular basis.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

54.2.1 Maturity Analysis for financial liabilities

a) The following are the remaining contractual maturities of financial liabilities as at 31st March, 2021:

Particulars	On Demand	0 to 6 Months	More than 6 months to 1 year	More than 1 year to 5 years	More than 5 years	Total
Non-derivative						
Trade payables	–	396.54	–	–	–	396.54
Borrowings						
Redeemable Debentures (Refer Note No. 22.1 (a))						
2500 9.25% NCD 2026	–	–	–	150.00	100.00	250.00
1500 9.15% NCD 2021	–	150.00	–	–	–	150.00
1500 7.05% NCD 2024	–	–	–	150.00	–	150.00
Rupee Term Loan from bank (Refer Note No. 22.1 (b))	–	9.97	46.21	95.61	12.12	163.91
Foreign Currency Term Loan (Refer Note no. 22.1 (c))	–	15.84	20.46	317.14	142.18	495.62
Rupee Term Loan from other (Refer Note No. 22.1 (d))	–	–	–	11.91	9.08	20.99
Short Term Borrowings	10.24	20.18	–	–	–	30.42
Other financial liabilities						
Lease Liabilities	–	–	1.00	4.30	26.40	31.70
Trade & Security Deposits*	–	–	–	–	420.82	420.82
Amount Payable for Capital Goods	–	25.91	–	–	–	25.91
Interest accrued but not due on Borrowings	–	23.01	3.13	–	–	26.14
Interest accrued and due on Borrowings	–	2.01	–	–	–	2.01
Employees Related Liabilities	–	25.77	–	–	–	25.77
Others Financial Liabilities	1.44	177.60	–	7.56	–	186.60
Total	**11.68**	**846.83**	**70.80**	**736.52**	**710.60**	**2,376.43**
Derivative						
Foreign Exchange forwards contracts and other Derivative Instruments	–	12.53	0.22	3.72	0.29	16.76

* Trade & Security Deposits classified under more than 5 years maturity pertain to " Dealer Trade Deposit " which are refundable only after surrender of dealership subject to clearance of outstanding dues.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

b) The following are the remaining contractual maturities of financial liabilities as at 31st March, 2020:

Particulars	On Demand	0 to 6 Months	More than 6 months to 1 year	More than 1 year to 5 years	More than 5 years	Total
Non-derivative						
Trade payables	–	355.45	–	–	–	355.45
Borrowings						
Redeemable Debentures (Refer Note No. 22.1 (a))						
2500 9.25% NCD 2026	–	–	–	75.00	175.00	250.00
1500 9.15% NCD 2021	–	–	–	150.00	–	150.00
1300 9.05% NCD 2020	–	–	130.00	–	–	130.00
Rupee Term Loan from bank (Refer Note No. 22.1 (b))	–	31.65	37.66	535.80	316.37	921.48
Foreign Currency Term Loan (Refer Note no. 22.1 (c))	–	75.58	75.58	–	–	151.16
Rupee Term Loan from other (Refer Note No. 22.1 (d))	–	–	–	5.24	6.67	11.91
Short Term Borrowings	63.17	–	–	–	–	63.17
Other financial liabilities						
Lease Liabilities	–	–	0.06	0.30	5.06	5.42
Trade & Security Deposits*	–	–	–	–	373.50	373.50
Amount Payable for Capital Goods	–	19.80	–	–	–	19.80
Interest accrued but not due on Borrowings	–	22.60	5.51	–	–	28.11
Interest accrued and due on Borrowings	–	2.64	–	–	–	2.64
Employees Related Liabilities	–	25.33	–	–	–	25.33
Others Financial Liabilities	59.01	250.64	–	7.56	–	317.21
Total	**122.18**	**783.69**	**248.81**	**773.90**	**876.60**	**2,805.18**
Derivative						
Foreign Exchange forwards contracts and other Derivative Instruments	–	–	–	–	–	–

* Trade & Security Deposits classified under more than 5 years maturity pertain to " Dealer Trade Deposit " which are refundable only after surrender of dealership subject to clearance of outstanding dues.

c) The amounts are gross and undiscounted (except for lease liability) and exclude the impact of netting agreements (if any). The future cash flows on derivative instruments may be different from the amount in the above tables as exchange rates change. Except for these financial liabilities, it is not expected that cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts. When the amount payable is not fixed, the amount disclosed has been determined with reference to conditions existing at the reporting date.

54.3 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 four type of risks: Commodity Price Risk, Foreign Currency Risk, Interest Rate Risk and Other Price Risk.

54.3.1 Commodity Price Risk

The Company primarily imports coal, pet coke, gypsum and raw jute. It is exposed to commodity price risk arising out of movement in prices of such commodities. Such risks are monitored by tracking of the prices and are managed by entering into fixed price contracts, where considered necessary.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

54.3.2 Foreign Currency Risk

The Company has Foreign Currency Exchange Risk on imports of input materials, capital equipments and also borrows funds in foreign currency for its business. The Company evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. Certain transactions of the Company act as a natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies. For the remaining exposure to foreign exchange risk, the Company adopts a policy of selective hedging based on risk perception of the management using derivative, wherever required, to mitigate or eliminate the risk.

a) Exposure to currency risk

The Company's exposure to foreign currency risk at the end of the reporting period are as follows:

I) Unhedge Foreign Currency Exposure (Amount in Crores)

Particulars	As at 31st March, 2021					
	USD	INR	EUR	INR	GBP	INR
Financial Assets						
Trade Receivables	–	–	0.00	0.15	0.00	0.17
Financial Liabilities						
Foreign Currency Term Loan	–	–	–	–	–	–
Trade Payables & Others	0.00	0.13	0.01	0.44	0.00	0.05
Net Exposure (Liability)	**0.00**	**0.13**	**0.01**	**0.29**	**(0.00)**	**(0.12)**

(Amount in Crores)

Particulars	As at 31st March, 2020					
	USD	INR	EUR	INR	GBP	INR
Financial Assets						
Trade Receivables	–	–	–	–	–	–
Financial Liabilities						
Foreign Currency Term Loan	1.00	75.58	–	–	–	–
Trade Payables & Others (*)	0.00	0.12	0.01	0.51	0.00	0.05
Net Exposure (Liability)	**1.00**	**75.70**	**0.01**	**0.51**	**0.00**	**0.05**

(*) Does not includes CHF 3,060 equivalent to ₹ 0.02 Crore.

II) Hedge Foreign Currency Exposure (Amount in Crores)

Particulars	As at 31st March, 2021					
	USD	INR	EUR	INR	SGD	INR
Derivative Assets						
Forward Contract against Trade Receivable	0.08	5.97	–	–	–	–
Forward Contract against Firm Commitments	0.19	13.62	–	–	–	–
Derivative Liabilities						
Forward Contract - Against Payable	4.71	344.50	–	–	–	–
Cross Currency Swaps Contract - Against Payable (Refer Note (b) below)	–	–	–	–	2.79	151.73
Forward Contract - Against Firm Commitments	0.02	1.69	–	–	–	–
Net Exposure (Liability)	**4.46**	**326.60**	**–**	**–**	**2.79**	**151.73**

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(Amount in Crores)

Particulars	As at 31st March, 2020					
	USD	INR	EUR	INR	GBP	INR
Derivative Assets						
Forward Contract against Trade Receivable	0.06	4.32	–	–	–	–
Forward Contract against Firm Commitments	0.08	6.33	–	–	–	–
Derivative Liabilities						
Forward Contract - Against Payable	1.09	82.43	0.00	0.40	–	–
Forward Contract - Against Firm Commitments	0.84	63.14	–	–	0.01	0.61
Net Exposure (Liability)	**1.79**	**134.92**	**0.00**	**0.40**	**0.01**	**0.61**

b) The Company uses Cross Currency Swaps to hedge foreign exchange rate and Interest rate of External Commercial Borrowings of SGD 2.79 Cr (Previous Year Nil).

c) Sensitivity Analysis

The Analysis is based on assumption that the increase/decrease in foreign currency by 5% with all other variables held constant, on the unhedged foreign currency exposure. The following table demonstrates the sensitivity in the USD, EUR, CHF and GBP to the Indian Rupee with all other variables held constant.

Particulars	31st March, 2021			31st March, 2020		
	Sensitivity Analysis	Impact On		Sensitivity Analysis	Impact On	
		Profit Before Tax	Other Equity		Profit Before Tax	Other Equity
USD Sensitivity Increase	5%	(0.01)	(0.00)	5%	(3.79)	(2.46)
USD Sensitivity Decrease	5%	0.01	0.00	5%	3.79	2.46
EUR Sensitivity Increase	5%	(0.01)	(0.01)	5%	(0.03)	(0.02)
EUR Sensitivity Decrease	5%	0.01	0.01	5%	0.03	0.02

Sensitivity analysis for CHF and GBP are insignificant, hence ignored.

54.3.3 Interest Rate Risk

The Company is exposed to risk due to interest rate fluctuation on long term borrowings. Such borrowings are based on fixed as well as floating interest rate. Interest rate risk is determined by current market interest rates, projected debt servicing capability and view on future interest rate. Such interest rate risk is actively evaluated and is managed through portfolio diversification and exercise of prepayment/refinancing options where considered necessary.

The Company is also exposed to interest rate risk on surplus funds parked in fixed deposits and Investments viz. mutual funds, bonds. To manage such risks, such investments are done mainly for short durations, in line with the expected business requirements for such funds.

a) Exposure to Interest Rate Risk

Particulars	31st March, 2021	31st March, 2020
Fixed Rate Instruments		
Financial Assets	-	-
Financial Liabilities	701.71	530.00
	701.71	**530.00**
Variable Rate Instruments		
Financial Assets	-	-
Financial Liabilities	507.82	1,072.64
	507.82	**1,072.64**

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

b) Interest Rate Sensitivity

A Change in 50 bps in interest rate would have following impact on Profit Before Tax and Other Equity:

Particulars	31st March, 2021			31st March, 2020		
	Sensitivity Analysis	Impact On		Sensitivity Analysis	Impact On	
		Profit Before Tax	Other Equity		Profit Before Tax	Other Equity
Interest Rate Increase by	0.50%	(2.54)	(1.65)	0.50%	(5.36)	(3.49)
Interest Rate Decrease by	0.50%	2.54	1.65	0.50%	5.36	3.49

54.3.4 Other Price Risk

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance Sheet either at fair value through OCI or at fair value through profit and loss. Having regard to the nature of securities, intrinsic worth, intent and long term nature of securities held by the Company, fluctuation in their prices are considered acceptable and do not warrant any management.

a) Exposure to other market price risk

Particulars	31st March, 2021	31st March, 2020
Investment in Equity Instruments - quoted	279.76	151.11
Investment in Mutual Funds	384.54	582.45
Investment In Bonds	7.95	7.64
Investment in Government Securities	1.21	1.19
	673.46	**742.39**

b) Sensitivity Analysis

The Analysis is based on assumption that the increase/decrease by 5% with all other variables held constant.

Particulars	31st March, 2021			31st March, 2020		
	Sensitivity Analysis	Impact On		Sensitivity Analysis	Impact On	
		Profit Before Tax	Other Equity		Profit Before Tax	Other Equity
Market rate Increase	5%	33.67	21.91	5%	37.12	24.15
Market rate Decrease	5%	(33.67)	(21.91)	5%	(37.12)	(24.15)

54.4 Hedge Accounting - Cash Flow Hedges

The objective of cross currency swap and interest rate swaps is to hedge the cash flows of the foreign currency denominated debt related to variation in foreign currency exchange rates and interest rates. The hedge provides for exchange of notional amount at agreed exchange rate of principle at each repayment date and conversion of variable interest rate into fixed interest rate as per notional amount at agreed exchange rate. The Company also enters into foreign currency forward contracts to hedge the foreign currency exchange risk arising from borrowings, other debt and forecasted purchases/sales. Some of the forward contracts are designated as cash flow hedges. The Company is following hedge accounting for cross currency & interest rate swaps and Interest rate swaps and some foreign currency forward contracts based on qualitative approach. The Company is having risk management objectives and strategies for undertaking these hedge transactions. The Company has maintained adequate documents stating the nature of the hedge and hedge effectiveness test. The Company assesses hedge effectiveness based on following criteria:

i. An economic relationship between the hedged item and the hedging instrument

ii. The effect of credit risk

iii. Assessment of the hedge ratio

The Company designates cross currency swaps and interest rate swaps and some foreign currency forward contracts to hedge its currency and interest risk and generally applies hedge ratio of 1:1.
All these derivatives have been marked to market to reflect their fair value and the fair value differences representing the effective portion of such hedge have been taken to equity.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

54.4.1 Disclosure of effects of hedge accounting on financial position as at 31st March, 2021:

(₹ in Crores)

Type of hedge and risks	Nominal value Assets / (Liabilities)	Carrying amount of hedging instrument Assets / (Liabilities)	Maturity date	Changes in fair value Gain / (loss) of hedging instrument since inception of hedge	Changes in the fair value Gain / (loss) of hedged item used as the basis for recognising hedge effectiveness
Cash flow hedge					
Foreign currency loan (USD 4.70 Crores) Refer Note No. 22.1(g) and (i)					
- Forward contracts	(343.91)	(12.41)	Apr'21 to May'21	(12.41)	5.92
Foreign currency loan (SGD 2.79 Crores) Refer Note No. 22.1 (f)					
- Cross Currency Swap	(151.71)	(4.33)	Sep'21 to Jun'26	(4.33)	1.23
Total	**(495.62)**	**(16.74)**		**(16.74)**	**7.15**

Since the Company has started Hedge Accounting in current year, previous year figures are not given.

54.4.2 The movement of effective portion of Cash Flow Hedges are shown below:

Particulars	31st March, 2021	31st March, 2020
Opening Balance	–	–
Gain/(loss) recognized on cash flow hedges	(9.59)	–
Income tax relating to gain/(loss) recognized on cash flow hedges	3.35	–
Reclassified to Statement of Profit and Loss	–	–
Income tax relating to Reclassified to Statement of Profit and Loss	–	–
Closing Balance	**(6.24)**	**–**

54.4.3 Foreign Currency Forward Contracts

The Company enters into forward contracts with intention to reduce the foreign exchange risk of expected purchases. Certain foreign currency forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally within one year. The fair value of foreign currency forward contracts are as under:

Particulars	31st March, 2021		31st March, 2020	
	Assets	Liability	Assets	Liability
Foreign Currency Forward Contracts	0.26	0.02	5.49	–

55 CAPITAL MANAGEMENT

The Company's objective to manage its capital is to ensure continuity of business while at the same time provide reasonable returns to its various stakeholders but keep associated costs under control. In order to achieve this, requirement of capital is reviewed periodically with reference to operating and business plans that take into account capital expenditure and strategic Investments. Sourcing of capital is done through judicious combination of equity/internal accruals and borrowings, both short term and long term. Net debt (total borrowings less current investments, cash and cash equivalents and other bank balances) to equity ratio is used to monitor capital.

Particulars	31st March, 2021	31st March, 2020
Debt Equity Ratio	0.10	0.21

56 GOVERNMENT GRANTS DURING THE YEAR COMPRISING INCENTIVE AND SUBSIDIES INCLUDE:

56.1 Tax incentive for capital investments under various State Investment Promotion Schemes of ₹ 5.99 Crores (Previous Year ₹ 17.48 Crores).

56.2 Amortisation of the deferred revenue of ₹ 0.74 Crore (Previous Year ₹ 0.75 Crore) arising due to difference between the fair value & nominal value of interest free loan granted under State Investment Promotion Scheme.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

56.3 Amortisation of the deferred revenue of ₹ 0.50 Crore (Previous Year ₹ 0.58 Crore) on account of investment in plant & machineries under various State Investment Promotion Schemes.

56.4 Renewable energy certificates for generation of power from solar power plant under Central Electricity Regulatory Commission (Terms and Conditions for Recognition and Issuance of Renewable Energy Certificate for Renewable Energy Generation) Regulations, 2010 of ₹ 0.40 Crore (Previous Year ₹ 0.27 Crore).

56.5 The Government of India (vide press release dated 31st December, 2020) Introduced the benefit of the Scheme for Remission of Duties and Taxes on Exported Products (RoDTEP) to all export goods with effect from 1st January, 2021. With the introduction of the RoDTEP scheme, the benefit of ROSCTL scheme stood withdrawn, and the MEIS Scheme was also withdrawn w.e.f. 1st January, 2021. Considering that the rates of RoDTEP are yet to be notified, the Company has not accrued income relating to benefits of RoDTEP scheme on the Export Sales made for the period from 1st January, 2021 to 31st March, 2021.

57 SEGMENT REPORTING

A) Primary Segment Information

Particulars	2020-21				2019-20			
	Cement	Jute	Others	Total	Cement	Jute	Others	Total
Business Segment								
Segment Revenue								
(a) External Sales	4,154.63	287.30	0.22	4,442.15	4,412.30	333.26	1.04	4,746.60
(b) Inter Segment Revenue	0.60	0.04	5.87	6.51	1.04	0.01	7.17	8.22
Total	**4,155.23**	**287.34**	**6.09**	**4,448.66**	**4,413.34**	**333.27**	**8.21**	**4,754.82**
Less : Inter Segment Revenue	0.60	0.04	5.87	6.51	1.04	0.01	7.17	8.22
Revenue from Operations	**4,154.63**	**287.30**	**0.22**	**4,442.15**	**4,412.30**	**333.26**	**1.04**	**4,746.60**
Segment Result	**502.42**	**13.55**	**(3.11)**	**512.86**	**573.12**	**13.52**	**(2.54)**	**584.10**
Add:								
(i) Interest Income				24.96				18.06
(ii) Unallocated Income net of unallocated Expense				22.25				4.19
Less:								
(i) Interest Expense				129.71				185.23
Profit before Tax				**430.36**				**421.12**
Tax Expense								
Current Tax				86.67				75.25
Deferred Tax				(34.81)				48.30
Income Tax for earlier years				–				(18.27)
Deferred Tax for earlier years				(50.01)				–
Profit after tax				**428.51**				**315.84**
Other Information								
Segment Assets	3,414.06	926.76	145.48	4,486.30	3,309.30	946.48	145.82	4,401.60
Unallocated assets				3,461.43				3,454.56
Total Assets				**7,947.73**				**7,856.16**
Segment Liabilities	1,021.40	17.63	2.00	1,041.03	919.07	26.41	1.49	946.97
Unallocated liabilities				2,079.42				2,560.78
Total Liabilities				**3,120.45**				**3,507.75**
Segment Capital Expenditure	172.60	10.65	0.42	183.67	210.14	8.34	0.19	218.67
Common Capital Expenditure				4.55				5.57
Total Capital Expenditure				**188.22**				**224.24**
Segment Depreciation	149.89	6.62	0.87	157.38	139.06	7.80	0.89	147.75
Common Depreciation				3.45				3.43
Total Depreciation				**160.83**				**151.18**

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

B) Secondary (Geographical) Segment Information

Geographical segment is identified as the secondary segment and details are given below:

Particulars	2020-21	2019-20
1. Revenue from external customers		
– Within India	4,401.59	4,707.02
– Outside India	40.56	39.58
Total	**4,442.15**	**4,746.60**

2. The Company does not have any tangible, intangible assets and non current operating assets located outside India.
3. During the year as well as previous year, No customer contributed 10% or more to the Company's revenue from operations.

C) Other Disclosures

The Company's operations predominantly relate to Cement. Other products are Jute Goods and Steel Castings. Accordingly, these business segments comprise the primary basis of segmental information set out in the standalone financial statements.

Inter-segment transfers are based on prevailing market prices except for Iron & Steel Castings which is based on cost plus profit.

The accounting policies adopted for segment reporting are in line with the accounting policy of the Company.

58 RELATED PARTY DISCLOSURES

58.1 As defined in Indian Accounting Standard (Ind AS)-24, the Company has a related party relationship in the nature of control over its subsidiaries namely:

Name of the Entity	Place of Incorporation	Ownership Interest held by the Company	
		31st March, 2021	31st March, 2020
Birla Corporation Cement Manufacturing PLC *	Ethiopia	100%	100%
Birla Jute Supply Company Limited	India	100%	100%
Talavadi Cements Limited	India	98.01%	98.01%
Lok Cement Limited	India	100%	100%
Budge Budge Floorcoverings Ltd.	India	100%	100%
Birla Cement (Assam) Ltd.	India	100%	100%
M. P. Birla Group Services Pvt. Ltd.	India	100%	100%
RCCPL Private Ltd.	India	100%	100%

* The Company stands liquidiated as per Ethiopian Laws. However, distribution (repatriation) of the available money after satisfaction of liabilities still remains and hence shown in accounts.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

58.2 Other related parties with whom transactions have taken place during the year and previous year are:

58.2.1

Nature	Name of the Company
Entities exercising significant influence over the Company	Vindhya Telelinks Ltd.
	August Agents Ltd.
	Insilco Agents Ltd.
	Laneseda Agents Ltd.

58.2.2

Nature	Name	Designation
Key Management Personnels	Mr. Harsh V. Lodha	Chairman
	Mr. Arvind Pathak	Managing Director and Chief Executive Officer (appointed w.e.f. 31st March, 2021)
	Mr. Bachh Raj Nahar	Managing Director (ceased to be Managing Director w.e.f. 3rd August, 2019)
	Mr. Pracheta Majumdar	Wholetime Director and Chief Executive Officer (upto 30th March, 2021) Wholetime Director designated as Chief Management Advisor (w.e.f. 31st March, 2021)
	Mr. Vikram Swarup	Directors
	Mr. Bachh Raj Nahar (ceased to be the Director w.e.f. 13th August, 2019 due to retirement by rotation)	
	Mr. Anand Bordia	
	Mr. Brij Behari Tandon	
	Mr. Dhruba Narayan Ghosh	
	Mr. Deepak Nayyar	
	Ms. Shailaja Chandra	
	Mr. Dilip Ganesh Karnik	

58.2.3

Nature	Name of the Trust/Fund
Post Employment Benefit Plan Trust	Satna Cement Works Employees' Provident Fund
	Soorah Jute Mills Employees' Provident Fund Trust
	M P Birla Group Provident Fund Institution
	Birla Cement Works Staff Provident Fund
	Birla Jute Mills Workers' Provident Fund Trust
	Durgapur Cement Works Employees' Provident Fund
	Birla Corporation Limited, Employees Gratuity Fund
	Birla DLW Ltd. Employees Gratuity Fund
	Birla Corporation Superannuation Fund

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

58.3 Transactions during the year

(₹ in Crores)

Particulars	2020–21				2019–20			
	Subsidiaries	Entities exercising significant influence over the Company	Key Management Personnel	Post employment benefit plan Trust	Subsidiaries	Entities exercising significant influence over the Company	Key Management Personnel	Post employment benefit plan Trust
Sales of goods/CWIP/services provided	314.22	–	–	–	265.60	–	–	–
Purchase of goods/ services received	348.50	0.66	–	–	298.39	1.53	–	–
Gain on restatement of investment in Preference Shares (Mark to Market)	17.25	–	–	–	5.02	–	–	–
Provision for impairment in value of Investments	1.01	–	–	–	–	–	–	–
Payment of rent	0.09	–	–	–	0.09	–	–	–
Receipt of rent	0.00	0.06	–	–	0.00	0.06	–	–
Advances given	0.18	–	–	–	0.34	–	–	2.00
Advances recovered	0.18	–	–	–	0.33	–	–	2.00
Advances written off	–	–	–	–	2.75	–	–	–
Interest income	–	–	–	–	0.04	–	–	–
Provision for doubtful advances written back	–	–	–	–	1.36	–	–	–
Paid to Trust–Employees Provident Fund Contribution	–	–	–	7.01	–	–	–	6.70
Paid to Trust–Employees Gratuity Fund Contribution	–	–	–	10.50	–	–	–	5.00
Paid to Trust–Employees Superannuation Fund Contribution	–	–	–	2.82	–	–	–	2.94
Remuneration, Perquisites & Others (Refer Note No. 58.3.1)	–	–	4.98	–	–	–	5.74	–
Change in the Corporate Guarantee (to the extent of changes in loan outstanding)	(37.37)	–	–	–	(15.07)	–	–	–
Dividend Paid	–	36.59	–	–	–	–	–	–
Dividend Received	–	0.00	–	–	–	0.00	–	–

58.3.1 Key Management Personnel Compensation

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Short-Term Employee Benefits	3.41	2.65
Post-Employment Benefits (*)	0.00	1.38
Long-Term Employee Benefits (*)	–	1.11
Director's Sitting Fees	0.87	0.60
Director's Commission	0.70	0.00
Total Compensation	**4.98**	**5.74**

(*) Amount related to previous year includes earlier year's accumulated amount of Gratuity and Leave encashment, paid at the time of retirement.

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

58.4 Balance Outstanding as at the balance sheet date (₹ in Crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Trade Payables		
Subsidiaries	–	0.02
Entities exercising significant influence over the Company	0.10	0.04
Provision for Employees Benefit		
Post Employment Benefit Plan Trust	0.55	3.45
Trade Receivables		
Subsidiaries	12.34	7.64
Other Receivables		
Subsidiaries	2.02	–
Entities exercising significant influence over the Company	–	0.01
Advances Given		
Subsidiaries	0.07	0.07
Corporate Guarantee Outstanding (to the extent of loan outstanding)		
Subsidiaries	340.75	378.12
Provision for Doubtful Advances		
Subsidiaries	0.07	0.07
Short-term employee benefits		
Key Management Personnel	1.41	0.00

58.5 Terms and Conditions of transactions with Related Parties:

All Related Party Transactions are net off taxes and duties. The sales to and purchases from related party are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions. The Loans and Advances as well as Corporate Guarantee issued to related parties are on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and settlement occurs in cash, the Company has recorded the receivable relating to amount due from related parties net of impairment (if any). This assessment is undertaken each financial year through examining the financial position of the related parties and the market in which the related party operates.

59 In the previous year, the Company had made an investment in AMP Solar Clean Power Private Limited ('AMP') by way of purchase of 2,27,040 fully paid up equity shares having face value of ₹ 10 each, amounting of ₹ 0.23 Crore (7.80% holding in AMP) and in 20,433 compulsorily convertible debentures having face value of ₹ 1000 each, amounting of ₹ 2.04 Crores under Share Purchase, Subscription and Shareholders Agreement. Further, the Company had entered into a long-term power purchase agreement ('PPA') with the AMP which is engaged in setting up a solar power plant. The PPA has a lock-in period of 15 years wherein the Company (alongwith the subsidiary company) is required to purchase the entire contracted power capacity from the said plant.

Taking into consideration the terms and conditions of PPA, it is considered that the arrangement in respect of long term power purchase agreement satisfies all the conditions of the lease as per IND AS 116 and the construction of plant is completed in current year. Consequently, Right of Use Assets and Lease Liabilities is recognized on the Commencement date of Solar Power Plant.

The investment in equity shares in AMP together with the Subsidiary Company is 26%. Considering the substance of the transactions, in the opinion of the management, it is not considered as a related party under Ind AS 24/28. Accordingly, the investment in equity shares and compulsorily convertible debentures is recognized at amortised cost under "Deposits" as per the provision of Ind AS 109 and the difference between amortised cost and investment value on initial recognition is considered for valuation of "Right of Use Assets- Plant and Machinery", in the previous year it was recognized under "Capital Advance".

NOTES TO STANDALONE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

60 Due to COVID-19 situation, there have been several restrictions imposed by the Governments across the globe on the travel, goods movement and transportation considering public health and safety measures, which had impact on the Company's normal business operations by way of interruption in production, supply chain disruption, unavailability of personnel etc. during the lockdown period. As per our current assessment, no significant impact on carrying amounts of inventories, intangible assets, trade receivables, investments and other financial assets is expected as on the balance sheet date. The impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The company will continue to monitor any material changes to future economic conditions.

61 The Code on Social Security, 2020 which received the President's assent on 28th September 2020 subsumes nine laws relating to Social security, retirement and employee benefits, including the Provident Fund and Gratuity. The effective date of the Code and rules thereunder are yet to be notified. The impact of the changes, if any, will be assessed and recognised post notification of the relevant provisions.

62 Previous year figures have been regrouped/ rearranged/ reclassified wherever necessary. Further, there are no material regroupings/ reclassifications during the year.

As per our annexed Report of even date

For **V. SANKAR AIYAR & CO.**
Chartered Accountants
Firm Registration No. 109208W

M. S. BALACHANDRAN
Partner
Membership No. 024282

New Delhi
Date: 12th May, 2021

For and on behalf of the Board of Directors

ADITYA SARAOGI
Chief Financial Officer

HARSH V. LODHA
Chairman
(DIN : 00394094)

MANOJ KUMAR MEHTA
Company Secretary
& Legal Head

ARVIND PATHAK
Managing Director
& Chief Executive
Officer
(DIN: 00585588)

Kolkata
Date: 12th May, 2021

Form AOC-1

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

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

Part"A": Subsidiaries

(₹ in Crores)

Sl. No.	Name of the Subsidiary	RCCPL Pvt. Ltd.	Birla Jute Supply Co. Ltd.	Talavadi Cements Ltd.	Lok Cement Ltd.	Budge Budge Floorcoverings Ltd.	Birla Cement (Assam) Ltd.	M.P. Birla Group Services Pvt. Ltd.
1	Share Capital	312.82	0.06	6.00	1.25	4.00	0.05	0.02
2	Reserve & Surplus	2,614.06	1.30	2.84	(0.70)	(2.19)	(0.02)	(0.02)
3	Total Assets	7,369.29	1.44	11.13	0.57	1.95	0.03	0.00
4	Total Liabilities	4,442.41	0.08	2.29	0.01	0.15	0.00	0.00
5	Investments	78.07	–	0.72	–	0.14	–	–
6	Turnover	2,662.08	–	–	–	–	–	–
7	Profit before Taxation	348.53	0.06	(0.20)	(0.01)	(0.02)	(0.00)	(0.00)
8	Provision for Taxation	80.41	0.02	0.19	–	(0.02)	–	–
9	Profit After Taxation	210.27	0.05	0.25	(0.01)	(0.00)	(0.00)	(0.00)
10	Proposed Dividend	–	–	–	–	–	–	–
11	% of Shareholding	100%	100%	98.01%	100%	100%	100%	100%

Note:

1. None of the subsidiaries have reporting period different from the Parent Company.
2. None of the above mentioned subsidiaries are foreign subsidiaries.
3. (a) Subsidiaries which are yet to commence operations:
   i) Lok Cement Ltd.
   ii) Birla Cement (Assam) Ltd.
   iii) M.P. Birla Group Services Pvt. Ltd.
3. (b) Subsidiaries which have been liquidated or sold during the year: Nil
4. PART B of the Form AOC-1 is not applicable as there are no associate companies/joint ventures of the Company as on 31st March, 2021.

For and on behalf of the Board of Directors

ADITYA SARAOGI
Chief Financial Officer

HARSH V. LODHA
Chairman
(DIN : 00394094)

MANOJ KUMAR MEHTA
Company Secretary
& Legal Head

ARVIND PATHAK
Managing Director
& Chief Executive Officer
(DIN: 00585588)

Kolkata

Date: 12th May, 2021

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF BIRLA CORPORATION LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **BIRLA CORPORATION LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), which comprise the consolidated Balance Sheet as at 31st March, 2021 and the consolidated Statement of Profit & Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Cash Flow Statement for the year then ended, and notes to the consolidated Financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements and on the other financial information of the subsidiaries, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013, as amended, ("the Act") in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India, of the consolidated state of affairs (financial position) of the Group as at 31st March, 2021, its consolidated profit (financial performance including other comprehensive income), its consolidated cash flows and consolidated changes in equity 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 "Auditor's 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 the 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 made 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 opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current 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 to be communicated in our report.

Key Audit Matters	Auditor's Response
Recoverability of MAT Credit Entitlement in future - Relating to Parent Company: The Parent Company has recognised deferred tax assets mainly on account of tax credit available for set off (Minimum Alternate Tax) under the Income Tax Act, 1961. Under Ind AS 12 – Income Taxes, deferred tax assets shall be recognised to the extent that it is probable that future taxable profit will be available against which the unused tax credit can be utilised. The assessment of valuation of deferred tax assets requires significant management judgement and estimation. This include, amongst others, estimation of long-term future profitability, future revenue from proposed projects and tax regulations and developments. As a result, the recognition of the deferred tax asset on above was significant to our audit. The disclosures relating to the above are included in Note No. 25 of the consolidated financial statements.	Audit procedures included, among others, review of: • The appropriateness of the methodology applied by the Parent Company with applicable Indian accounting standards and applicable taxation laws along with the future business forecast of taxable profits. • The likelihood of the Parent Company to utilize the available MAT credit entitlements in the future with underlying projections and assumptions relating to future estimated profits, future capitalizations and depreciation allowance thereon and future estimates of taxable income. • The adequacy of the Parent Company's disclosures in the financials on deferred tax assets and assumptions used.
Litigations and Claims The Group is exposed to different laws, regulations and interpretations thereof which encompasses direct/indirect taxation and legal matters. In the normal course of business, provisions and contingent liabilities may arise from legal and tax proceedings, including regulatory and other Governmental proceedings, constructive obligations as well as investigations by authorities and commercial claims. Based on the nature of regulatory and legal cases management applies significant judgement when considering whether, and how much, to provide for the potential exposure of each matter. These estimates could change significantly over time as new facts emerge and each legal case progresses. Given the inherent complexity and magnitude of potential exposures and the judgement necessary to estimate the amount of provisions required or to determine required disclosures, this is a key audit matter. (Refer Note No.41 to the Consolidated Ind AS Financial Statements)	Our audit procedure in response to this key Audit Matter included, among others, • Assessment of the process and relevant controls implemented to identify legal and tax litigations, and pending administrative proceedings. • Assessment of assumptions used in the evaluation of possible legal and tax risks by the legal and tax department of the Group considering the legal precedence and other rulings in similar cases. • Inquiry with the legal and tax divisions of the Group regarding the status of the most significant disputes and perusal of the relevant documentation. • Taking note of opinion received from the experts, where available. Review of the adequacy of the disclosures in the notes to the consolidated financial statements

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Directors' Report and Management Discussion and Analysis, Business Responsibility Report and the Report on Corporate Governance, but does not include the consolidated financial statements and our auditor's report thereon.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these 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 in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective board of the Companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the 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 are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Holding Company and its subsidiary companies 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 to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group 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 to express an opinion on the consolidated financial statements, of which we are the independent auditors. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

We did not audit the financial statements of six subsidiaries whose financial statements reflect the total assets of Rs. 15.16 Crores as at 31st March 2021, total revenues of Rs. 1.05 Crores and net cash flow amounting of Rs. (0.27) Crore for the year ended on that date, as considered in the consolidated financial statements. 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 and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries 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 the our reliance on the work done and the reports of the other auditors and explanation provided by the Management.

Report on Other Legal and Regulatory Requirements

1 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 so for 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 Cash Flow Statement and the Consolidated Statement of Changes in Equity dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements;

   d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with relevant rules made thereunder;

   e) On the basis of the written representations received from the Directors of the Holding Company as on

31st March, 2021 and taken on record by the Board of Directors of the Holding Company and the reports of Statutory Auditors of its subsidiary companies, none of the Directors of the Group Companies, is disqualified as on 31st March, 2021 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 over financial reporting of the Holding Company and its subsidiary companies and the operating effectiveness of such controls, refer to our separate report in "Annexure A", which is based on the auditor's report of the Holding Company and a Subsidiary Companies.

g) With respect to the other matters to be included in the Auditor's 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 Group to its directors during the year is in accordance with the provisions of section 197 of the Act.

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

i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 41.1 to 41.4 to the consolidated financial statements;

ii. Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;

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

For V. Sankar Aiyar & Co.
Chartered Accountants
(Firm Regn. No.: 109208W)

(M.S. BALACHANDRAN)
Partner (M. No: 024282)
UDIN: 21024282AAAAFZ3878

Place: New Delhi
Dated: 12th May, 2021

Annexure-A referred to in the Independent Auditors' report to the Members of Birla Corporation Limited on the consolidated accounts for the year ended 31st March, 2021

We have audited the internal financial controls over financial reporting of **BIRLA CORPORATION LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (collectively referred to as "the Group"), as of 31st March, 2021 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company and its subsidiary companies are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company and its subsidiary companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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 over financial reporting based on our audit and those conducted by other auditors. We and other auditors conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by 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 issued by ICAI. Those Standards and the Guidance Note require that ourselves and other auditors (We) comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A Company's internal financial control over financial reporting 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 over financial reporting 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 over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanation given to us and based on the reports of other auditors, the Holding Company and its subsidiary companies have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matter

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the Internal finance controls over financial reporting in so far as it relates to six subsidiary companies is based on the corresponding reports of the other auditors of the subsidiary companies. Our opinion is not qualified in respect of this matter.

For V. Sankar Aiyar & Co.
Chartered Accountants
(Firm Regn. No.: 109208W)

(M.S. BALACHANDRAN)
Partner (M. No: 024282)
UDIN: 21024282AAAAFZ3878

Place: New Delhi
Dated: 12th May, 2021

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2021

(₹ in Crores)

	Note No.	As at 31st March, 2021		As at 31st March, 2020	
ASSETS					
NON-CURRENT ASSETS					
Property, Plant and Equipment	6	**6,372.56**		6,373.25	
Capital Work-In-Progress	6	**2,103.42**		1,601.98	
Investment Property	7	**0.13**		0.16	
Goodwill on Consolidation		**0.03**		0.03	
Intangible Assets	8	**950.05**		951.29	
Intangible Assets under Development	8	**1.37**		1.92	
Biological Assets other than Bearer Plants	9	**0.84**		0.82	
Financial Assets					
Investments	10	**288.98**		160.00	
Loans	11	**0.29**		0.46	
Other Financial Assets	12	**251.03**		124.32	
Non Current tax Asset (Net)		**63.86**		60.53	
Other Non-Current Assets	13	**194.95**	**10,227.51**	206.77	9,481.53
CURRENT ASSETS					
Inventories	14	**810.09**		787.63	
Financial Assets					
Investments	15	**463.47**		676.17	
Trade Receivables	16	**279.51**		250.38	
Cash and Cash Equivalents	17	**90.54**		46.66	
Bank Balances other than Cash and Cash Equivalents	18	**86.71**		52.79	
Loans	11	**1.24**		1.10	
Other Financial Assets	12	**524.80**		566.55	
Other Current Assets	13	**410.30**		311.17	
Non-Current Assets classified as Held for Sale	19	**1.42**	**2,668.08**	1.49	2,693.94
Total Assets			**12,895.59**		12,175.47
EQUITY AND LIABILITIES					
EQUITY					
Equity Share Capital	20	**77.01**		77.01	
Other Equity	21	**5,408.98**	**5,485.99**	4,729.12	4,806.13
Non-Controlling Interest			**0.04**		0.04
LIABILITIES					
NON-CURRENT LIABILITIES					
Financial Liabilities					
Borrowings	22	**3,604.40**		3,668.95	
Other Financial Liabilities	23	**699.55**		547.22	
Provisions	24	**61.88**		50.02	
Deferred Tax Liabilities (Net)	25	**866.79**		856.79	
Non Currrent Tax Liabilities (Net)		**1.41**		1.35	
Other Non Current Liabilities	26	**150.73**	**5,384.76**	144.89	5,269.22
CURRENT LIABILITIES					
Financial Liabilities					
Borrowings	27	**30.42**		83.67	
Trade Payables	28				
- Total outstanding dues of micro enterprises and small enterprises		**15.61**		3.83	
- Total outstanding dues of creditors other than micro enterprises and small enterprises		**573.40**		518.92	
Other Financial Liabilities	23	**1,026.74**		1,282.16	
Other Current Liabilities	26	**361.40**		194.59	
Provisions	24	**11.50**		16.89	
Current Tax Liabilities (Net)		**5.73**	**2,024.80**	0.02	2,100.08
Total Equity and Liabilities			**12,895.59**		12,175.47
Basis of Preparation	2				
Basis of Consolidation	3				
Significant Accounting Policies	4				
Significant Judgements and Key Estimates	5				

The Notes are an integral part of the Consolidated Financial Statements.

As per our annexed Report of even date
For **V. SANKAR AIYAR & CO.**
Chartered Accountants
Firm Registration No. 109208W

M. S. BALACHANDRAN
Partner
Membership No. 024282

For and on behalf of the Board of Directors

ADITYA SARAOGI
Chief Financial Officer

HARSH V. LODHA
Chairman
(DIN : 00394094)

MANOJ KUMAR MEHTA
Company Secretary
& Legal Head

ARVIND PATHAK
Managing Director
& Chief Executive Officer
(DIN: 00585588)

New Delhi
Date: 12th May, 2021

Kolkata
Date: 12th May, 2021

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

	Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
INCOME			
Revenue from Operations	29	**6,785.45**	6,915.69
Other Income	30	**99.91**	85.13
Total Income		**6,885.36**	7,000.82
EXPENSES			
Cost of Materials Consumed	31	**887.11**	958.12
Purchases of Stock–In–Trade	32	**24.61**	16.05
Changes in Inventories of Finished Goods, Stock–In–Trade and Work–In–Progress	33	**75.44**	(54.91)
Employee Benefits Expense	34	**397.77**	407.88
Finance Costs	35	**296.28**	387.67
Depreciation and Amortisation Expense	36	**370.76**	351.91
Other Expenses	37	**4,062.95**	4,252.58
Total Expenses		**6,114.92**	6,319.30
Profit before Exceptional Items and Tax		**770.44**	681.52
Exceptional Items	38	**57.85**	–
Profit before Tax		**712.59**	681.52
Tax Expense:	39		
Current Tax		**86.76**	75.29
Deferred Tax		**45.70**	119.35
Income Tax for earlier years		**–**	(18.30)
Deferred Tax for earlier years	25.3	**(50.01)**	–
		82.45	176.34
Profit for the year before share in Profit of Associates and Non–Controlling Interest		**630.14**	505.18
Less: Share of Profit / (Loss) of Associates (Net of Tax Expense)		**–**	–
Profit for the Year		**630.14**	505.18
Profit attributable to:			
Owners of the Parent		**630.14**	505.18
Non–Controlling Interest		**0.00**	0.00
Other Comprehensive Income			
A. Items that will not be reclassified to profit or loss	40.1	**131.02**	(128.70)
Income tax relating to these Items		**(17.58)**	4.74
		113.44	(123.96)
B. Items that will be reclassified to profit or loss	40.2	**(9.24)**	0.44
Income tax relating to these Items		**3.27**	(0.16)
		(5.97)	0.28
Other Comprehensive Income for the year (Net of Tax)		**107.47**	(123.68)
Other Comprehensive Income attributable to:			
Owners of the Parent		**107.47**	(123.68)
Non–Controlling Interest		**0.00**	0.00
Total Comprehensive Income for the Year		**737.61**	381.50
Total Comprehensive Income attributable to:			
Owners of the Parent		**737.61**	381.50
Non–controlling Interest		**0.00**	0.00
Earnings Per Share (Face value of ₹ 10/– each)			
Basic & Diluted (₹)	47	**81.83**	65.60
Basis of Preparation	2		
Basis of Consolidation	3		
Significant Accounting Policies	4		
Significant Judgements and Key Estimates	5		

The Notes are an integral part of the Consolidated Financial Statements.

As per our annexed Report of even date
For **V. SANKAR AIYAR & CO.**
Chartered Accountants
Firm Registration No. 109208W

M. S. BALACHANDRAN
Partner
Membership No. 024282

New Delhi
Date: 12th May, 2021

For and on behalf of the Board of Directors

ADITYA SARAOGI
Chief Financial Officer

HARSH V. LODHA
Chairman
(DIN : 00394094)

MANOJ KUMAR MEHTA
Company Secretary
& Legal Head

ARVIND PATHAK
Managing Director
& Chief Executive Officer
(DIN: 00585588)

Kolkata
Date: 12th May, 2021

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

	For the year ended 31st March, 2021		For the year ended 31st March, 2020	
Cash Flow from Operating Activities:				
Profit after Exceptional Items & before Tax	712.59		681.52	
Adjustments for :				
Depreciation & Amortisation	370.76		351.91	
Investing Activities (Net)	(44.31)		(60.24)	
Provision for Doubtful Debts	–		0.03	
Bad Debts	0.19		0.06	
Expected Credit Loss on Incentive and Subsidy	32.62		–	
(Profit)/Loss on sale/ discard of Property, Plant and Equipment / CWIP (Net)	13.98		10.98	
Profit on sale of Non Current Assets classified as Held for Sale	–		(2.70)	
Fair Valuation for Biological Assets other than Bearer Plants	0.02		0.04	
Amortisation of Deferred Revenue	(1.24)		(1.33)	
Excess liabilities, Unclaimed Balances and Provisions written back (Net)	(15.35)		(13.81)	
Effect of Foreign Exchange Fluctuations	8.03		7.18	
Unwinding of interest on Loan	1.45		1.04	
Loss on Impairment of Assets	57.85		–	
Finance Costs	296.28		387.67	
Operating Profit before Working Capital changes	**1,432.87**		**1,362.35**	
Adjustments for :				
(Increase)/ Decrease in Trade Receivables	(29.20)		13.04	
(Increase)/ Decrease in Inventories	(22.46)		(4.61)	
(Increase)/ Decrease in Loans, Other Financial Assets & Other Assets	(221.39)		0.35	
Increase/ (Decrease) in Trade Payables & Other Liability	247.85		9.81	
Increase/ (Decrease) in Provisions	5.08		2.10	
Cash generated from operations	**1,412.75**		**1,383.04**	
Direct Taxes (Paid) / Refund Received (Net)	(84.32)		(41.83)	
Net Cash from Operating Activities		**1,328.43**		**1,341.21**
Cash Flow from Investing Activities:				
Purchase of Tangible & Intangible Assets including CWIP/ Capital Advances	(803.54)		(990.68)	
Sale of Tangible Assets	0.72		4.70	
(Purchase)/Sale of Liquid Investments (Net)	25.51		266.60	
Purchase of other Current Investments	(675.50)		(438.39)	
Sale of other Current Investments	893.81		135.92	
Purchase of Non current Investments	–		(8.75)	
(Increase)/ Decrease in Other Bank Balances	(36.84)		(163.70)	
Interest received	13.32		7.71	
Dividend received	1.01		2.61	
Net Cash used in Investing Activities		**(581.51)**		**(1,183.98)**

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

	For the year ended 31st March, 2021		For the year ended 31st March, 2020	
Cash Flow from Financing Activities				
Proceeds from Long Term Borrowings	731.70		662.92	
Repayments of Long Term Borrowings	(902.32)		(531.37)	
(Repayments)/Proceeds from Short Term Borrowings (Net)	(52.08)		56.12	
Payment of Lease Liabilities	(2.54)		(1.68)	
Interest paid	(349.26)		(387.16)	
Dividend paid	(115.50)		–	
Dividend Distribution Tax paid	(11.87)		–	
Net Cash used in Financing Activities		**(701.87)**		**(201.17)**
Net Increase/ (Decrease) in Cash and Cash Equivalents		**45.05**		**(43.94)**
Cash and Cash Equivalents (Opening Balance)		**45.49**		**89.43**
Cash and Cash Equivalents (Closing Balance)		**90.54**		**45.49**
Cash and Cash Equivalents as per balance sheet (Closing Balance) (Refer Note No. 17)		**90.54**		**46.66**
Overdraft Balance in Current Account shown under Short Term Borrowings		–		(1.17)
Cash and Cash Equivalents (Closing Balance) after adjusting Overdraft balance		**90.54**		**45.49**

Note :

a) **Reconciliation of Liabilities arising from financing activities**

Financial Liability	Opening	Proceeds	Repayments	Forex Adjustments	Fair Value Changes/other adjustments	Closing
Long Term Borrowings (Including current maturity)	4,198.28	731.70	902.32	(13.80)	2.14	4,016.00
Short Term Borrowings (Excluding Overdraft Balance in Current Account)	82.50	164.94	217.02	–	–	30.42

b) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in Ind AS 7, 'Statement of Cash Flows'.

c) The composition of Cash & Cash Equivalents has been determined based on the Accounting Policy No. 4.2.

d) Figures for the previous year have been re-grouped wherever considered necessary.

e) Direct Taxes paid are treated as arising from operating activities and are not bifurcated between investing and financing activities.

f) The Notes are an integral part of Consolidated Financial Statements.

As per our annexed Report of even date
For **V. SANKAR AIYAR & CO.**
Chartered Accountants
Firm Registration No. 109208W

M. S. BALACHANDRAN
Partner
Membership No. 024282

New Delhi
Date: 12th May, 2021

For and on behalf of the Board of Directors

ADITYA SARAOGI
Chief Financial Officer

HARSH V. LODHA
Chairman
(DIN : 00394094)

MANOJ KUMAR MEHTA
Company Secretary
& Legal Head

ARVIND PATHAK
Managing Director
& Chief Executive Officer
(DIN: 00585588)

Kolkata
Date: 12th May, 2021

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

a) Equity Share Capital (Refer Note No. 20)

Balance as at 1st April, 2019	77.01
Add/ (Less): Changes in Equity Share Capital during the year	-
Balance as at 31st March, 2020	**77.01**
Add/ (Less): Changes in Equity Share Capital during the year	-
Balance as at 31st March, 2021	**77.01**

b) Other Equity (Refer Note No. 21)

Particulars	Reserves & Surplus					Items of Other Comprehensive Income				Total Attributable to the Owners of the Company	Attributable to Non Controlling Interest	Total
	Capital Reserve	Capital Reserve on Consolidation	Debenture Redemption Reserve	General Reserve	Retained Earnings	Debt Instrument through Other Comprehensive Income	Effective Portion of Cash Flow Hedges	Equity Instrument through Other Comprehensive Income	Revaluation Surplus			
Balance as at 1st April, 2020	**1.05**	**108.21**	**84.59**	**2,667.90**	**923.83**	**(0.67)**	**–**	**121.74**	**822.47**	**4,729.12**	**0.04**	**4,729.16**
Profit for the Year	–	–	–	–	630.14	–	–	–	–	630.14	–	630.14
Remeasurement Gain/(Loss)	–	–	–	–	2.37	–	–	–	–	2.37	–	2.37
Mark to Market Gain/(Loss)	–	–	–	–	–	0.35	(9.59)	128.65	–	119.41	–	119.41
Impact of Tax	–	–	–	–	(0.91)	(0.08)	3.35	(18.08)	1.41	(14.31)	–	(14.31)
Total Comprehensive Income	**–**	**–**	**–**	**–**	**631.60**	**0.27**	**(6.24)**	**110.57**	**1.41**	**737.61**	**–**	**737.61**
Final Dividend Paid (₹ 7.50 per share)	–	–	–	–	(57.75)	–	–	–	–	(57.75)	–	(57.75)
Transfer to General Reserve	–	–	(32.50)	32.50	–	–	–	–	–	–	–	–
Total Appropriations / Adjustments	**–**	**–**	**(32.50)**	**32.50**	**(57.75)**	**–**	**–**	**–**	**–**	**(57.75)**	**–**	**(57.75)**
Balance as at 31st March, 2021	**1.05**	**108.21**	**52.09**	**2,700.40**	**1,497.68**	**(0.40)**	**(6.24)**	**232.31**	**823.88**	**5,408.98**	**0.04**	**5,409.02**

CONSOLIDATED STATEMENT OF CHANGE IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

Particulars	Reserves & Surplus					Items of Other Comprehensive Income				Total Attributable to the Owners of the Company	Attributable to Non Controlling Interest	Total
	Capital Reserve	Capital Reserve on Consolidation	Debenture Redemption Reserve	General Reserve	Retained Earnings	Debt Instrument through Other Comprehensive Income	Effective Portion of Cash Flow Hedges	Equity Instrument through Other Comprehensive Income	Revaluation Surplus			
Balance as at 1st April, 2019	**1.05**	**108.21**	**104.42**	**2,630.40**	**513.89**	**(0.95)**	**–**	**239.78**	**821.41**	**4,418.21**	**0.04**	**4,418.25**
Profit for the Year	–	–	–	–	505.18	–	–	–	–	505.18	0.00	505.18
Remeasurement Gain/(Loss)	–	–	–	–	(10.66)	–	–	–	–	(10.66)	–	(10.66)
Mark to Market Gain/(Loss)	–	–	–	–	–	0.44	–	(118.04)	–	(117.60)	–	(117.60)
Impact of Tax	–	–	–	–	3.68	(0.16)	–	–	1.06	4.58	–	4.58
Transition Impact of Ind AS 116 – Leases (Refer Note No. 46)	–	–	–	–	(1.17)	–	–	–	–	(1.17)	–	(1.17)
Impact of Tax thereon	–	–	–	–	0.20	–	–	–	–	0.20	–	0.20
Total Comprehensive Income	**–**	**–**	**–**	**–**	**497.23**	**0.28**	**–**	**(118.04)**	**1.06**	**380.53**	**0.00**	**380.53**
Final Dividends Paid (₹ 7.50 per share) (Refer Note No. 42.2)	–	–	–	–	(57.75)	–	–	–	–	(57.75)	–	(57.75)
Dividend Distribution Tax on Final Dividend (Refer Note No. 42.2)	–	–	–	–	(11.87)	–	–	–	–	(11.87)	–	(11.87)
Transfer to General Reserve	–	–	(37.50)	37.50	–	–	–	–	–	–	–	–
Transfer to Debenture Redemption Reserve	–	–	17.67	–	(17.67)	–	–	–	–	–	–	–
Total Appropriations / Adjustments	**–**	**–**	**(19.83)**	**37.50**	**(87.29)**	**–**	**–**	**–**	**–**	**(69.62)**	**–**	**(69.62)**
Balance as at 31st March, 2020	**1.05**	**108.21**	**84.59**	**2,667.90**	**923.83**	**(0.67)**	**–**	**121.74**	**822.47**	**4,729.12**	**0.04**	**4,729.16**

The Notes are an integral part of the Consolidated Financial Statements.

As per our annexed Report of even date
For **V. SANKAR AIYAR & CO.**
Chartered Accountants
Firm Registration No. 109208W

M. S. BALACHANDRAN
Partner
Membership No. 024282

New Delhi
Date: 12th May, 2021

For and on behalf of the Board of Directors

ADITYA SARAOGI
Chief Financial Officer

MANOJ KUMAR MEHTA
Company Secretary
& Legal Head

HARSH V. LODHA
Chairman
(DIN : 00394094)

ARVIND PATHAK
Managing Director
& Chief Executive Officer
(DIN: 00585588)

Kolkata
Date: 12th May, 2021

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

1. CORPORATE AND GENERAL INFORMATION

Birla Corporation Limited (the Parent Company) is the flagship company of the M. P. Birla Group. The Parent Company is a Public Limited Listed Company domiciled and incorporated in India having its Registered Office at Kolkata, West Bengal, India. It was incorporated as per the provisions of Companies Act as Birla Jute Manufacturing Company Limited in the year 1919. The Parent Company and its subsidiaries together referred as "the Group". The Group is primarily engaged in the manufacturing of cement as its core business activity. It has significant presence in the jute industry as well.

2. BASIS OF PREPARATION

2.1 Statement of Compliance

These consolidated financial statements ("the financial statements") have been prepared in accordance with the Indian Accounting Standards ("Ind AS") as prescribed under Section 133 of the Companies Act, 2013 ("the Act"), read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended), other relevant provisions of the Act and other accounting principles generally accepted in India.

The financial statements of the Group for the year ended 31st March, 2021 have been approved by the Board of Directors in their meeting held on 12th May, 2021.

2.2 Basis of Measurement

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

- ➢ Financial Assets and Liabilities (including Derivative Instruments) that is measured at fair value/ amortised cost;
- ➢ Non-Current Assets classified as Held for Sale - measured at the lower of the carrying amounts and fair value less cost to sell;
- ➢ Defined Benefit Plans – plan assets measured at fair value;
- ➢ Biological assets – At fair value less cost to sell;and
- ➢ Freehold Land falling under Property, Plant & Equipment that is measured at fair value.

2.3 Functional and Presentation Currency

The financial statements have been presented in Indian Rupees (INR or ₹), which is also the Group's functional currency. All financial information presented in INR has been rounded off to the nearest Crores, unless otherwise stated. Wherever the amount represented Rs "0.00" (Zero) construes value less than Rupees fifty thousand.

2.4 Use of Estimates and Judgements

The preparation of financial statements require judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities including contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between actual results and estimates are recognized in the period prospectively in which the results are known/ materialized.

2.5 Current versus Non-Current classification

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

- ➢ Expected to be realized or intended to be sold or consumed in normal operating cycle;
- ➢ Held primarily for the purpose of trading;
- ➢ Expected to be realized within twelve months after the reporting period; or
- ➢ 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 the other assets are classified as non-current.

A liability is current when:

- ➢ It is expected to be settled in normal operating cycle;

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Group classifies all other liabilities as non-current. Deferred Tax Assets and Liabilities are classified as non-current assets and liabilities respectively.

3. BASIS OF CONSOLIDATION

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 when control ceases. Profit/(loss) and Other Comprehensive Income ('OCI') of subsidiaries acquired or disposed of during the period are recognized from the effective date of acquisition, or up to the effective date of disposal, as applicable. All the consolidated subsidiaries have a consistent reporting date of 31st March, 2021.The Group consolidates the financial statements of the parent and its subsidiaries on line by line basis adding together the items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group. Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's Statement of Profit and Loss and net assets that is not held by the Group. Profit/(loss) and each component of OCI are attributed to the equity holders of the Parent Company and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. The Group attributes total comprehensive income or loss of the subsidiaries between the owners of the parent and the non-controlling interests based on their respective 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. Such 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 recognized within equity.

Associates

Investment in entities in which there exists significant influence but not a controlling interest are accounted for under the equity method i.e. the investment is initially recorded at cost, identifying any goodwill/capital reserve arising at the time of acquisition, as the case may be, which will be inherent in investment. The carrying amount of the investment is adjusted thereafter for the post acquisition change in the share of net assets of the investee, adjusted where necessary to ensure consistency with the accounting policies of the Group. The consolidated Statement of Profit and Loss includes the Group's share of the results of the operations of the investee. Dividends received or receivable from associate ventures are recognised as a reduction in the carrying amount of the investment. Unrealized gains on transactions between the Group and associates are eliminated to the extent of the Group's interest in these entities.

Business combinations

The Group applies the acquisition method in accounting for business combinations. The consideration transferred by the Group to obtain control of a subsidiary is calculated as the sum of the fair values of assets transferred on acquisition-date, liabilities incurred and the equity interests issued by the Group, which includes the fair value of any asset or liability arising from a contingent consideration arrangement. Acquisition costs are expensed as incurred.

Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values on acquisition-date.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognized for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the excess is recognized capital reserve.

Contingent consideration is classified either as equity or financial liability. Amount classified as financial liability are subsequently re-measured to fair value with changes in fair value recognized in Statement of Profit and Loss.

Business combinations involving entities or businesses under common control have been accounted for using the pooling of interest method. The assets and liabilities of the combining entities are reflected at their carrying amounts. No adjustments have been made to reflect fair values, or to recognize any new assets or liabilities except changes made to harmonise the accounting policies.

4. SIGNIFICANT ACCOUNTING POLICIES

A summary of the significant accounting policies applied in the preparation of the consolidatedfinancial statements are as given below. These accounting policies have been applied consistently to all the periods presented in the financial statements.

4.1 Inventories

Inventories are valued at Cost or Net Realizable Value, whichever is lower. Cost comprise of all costs of purchase (Net of Input Tax Credit), costs of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis. Net Realizable Value is the estimated selling price in the ordinary course of business less estimated cost of completion and the estimated cost necessary to make the sale. 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.

4.2 Cash and Cash Equivalents

Cash and cash equivalents in the Balance Sheet comprise cash in hand, balance with Banks and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of change in value.However, for the purpose of the Cash Flow Statement the same is net of outstanding bank overdrafts.

4.3 Income Tax

Income Tax comprises current and deferred tax. It is recognized in the Statement of Profit and Loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

4.3.1. Current Tax

Current tax liabilities (or assets) for the current and prior periods are measured at the amount expected to be paid to (recovered from) the taxation authorities using the tax rates (and tax laws) that have been enacted or substantively enacted, at the end of the reporting period.

4.3.2. Deferred Tax

- ➢ Deferred tax assets and liabilities shall be measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.
- ➢ Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes (i.e., tax base). Deferred tax is also recognized for carry forward of unused tax losses and unused tax credits.
- ➢ Deferred tax assets are recognized 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 utilized.
- ➢ The carrying amount of deferred tax assets is reviewed at the end of each reporting period. The Group reduces the carrying amount of a deferred tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilized. Any such reduction is reversed to the extent that it becomes probable that sufficient taxable profit will be available.
- ➢ Deferred tax relating to items recognized outside the Statement of Profit and Loss is recognized either in other comprehensive income or in equity. Deferred tax items are recognized in correlation to the underlying transaction either in other comprehensive income or directly in equity.
- ➢ Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.
- ➢ The Government of India, on September 20, 2019, vide the Taxation Laws (Amendment) Ordinance 2019, inserted a new Section 115BAA in the Income Tax Act, 1961, which provides an option to the Group for paying Income Tax at reduced rates as per the provisions/conditions defined in the said section. The Parent Company is continuing with higher income tax rate option, based on the available outstanding MAT credit entitlement and different exemptions & deduction enjoyed by the Parent Company. However, the Parent Company has estimated and

applied the lower income tax rate on the deferred tax assets / liabilities to the extent these are expected to be realized or settled in the future period when the Parent Company may be subjected to lower tax rate.

4.4 Property, Plant and Equipment

4.4.1. Recognition and Measurement:

➢ Property, plant and equipment held for use in the production or/and supply of goods or services, or for administrative purposes, are stated in the Balance Sheet at cost, less accumulated depreciation and accumulated impairment losses (if any)except freehold land where the Group had opted revaluation model,(Refer Note No.6.2).

➢ Cost of an item of property, plant and equipment acquired comprises its purchase price, including import duties and non-refundable purchase taxes, directly attributable borrowing costs, any other directly attributable costs of bringing the assets to its working condition and location for its intended use, present value of any estimated cost of dismantling and removing the item and restoring the site on which it is located.

➢ In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of directly attributable overheads, directly attributable borrowing costs incurred in bringing the item to working condition for its intended use, and estimated cost of dismantling and removing the item and restoring the site on which it is located. The costs of testing whether the asset is functioning properly, after deducting the net proceeds from selling items produced while bringing the asset to that location and condition are also added to the cost of self-constructed assets.

➢ The Group had opted for accounting the exchange differences arising on reporting of long term foreign currency monetary items in line with Companies (Accounting Standards) Amendment Rules 2009 relating to Accounting Standard-11 notified by Government of India on 31st March, 2009 (as amended on 29th December, 2011), which will be continued in accordance with Ind-AS 101 for all pre-existing long term foreign currency monetary items as at 31st March, 2016. Accordingly, exchange differences relating to long term monetary items, arising during the year, in so far as they relate to the acquisition of fixed assets, are adjusted in the carrying amount of such assets.

➢ If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

➢ Profit or Loss arising on the disposal of property, plant and equipment are recognized in the Statement of Profit and Loss.

4.4.2. Subsequent Expenditure

➢ Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced.

➢ Major Inspection/ Repairs/ Overhauling expenses are recognized in the carrying amount of the item of property, plant and equipment as a replacement if the recognition criteria are satisfied. Any unamortized part of the previously recognized expenses of similar nature is derecognized.

4.4.3. Depreciation and Amortization

➢ Depreciation on tangible assets is provided on straight line method at the rates determined based on the useful lives of respective assets as prescribed in the Schedule II of the Act.

➢ In case the cost of part of tangible asset is significant to the total cost of the assets and useful life of that part is different from the remaining useful life of the asset, depreciation has been provided on straight line method based on internal assessment and independent technical evaluation carried out by external valuers, which the management believes that the useful lives of the component best represent the period over which it expects to use those components. In case of certain components of plant and machineries depreciation has been provided based on the useful life considered at 2-15 years.Depreciation and amortization on right of use assets (Lease hold land, Building and Plant & Machinery) is provided on straight line method over the period of lease.

➢ Depreciation on additions (disposals) during the year is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed off).

➢ Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

4.4.4. Disposal of Assets

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between net disposal proceeds and the carrying amount of the asset and is recognized in the Statement of Profit and Loss.

4.4.5. Reclassification to Investment Property

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

4.4.6. Capital Work in Progress

Capital work-in-progress is stated at cost less accumulated impairment loss, if any,which includes expenses incurred during construction period, interest on amount borrowed for acquisition of qualifying assets and other expenses incurred in connection with project implementation in so far as such expenses relate to the period prior to the commencement of commercial production.

4.4.7. Stripping Cost

The stripping cost incurred during the production phase of a surface mine is recognized as an asset if such cost provides a benefit in terms of improved access to ore in future periods and following criteria are met.

➢ It is probable that the future economic benefits (improved access to an ore body) associated with the stripping activity will flow to the entity;

➢ The entity can identify the component of an ore body for which access has been improved; and

➢ The costs relating to the improved access to that component can be measured reliably.

The stripping activity asset is subsequently depreciated on a unit of production basis over the life of the identified component of the ore body that became more accessible as a result of the stripping activity and is then stated at cost less accumulated depreciation and any accumulated impairment loss, if any. The expenditure which cannot be specifically identified to have been incurred to access ore is charged to revenue based on stripping ratio as per the mining plan.

4.5 Leases

4.5.1. Determining whether an arrangement contains a lease

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

4.5.2. Group as lessor

➢ <u>Finance Lease</u>

Leases which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item are classified and accounted for as finance lease. Lease rental receipts are apportioned between the finance income and capital repayment based on the implicit rate of return. Contingent rents are recognized as revenue in the period in which they are earned.

➢ <u>Operating Lease</u>

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating leases is recognized on a straight-line basis over the term of the relevant lease except where scheduled increase in rent compensates the Group with expected inflationary costs.

4.5.3. Group as Lessee

The Group's lease asset classes primarily comprise of lease for land and building. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

The Group 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 and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease. The Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets as below:

➢ **Right of Use Assets**

The Group recognizes 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 loss, if any, and adjusted for any re-measurement of lease liabilities. The cost of right of use assets includes the amount of lease liabilities recognized, 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 underlying assets.

If ownership of the leased asset transfers to the Group 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. The right of use assets are also subject to impairment. Refer to the accounting policies in section 'Impairment of Non-Financial Assets'.

➢ **Lease Liabilities**

At the commencement date of the lease, the Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercized by the Group and payments of penalties for terminating the lease, If any.

In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is re-measured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Group's lease liabilities are included in other current and non-current financial liabilities.

➢ **Short-term leases and leases of low-value assets**

The Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

"Lease liability" and "Right of Use" asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows

4.6 Revenue Recognition

Effective 1st April, 2018, the Group has adopted Ind AS 115 "Revenue from Contracts with Customers" in respect of recognition of revenue from contracts with customers which provides a control-based revenue recognition model and a five step application approach for revenue recognition as under:

➢ Identification of the contract(s) with customers;

➢ Identification of the performance obligations;

➢ Determination of the transaction price;

➢ Allocation of the transaction price to the performance obligations;

➢ Recognition of the revenue when or as the Company satisfies performance obligation.

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue excludes amounts collected on behalf of third parties.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

4.6.1. Sale of Goods

Revenue from the sale of goods is recognized when the Group satisfies a performance obligation at a point in time by transferring the goods to customers, i.e., when customers obtain control of the goods. Revenue from the sale of goods is measured at fair value of the consideration received or receivable, net of returns and variable considerations i.e. discounts, rebates, sales claim etc.

4.6.2. Variable Consideration

If the consideration in a contract includes a variable amount, the Group estimates the amount of consideration to which it will be entitled in exchange for transferring the goods to customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved.

The Group provides volume rebates to certain customers once the quantity of products purchased during the period exceeds a threshold specified in the contract. Rebates are offset against amounts payable by the customer. The volume rebates/ cash discountgive rise to variable consideration. To estimate the variable consideration for the expected future rebates/ cash discount, the Group applies the most likely amount method for contracts with a single volume threshold and the expected value methodfor contracts with more than one volume threshold that best predicts the amount of variable consideration.

4.6.3. Interest Income

For all debt instruments measured either at amortized cost or at fair value through other comprehensive income (FVTOCI), interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset.

4.6.4. Dividend Income

Dividend Income from investments is recognized when the Group's right to receive payment has been established.

4.7 Employee Benefits

4.7.1. Short Term Benefits

Short term employee benefit obligations are measured on an undiscounted basis and are expensed as the related services are provided. Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employees' services up to the end of the reporting period.

4.7.2. Other Long Term Employee Benefits

The liabilities for earned leaves and sick leaves that are not expected to be settled wholly within twelve months are measured as the present value of the 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 government securities (G-Sec) rates at the end of the reporting period that have terms approximating to the terms of related obligation. Re-measurements as the result of experience adjustment and changes in actuarial assumptions are recognized in the Statement of Profit and Loss.

4.7.3. Post-Employment Benefits

The Group operates the following post-employment schemes:

➢ **Defined Benefit Plans**

The liability or asset recognized in the Balance Sheet in respect of defined benefit 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 Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

The liability recognized for defined benefit plans is the present value of the defined benefit obligation at the reporting date less the fair value of plan assets, together with adjustments for unrecognized actuarial gains or losses and past service costs. The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. The benefits are discounted using the government securities (G-Sec) at the end of the reporting period that have terms approximating to the terms of related obligation.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

Re-measurements of the net defined benefit obligation, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling, are recognized in other comprehensive income. Re-measurement recognized in other comprehensive income is reflected immediately in retained earnings and will not be reclassified to the Statement of Profit and Loss.

➢ **Defined Contribution Plan**

Contributions to defined contribution plans such as provident fund contribution to government administered fund in respect of certain employees are charged to the Statement of Profit and Loss as and when incurred. Such benefits are classified as defined contribution plans as the Group does not carry any further obligations, apart from the contributions made on monthly basis.

Further in respect of other employees, provident fund contributions are made to various non-government administered trusts. The interest rates payable to the members of the trust cannot not be lower than the statutory rate of interest notified by the government. The Group has an obligation to make good the shortfall in the interest amount, if any. In view of the Group's obligation to meet the shortfall, the same has been considered as the defined benefit plan. The expenses on account of provident fund maintained by the trusts are based on actuarial valuation using projected unit credit method.

4.7.4. Termination Benefit

Expenditure incurred on Voluntary Retirement Scheme is charged to the Statement of Profit and Loss immediately.

4.8 Government Grants

Government grants are recognized at their fair values when there is reasonable assurance that the grants will be received and the Group will comply with all the attached conditions. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. Grants related to purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to the Statement of Profit and Loss on a straight line basis over the expected useful life of the related asset and presented within other operating revenue or netted off against the related expenses.

4.9 Foreign Currency Transactions

➢ Foreign currency transactions are translated into the functional currency using the spot rates of exchanges at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

➢ Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation of monetary assets and liabilities are generally recognized in the Statement of Profit and Loss in the year in which they arise except for exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those qualifying assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings, the balance is presented in the Statement of Profit and Loss within finance costs.

➢ Non-monetary items are not retranslated at period end and are measured at historical cost (translated using the exchange rate at the transaction date).

➢ The Group had opted for accounting the exchange differences arising on reporting of long term foreign currency monetary items in line with Companies (Accounting Standards) Amendment Rules 2009 relating to Accounting Standard-11 notified by Government of India on 31st March, 2009 (as amended on 29thDecember, 2011), which is continued in accordance with Ind-AS 101 for all pre-existing long term foreign currency monetary items as at 31stMarch, 2016. Accordingly, exchange differences relating to long term monetary items, in so far as they relate to the acquisition of fixed assets, are adjusted in the carrying amount of such assets.

4.10 Borrowing Cost

➢ Borrowing Costs consists of interest and other costs that an entity incurs in connection with the borrowings of funds. Borrowing costs also includes exchange difference to the extent regarded as an adjustment to the borrowing costs.

➢ Borrowing costs directly attributable to the acquisition or construction of a qualifying asset are capitalized as a part of the cost of that asset that necessarily takes a substantial period of time to complete and prepare the asset for its intended use or sale. The Group considers a period of twelve months or more as a substantial period of time.

➢ Transaction costs in respect of long term borrowing are amortized over the tenure of respective loans using Effective Interest Rate (EIR) method. All other borrowing costs are recognized in the Statement of Profit and Loss in the period in which they are incurred.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

4.11 Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

4.11.1 Financial Assets

➢ **Recognition and Initial Measurement:**

All financial assets are initially recognized when the Group becomes a party to the contractual provisions of the instruments. A financial asset is initially measured at fair value plus, in the case of financial assets not recorded at fair value through Profit or Loss, transaction costs that are attributable to the acquisition of the financial asset.

➢ **Classification and Subsequent Measurement:**

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

- Measured at Amortized Cost;
- Measured at Fair Value Through Other Comprehensive Income (FVTOCI);
- Measured at Fair Value Throughof Profit or Loss (FVTPL); and
- Equity Instruments measured at Fair Value through Other Comprehensive Income (FVTOCI).

  Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

- Measured at Amortized Cost: A debt instrument is measured at the amortized cost if both the following conditions are met:
  - The asset is held within a business model whose objective is achieved by both collecting 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 (SPPI) on the principal amount outstanding.

  After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method.

- Measured at FVTOCI: A debt instrument is measured at the FVTOCI if both the following conditions are met:
  - The objective of the business model is achieved by both collecting contractual cash flows and selling the financial assets; and
  - The asset's contractual cash flows represent SPPI.

  Debt instruments meeting these criteria are measured initially at fair value plus transaction costs. They are subsequently measured at fair value with any gains or losses arising on re-measurement recognized in other comprehensive income, except for impairment gains or losses and foreign exchange gains or losses. Interest calculated using the effective interest method is recognized in the Statement of Profit and Loss in investment income.

- Measured at FVTPL: FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL. In addition, the Group may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.
- Equity Instruments measured at FVTOCI: All equity investments in scope of Ind AS – 109 are measured at fair value. Equity instruments which are, held for trading are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. In case the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the other comprehensive income. There is no recycling of the amounts from other comprehensive income to the Statement of Profit and Loss, even on sale of investment.

➢ **Derecognition**

The Group derecognizes a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

➢ **Impairment of Financial Assets**

The Group assesses at each date of Balance Sheet whether a financial asset or a group of financial assets is impaired. Ind AS – 109 requires expected credit losses to be measured through a loss allowance. The Group recognizes lifetime expected losses for all contract assets and/or all trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to the 12 month expected credit losses or at an amount equal to the life time expected credit losses if the credit risk on the financial asset has increased significantly since initial recognition.

4.11.2 Financial Liabilities

➢ **Recognition and Initial Measurement:**

Financial liabilities are classified, at initial recognition, as at fair value through Profit or Loss, loans and borrowings, payables or as derivatives, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

➢ **Subsequent Measurement:**

Financial liabilities are measured subsequently at amortized cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in the Statement of Profit and Loss. Other financial liabilities including borrowings and payables are subsequently measured at amortized cost using the effective interest rate method. Interest expense and foreign exchange gains and losses are recognized in the Statement of Profit and Loss. Any gain or loss on de-recognition is also recognized in the Statement of Profit and Loss.

➢ **Financial Guarantee Contracts**

Financial guarantee contracts issued by the Group are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirement of Ind AS 109 and the amount recognized less cumulative amortization.

➢ **De-recognition**

A financial liability is derecognized 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 reported in the Balance Sheet when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize 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 counterparty.

4.11.3 Derivative financial instruments Hedge Accounting:

➢ The Group enters into derivative financial instruments viz. foreign exchange forward contracts, interest rate swaps and cross currency swaps to manage its exposure to interest rate and foreign exchange rate risks. The Group does not hold derivative financial instruments for speculative purposes.

➢ Derivatives are initially recognized at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognized in profit or loss immediately except for the effective portion of cash flow hedges which is taken in the other comprehensive income (net of tax).

➢ The Group designates certain hedging instruments in respect of certain foreign currency risk and interest rate risk as cash flow hedges. The Cash flow hedge are initially recognized at fair value on the date when a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as either:

- hedges of the fair value of recognized assets or liabilities or a firm commitment (fair value hedges); or
- hedges of a particular risk associated with the cash flows of recognized assets and liabilities and highly probable forecast transactions (cash flow hedges).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

- The Group documents at the inception of the hedging transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items.
- The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.
- The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognized in the other comprehensive income in cash flow hedging reserve within equity, limited to the cumulative change in fair value of the hedged item on a present value basis from the inception of the hedge. The gain or loss relating to the ineffective portion is recognized immediately in profit or loss.
- Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss.

  When a hedging instrument expires, or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative deferred gain or loss and deferred costs of hedging in equity at that time remains in equity until the forecast transaction occurs. When the forecast transaction is no longer expected to occur, the cumulative gain or loss and deferred costs of hedging that were reported in equity are immediately reclassified to profit or loss.

4.12 Impairment of Non-Financial Assets

- The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable value being higher of value in use and net selling price. Value in use is computed at net present value of cash flow expected over the balance useful lives of the assets. For the purpose 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 of assets (Cash Generating Units – CGU).
- An impairment loss is recognized as an expense in the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognized in earlier accounting period is reversed if there has been an improvement in recoverable amount.

4.13 Provisions, Contingent Liabilities and Contingent Assets

4.13.1 Provisions

Provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the Balance Sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognized as finance cost.

- **Restoration (including Mine closure), rehabilitation and decommissioning**

  It includes the dismantling and demolition of infrastructure, the removal of residual materials and the remediation of disturbed areas for mines. This provision is based on all regulatory requirements and related estimated cost based on best available information. Restoration/ Rehabilitation/ Decommissioning costs are provided for in the accounting period when the obligation arises based on the net present value of the estimated future costs of restoration to be incurredand are reviewed at each Balance Sheet date.

- **Onerous Contracts:**

  Present obligations arising under onerous contracts are recognized and measured as provisions. An onerous contract is considered to exist when a contract under which the unavoidable costs of meeting the obligations exceed the economic benefits expected to be received from it.

4.13.2 Contingent Liabilities

Contingent liability is a possible obligation arising from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events but is not recognized because it is not possible that an outflow of resources embodying economic benefit will be required to settle the obligations or reliable estimate of the amount of the obligations cannot be made. The Group discloses the existence of contingent liabilities in Other Notes to financial statements.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

4.13.3 Contingent Assets

Contingent assets are not recognised in Financial Statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

4.14 Intangible Assets

4.14.1 Recognition and Measurement

4.14.1.1 Mining Rights

Mining Rights are initially recognized at cost and subsequently at cost less accumulated amortization and accumulated impairment loss, if any.

Acquisition Cost i.e., cost associated with acquisition of licenses, and rights to explore including related professional fees, payment towards statutory forestry clearances, as and when incurred, are treated as addition to the Mining Right.

4.14.1.2 Other Intangible Assets

Software which is not an integral part of related hardware is treated as intangible asset and stated at cost on initial recognition and subsequently measured at cost less accumulated amortization and accumulated impairment loss, if any.

4.14.1.3 Intangible Assets acquired through Business Combination

Intangible assets acquired in a business combination are recognized at fairvalue at the acquisition date. Subsequently, intangible assets are carriedat cost less any accumulated amortisation and accumulated impairmentlosses, if any.

4.14.2 Subsequent Expenditure

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the cost incurred will flow to the Group and the cost of the item can be measured reliably. All other expenditure is recognized in the Statement of Profit and Loss.

4.14.3 Amortization

➢ Mining Rights are amortized on the basis of annual production to the total estimated mineable reserves. In case the mining rights are not renewed, the balance related cost will be charged to revenue in the year of decision of non-renewal.

➢ Supplier's Agreements are amortized over the period of five to twenty years.

➢ Useful life of Trade Mark is taken as indefinite.

➢ Other Intangible assets are amortized over a period of three years.

➢ The amortization period and the amortization method are reviewed at least at the end of each financial year. If the expected useful life of the assets is significantly different from previous estimates, the amortization period is changed accordingly.

4.14.4 Intangible Assets under Development

Intangible Assets under development is stated at cost less accumulated impairment losses (if any).Cost includes expenses incurred in connection with development of Intangible Assets in so far as such expenses relate to the period prior to the getting the assets ready for use.

4.15 Investment properties

➢ Investment Property is property (comprising land or building or both) held to earn rental income or for capital appreciation or both, but not for sale in ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

➢ Upon initial recognition, an investment property is measured at cost. Subsequently they are stated in the Balance Sheet at cost, less accumulated depreciation and accumulated impairment losses, if any.

➢ Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognized in the Statement of Profit and Loss.

➢ The depreciable investment property i.e., buildings, are depreciated on a straight line method at a rate determined based on the useful life as provided under Schedule II of the Act.

➢ Investment properties are derecognized either when they have been disposed of or no future economic benefit is expected from their disposal. The net difference between the net disposal proceeds and the carrying amount of the asset is recognized in the Statement of Profit and Loss in the period of de-recognition.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

- ➢ When the use of a property changes from investment property to owner-occupied (for Group's business purpose), the property is reclassified as Property, Plant & Equipment at its carrying amount on the date of reclassification.

4.16 Biological Assets other than Bearer Plants

Biological Assets other than Bearer Plants are recognized when the Group controls the asset as a result of past events and it is probable that future economic benefits associated with the asset will flow to the entity and the fair value or cost of the asset can be measured reliably. A Biological Asset other than Bearer Plants is measured on initial recognition and at the end of each reporting period at its fair value less cost to sell.

4.17 Non-current assets (or disposal groups) held for sale and discontinued operations

- ➢ Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of the carrying amount and the fair value less cost to sell.
- ➢ An impairment loss is recognized for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognized for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognized. A gain or loss not previously recognized by the date of the sale of the non-current asset (or disposal group) is recognized at the date of de-recognition.
- ➢ Non-current assets (including those that are part of a disposal group) are not depreciated or amortized while they are classified as held for sale. Non-current assets (or disposal group) classified as held for sale are presented separately in the Balance Sheet. Any profit or loss arising from the sale or re-measurement of discontinued operations is presented as part of a single line item in Statement of Profit and Loss.

4.18 Operating Segment

The identification of operating segment is consistent with performance assessment and resource allocation by the Chief Operating Decision Maker. An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses including revenues and expenses that relate to transactions with any of the other components of the Group and for which discrete financial information is available. Operating segments of the Group comprises three segments Cement, Jute and Others. All operating segments' operating results are reviewed regularly by the Chief Operating Decision Maker to make decisions about resources to be allocated to the segments and assess their performance.

4.19 Measurement of Fair Values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- ➢ In the principal market for the asset or liability, or
- ➢ In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest. A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the input that is significant to the fair value measurement as a whole:

- ➢ Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities;
- ➢ Level 2 — Inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- ➢ Level 3 — Inputs which are unobservable inputs for the asset or liability.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2021

External valuers are involved for valuation of significant assets and liabilities. Involvement of external valuers is decided by the management of the Group considering the requirements of Ind As and selection criteria include market knowledge, reputation, independence and whether professional standards are maintained.

4.20 Standard Issued/amended but not yet effective

There is no standards that is issued but not yet effective on 31st March, 2021.

5. Significant Judgements and Key sources of Estimation in applying Accounting Policies

Information about Significant judgements and Key sources of estimation made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

➢ **Recognition of Deferred Tax Assets:** The extent to which deferred tax assets can be recognized is based on an assessment of the probability of the Group's future taxable income against which the deferred tax assets can be utilized. In addition, significant judgement is required in assessing the impact of any legal or economic limits.

➢ **Useful lives of depreciable/ amortisable assets (tangible and intangible):** Management reviews its estimate of the useful lives of depreciable/ amortisable assets at each reporting date, based on the expected utility of the assets. Uncertainties in these estimates relate to actual normal wear and tear that may change the utility of plant and equipment.

➢ **Leases:** The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

➢ **Defined Benefit Obligation (DBO):** Employee benefit obligations are measured on the basis of actuarial assumptions which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, medical cost trends, anticipation of future salary increases and the inflation rate. The Group considers that the assumptions used to measure its obligations are appropriate. However, any changes in these assumptions may have a material impact on the resulting calculations.

➢ **Restoration (including Mine closure), rehabilitation and decommissioning:** Estimation of restoration/ rehabilitation/ decommissioning costs requires interpretation of scientific and legal data, in addition to assumptions about probability of future costs.

➢ **Provisions and Contingencies:** The assessments undertaken in recognising provisions and contingencies have been made in accordance with Indian Accounting Standards (Ind AS) 37, 'Provisions, Contingent Liabilities and Contingent Assets'. The evaluation of the likelihood of the contingent events is applied best judgement by management regarding the probability of exposure to potential loss.

➢ **Impairment of Financial Assets:** The Group reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is indication of impairment. If recoverable amount is less than its carrying amount, the impairment loss is accounted for.

➢ **Allowances for Doubtful Debts:** The Group makes allowances for doubtful debts through appropriate estimations of irrecoverable amount. The identification of doubtful debts requires use of judgment and estimates. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.

➢ **Fair value measurement of financial Instruments:** When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The input to these models are taken from observable markets where possible, but where this not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

➢ **Revenue Recognition:** The Group's contracts with customers include promises to transfer goods to the customers. Judgement is required to determine the transaction price for the contract. The transaction price could be either a fixed amount of customer consideration or variable consideration with elements such as discounts rebates etc. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period. Estimates of discounts and rebates are sensitive to changes in circumstances and the Group's past experience regarding returns, discount and rebate entitlements and may not be representative of customers' actual returns, discount and rebate entitlements in the future.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

6 PROPERTY, PLANT AND EQUIPMENT

(₹ in Crores)

Particulars	Year Ended 31st March, 2021																
	Gross Carrying Amount									Accumulated Depreciation							Net Carrying Amount
	As at 1st April, 2020	Transfer from Investment Property (Refer Note No. 7.1)	Transition impact on adoption of Ind AS 116 "Leases"	Additions	Transfer	Disposals	Revaluation	Other Adjustments	As at 31st March, 2021	As at 1st April, 2020	Transfer from Investment Property (Refer Note No. 7.1)	Charged during the year	Transfer	Deductions	Other Adjustments	As at 31st March, 2021	As at 31st March, 2021
Freehold Land (Refer Note No. 6.1 to 6.2)	2,014.27	–	–	9.58	–	–	–	–	2,023.85	25.74	–	7.53	–	–	–	33.27	1,990.58
Sub-Total	**2,014.27**	**–**	**–**	**9.58**	**–**	**–**	**–**	**–**	**2,023.85**	**25.74**	**–**	**7.53**	**–**	**–**	**–**	**33.27**	**1,990.58**
Buildings (Refer Note No. 6.1)	665.26	0.04	–	32.30	–	0.01	–	(0.01)	697.58	99.79	0.01	25.84	–	0.00	–	125.64	571.94
Plant and Machinery (Refer Note No. 6.5 and 6.6)	4,667.67	–	–	153.53	–	1.43	–	(0.10)	4,819.67	1,116.45	–	279.05	–	1.14	–	1,394.36	3,425.31
Furniture and Fittings	11.78	–	–	1.90	–	0.01	–	0.02	13.69	5.18	–	1.27	–	0.01	–	6.44	7.25
Vehicles	26.49	–	–	0.98	–	0.43	–	–	27.04	11.42	–	2.91	–	0.33	–	14.00	13.04
Office Equipments	36.63	–	–	5.39	–	0.17	–	0.09	41.94	20.43	–	5.36	–	0.16	–	25.63	16.31
Railway Sidings	94.13	–	–	35.10	–	–	–	–	129.23	24.20	–	6.70	–	–	–	30.90	98.33
Right of Use Assets (Refer Note No. 46)																	
– Leasehold Land	155.74	–	–	–	–	–	–	–	155.74	2.38	–	2.66	–	–	–	5.04	150.70
– Buildings	4.70	–	–	–	–	–	–	–	4.70	0.68	–	0.68	–	–	–	1.36	3.34
– Plant and Machinery	2.97	–	–	93.55	–	–	–	–	96.52	0.12	–	0.64	–	–	–	0.76	95.76
Total	**7,679.64**	**0.04**	**–**	**332.33**	**–**	**2.05**	**–**	**–**	**8,009.96**	**1,306.39**	**0.01**	**332.64**	**–**	**1.64**	**–**	**1,637.40**	**6,372.56**
Capital Work-In-Progress	**1,601.98**	**–**	**–**	**660.27**	**195.19**	**21.01**	**–**	**57.37**	**2,103.42**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**2,103.42**

Particulars	Year Ended 31st March, 2020																
	Gross Carrying Amount									Accumulated Depreciation							Net Carrying Amount
	As at 1st April, 2019	Reclassified on adoption of Ind AS 116 "Leases"	Transition impact on adoption of Ind AS 116 "Leases"	Additions	Transfer	Disposals	Revaluation	Other Adjustments	As at 31st March, 2020	As at 1st April, 2019	Reclassified on adoption of Ind AS 116 "Leases"	Charged during the year	Transfer	Deductions	Other Adjustments	As at 31st March, 2020	As at 31st March, 2020
Leasehold Land (Refer Note No. 6.6)	152.35	(152.35)	–	–	–	–	–	–	–	5.41	(5.41)	–	–	–	–	–	–
Freehold Land (Refer Note No. 6.1 to 6.2)	2,004.33	–	–	9.94	–	–	–	–	2,014.27	18.39	–	7.35	–	–	–	25.74	1,988.53
Sub-Total	**2,156.68**	**(152.35)**	**–**	**9.94**	**–**	**–**	**–**	**–**	**2,014.27**	**23.80**	**(5.41)**	**7.35**	**–**	**–**	**–**	**25.74**	**1,988.53**
Buildings (Refer Note No. 6.1)	639.20	–	–	24.60	–	–	–	1.46	665.26	74.30	–	25.49	–	–	–	99.79	565.47
Plant and Machinery (Refer Note No. 6.5 and 6.6)	4,340.90	(3.02)	–	328.17	–	4.24	–	5.86	4,667.67	855.06	(0.05)	265.39	–	3.34	(0.61)	1,116.45	3,551.22
Furniture and Fittings	10.67	–	–	1.12	–	0.01	–	–	11.78	3.98	–	1.21	–	0.01	–	5.18	6.60
Vehicles	23.21	–	–	3.92	–	0.64	–	–	26.49	9.14	–	2.86	–	0.58	–	11.42	15.07
Office Equipments	30.29	–	–	6.47	–	0.13	–	–	36.63	15.59	–	4.95	–	0.11	–	20.43	16.20
Railway Sidings	91.62	–	–	2.51	–	–	–	–	94.13	17.60	–	6.60	–	–	–	24.20	69.93
Right of Use Assets (Refer Note No. 46)																	
– Leasehold Land	–	146.94	8.80	–	–	–	–	–	155.74	–	–	2.38	–	–	–	2.38	153.36
– Buildings	–	–	4.70	–	–	–	–	–	4.70	–	–	0.68	–	–	–	0.68	4.02
– Plant and Machinery	–	2.97	–	–	–	–	–	–	2.97	–	–	0.12	–	–	–	0.12	2.85
Total	**7,292.57**	**(5.46)**	**13.50**	**376.73**	**–**	**5.02**	**–**	**7.32**	**7,679.64**	**999.47**	**(5.46)**	**317.03**	**–**	**4.04**	**(0.61)**	**1,306.39**	**6,373.25**
Capital Work-In-Progress	**911.94**	**–**	**–**	**760.29**	**76.02**	**11.38**	**–**	**17.15**	**1,601.98**	**–**		**–**	**–**	**–**	**–**	**–**	**1,601.98**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

Notes:

6.1 Gross Carrying Amount includes ₹ 1.59 Crores (Previous Year ₹ 1.59 Crores) in Land and ₹ 7.00 Crores (Previous Year ₹ 7.00 Crores) in Building under Co-ownership basis and also ₹ 0.00 Crore (Previous Year ₹ 0.00 Crore) being value of investments in Shares of a Private Limited Company.

6.2 In the financial year 2017-18, the Group had adopted revaluation model for one class of assets i.e. Freehold Land and accordingly freehold land was revalued (as on 1st April, 2017) on the basis of valuation report made by independent valuers. Carrying amount as on 1st April, 2019 includes revaluation surplus of ₹ 1,054.92 Crores. In the opinion of the management, as there is no significant change in the fair value indicators, no fair valuation is done as on 31st March, 2021.

The fair valuation was based on current prices in the active market for similar properties. The main inputs used were quantum, area, location, demand, restrictive entry to the land. This valuation was based on valuations performed by accredited independent valuers. Fair valuation was based on depreciated open market price method. The fair value measurement was categorized in level 2/ level 3 fair value hierarchy.

6.3 Other Adjustments include adjustment on account of foreign exchange differences pursuant to using the optional exemption available under Para D13AA of Ind AS 101 "First Time Adoption" for continuing with the policy adopted for accounting for exchange difference on the Long Term Foreign Exchange Monetary Items recognized under previous GAAP as described in note no. 37.2 to the consolidated financial statement. Accordingly, the amount de-capitalized during the year with the Property, Plant and Equipment amounts to ₹ 2.85 Crores (Previous Year capitalized ₹ 9.41 Crores).

6.4 Other Adjustments also include finance costs capitalized during the year on the qualifying assets as required by IND AS 23 Borrowing Costs amounting to ₹ 57.37 Crores (Previous Year ₹ 17.15 Crores), (Refer Note No. 35).

6.5 Other Adjustments related to Plant & Machinery represents Gross carrying Amount of ₹ Nil (Previous Year ₹ 2.09 Crores) and Accumulated Depreciation thereon of ₹ Nil (Previous Year ₹ 0.61 Crore) related to the assets transfer to "Non-Current Assets classified as Held for Sale", (Refer Note No. 19).

6.6 During the previous year the net block of Leasehold Land of ₹ 146.94 Crores (Gross Block of ₹ 152.35 Crores and Accumulated Depreciation of ₹ 5.41 Crores) and Plant and Machinery of ₹ 2.97 Crores (Gross Block of ₹ 3.02 Crores and Accumulated Depreciation of ₹ 0.05 Crore) has been reclassified to "Right of Use Assets" on account of adoption of Ind AS 116 "Leases".

6.7 Right of Use Assets :-

(a) "Leasehold Land" represents land obtained on long term lease from various Government and other authorities.

(b) "Plant & Machinery" represents machinery recognized as per long term power purchase agreement in accordance with the principles of IND AS 116 "Leases". (Refer Note No. 61)

6.8 Refer Note No. 43 for disclosure of contractual commitments for the acquisition of Property, Plant and Equipment.

6.9 Refer Note No. 44 for information on Property, Plant and Equipment pledged as securities by the Group.

7 INVESTMENT PROPERTY

(₹ in Crores)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Gross Carrying Amount		
Opening Gross Carrying Amount	0.19	0.19
Additions	–	–
Transferred to Property, Plant & Equipment (Refer Note No. 7.1)	(0.04)	–
Disposals	–	–
Other Adjustments	–	–
Closing Gross Carrying Amount	**0.15**	**0.19**
Accumulated Depreciation		
Opening Accumulated Depreciation	0.03	0.02
Depreciation charged during the year	0.00	0.01
Transferred to Property, Plant & Equipment (Refer Note No. 7.1)	(0.01)	–
Closing Accumulated Depreciation	**0.02**	**0.03**
Net Carrying Amount	**0.13**	**0.16**

7.1 During the year, certain portion of an Investment Property is started to used by the Group for its normal business purpose. Hence, this portion of Building was transferred from Investment Property to Property, Plant and Equipment.

7.2 The fair value of the Group's Investment properties as at 31st March, 2021 (after excluding proportionate portion transferred to Property, Plant & Equipment) and 31st March, 2020 are ₹ 15.74 Crores and ₹ 25.09 Crores respectively. The fair value has been arrived on the basis of valuation

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

performed by independent valuers, who are specialist in valuing these types of Investment Properties, having appropriate qualifications and recent experience in the valuation of properties in relevant locations.

7.3 The fair valuation is based on current prices in the active market for similar properties and rental income of similar type of property in the same locality. The main inputs used are quantum, area, location, demand, restrictive entry to the land and building, age of the building and trend of fair market rent in the locality. This valuation is based on valuations performed by accredited independent valuers. Fair valuation is based on depreciated open market price method and rental method. The fair value measurement is categorized in level 3 fair value hierarchy.

7.4 The amounts recognized in the Statement of Profit and Loss in relation to the investment properties:

Particulars	For the Year ended 31st March, 2021	For the Year ended 31st March, 2020
Rental Income	0.10	0.11
Direct Operating Expenses in relation to		
- Properties generating rental income	0.31	0.32

7.5 The Group has no restriction on the realisability of it's Investment Properties or the remittance of income and proceeds of disposal. There is no contractual obligations to purchase, construct or develop investment property or for repairs, maintenance or enhancements.

8 INTANGIBLE ASSETS

Particulars	Year Ended 31st March, 2021										
	Gross Carrying Amount					Accumulated Amortisation					Net Carrying Amount
	As at 1st April, 2020	Additions	Disposals/ Transfer	Other Adjustments	**As at 31st March, 2021**	As at 1st April, 2020	Charged during the year	Deductions	Other Adjustments	**As at 31st March, 2021**	**As at 31st March, 2021**
Computer Software	10.53	2.04	–	–	12.57	6.89	2.15	–	–	9.04	3.53
Supplier Agreement–Flyash	19.61	–	–	–	19.61	6.12	2.61	–	–	8.73	10.88
Trademark	198.27	–	–	–	198.27	–	–	–	–	–	198.27
Mining Rights (includes site preparation)	832.25	35.15	–	–	867.40	96.36	33.67	–	–	130.03	737.37
Total	**1,060.66**	**37.19**	**–**	**–**	**1,097.85**	**109.37**	**38.43**	**–**	**–**	**147.80**	**950.05**
Intangible Assets under Development	**1.92**	**36.64**	**37.19**	**–**	**1.37**	**–**	**–**	**–**	**–**	**–**	**1.37**

Particulars	Year Ended 31st March, 2020										
	Gross Carrying Amount					Accumulated Amortisation					Net Carrying Amount
	As at 1st April, 2019	Additions	Disposals/ Transfer	Other Adjustments	**As at 31st March, 2020**	As at 1st April, 2019	Charged during the year	Deductions	Other Adjustments	**As at 31st March, 2020**	**As at 31st March, 2020**
Computer Software	9.75	0.78	–	–	10.53	4.79	2.10	–	–	6.89	3.64
Supplier Agreement–Flyash	19.61	–	–	–	19.61	5.02	1.10	–	–	6.12	13.49
Trademark	198.27	–	–	–	198.27	–	–	–	–	–	198.27
Mining Rights (includes site preparation)	816.83	15.42	–	–	832.25	64.52	31.84	–	–	96.36	735.89
Total	**1,044.46**	**16.20**	**–**	**–**	**1,060.66**	**74.33**	**35.04**	**–**	**–**	**109.37**	**951.29**
Intangible Assets under Development	**2.11**	**16.01**	**16.20**	**–**	**1.92**	**–**	**–**	**–**	**–**	**–**	**1.92**

8.1 Refer Note No. 43 for disclosure of contractual commitments for the acquisition of Intangible Assets.

8.2 Refer Note No. 44 for information on Intangible Assets pledged as securities by the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

9. BIOLOGICAL ASSETS OTHER THAN BEARER PLANTS

(₹ in Crores)

Particulars	Year ended 31st March, 2021	Year ended 31st March, 2020
Opening Balance	0.82	0.87
Additions/ Acquisitions	0.05	–
Disposals	0.01	0.01
Fair Value Adjustments	(0.02)	(0.04)
Closing Balance	**0.84**	**0.82**

9.1 The Group owns Bearer Biological Assets i.e., livestock from which milk is produced. The livestock is maintained by the Parent Company at Satna and Birlapur. The milk produced from the live stock are internally consumed and not sold commercially.

10. NON-CURRENT INVESTMENTS

	Particulars	Refer Note No.	Face Value	As at 31st March, 2021		As at 31st March, 2020	
				Qty.	Amount	Qty.	Amount
A	**DEBT INSTRUMENTS AT AMORTISED COST**						
	Unquoted						
	National Savings Certificate	10.1	7,500	–	–	1.00	0.00
	National Savings Certificate	10.1	10,000	1.00	0.00	1.00	0.00
	Subtotal				**0.00**		**0.00**
	TOTAL (A)				**0.00**		**0.00**
B	**INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME**						
	EQUITY INSTRUMENTS (FULLY PAID UP)						
	QUOTED						
	Century Textiles & Industries Ltd.		10	1,807,660	84.06	1,807,660	53.52
	Birla Cables Ltd.		10	5,388,515	32.49	5,388,515	17.51
	Universal Cables Ltd.		10	800,157	10.91	800,157	6.73
	Hindustan Media Ventures Ltd.		10	4,440	0.03	4,440	0.02
	Rameshwara Jute Mills Ltd.	10.2	10	19,133	0.01	19,133	0.01
	Vindhya Telelinks Ltd.		10	100	0.01	100	0.00
	Birla Precision Technologies Ltd.		2	2,121	0.00	2,121	0.00
	Zenith Steel Pipes and Industries Ltd. (Previously known as Zenith Birla (I) Ltd.)		10	6,362	0.00	6,362	0.00
	UltraTech Cement Ltd.	10.3	10	225,957	152.25	225,957	73.32
	Subtotal				**279.76**		**151.11**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

	Particulars	Refer Note No.	Face Value	As at 31st March, 2021		As at 31st March, 2020	
				Qty.	Amount	Qty.	Amount
	UNQUOTED	10.2					
	Birla Buildings Ltd.		10	24,000	0.02	24,000	0.02
	Neosym Industry Limited		10	52,000	0.01	52,000	0.01
	Lotus Court Ltd.		10	1	0.01	1	0.01
	Industry House Ltd.		10	600	0.01	600	0.01
	Eastern Economist Ltd.		10	400	0.01	400	0.01
	Woodlands Multispeciality Hospital Ltd.		10	520	0.00	520	0.00
	Twin Star Venus Co-Operative Society Housing Society Ltd.		10	10	0.00	10	0.00
	Elgin Mills Co. Ltd.		10	2,250	0.00	2,250	0.00
	Bally Jute Mills Employees Consumers' Co-operative Stores Limited		10	250	0.00	250	0.00
	Gangangiri Park Co-Operative Society Housing Society Ltd.		10	15	0.00	15	0.00
	Craig Jute Mills Ltd.		3	50	0.00	50	0.00
	Subtotal				0.06		0.06
	Investment in Quoted Government Securities						
	8.97% GOI 2030	10.4	100	1,00,000	1.21	1,00,000	1.19
	Subtotal				1.21		1.19
	Investments In Quoted Bonds						
	9.70% IFCI Ltd. 2030		10,00,000	63	6.54	63	6.25
	9.55% IFCI Ltd. 2025		10,00,000	13	1.41	13	1.39
	Subtotal				7.95		7.64
	TOTAL (B)				**288.98**		**160.00**
C	**INVESTMENTS AT FAIR VALUE THROUGH PROFIT AND LOSS**						
	Investment In Preference Shares - Unquoted (Fully paid up)						
	Elgin Mills Co. Ltd. - 5% Preference Shares	10.2	10	100	0.00	100	0.00
	Subtotal				**0.00**		**0.00**
	TOTAL (C)				**0.00**		**0.00**
	TOTAL NON-CURRENT INVESTMENTS				**288.98**		**160.00**
	Aggregate Book Vaue of Quoted Investments				**288.92**		**159.94**
	Aggregate Fair Value of Quoted Investments				**288.92**		**159.94**
	Aggregate amount of Unquoted Investments				**0.06**		**0.06**
	Aggregate amount of Impairment in value of Investments				–		–

Notes:

10.1 Deposited with Government Department as Security.

10.2 Fair valuation not carried out as amounts are not significant.

10.3 In terms of the Scheme of Demerger of the Cement Divison of Century Textiles & Industries Ltd and acquisition by UltaTech Cement Limited, the Parent Company had received in the previous year 2,25,957 equity shares of ₹ 10/- each of Ultratech Cement Limited without any consideration in ratio of 1:8 for its holding in Century Textiles & Industries Ltd.

10.4 Lien marked in favour of Clearing Corporation of India Limited.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

11 LOANS (₹ in Crores)

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
Loans & Advances to Related Parties	11.1, 11.2 & 11.3				
Loan Receivables		–	–	0.07	0.07
Less: Provision for Doubtful Receivables		–	–	0.07	0.07
		–	–	–	–
Loans and Advances to Others	11.1, 11.2 & 11.3				
Loan Receivables		0.29	0.46	1.24	1.10
Less: Provision for Doubtful Receivables		–	–	0.00	0.00
		0.29	**0.46**	**1.24**	**1.10**
Total		**0.29**	**0.46**	**1.24**	**1.10**
11.1 Break Up of Loans					
Loan Receivables considered good – Secured		–	–	–	–
Loan Receivables considered good – Unsecured		0.29	0.46	1.24	1.10
Loan Receivables which have significant increase in Credit Risk		–	–	0.07	0.07
Loan Receivables – Credit Impaired		–	–	–	–
		0.29	0.46	1.31	1.17
Less: Provision for Doubtful Receivables		–	–	0.07	0.07
		0.29	**0.46**	**1.24**	**1.10**

11.2 No Loans are due from directors or other officers of the Group either severally or jointly with any other person. Nor any Loan due from firms or private companies respectively in which any director of Group is a partner, a director or a member except as disclosed in Note No. 11.3 given below.

11.3 Details of loans and advances to related parties as required by Sec. 186 of the Companies Act, 2013 read with SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015:

	Particulars	Refer Note No.	Balance Outstanding		Maximum amount Outstanding	
			As at		For the year ended	
			31st March, 2021	31st March, 2020	31st March, 2021	31st March, 2020
i	**Subsidiary Company (not consolidated)**					
	Birla Corporation Cement Manufacturing PLC	(ii) (a) & (b)	–	–	0.07	0.07
ii	**Purpose for which the advance was provided**					
	a. Advance given for implementation of Projects		–	–	–	–
	b. Net of Provision for Doubtful Advances		–	–	–	–
iii	**Group has not given any Gurantee and for Investments refer Note No. 10, 15 & 61.**					

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

12 OTHER FINANCIAL ASSETS

(₹ in Crores)

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
Security Deposits					
Unsecured, considered good	61	52.53	50.83	8.61	8.61
		52.53	50.83	8.61	8.61
Incentive and Subsidy Receivable		207.77	64.56	334.50	382.71
Less : Provision for Expected Credit Loss	55.1.2	33.61	–	0.45	1.44
		174.16	64.56	334.05	381.27
Other Deposits, Advances and Claims Recoverable					
Unsecured, considered good	12.1	12.24	1.64	21.60	5.59
Unsecured, considered doubtful		–	–	2.01	2.01
		12.24	1.64	23.61	7.60
Less: Provision for Doubtful Advances		–	–	2.01	2.01
		12.24	1.64	21.60	5.59
Deposits with Bank having maturity of more than one year from the balance sheet date	12.2	9.70	4.92	–	1.32
Fixed Deposit with Others		–	–	156.00	156.36
Interest accrued on Deposits		0.03	0.00	4.27	5.57
Derivative Contracts (Net)		–	–	0.26	7.82
Amount paid under Protest		2.37	2.37	–	–
Others		–	–	0.01	0.01
		12.10	7.29	160.54	171.08
Total		**251.03**	**124.32**	**524.80**	**566.55**

12.1 No other receivables are due from directors or other officers of the Group either severally or jointly with any other person. Nor any other receivables are due from firms or private companies respectively in which any director of Group is a partner, a director or a member.

12.2 Represents deposits marked lein in favour of Govt. Authorities/ Banks.

13 OTHER ASSETS

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
Advance against supply of Goods and Services		–	–	221.08	172.57
Less : Provision for Doubtful Advances		–	–	0.04	0.04
		–	–	221.04	172.53
Capital Advances	61	101.13	119.95	–	–
Prepaid Expenses		2.93	4.44	9.88	8.65
Amount Paid Under Protest		80.09	78.59	–	–
Balances with Government & Statutory Authorities		0.60	0.60	174.30	126.28
Security Deposits					
Unsecured considered good		1.85	1.85	0.45	0.45
Other Advances (Including Balance with Gratuity Fund)		8.35	1.34	4.63	3.26
Total		**194.95**	**206.77**	**410.30**	**311.17**

No other receivables are due from directors or other officers of the Group either severally or jointly with any other person. Nor other receivables are due from firms or private companies respectively in which any director of Group is a partner, a director or a member except ₹ 1.32 Crores (Previous Year ₹ 0.01 Crore) are receivables from a private company in which a director of the Group is director.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

14 INVENTORIES (₹ in Crores)

Particulars	Refer Note No.	As at 31st March, 2021	As at 31st March, 2020
(As valued and certified by the Management)	4.1		
Raw Materials	14.1	124.28	114.06
Work-In-Progress	14.1	126.42	107.02
Finished Goods	14.1	105.16	199.99
Stock-In-Trade		0.92	0.93
Stores and Spares	14.1	225.97	236.03
Fuels	14.1	211.83	119.81
Packing Materials		20.05	9.79
		814.63	787.63
Less: Provision on Non–Moving Stores and Spares		4.54	–
Total		**810.09**	**787.63**

14.1 The above includes goods-in-transit as under:

Raw Materials		6.62	1.22
Work-In-Progress		0.12	0.55
Finished Goods		7.78	6.26
Stores and Spares		3.06	0.40
Fuels		46.98	0.70
Total		**64.56**	**9.13**

14.2 Amount of write down of inventories carried at net realisable value and recognised as expenses : Nil (Previous Year ₹ 0.23 Crore).

14.3 Refer Note No. 44 for information on amount of inventories pledged as securities by the Group.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

15. CURRENT INVESTMENTS

(₹ in Crores)

	Particulars	Refer Note No.	Face Value	As at 31st March, 2021		As at 31st March, 2020	
				Qty.	Amount	Qty.	Amount
A	**INVESTMENT AT FAIR VALUE THROUGH PROFIT AND LOSS**						
	Investments in Mutual Funds						
	UNQUOTED						
	Axis Liquid Fund - Direct Growth			74,440	17.01	58,262	12.84
	Axis Treasury Advantage Fund - Direct Growth			–	–	1,67,736	39.00
	Axis Short Term Fund- Direct Plan -Growth			–	–	21,50,898	5.03
	Axis Money Market Fund Direct Growth			45,178	5.00	–	–
	Axis Ultra Short Term Fund Direct Growth			92,34,001	11.05	–	–
	Baroda Banking and PSU Bond Fund -Direct Plan Growth			19,99,900	2.00	–	–
	Baroda Liquid Fund -Plan B Growth			71,789	17.01	65,719	15.04
	DSP Liquidity Fund - Direct Plan- Growth			–	–	66,768	18.97
	DSP Low Duration Fund- Direct Plan -Growth			–	–	1,83,17,379	27.30
	DSP Savings Fund- Direct Plan- Growth			11,89,309	5.01	–	–
	HSBC Corporate Bond Fund Direct Growth			9,99,950	1.02	–	–
	HSBC Ultra Short Duration Fund Direct Growth			–	–	50,000	5.05
	HDFC Short Term Debt Fund -Direct Plan-Growth Option			–	–	43,84,273	10.04
	HDFC Floating Rate Debt Fund- Direct Plan- Growth Option			–	–	60,96,981	21.57
	HDFC Ultra Short Term Fund -Direct Growth			6,00,000	0.72	7,67,60,143	86.43
	HDFC Overnight Fund-Direct Plan -Growth Option			–	–	3,368	1.00
	HDFC Liquid Fund -Direct Plan- Growth Option			–	–	20,562	8.03
	IDFC Ultra Short Term Fund Direct Plan -Growth			7,45,05,438	89.19	6,58,69,212	75.13
	IDFC Low Duration Fund - Growth- (Direct Plan)			–	–	66,66,760	19.26
	IDFC Corporate Bond Fund Direct Plan -Growth			–	–	1,50,37,795	21.00
	IDFC Floating Rate Fund Direct Plan-Growth			99,99,500	10.04	–	–
	IDFC Money Manager Fund Growth- (Direct Plan)			39,04,110	13.14	–	–
	ICICI Prudential Savings Fund - Direct Plan- Growth			–	–	9,75,574	38.09
	ICICI Prudential Liquid Fund - Direct Plan -Growth			1,64,170	5.00	3,40,582	10.01
	Invesco India Money Market Fund- Direct Plan Growth			41,014	10.03	15,173	3.51
	Invesco India Treasury Advantage Fund- Direct Plan Growth			–	–	60,004	17.17
	Invesco India Ultra Short term Fund -Direct Plan Growth			10,655	2.36	–	–
	Kotak Liquid Fund Direct Plan Growth			38,525	16.02	–	–
	Kotak Money Market Fund -Direct Plan- Growth (Erstwhile Kotak Floater ST)			57,512	20.04	–	–
	Kotak Savings Fund - Direct Plan - Growth			1,05,62,382	36.63	1,67,08,622	54.89
	LIC MF Liquid Fund -Direct Plan- Growth			–	–	15,185	5.47
	LIC MF Savings Fund -Direct Plan- Growth			15,09,828	5.00	–	–
	L & T Liquid Fund Direct Plan - Growth			–	–	36,758	10.00
	L & T Short Term Bond Fund Direct Plan- Growth			–	–	61,29,465	12.34
	L & T Money Market Fund Direct Plan- Growth			46,72,947	10.03	24,64,135	5.04
	L & T Ultra Short Term Fund Direct Plan- Growth			1,15,26,884	40.45	1,15,26,884	38.53
	Nippon India Liquid Fund - Direct Plan Growth Plan -Growth Option			36,325	18.29	18	0.01
	Nippon India Money Market Fund- Direct Growth Plan Growth Option			65,430	21.07	1,09,710	33.49
	Nippon India Low Duration Fund- Retail Option Growth Plan (Previously kown as Reliance Low Duration Fund- Retail Option Growth Plan)			476	0.13	476	0.13
	Sundaram Money Fund -Direct Growth			–	–	38,80,150	16.25
	SBI Liquid Fund Direct Growth			62,117	20.01	58,943	18.33
	SBI Magnum Low Duration Fund Direct - Growth	15.1		1,03,038	28.81	1,03,038	27.10
	SBI Savings Fund -Direct Plan- Growth			70,10,551	23.97	–	–
	Tata Money Market Fund Direct Plan -Growth			57,896	21.25	29,207	10.12
	Tata Liquid Fund Direct Plan- Growth			15,405	5.00	31,941	10.00
	UTI Treasury Advantage Fund- Direct Growth Plan Growth			30,971	8.19	–	–
	Sub Total				**463.47**		**676.17**
	TOTAL CURRENT INVESTMENTS				**463.47**		**676.17**
	Aggregate Book value of Quoted Investments				**–**		–
	Aggregate Fair Value of Quoted Investments				**–**		–
	Aggregate amount of Unquoted Investments				**463.47**		676.17
	Aggregate amount of impariment in value of investments				**–**		–

Notes:

15.1 Out of the same 45,930 units (Previous Year: 45,930 units) are held as margin in favour of State Bank of India against bank guarantee.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

16 TRADE RECEIVABLES

(₹ in Crores)

Particulars	Refer Note No.	As at 31st March, 2021	As at 31st March, 2020
Trade Receivables	16.1 & 16.2	294.37	265.36
Less: Provision for Doubtful Receivables		14.86	14.98
Total		279.51	250.38
Break Up of Trade Receivables			
Trade Receivables considered good - Secured		139.29	133.55
Trade Receivables considered good - Unsecured		140.22	116.83
Trade Receivables which have significant increase in Credit Risk		14.86	14.98
Trade Receivables - Credit Impaired		–	–
Total		**294.37**	**265.36**
Less: Provision for Doubtful Receivables		14.86	14.98
Total		**279.51**	**250.38**

16.1 Trade receivables are non-interest bearing and are generally on terms of 0 to 90 days. Refer Note No. 44 for information on amount of trade receivables pledged as securities by the Group.

16.2 No trade receivables are due from directors or other officers of the Group either severally or jointly with any other person. Nor any trade receivables are due from firms or private companies respectively in which any director of the Group is a partner, a director or a member.

17 CASH AND CASH EQUIVALENTS

Particulars	Refer Note No.	As at 31st March, 2021	As at 31st March, 2020
Balances With Banks :			
In Current/ Cash Credit Account		75.01	46.37
In Deposit Accounts with Original Maturity of less than three months		14.93	–
Cheques/ Drafts on Hand		0.41	0.09
Cash on Hand		0.19	0.20
Total		**90.54**	**46.66**

18 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

Balance in Unpaid Dividend Account		1.44	1.26
Other Fixed Deposit with Banks	18.1	85.27	51.53
Total		**86.71**	**52.79**

18.1 Includes deposits marked lien in favour of Govt. Authorities and Banks.		2.54	0.49

19 NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALE

Plant & Machinery	19.1	1.42	1.49
Total		**1.42**	**1.49**

19.1 **Plant & Machinery related to:**

Unit Birla Carbide & Gases: Suspension of operations was declared of the Parent Company's unit Birla Carbide & Gases, Birlapur, West Bengal w.e.f. 29th October, 2001. Subsequently, closure of the Unit was declared w.e.f. 31st January, 2005. A resolution was passed by Board of Directors of the Parent Company on 4th November, 2015 for disposal of assets of the Unit. All Plant & Machineries, except some insignificant portion thereof, were disposed off till March, 2020 and it was expected that the sale for the remaining portion completed by March, 2021. However, due to Covid 19 Pandemic the disposal could not take place and now the Parent Company expects to carry out the same by March, 2022. The assets of the unit comprising remaining Plant & Machineries are presented within total assets of the "Unallocated Corporate Assets" under Segment Reporting.

Unit Auto Trim Division: Suspension of operations was declared of the Parent Company's unit Auto Trim Division at Birlapur, West Bengal w.e.f. 18th February, 2014. There have been no operations at Gurgaon plant, Haryana and at Chakan plant, Maharastra since November, 2007 and August, 2007 respectively. All Plant & Machineries, except some Machineries were transferred to other units of the Parent Company till April, 2019. A resolution was passed by Board of Directors of the Parent Company on 3rd May, 2019 for disposal of remaining assets of the Unit. It was expected that the sale of the assets completed by March, 2021. However, due to Covid 19 Pandemic the disposal could not take place and now the Parent Company expects to

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

carry out the same by March, 2022. The assets of the unit comprising remaining Plant & Machineries are presented within total assets of the "Others Segment Assets" under Segment Reporting.

Non recurring fair value measurements

The fair value value of the Plant & Machineries, classified as Held for Sale, was determined using the sales comparison approach. This is level 2 measurement as per the fair value hierarchy set out in accounting policies related to fair value measurement. The key inputs under this approach are price of the similar Plant & Machineries at the same location, condition and age.

20 EQUITY SHARE CAPITAL (₹ in Crores)

	Particulars	As at 31st March, 2021		As at 31st March, 2020	
		No. of Shares	Amount	No. of Shares	Amount
20.1	**Authorised Share Capital**				
	Ordinary Shares of ₹ 10/- each	9,00,00,000	90.00	9,00,00,000	90.00
	Preference Shares of ₹ 100/- each	10,00,000	10.00	10,00,000	10.00
	Total	**9,10,00,000**	**100.00**	**9,10,00,000**	**100.00**
20.2	**Issued Share Capital**				
	Ordinary Shares of ₹ 10/- each	7,70,13,416	77.01	7,70,13,416	77.01
	Total	**7,70,13,416**	**77.01**	**7,70,13,416**	**77.01**
20.3	**Subscribed and Paid-up Share Capital**				
	Ordinary Shares of ₹10/- each fully paid-up	7,70,05,347	77.01	7,70,05,347	77.01
	Add: Forfeited Ordinary Shares (Amount originally paid-up)	–	0.00	–	0.00
	Total	**7,70,05,347**	**77.01**	**7,70,05,347**	**77.01**

20.4 Reconciliation of the number of shares at the beginning and at the end of the year

There has been no change/ movements in number of shares outstanding at the beginning and at the end of the year.

20.5 Terms/ Rights attached to Equity Shares :

The Parent Company has only one class of issued shares i.e., Ordinary Shares having par value of ₹ 10 per share. Each holder of the Ordinary Shares is entitled to one vote per share and equal right for dividend. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the ordinary shareholders are eligible to receive the remaining assets of the Group after payment of all preferential amounts, in proportion to their shareholding.

20.6 Shareholding Pattern in respect of Holding or Ultimate Holding Company

The Parent Company does not have any Holding Company or Ultimate Holding Company.

20.7 Details of Equity Shareholders holding more than 5% shares in the Group

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	No. of Shares	% Holding	No. of Shares	% Holding
Ordinary Shares of ₹ 10/- each fully paid				
Hindustan Medical Institution	71,59,460	9.30	71,59,460	9.30
Vindhya Telelinks Limited	63,80,243	8.29	63,80,243	8.29
August Agents Limited	60,15,912	7.81	60,15,912	7.81
Insilco Agents Limited	60,04,080	7.80	60,04,080	7.80
Laneseda Agents Limited	59,94,680	7.78	59,94,680	7.78
The Punjab Produce & Trading Co. (P) Ltd.	45,20,572	5.87	45,20,572	5.87
Nippon Life India Trustee Limited (Previously Known as Reliance Capital Trustee Company Limited) (Shares held in their various Schemes)	36,60,075	4.75	41,04,723	5.33

20.8 No ordinary shares have been reserved for issue under options and contracts/ commitments for the sale of shares/ disinvestment as at the Balance Sheet date.

20.9 The Parent Company has neither allotted any equity shares against consideration other than cash nor has issued any bonus shares nor has bought back any shares during the period of five years immediately preceding the date at which the Balance Sheet is prepared.

20.10 No securities convertible into Equity/ Preference shares have been issued by the Parent Company during the year.

20.11 No calls are unpaid by any Director or Officer of the Group during the year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

21 OTHER EQUITY (Refer Statement of Change in Equity)

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

21.1 Capital Reserve: Capital reserve are mainly the reserves created during business combination for the gain on bargain purchase.

21.2 Capital Reserve on Consolidation: This reserve arises on account of consolidation of the financials of subsidiaries.

21.3 Debenture Redemption Reserve (DRR): The Parent Company has issued redeemable non-convertible debentures. Accordingly, the Companies (Share Capital and Debentures) Rules, 2014 (as amended), requires the company to create DRR out of profits of the Parent Company available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued. However, this requirement is no more applicable as per the amendment in the Companies (Share capital and Debentures) Rules, 2014. Accordingly in current year, the Parent Company has not made any new addition in the said reserve and accounted the reversal of outstanding reserve linked to payment of specific non-convertible debentures.

21.4 General Reserve: General reserve is created out of retained earnings and use for appropriation purposes.

21.5 Retained Earnings: Retained earnings represents the undistributed profit of the Group.

21.6 Debt Instrument through Other Comprehensive Income: This reserve is created on account of fair valuation of selected debt instrument and will be transferred to statement of profit and loss on liquidation of respective instruments.

21.7 Effective Portion of Cashflow Hedges: The Parent Company has designated certain hedging instruments as cash flow hedges and any effective portion of cashflow hedge is maintained in the said reserve. In case the hedging becomes ineffective or instruments settled, the amount will be transferred to the Statement of Profit and Loss.

21.8 Equity Instruments through Other Comprehensive Income : This reserve is created on account of fair valuation of equity instruments. This will be directly transferred to retained earnings on disposal of respective equity instruments.

21.9 Revaluation Surplus: Revaluation surplus arises on account of fair valuation of freehold land. This will be directly transferred to retained earnings at the time of sale/ disposal/ transfer (if any) of the respective portion of freehold land.

22 LONG TERM BORROWINGS

Particulars	Refer Note No.	Non-Current Portion		Current Maturities	
		As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
Non-Convertible Debentures (NCD)	22.1(a)				
(Face Value of ₹ 10,00,000/- each)					
2,500 (Previous Year - 2,500) 9.25% NCD 2026		250.00	250.00	–	–
1,500 (Previous Year - 1,500) 9.15% NCD 2021		–	150.00	150.00	–
NIL (Previous Year - 1,300) 9.05% NCD 2020		–	–	–	130.00
1,500 (Previous Year - NIL) 7.05% NCD 2024		150.00	–	–	–
		400.00	**400.00**	**150.00**	**130.00**
Term Loans					
From Banks:					
Rupee Loans	22.1(b)	2,356.36	3,168.00	147.19	169.37
Foreign Currency Loans	22.1 (c)	834.69	93.22	114.41	229.96
From Others:					
Rupee Loan	22.1(d)	13.35	7.73	–	–
		3,204.40	**3,268.95**	**261.60**	**399.33**
Total		**3,604.40**	**3,668.95**	**411.60**	**529.33**
Amount disclosed under the head "Other Financial Liabilities"	23	–	–	(411.60)	(529.33)
Total		**3,604.40**	**3,668.95**	**–**	**–**
Break Up of Security Details					
Secured		3,525.76	3,531.28	389.78	380.10
Unsecured		78.64	137.67	21.82	20.67
Total		**3,604.40**	**3,668.95**	**411.60**	**400.77**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

22.1 Terms and Conditions of Long Term Borrowings : (₹ in Crores)

	Particulars	Refer Note No.	As at 31st March, 2021	As at 31st March, 2020
a)	**Non-Convertible Debentures**			
	i) 9.25% NCD 2026	22.1 (e) (i)	250.00	250.00
	ii) 9.15% NCD 2021	22.1 (e) (ii)	150.00	150.00
	iii) 7.05% NCD 2024	22.1 (e) (iii)	150.00	–
	iv) 9.05% NCD 2020		–	130.00
b)	**Rupee Term Loans - From Banks - in Indian Rupees**	22.1 (f)	2,517.59	3,359.71
c)	**Foreign Currency Loans - From Banks - in Foreign Currency**	22.1 (g)	955.31	323.82
d)	**Rupee Term Loan - From Others - in Indian Rupees**	22.1 (h)	20.99	11.91

e) **Non-Convertible Debentures are redeemable fully at par as under :-**

i) 9.25% NCD 2026 of ₹ 250.00 Crores, includes ₹ 60.00 Crores repayable in August 2024, ₹ 15.00 Crores repayable in September 2024, ₹ 60.00 Crores repayable in August 2025, ₹ 15.00 Crores repayable in September 2025, ₹ 80.00 Crores repayable in August 2026 and ₹ 20.00 Crores repayable in September 2026.

ii) 9.15% NCD 2021 repayable in August 2021.

iii) 7.05% NCD 2024 of ₹ 150.00 Crores, includes ₹ 30.00 Crores repayable in December 2022, ₹ 60.00 Crores repayable in December 2023 and ₹ 60.00 Crores repayable in December 2024.

The Debentures are secured by first charge on the movable and immovable Property, Plant and Equipment & Intangible Assets of the Parent Company's Cement Division, ranking pari-passu with other term lenders.

f) **Rupee Loan from Banks :**

Term Loan ₹ 2517.60 Crores, (Rate of Interest MCLR 6M/12M Plus spread upto 0.35%, Repo rate Plus spread upto 2.60% and @ 7.25% p.a. upto 16.02.2026 and thereafter @ 1year MCLR)

i) ₹ 128.82 Crores are repayable as under:

₹ 9.92 Crores repayable in 2 equal quarterly installments from May 2021 to August 2021.

₹ 44.68 Crores repayable in 8 equal quarterly installments from November 2021 to August 2023.

₹ 68.31 Crores repayable in 11 equal quarterly installments from November 2023 to May 2026.

₹ 5.91 Crores repayable on August 2026.

The Term Loan is secured by first ranking pari-passu charge on movable and immovable Property, Plant and Equipment & Intangible Assets of the Parent Company's Jute Division and land situated at Birlapur and Narkeldanga.

ii) ₹ 0.09 Crore outstanding as on 31st March, 2021 against sanctioned amount of ₹ 0.20 Crore, balance amount to be drawn in future. Sanction amount of ₹ 0.20 Crore are repayable as under:

Loan is secured by the charge on Plant & Machinery purchased out of the term loan and ₹ 0.20 Crore repayable in 8 equal quarterly installments from May, 2021 to February, 2023.

iii) ₹ 35 Crores are repayable as under:

Term Loan ₹ 35 Crores is unsecured Loan and repayable in March 2022.

iv) ₹ 1,048.22 Crores (under Consortium) are repayable as under:

₹ 6.94 Crores repayable in 1 installment in June 2021.

₹ 51.71 Crores repayable in 3 equal quarterly installments from September 2021 to March 2022.

₹ 120.88 Crores repayable in 4 equal quarterly installments from June 2022 to March 2023.

₹ 265.93 Crores repayable in 8 equal quarterly installments from June 2023 to March 2025.

₹ 507.68 Crores repayable in 14 equal quarterly installments from June 2025 to September 2028.

₹ 95.08 Crores repayable in December 2028.

The Loan is secured by way of first charge on all present and future movable and immovable Property, Plant and Equipment and Intangible Assets pertaining to projects at Maihar, Madhya Pradesh and Kundanganj, Uttar Pradesh and Coal mines located at Sial Ghogri, Madhya Pradesh, ranking pari passu with other lender banks and second charge on entire current assets of the subsidiary Company ranking pari passu with other lender banks.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

v) ₹ 275.30 Crores are repayable as under:

₹ 24.36 Crores repayable in 4 equal quarterly installments from May 2021 to February 2022.

₹ 48.72 Crores repayable in 6 equal quarterly installments from May 2022 to August 2023.

₹ 20.01 Crores repayable in 2 equal quarterly installments from November 2023 to February 2024.

₹ 172.55 Crores repayable in 17 equal quarterly installments from May 2024 to May 2028.

₹ 9.66 Crores repayable in August 2028.

The Loan is secured by way of subservient charge on all present and future movable and immovable Property, Plant and Equipment and Intangible Assets of the Subsidiary Company except assets relating to Maihar, Madhya Pradesh and Kundanganj, Uttar Pradesh.

vi) ₹ 881.36 Crores (under Consortium) outstanding as on 31st March, 2021 against sanctioned amount of ₹ 1,625 Crores, balance amount to be drawn in future. Sanction amount of ₹ 1,625 Crores are repayable as under:

₹ 4.06 Crores repayable in 1 quarterly installment in September 2022.

₹ 12.26 Crores repayable in 3 equal quarterly installments from December 2022 to June 2023.

₹ 20.26 Crores repayable in 1 quarterly installment in September 2023.

₹ 61.19 Crores repayable in 3 equal quarterly installments from December 2023 to June 2024.

₹ 32.40 Crores repayable in 1 quarterly installment in September 2024.

₹ 97.89 Crores repayable in 3 equal quarterly installments from December 2024 to June 2025.

₹ 161.98 Crores repayable in 4 equal quarterly installments from September 2025 to June 2026.

₹ 163.14 Crores repayable in 4 equal quarterly installments from September 2026 to June 2027.

₹ 105.30 Crores repayable in 2 equal quarterly installments from September 2027 to December 2027.

₹ 53.03 Crores repayable in 1 quarterly installment in March 2028.

₹ 53.23 Crores repayable in 1 quarterly installment in June 2028.

₹ 311.71 Crores repayable in 4 equal quarterly installments from September 2028 to June 2029.

₹ 326.28 Crores repayable in 4 equal quarterly installments from September 2029 to June 2030.

₹ 111.15 Crores repayable in 1 quarterly installment in September 2030.

₹ 111.12 Crores repayable in 1 quarterly installment in December 2030.

The Loan is secured by way of first pari-passu charge on fixed assets of the Cement Plant (present & future) at Mukutban, Maharashtra and first pari passu charge on movable fixed assets of Butibori Plant of the Subsidiary Company. Second pari-passu charge on entire current assets (both present & future) of the Subsidiary Company.

vii) ₹ 65.00 Crores are repayable as under:

The loan is repayable in 31 equal quarterly installments of ₹ 2.00 Crores each from June 2021 to December 2028 and balance ₹ 3.00 Crores repayable in March 2029.

The Loan is secured by way of first charge on all present and future movable and immovable Property, Plant and Equipment and Intangible Assets pertaining to Maihar in Madhya Pradesh, ranking pari passu with other lender banks.

viii) ₹ 83.80 Crores outstanding as on 31st March, 2021 against sanctioned amount of ₹190 Crores, balance amount to be drawn in future. Sanction amount of ₹ 190 Crores are repayable as under:

₹ 1.90 Crores repayable in 2 equal quarterly installment from December 2022 to March 2023.

₹ 9.50 Crores repayable in 4 equal quarterly installments from June 2023 to March 2024.

₹ 19.00 Crores repayable in 4 equal quarterly installments from June 2024 to March 2025.

₹ 30.40 Crores repayable in 4 equal quarterly installments from June 2025 to March 2026.

₹ 36.10 Crores repayable in 4 equal quarterly installments from June 2026 to March 2027.

₹ 68.40 Crores repayable in 8 equal quarterly installments from June 2027 to March 2029.

₹ 24.70 Crores repayable in 2 equal quarterly installments from June 2029 to September 2029.

This loan is secured by way of first charge on all present and future movable and immovable Property, Plant and Equipment and Intangible Assets pertaining to projects at Maihar, Madhya Pradesh and Kundanganj, Uttar Pradesh and Coal mines located at Sial Ghogri, Madhya Pradesh, ranking pari passu with other lender banks and second charge on entire current assets of the Subsidiary Company ranking pari passu with other lender banks.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

g) Foreign Currency Loans From Bank are repayable as under:-

Term Loan ₹ 955.31 Crores (Rate of Interest LIBOR 1M/6M Plus spread upto 175 bps, Spread of 1.58% and 7.40% (including hedge cost)).

i) ₹ 151.71 Crores repayable as under:

₹ 30.34 Crores repayable in 8 equal quarterly installments starting from September 2021 to June 2023.

₹ 121.37 Crores repayable in 12 equal quarterly installments starting from September 2023 to June 2026.

ii) ₹ 258.74 Crores repayable as under:

₹ 11.01 Crores repayable in 4 equal quarterly installments from June 2021 to March 2022.

₹ 55.05 Crores repayable in 8 equal quarterly installments from June 2022 to March 2024.

₹ 68.81 Crores repayable in 8 equal quarterly installments from June 2024 to March 2026.

₹ 82.58 Crores repayable in 8 equal quarterly installments from June 2026 to March 2028.

₹ 41.29 Crores repayable in 2 equal quarterly installments from June 2028 to September 2028.

The above loan (g) (i) and (g) (ii) are secured by first charge on the movable and immovable Property, Plant and Equipment and Intangible Assets of the Parent Company's Cement Division, ranking pari-passu with Debenture holders and other term lenders.

iii) ₹ 85.17 Crores repayable as under:

₹ 6.55 Crores repayable in 2 equal quarterly installments from June 2021 to September 2021.

₹ 29.49 Crores repayable in 8 equal quarterly installments from December 2021 to September 2023.

₹ 24.54 Crores repayable in 6 equal quarterly installments from December 2023 to March 2025.

₹ 24.59 Crores repayable in 6 equal quarterly installments from June 2025 to September 2026.

The loan is secured by first ranking pari-passu charge on the movable and immovable Property, Plant and Equipment & Intangible Assets of the Parents Company's Jute Division and land situated at Birlapur & Narkeldaga, ranking pari-passu with other term lenders.

iv) ₹ 25.07 Crores repayable in remaining 4 equal quartely installments from June 2021 to March 2022:

The loan is secured by way of first charge on all present and future movable and immovable Property, Plant and Equipment and Intangible Assets pertaining to Maihar and Gondavali in Madhya Pradesh and Kundanganj in uttar Pradesh, ranking pari passu with other lender banks and second charge on entire current assets of the Maihar and Kundanganj Porjects, ranking pari passu with other lender banks.

v) ₹ 369.17 Crores is repayable as under:

₹ 31.22 Crores repayable in 4 equal quarterly installments from September 2021 to March 2022.

₹ 38.98 Crores repayable in 4 equal quarterly installments from June 2022 to March 2023.

₹ 85.75 Crores repayable in 8 equal quarterly installments from June 2023 to March 2025.

₹ 163.71 Crores repayable in 14 equal quarterly installments from June 2025 to September 2028.

₹ 49.51 Crores repayable in December 2028.

The loan is secured by way of of first charge on all present and future movable and immovable Property, Plant and Equipment and Intangible Assets pertaining to Maihar in Madhya Pradesh and Kundanganj in Uttar Pradesh and Coal mines located at Sial Ghogri, Madhya Pradesh ranking pari passu with other lender banks and second charge on entire current assets of the Subsidiary Company ranking pari passu with other lender banks.

vi) ₹ 65.45 Crores repayable in remaining 6 equal semi-annual installments from September 2021 to March 2024.

h) Rupee Loan from Bank is repayable as under:-

Interest free Term Loan of ₹ 20.99 Crores from Pradeshiya Industrial & Investment Corporation of U.P. Ltd.

₹ 20.99 Crores includes, ₹ 2.82 Crores repayable in January 2025, ₹ 2.42 Crores repayable in March 2025, ₹ 6.67 Crores repayable in May 2025 and ₹9.08 Crores repayable in March 2028.

The loan is secured by Bank Guarantees.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

23 OTHER FINANCIAL LIABILITIES

(₹ in Crores)

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
Current Maturities of Long Term Debt	22	–	–	411.60	529.33
Lease Liabilities	46	96.42	12.58	3.50	0.70
Trade & Security Deposits (Unsecured)		591.56	527.08	–	–
Interest Accrued but not due on Borrowings		–	–	28.72	28.48
Interest accrued and due on Borrowings		–	–	2.01	2.64
Unpaid and Unclaimed Dividends	42.2	–	–	1.44	59.01
Employees Related Liabilities		–	–	46.99	45.51
Amount Payable for Capital Goods		–	–	145.68	160.99
Derivative Contracts (Net)		4.01	–	16.62	–
Other Payables (including rebates and discounts)		–	–	370.18	455.50
		691.99	539.66	1,026.74	1,282.16
Liabilities Under Litigation		32.41	30.12	–	–
Less : Paid Under Protest		24.85	22.56	–	–
		7.56	7.56	–	–
Total		**699.55**	**547.22**	**1,026.74**	**1,282.16**

24 PROVISIONS

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
Provision for Employee Benefits		53.27	45.27	4.59	10.30
Provision for Mines Restoration	24.1	8.61	4.75	6.91	6.59
Total		**61.88**	**50.02**	**11.50**	**16.89**

24.1 Movement of Provision:-

Particulars	Non Current		Current	
	Provision for Mines Restoration		Provision for Mines Restoration	
	31st March, 2021	31st March, 2020	31st March, 2021	31st March, 2020
Balance as at year beginning	4.75	4.34	6.59	6.60
Provision made during the year	3.86	0.41	0.50	–
Provision utilised/written back during the year	–	–	0.18	0.01
Balance as at the year end	**8.61**	**4.75**	**6.91**	**6.59**

The Group has an obligation to restore the mines after extracting of reserves. Therefore provision has been recognised for the estimated decomissioning and restoration cost in accordance with the mines closure plan.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

25 DEFERRED TAX LIABILITIES (NET)

(₹ in Crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Deferred Tax Liabilities		
Arising on account of :		
Depreciation	911.13	999.35
Revaluation Surplus	231.03	232.44
Mark to Market Gain on Investments	26.24	11.53
Others	(12.38)	1.36
	1,156.02	1,244.68
Less: Deferred Tax Assets		
Arising on account of :		
Mat Credit Entitlement	181.69	182.25
Items u/s 43B of Income Tax Act, 1961	58.01	58.88
Unused Tax Credit	39.92	137.14
Others	9.61	9.62
	289.23	387.89
Deferred Tax Liabilities (Net)	**866.79**	**856.79**

25.1 Movement in deferred tax assets and liabilities during the year ended 31st March, 2020 and 31st March, 2021

Particulars	As at 1st April, 2020	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	Recognized in Retained Earnings (Directly)	As at 31st March, 2021
Deferred Tax Liabilities					
Depreciation	999.35	(88.22)	–	–	911.13
Revaluation Surplus	232.44	–	(1.41)	–	231.03
Mark to Market Gain on Investments	–	(0.91)	0.91	–	–
Remeasurement of the Defined Benefit Plans	11.53	(3.45)	18.16	–	26.24
Others	1.36	(10.39)	(3.35)	–	(12.38)
	1,244.68	**(102.97)**	**14.31**	**–**	**1,156.02**
Deferred Tax Assets					
Mat Credit Entitlement	182.25	(0.56)	–	–	181.69
Items u/s 43B of Income Tax Act, 1961	58.88	(0.87)	–	–	58.01
Unused Tax Credit	137.14	(97.22)	–	–	39.92
Others	9.62	(0.01)	–	–	9.61
	387.89	**(98.66)**	**–**	**–**	**289.23**
Deferred Tax Liabilities (Net)	**856.79**	**(4.31)**	**14.31**	**–**	**866.79**

Particulars	As at 1st April, 2019	Recognized in Statement of Profit and Loss	Recognized in Other Comprehensive Income	Recognized in Retained Earnings (Directly)	As at 31st March, 2020
Deferred Tax Liabilities					
Depreciation	1,177.92	(178.37)	–	(0.20)	999.35
Revaluation Surplus	233.50	–	(1.06)	–	232.44
Remeasurement of the Defined Benefit Plans	0.02	3.66	(3.68)	–	–
Mark to Market Gain on Investments	5.61	5.76	0.16	–	11.53
Others	2.08	(0.72)	–	–	1.36
	1,419.13	**(169.67)**	**(4.58)**	**(0.20)**	**1,244.68**
Deferred Tax Assets					
Mat Credit Entitlement	277.24	(94.99)	–	–	182.25
Items u/s 43B of Income Tax Act, 1961	70.49	(11.61)	–	–	58.88
Unused Tax Credit	318.26	(181.12)	–	–	137.14
Others	10.92	(1.30)	–	–	9.62
	676.91	**(289.02)**	**–**	**–**	**387.89**
Deferred Tax Liabilities (Net)	**742.22**	**119.35**	**(4.58)**	**(0.20)**	**856.79**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

25.2 Deferred tax assets and Deferred tax liabilities have been offset wherever the Group has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income tax levied by the same taxation authority.

25.3 During the year, the Group has recognised unused tax credits (MAT credit entitlements) of ₹ 50.01 Crores related to Financial Year 2010-11 and 2011-12, which were earlier not recognised on account of prudence.

26 OTHER LIABILITIES

Particulars	Refer Note No.	Non Current		Current	
		As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2021	As at 31st March, 2020
Liabilities Under Litigation		293.03	289.92	–	–
Less : Paid Under Protest		153.49	154.21	–	–
		139.54	135.71	–	–
Advances Received from Customers	29.4	–	–	155.17	93.59
Statutory Dues		–	–	196.13	90.47
Bonus Liability		–	–	8.33	9.20
Deferred Revenue	26.1	6.30	4.29	1.77	1.33
Others		4.89	4.89	0.00	0.00
Total		**150.73**	**144.89**	**361.40**	**194.59**

26.1 Movement of Deferred Revenue

Particulars	2020-21	2019-20
Opening Balance	5.62	6.95
Grants Received during the year	3.69	–
Less: Released to Statement of Profit & Loss	1.24	1.33
Closing Balance	**8.07**	**5.62**
Current portion	1.77	1.33
Non Current portion	6.30	4.29

27 SHORT TERM BORROWINGS

Particulars	Refer Note No.	As at 31st March, 2021	As at 31st March, 2020
Loans Repayable on Demand			
From Banks			
Rupee Loans	27.1	10.24	63.17
Other Loans			
From Banks			
Suppliers' Credit in Foreign Currency		–	20.50
Packing Credit in Indian Currency	27.1	20.18	–
Total		**30.42**	**83.67**
The above amount includes			
Secured Borrowings		30.42	83.67
Unsecured Borrowings		–	–
		30.42	**83.67**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

27.1 The above short term borrowings are Working Capital Loans from Banks which are secured by way of first charge on hypothecation of Parent Company's Current Assets viz. Raw Materials, Stock-in-Trade, Consumable Stores and Books Debts, both present & future and further secured by way of second charge on pari-passu basis on Movable and Immovable Property, Plant and Equipment and Intangible Assets of the Parent Company's Cement Division.

28 TRADE PAYABLES

Particulars	Refer Note No.	As at 31st March, 2021	As at 31st March, 2020
Trade Payables for goods and services			
- Total outstanding dues of micro enterprises and small enterprises	45	15.61	3.83
- Total outstanding dues of creditors other than micro enterprises and small enterprises		573.40	518.92
Total		**589.01**	**522.75**

29 REVENUE FROM OPERATIONS

Particulars	Refer Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Sale of Products	29.1 to 29.4	6,598.53	6,724.12
		6,598.53	**6,724.12**
Other Operating Revenues			
Incentives & Subsidies		172.23	179.38
Export Benefits	57.5	1.90	2.29
Insurance and Other Claims (Net)		1.19	1.44
Miscellaneous Sale		11.60	8.46
		186.92	**191.57**
Total		**6,785.45**	**6,915.69**

29.1 Disaggregated Revenue Information

a) Disaggregation of the Group's Revenue from Contracts with Customers:

Particulars	For the year ended 31st March, 2021				For the year ended 31st March, 2020			
	Cement	Jute	Others	Total	Cement	Jute	Others	Total
Sale of Products								
Manufactured Goods	6,282.81	284.65	0.17	6,567.63	6,374.90	328.20	0.99	6,704.09
Traded Goods	30.88	0.02	–	30.90	18.48	1.55	–	20.03
Total Revenue from Contracts with Customers	**6,313.69**	**284.67**	**0.17**	**6,598.53**	**6,393.38**	**329.75**	**0.99**	**6,724.12**
Other Operating Revenues								
Incentives & Subsidies	171.79	0.44	–	172.23	178.86	0.52	–	179.38
Export Benefits	–	1.90	–	1.90	–	2.29	–	2.29
Insurance and Other Claims (Net)	1.19	–	–	1.19	1.44	–	–	1.44
Miscellaneous Sale	11.26	0.29	0.05	11.60	7.71	0.70	0.05	8.46
	184.24	**2.63**	**0.05**	**186.92**	**188.01**	**3.51**	**0.05**	**191.57**
Total Revenue from Operations	**6,497.93**	**287.30**	**0.22**	**6,785.45**	**6,581.39**	**333.26**	**1.04**	**6,915.69**
Within India	6,497.82	246.85	0.22	6,744.89	6,580.89	294.18	1.04	6,876.11
Outside India	0.11	40.45	–	40.56	0.50	39.08	–	39.58
Total Revenue from Operations	**6,497.93**	**287.30**	**0.22**	**6,785.45**	**6,581.39**	**333.26**	**1.04**	**6,915.69**
Timing of Revenue Recognition								
Goods or Services transferred at a point in time	6,497.93	287.30	0.22	6,785.45	6,581.39	333.26	1.04	6,915.69
Total Revenue from Operations	**6,497.93**	**287.30**	**0.22**	**6,785.45**	**6,581.39**	**333.26**	**1.04**	**6,915.69**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

b) Reconciliation of the Revenue from Contracts with Customers with the amounts disclosed in the segment information:

Particulars	For the year ended 31st March, 2021				For the year ended 31st March, 2020			
	Cement	Jute	Others	Total	Cement	Jute	Others	Total
Revenue								
External Sales	6,497.93	287.30	0.22	6,785.45	6,581.39	333.26	1.04	6,915.69
Inter Segment Revenue	0.60	0.06	5.87	6.53	1.04	0.01	7.17	8.22
Total	**6,498.53**	**287.36**	**6.09**	**6,791.98**	**6,582.43**	**333.27**	**8.21**	**6,923.91**
Less : Inter Segment Revenue	0.60	0.06	5.87	6.53	1.04	0.01	7.17	8.22
Revenue from Operations	**6,497.93**	**287.30**	**0.22**	**6,785.45**	**6,581.39**	**333.26**	**1.04**	**6,915.69**

29.2 Information about Receivables, Contract Assets and Contract Liabilities from Contracts with Customers:

Particulars	Refer Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Trade Receivables	16	279.51	250.38
Contract Liabilities			
Advances from Customers	26	155.17	93.59

29.3 Reconciling the amount of Revenue recognised in the Statement of Profit and Loss with the Contracted Price:

Particulars	Refer Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Revenue as per contracted price		**7,085.05**	**7,237.20**
Less: Sales Claims		0.37	0.45
Less: Rebate & Discounts		486.15	512.63
Total Revenue from Contracts with Customers		**6,598.53**	**6,724.12**
Other Operating Revenues		186.92	191.57
Revenue from Operations		**6,785.45**	**6,915.69**

29.4 The transaction price allocated to the remaining performance obligation (unsatisfied or partially unsatisfied) as at Balance Sheet date are, as follows:

Particulars	Refer Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Advances from Customers	26	155.17	93.59

Management expects that the entire transaction price allotted to the unsatisfied contract as at the end of the reporting period will be recognised as revenue during the next financial year.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

30 OTHER INCOME

(₹ in Crores)

Particulars	Refer Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Interest Income			
On Investments		0.81	0.77
On Deposits with Banks and Other Financial Institutions		11.24	10.60
On Income Tax Refund		–	6.22
On Other Deposits, etc.		15.45	2.88
Dividend Income		1.01	2.61
Net Gain/ (Loss) on sale of Investments measured at fair value through Profit & Loss		21.09	18.90
Net Gain/ (Loss) on restatement of Investments (Mark to Market) measured at fair value through Profit & Loss		10.01	21.08
Transfer of Profit from Other Comprehensive Income related to G-Sec Matured during the year	40.2.1	–	0.01
Other Non Operating Income			
Profit on sale of Non Current Assets classified as Held for Sale		–	2.70
Excess Liabilities and Unclaimed Balances written back (Net)		15.23	12.50
Excess Provision written back (Net)		0.12	1.31
Excess Depreciation written back		0.00	–
Insurance and Other Claims (Net)		5.19	3.29
Miscellaneous Income		19.76	2.26
Total		**99.91**	**85.13**

31 COST OF MATERIALS CONSUMED

Particulars	Refer Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Raw Materials Consumed		887.11	958.12
Total		**887.11**	**958.12**

32 PURCHASES OF STOCK IN TRADE

Particulars	Refer Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Traded Goods		24.61	16.05
Total		**24.61**	**16.05**

33 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS

Particulars	Refer Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Inventories at the beginning of the year			
Finished Goods		199.99	119.11
Stock-In-Trade		0.93	0.15
Work-In-Progress		107.02	133.77
		307.94	**253.03**
Inventories at the end of the year			
Finished Goods		105.16	199.99
Stock-In-Trade		0.92	0.93
Work-In-Progress		126.42	107.02
		232.50	**307.94**
Changes in Inventories		**75.44**	**(54.91)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

34 EMPLOYEE BENEFITS EXPENSE

(₹ in Crores)

Particulars	Refer Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Salaries & Wages		354.33	356.81
Contribution to Provident and Other Funds		32.42	31.92
Staff Welfare Expenses		12.12	19.20
		398.87	**407.93**
Less: Amount Capitalized		1.10	0.05
Total		**397.77**	**407.88**

35 FINANCE COST

Particulars	Refer Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Interest Expenses			
To Debenture Holders		46.41	62.32
To Banks on Term Loans, etc.		275.36	288.39
To Banks On Working Capital Loans		1.17	6.50
On Deposits and Others		29.43	29.14
Exchange Differences regarded as an adjustment to Borrowing Costs		(3.23)	15.19
Other Borrowing Costs			
Other Financial Charges		4.51	3.28
		353.65	**404.82**
Less: Amount Capitalized	35.1	57.37	17.15
Total		**296.28**	**387.67**

35.1 The borrowing cost on specific borrowing has been capitalised at the rate applicable for specific borrowings.

36 DEPRECIATION AND AMORTISATION EXPENSE

Particulars	Refer Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
On Tangible Assets	6	328.66	313.85
On Intangible Assets	8	38.43	35.04
On Investment Property	7	0.00	0.01
On Right of Use Assets	6	3.98	3.18
		371.07	**352.08**
Less: Transferred to Capital Work-in-Progress		0.31	0.17
Total		**370.76**	**351.91**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

37 OTHER EXPENSES

(₹ in Crores)

Particulars	Refer Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Manufacturing Expenses			
Stores & Spare Parts Consumed		269.10	260.45
Packing Materials Consumed		244.52	244.96
Power & Fuel		1,211.56	1,380.92
Royalty & Cess		136.22	142.54
Repairs to Buildings		18.69	19.76
Repairs to Machinery		86.66	84.85
Freight & Material Handling on Inter Unit Transfer		266.20	250.35
Other Manufacturing Expenses		119.38	111.16
		2,352.33	**2,494.99**
Selling and Administration Expenses			
Brokerage & Commission on Sales		36.70	36.60
Transport & Forwarding Expenses		1292.96	1374.46
Insurance		16.13	9.53
Rent		23.94	25.29
Repairs to Other Assets		20.30	19.79
Rates & Taxes		32.87	19.33
Advertisement		41.56	60.20
Corporate Social Responsibility Expenses	49	8.72	5.75
Auditors' Remuneration	37.1	1.00	0.98
Loss on Revaluation of Live Stock (Net)		0.02	0.04
Loss on sale/ discard of Property, Plant and Equipment (Net)	37.4	13.98	10.98
Net (Gain)/ Loss on Foreign currency transaction and translation	37.2	8.03	3.40
Non Current Investment written off		0.00	–
Expected Credit Loss on Incentive and Subsidy	55.1.2	32.62	–
Net Provision for doubtful debts/ advances		–	0.03
Bad Debts		0.19	0.06
Directors' Fees		1.36	1.00
Directors' Commission		0.70	0.00
Other Expenses	37.3	179.54	190.15
		1,710.62	**1,757.59**
Total		**4,062.95**	**4,252.58**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

37.1 Auditors' Remuneration

(₹ in Crores)

Particulars	Refer Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
a) Statutory Auditors			
Audit Fees		0.46	0.46
Tax Audit Fees		0.07	0.07
Limited Review		0.19	0.17
Travelling Expenses		0.01	0.04
Issue of Certificates		0.23	0.20
		0.96	**0.94**
b) Cost Auditors			
Audit Fees		0.04	0.04
Travelling Expenses		0.00	0.00
		0.04	**0.04**
Total		**1.00**	**0.98**

37.2 Net (Gain)/ Loss on Foreign Currency Transaction and Translation

Net (Gain)/ Loss on foreign currency transaction and translation		14.77	12.81
Less: Transfer to Other Comprehensive Income	40.2.2	9.59	–
Less: Amount Capitalised/ (Decapitalized)		(2.85)	9.41
Total		**8.03**	**3.40**

37.3 Other expenses includes ₹ Nil (Previous Year ₹ 3.02) contributed to Electoral Trust Company.

37.4 Considering the present business scenario and COVID 19 implications, the Subsidiary company has taken strategic decision to prioritise the Capital expenditure. Some of the projects expansion are not much viable or strategically not advisable to move ahead, therefore, Subsidiary Company has taken a cautious strategic decision to charge off the expenses of ₹ 14.06 Crores (Previous Year ₹ 11.39 Crores) incurred under those projects.

38 EXCEPTIONAL ITEM

Particulars	Refer Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
On account of Intangible Assets	38.1	57.85	–
		57.85	**–**

38.1 Exceptional items of ₹ 57.85 Crores for the year ended 31st March, 2021 represents adjustment on account of reassessment of value of certain intangible assets based on the probability of expected future economic benefits embodied in the assets flowing to the Subsidiary Company.

39 TAX EXPENSE

Particulars	Refer Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Current Tax	39.1	86.76	75.29
Deferred Tax			
On Other Items		(4.87)	24.36
Less : MAT Credit Entitlement		0.06	0.01
Add : MAT Credit Utilized/ Written Off		50.63	95.00
		45.70	**119.35**
Income Tax for earlier years		–	(18.30)
Deferred Tax for earlier years	25.3	(50.01)	–
Total		**82.45**	**176.34**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

39.1 Reconciliation of Estimated Income Tax Expense at Indian Statutory Income Tax Rate to Income Tax Expense reported in Statement of Comprehensive Income.

Particulars	Refer Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Income before Income Taxes		712.59	681.52
Indian Statutory Income Tax Rate	39.2	34.944%	34.944%
Estimated Income Tax Expenses		**249.01**	**238.15**
Tax Effect of adjustments to reconcile expected Income Tax Expense to reported Income Tax Expense:			
Deduction under Chapter VIA		(28.52)	(33.61)
Tax payable at different rate / Capital Gain		(33.14)	(30.20)
Deferred Tax Adjustment		(0.77)	(2.11)
Permanent Difference		16.61	9.71
MAT Credit Entitlement		–	(0.04)
Impact on account of opting new tax regime	39.2	–	8.40
IT Order Impact and Others		4.24	4.34
Income Tax for earlier years		–	(18.30)
Deferred Tax for earlier years	25.3	(50.01)	–
Effect of Reversal of Deferred Tax Liability for change in income tax rates	39.2	(74.97)	–
		(166.56)	**(61.81)**
Income Tax Expense in the Statement of Profit and Loss		**82.45**	**176.34**

39.2 The Government of India, on 20th September 2019, vide the Taxation Laws (Amendment) Ordinance 2019, inserted a new Section 115BAA in the Income Tax Act, 1961, which provides an option to a corporate for paying Income Tax at reduced rates as per the provisions/conditions defined in the said section. The Parent Company is continuing to provide for income tax at old rates, based on the available outstanding MAT credit entitlement and various exemptions and deductions available to the Parent Company under the Income Tax Act, 1961. However, the Parent Company has applied the lower income tax rates on the deferred tax assets / liabilities as on 31st March, 2021 to the extent these are expected to be realized or settled in the future period when the Parent Company may be subjected to lower tax rate and accordingly as on 31st March, 2021 the Parent Company has reversed net deferred tax liability of ₹ 74.97 Crores. Out of seven subsidiaries, three subsidiaries part of the Group namely RCCPL Pvt. Ltd., Birla Jute Supply Company Ltd. and Lok Cements Ltd. had adopted the option of reduced rate in previous year and provided tax expenses for the year ended 31st March, 2021 as per new regime and one subsidiary company named Budge Budge Floor Coverings Ltd. adopted new tax regime in current year. Remaining subsidiaries is continuing to provide for income tax at old rates. Applicable Indian Statutory Income Tax Rate for Fiscal Year 2021 and 2020 is 34.944% (existing provision) and 25.168% (new tax regime).

40 OTHER COMPREHENSIVE INCOME

Particulars	Refer Note No.	For the year ended 31st March, 2021	For the year ended 31st March, 2020
40.1 Items that will not be reclassified to profit or loss			
40.1.1 Remeasurement of the Defined Benefit Plans		2.37	(10.66)
Less: Tax expense on the above		0.91	(3.68)
		1.46	**(6.98)**
40.1.2 Revaluation Surplus	6.2	–	–
Less: Tax expense on the above		(1.41)	(1.06)
		1.41	**1.06**
40.1.3 Equity Instruments through Other Comprehensive Income		128.65	(118.04)
Less: Tax expense on the above		18.08	–
		110.57	**(118.04)**
40.2 Items that will be reclassified to profit or loss			
40.2.1 Debt Instruments through Other Comprehensive Income		0.35	0.45
Less: Amount reclassified to statement of Profit & Loss	30	–	0.01
		0.35	0.44
Less: Tax expense on the above		0.08	0.16
		0.27	**0.28**
40.2.2 Effective Portion of Cash Flow Hedges	55.4	(9.59)	–
Less: Amount reclassified to Statement of Profit and Loss		–	–
		(9.59)	**–**
Less: Tax expense on the above		(3.35)	–
		(6.24)	**–**
Total Other Comprehensive Income for the year (Net of Tax)		**107.47**	**(123.68)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

41 CONTINGENT LIABILITIES :

41.1 Claims/Disputes/Demands against the Group not acknowledged as debt :

(₹ in Crores)

Sl. No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
41.1.1	Sales Tax, VAT, CST and Entry Tax matters	153.40	165.54
41.1.2	Excise Duty, Service Tax, Goods & Service Tax and Custom Duty matters	135.23	100.82
41.1.3	Income Tax matters	4.56	4.56
41.1.4	Electricity Duty and Renewable Energy Surcharge matters	21.52	21.52
41.1.5	Royalty on Limestone	67.91	67.91
41.1.6	Others (Primarily related to demand for Alleged Impermissible Mining, Water Supply Charges, Stamp Duty, House Tax, Education Cess, etc.)	64.58	60.71

41.2 An Appeal has been filed by Budge Budge Floorcoverings Ltd, a subsidiary, before the Division Bench of the Hon'ble Calcutta High Court, for award against the subsidiary in respect of Suspension of Work and settlement of charter of demand made by the workers. The Division Bench of the Hon'ble Calcutta High Court has stayed the operation of award till further order. The contingent liability could not be ascertained at this stage.

41.3 In respect of the matters in Note No. 41.1 to 41.2, future cash outflows are determinable only on receipt of judgements/decisions pending at various forums/ authorities. Furthermore, there is no possibility of any reimbursements to be made to the Group from any third party.

41.4 Other Contingent Liabilities

Sl. No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
41.4.1	Bills discounted with Banks remaining outstanding	2.99	2.91
41.4.2	Customs Duty including interest thereon, which may have to be paid on account of non-fulfillment of Export Obligation under EPCG and Advance License Scheme	0.03	0.15

42 DIVIDEND

42.1 The Board of Directors of the Parent Company at its meeting held on 12th May, 2021 have recommended a payment of final dividend of ₹ 10.00 per equity share of face value of ₹ 10 each for the financial year ended 31st March, 2021. The same amounts to ₹ 77.01 Crores.

The above is subject to approval at the ensuing Annual General Meeting of the Parent Company and hence is not recognized as a Liability.

42.2 The Parent Company had proposed final dividend for the financial year 2018-19 aggregating of ₹ 57.75 Crores (₹ 7.50 per equity share of face value of ₹ 10 each), at its Annual General Meeting (AGM) held on 13th August, 2019. However the Parent Company could not publish the voting results of the business transacted at the AGM and make payment of Dividend due to the restriction by the Hon'ble High Court of Calcutta which has since been lifted on 4th May, 2020. As per the voting results published thereafter, the resolution for payment of dividend has been passed by the share holders. As the Dividend was payable in financial year 2019-20, the same had been provided in the previous year's accounts.

43 COMMITMENTS

Capital Commitments

Particulars	As at 31st March, 2021	As at 31st March, 2020
Estimated amount of contracts remaining to be executed on Capital Account (Net of Advances) and not provided for	511.43	767.71

44 Assets Pledged as Security

The carrying amounts of Assets Pledged as Security for Current and Non-Current Borrowings are:

Particulars	Refer Note No.	As at 31st March, 2021	As at 31st March, 2020
<u>**Current**</u>			
Financial Assets			
Trade Receivables	16	279.51	250.38
		279.51	**250.38**
Non-Financial Assets			
Inventories	14	809.90	787.38
Others	13	0.03	0.03
		809.93	**787.41**
Total Current Assets Pledged as Security		**1,089.44**	**1,037.79**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

Particulars	Refer Note No.	As at 31st March, 2021	As at 31st March, 2020
Non-Current			
Land	6	2,042.76	2,043.72
Buildings	6	554.83	548.94
Plant & Machinery	6	3,270.32	3,372.09
Others Tangible Assets	6	470.25	1,875.46
Capital work-in progress	6	2,103.42	1,601.51
Other Non Current Assets (including Intangible Assets)	8 & 13	44.29	18.69
Total Non-Current Assets Pledged as Security		**8,485.87**	**9,460.41**
Total Assets Pledged as Security		**9,575.31**	**10,498.20**

45 Disclosure as required under the Micro, Small and Medium Enterprises Development Act, 2006, to the extent ascertained, and as per notification number GSR 679 (E) dated 4th September, 2015.

Sl. No.	Particulars	As at 31st March, 2021	As at 31st March, 2020
i	The principal amount and the interest due thereon remaining unpaid to any supplier at the end of each financial year:		
	Trade Payable		
	Principal	15.61	3.83
	Interest	–	–
	Other Financial Liability		
	Principal	0.90	1.61
	Interest	–	–
ii	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.		
	Principal	0.04	0.23
	Interest	0.00	0.01
iii	The amount of interest due and payable for the period of delay in making payment but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	–	–
iv	The amount of interest accrued and remaining unpaid at the end of each accounting year.	–	–
v	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	–	–

46 LEASES

46.1 As Lessee

46.1.1 The Group's significant leasing arrangements are in respect of leases for premises (residential, manufacturing-facilities, office, stores, godown, etc.). These leasing arrangements which are cancellable ranging between 11 months and 99 years generally, or longer, and are usually renewable by mutual consent on mutually agreeable terms. Effective 1st April 2019, the Group adopted Ind AS 116 "Leases" and applied the standard to all lease contracts existing on 1st April 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 at an amount equal to lease liability adjusted for any prepaid and accrued lease payments previously recognised.

46.1.2 The following is the summary of practical expedients elected on initial application (for existing leases) and Subsequent recognition (for new leases):

(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 recognised right of use assets and liabilities for leases with less than 12 months of lease term and low value of assets.

(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 the contract that were previously identified as leases under Ind AS 17.

(d) Used hindsight in determining the lease term whether the contract contained options to extend or terminate the lease.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

46.1.3 Following is carrying value of right of use assets recognized on date of transition and the movements thereof during the year ended 31st March, 2020 and 31st March, 2021:

(₹ in Crores)

Particulars	Right of Use Assets			
	Leasehold Land	Building	Plant and Machinery	Total
Balance as at 1st April, 2019	–	–	–	–
Transition impact on account of adoption of Ind AS 116 "Leases" (Refer Note No. 6)	5.35	5.30	–	10.65
Reclassified from Property, Plant and Equipment on account of adoption of Ind AS 116 "Leases" (Refer Note No. 6)	146.94	–	2.97	149.91
Adjustment to Prepaid and accrued lease payments	4.02	–	–	4.02
Adjustment to Retained Earnings on account of Ind AS 116 "Leases"	(0.57)	(0.60)	–	(1.17)
Total Right of Use Assets on the date of transition	**155.74**	**4.70**	**2.97**	**163.41**
Additions during the year	–	–	–	–
Deletion during the year	–	–	–	–
Depreciation of Right of Use Assets (Refer Note No. 36)	(2.38)	(0.68)	(0.12)	(3.18)
Balance as at 31st March, 2020	**153.36**	**4.02**	**2.85**	**160.23**
Additions during the year (Refer Note No. 61)	–	–	93.55	93.55
Deletion during the year	–	–	–	–
Depreciation of Right of Use Assets (Refer Note No. 36)	(2.66)	(0.68)	(0.64)	(3.98)
Balance as at 31st March, 2021	**150.70**	**3.34**	**95.76**	**249.80**

46.1.4 The following is the carrying value of lease liability on the date of transition and movement thereof during the year ended 31st March, 2020 and 31st March, 2021:

Particulars	As at 31st March, 2021	As at 31st March, 2020
Balance as at year beginning	**13.28**	**3.15**
Transition impact on account of adoption of Ind AS 116 "Leases"	–	10.65
Additions during the year	87.21	–
Finance cost accrued during the year	1.97	1.16
Deletions	–	–
Payment of Lease Liabilities	(2.54)	(1.68)
Balance as at year end	**99.92**	**13.28**
Current maturities of Lease Liability (Refer Note No. 23)	3.50	0.70
Non-Current Lease Liability (Refer Note No. 23)	96.42	12.58

46.1.5 Amounts recognised in the statement of profit and loss during the year:

Particulars	As at 31st March, 2021	As at 31st March, 2020
Depreciation charge of right-of-use assets - Leasehold Land	2.66	2.38
Depreciation charge of right-of-use assets - Building	0.68	0.68
Depreciation charge of right-of-use assets - Plant and Machinery	0.64	0.12
Finance cost accrued during the year (included in finance cost) (Refer Note No. 35)	1.97	1.16
Expense related to short term leases (included in other expense) (Refer Note No. 37)	23.94	25.29

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

46.1.6 The maturity analysis of lease liabilities:

Particulars	As at 31st March, 2021		As at 31st March, 2020	
	Lease Payments	Present value of Lease Payments	Lease Payments	Present value of Lease Payments
Within one year	14.72	3.51	1.80	0.70
After one year but not more than five years	67.06	20.39	7.52	3.73
More than five years	129.09	76.02	19.09	8.85
Total lease liabilities payments	**210.87**	**99.92**	**28.41**	**13.28**
Less: Amounts representing Finance Charges	110.95	–	15.13	–
Present value of lease liabilities payments	**99.92**	**99.92**	**13.28**	**13.28**

46.1.7 Non-cash investing activities during the year:

Particulars	As at 31st March, 2021	As at 31st March, 2020
Acquisition of right of use assets	93.55	-
Disposals of right of use assets	-	-

46.1.8 The weighted average incremental borrowing rate applied to lease liabilities w.r.t. Land, Building and Plant & Machinery is 8.00%, 10.17% and 7.79% to 11.77% respectively.

46.1.9 The Group does not face a significant liquidity risk with regards to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when the fall due.

46.2 As Lessor

46.2.1 The Group leased out its investment property on operating lease basis on cancellable basis. Rental income earned and direct operating expenses incurred on property letting on lease has been disclosed in Note No 7.

47 EARNINGS PER SHARE

Particulars	As at 31st March, 2021	As at 31st March, 2020
Profit for the year attributable to the owners of the Parent Company	630.14	505.18
Weighted average number of equity shares	7,70,05,347	7,70,05,347
Earnings per share basic and diluted (₹)	81.83	65.60
(Face value of ₹ 10/- per share)		

48 Disclosure pursuant to Indian Accounting Standard - 19 'Employee Benefits' as notified u/s 133 of the Companies Act, 2013:

48.1 Defined Contribution Plan:

The amount recognized as an expense for the Defined Contribution Plans are as under:

Sl. No.	Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
48.1.1	Provident Fund	3.75	3.58
48.1.2	Superannuation Fund	2.86	2.98
48.1.3	Pension Fund	7.21	7.45

48.2 Defined Benefit Plan:

The following are the types of defined benefit plans:

48.2.1 Gratuity Plan

Every employee who has completed five years or more of service is entitled to gratuity on terms not less favourable than the provisions of the Payment of Gratuity Act, 1972. The present value of defined obligation and related current cost are measured using the Projected Unit Credit Method with actuarial valuation being carried out at Balance Sheet date.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

48.2.2 Pension Plan

Pension is payable to certain categories of employees who are eligible under the Group's Pension Scheme.

48.2.3 Provident Fund

Provident Fund (other than government administered) as per the provisions of the Employees Provident Funds and Miscellaneous Provisions Act, 1952.

48.2.4 Risk Exposure

Defined Benefit Plans

Defined benefit plans expose the Group to actuarial risks such as: Interest Rate Risk, Salary Risk and Demographic Risk.

a) **Interest rate risk:** The defined benefit obligation calculated uses a discount rate based on government bonds. If the bond yield falls, the defined benefit obligation will tend to increase.

b) **Salary risk:** Higher than expected increases in salary will increase the defined benefit obligation.

c) **Demographic risk:** This is the risk of variability of results due to unsystematic nature of decrements that includes mortality, withdrawal, disability and retirement. The effect of these decrements on the defined benefits obligations is not straight forward and depends on the combination of salary increase, discount rate and vesting criteria. It is important not to overstate withdrawals because in the financial analysis the retirement benefit of the short career employee typically costs less per year as compared to a long service employee.

48.2.5 Reconciliation of the Net Defined Benefit Obligation

The following table shows a reconciliation from the opening balances to the closing balances for the net Defined Benefit Obligation and its components:

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2020-21	2019-20	2020-21	2019-20
Balance at the beginning of the year	143.92	129.63	0.64	0.66
Current Service Cost	10.17	8.87	–	–
Interest Cost on Defined Benefit Obligation	9.01	8.95	0.04	0.04
Actuarial Gain and Losses arising from				
Changes in Demographic Assumptions	–	–	–	–
Changes in Financial Assumptions	0.45	7.91	–	0.02
Experience Adjustment	(1.49)	2.86	0.03	0.04
Benefits Paid	(11.34)	(14.30)	(0.11)	(0.12)
Balance at the end of the year	**150.72**	**143.92**	**0.60**	**0.64**

48.2.6 Reconciliation of the Plan Assets

The following table shows a reconciliation from the opening balances to the closing balances for the Plan Assets and its Components:

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2020-21	2019-20	2020-21	2019-20
Balance at the beginning of the year	137.80	135.92	–	–
Interest Income on Plan Assets	9.00	9.63	–	–
Remeasurement of Defined Benefit Obligation:				
Return on Plan Assets greater/ (lesser) than discount rate	1.36	0.17	–	–
Employer Contributions to the Plan	11.75	6.01	–	–
Benefits Paid	(10.99)	(13.93)	–	–
Balance at the end of the year	**148.92**	**137.80**	**–**	**–**

48.2.7 The amount recognised in the Balance Sheet

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2020-21	2019-20	2020-21	2019-20
Present value of Defined Benefit Obligation	150.72	143.92	0.60	0.64
Fair Value of Plan Assets	148.92	137.80	–	–
Net Asset/ (Liability) recognised in the Balance Sheet	**(1.80)**	**(6.12)**	**(0.60)**	**(0.64)**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

48.2.8 Expenses recognised in Profit and Loss

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2020-21	2019-20	2020-21	2019-20
Current Service Cost	10.17	8.87	–	–
Interest Cost	9.01	8.95	0.04	0.04
Interest Income on Plan Assets	(9.00)	(9.63)	–	–
Total Expenses recognised in Profit and Loss	**10.18**	**8.19**	**0.04**	**0.04**

48.2.9 Remeasurements (gain)/ loss recognised in Other Comprehensive Income

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2020-21	2019-20	2020-21	2019-20
Actuarial (gain)/ loss on Defined Benefit Obligation	(1.04)	10.77	0.03	0.06
Return on Plan Assets (greater)/ lesser than discount rate	(1.36)	(0.17)	–	–
Total remeasurements (gain)/ loss recognised in Other Comprehensive Income	**(2.40)**	**10.60**	**0.03**	**0.06**

48.2.10 Major Categories of Plan Assets

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2020-21	2019-20	2020-21	2019-20
Qualified Insurance Policy	100%	100%	–	–
Insurer Managed Funds	100%	100%	–	–

The Gratuity Scheme is invested in a Group Gratuity-cum-Life Assurance Cash accumulation policy offered by Life Insurance Corporation (LIC) of India, Cap Assure Group Gratuity Scheme offered by SBI Life Insurance Co. Limited, HDFC Life Group variable employee benefit plan offered by HDFC Standard Life Insurance Company Limited, IndiaFirst New Corporate Benefit plan for gratuity offered by IndiaFirst Life Insurance Company Limited, Bajaj Allianz Group Employee Care plan offered by Bajaj Allianz Life Insurance Company Ltd and Rel Group Gratuity Plus Plan offered by Reliance Nippon Life Insurance Co. Ltd. The information on the allocation of the fund into major asset classes and expected return on each major class are not readily available.

48.2.11 Asset-Liability Matching Strategy

The Group's investment is in Cash Accumulation Plan/ Traditional Plan of various Insurance Companies, the investments are being managed by these Insurance Companies and at the year end interest is being credited to the fund value. The Group has not changed the process used to manage its risk from previous periods . The Group's investments are fully secured and would be sufficient to cover its obligations.

48.2.12 Actuarials Assumptions

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2020-21	2019-20	2020-21	2019-20
Financial Assumptions				
Discount Rate	6.30% to 6.50%	6.50% to 6.70%	6.50%	6.50%
Salary Escalation Rate	5% to 8%	5% to 8%	–	–
Demographic Assumptions				
Mortality Rate	IAL (2006-08) Modified Ultimate	IAL (2006-08) Modified Ultimate	LIC (1996–1998) Ultimate	LIC (1996–1998) Ultimate
Withdrawal Rate	2% to 4%	2% to 4%	–	–

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

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

48.2.14 At 31st March 2021, the weighted average duration of the defined benefit obligation is 4 to 11 years (previous year 2 to 10 years). The distribution of the timing of benefits payment i.e., the maturity analysis of the benefit payments is as follows:

Expected benefits payment for the year ending on (undiscounted)	Gratuity (Funded)		Pension (Unfunded)	
	2020-21	2019-20	2020-21	2019-20
Within 1 Year	16.88	16.47	0.10	0.10
1 to 2 Year	14.09	13.34	0.10	0.10
2 to 3 Year	15.28	13.95	0.09	0.10
3 to 4 Year	16.89	15.40	0.08	0.10
4 to 5 Year	17.77	16.55	0.07	0.10
More than 5 Years	86.54	88.76	0.24	0.41

48.2.15 The Group expects to contribute ₹ 11.50 Crores (previous year ₹ 11 Crores) to its gratuity fund in 2021-22.

48.2.16 The following payments are expected contributions to the defined benefit plan in future years:

Expected contributions	Gratuity (Funded)		Pension (Unfunded)	
	2020-21	2019-20	2020-21	2019-20
Within next 12 months (next annual reporting period)	11.50	11.00	–	–
Between 2 and 5 years	11.00	9.00	–	–
Between 5 and 10 years	11.00	9.00	–	–
Beyond 10 years	13.00	11.00	–	–

48.2.17 Sensitivity Analysis

The sensitivity analysis below have been determined based on a method that extrapolates the impact on defined benefit obligation (DBO) as a result of reasonable changes in key assumptions occuring at the end of the reporting period. Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below:

Particulars	Gratuity (Funded)		Pension (Unfunded)	
	2020-21	2019-20	2020-21	2019-20
Effect on DBO due to 1% increase in Discount Rate	(10.37)	(9.53)	(0.02)	(0.03)
Effect on DBO due to 1% decrease in Discount Rate	11.80	10.98	0.03	0.03
Effect on DBO due to 1% increase in Salary Escalation Rate	11.62	6.59	–	–
Effect on DBO due to 1% decrease in Salary Escalation Rate	(10.25)	(13.13)	–	–

Sensitivity due to mortality and withdrawl rate are being insignificant, hence ignored.

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

48.2.18 Provident Fund

Provident fund for certain eligible employees is managed by the Parent Company through the various Provident Fund Trusts, namely "M P Birla Group Provident Fund Institution", "Satna Cement Works Employees' Provident Fund Trust", "Birla Cement Works Staff Provident Fund Trust", "Birla Jute Mills Workers' Provident Fund Trust", "Soorah Jute Mills Employees' Provident Fund Trust", "Durgapur Cement Works Employees' Provident Fund Trust" and "Birla Industries Provident Fund", in line with the Provident Fund and Miscellaneous Provisions Act, 1952. The plan guarantees interest at the rate notified by the Provident Fund Authorities. The contribution by the employer and employee together with the interest accumulated thereon are payable to employees at the time of their separation from the Parent Company or retirement, whichever is earlier. The benefits vest immediately on rendering of the services by the employee.

The Parent Company has an obligation to fund any shortfall on the yield of the trust's investments over the administered interest rates on an annual basis. These administered rates are determined annually predominantly considering the social rather than economic factors and in most cases the actual return earned by the Trust has been higher in the past years. The actuary has provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India and based on the below provided assumptions there is no shortfall, except in one Trust, there is shortfall of ₹ 0.10 Crore & ₹ 0.59 Crore as at 31st March, 2021 and as at 31st March, 2020 respectively.

The details of fund and plan asset position are given below:

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at 31 March, 2021	348.30	360.90	12.60
As at 31 March, 2020	333.03	343.58	10.55

The plan assets have been primarily invested in government securities.

Assumptions used in determining the present value obligation of the interest rate guarantee under the Deterministic Approach:

Particulars	31st March, 2021	31st March, 2020
Discount Rate (per annum)	6.50%	6.50%
Expected Rate of Return on Plan Assets (per annum)	8.00% to 8.50%	8.25%

The Parent Company contributed ₹ 7.01 Crores and ₹ 6.70 Crores during the year ended 31st March, 2021 and 31st March, 2020 respectively.

49 In accordance with the Guidance Note on Accounting for Expenditure on Corporate Social Responsibility Activities, issued by The Institute of Chartered Accountants of India the requisite disclosure are as follows:

49.1 Particulars	For the year ended on	
	31st March, 2021	31st March, 2020
Gross Amount required to be spent by the Company during the year	8.16	5.28
Related Party transactions as per Ind AS 24 in relation to CSR Expenditure	NIL	NIL
Provision made in relation to CSR Expenditure	NIL	NIL

49.2 Amount spent during the year on:

Sl. No.	Particulars	For the year ended on 31st March, 2021			For the year ended on 31st March, 2020		
		In Cash	Yet to be paid in cash	Total	In Cash	Yet to be paid in cash	Total
i	Construction/ Acquisition of any asset	–	–	–	–	–	–
ii	On purposes other than (i) above	8.72	–	8.72	5.75	–	5.75

50 Companies included/ not included in Consolidation:

Particulars	2020-21		2019-20	
	Extent of Shareholding	Relationship	Extent of Shareholding	Relationship
A Companies included in Consolidation				
Companies incorporated in India				
i RCCPL Pvt. Ltd.	**100.00%**	**Subsidiary**	100.00%	Subsidiary
ii Birla Jute Supply Company Ltd.	**100.00%**	**Subsidiary**	100.00%	Subsidiary
iii Talavadi Cements Ltd.	**98. 01%**	**Subsidiary**	98. 01%	Subsidiary
iv Lok Cements Ltd.	**100.00%**	**Subsidiary**	100.00%	Subsidiary
v Budge Budge Floorcoverings Ltd.	**100.00%**	**Subsidiary**	100.00%	Subsidiary
vi Birla Cement (Assam) Ltd.	**100.00%**	**Subsidiary**	100.00%	Subsidiary
vii M.P. Birla Group Services Pvt. Ltd.	**100.00%**	**Subsidiary**	100.00%	Subsidiary
B Company not included in Consolidation				
Company incorporated Outside India, Ethiopia				
i Birla Corporation Cement Manufacturing PLC *	**100.00%**	**Subsidiary**	100.00%	Subsidiary

* The Subsidiary Company stands liquidiated as per Ethiopian Laws. However, distribution (repatriation) of the available money after satisfaction of liabilities still remains and hence shown in accounts..

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

51 Talavadi Cements Ltd, one of the subsidiary, has been granted Mining Lease for 2130 Hectors in Satna District in the State of Madhya Pradesh. An appeal against the above grant has been filed. Pursuant to order of the Hon'ble Supreme Court, the subsidiary had filed Review Petition before the Hon'ble High Court at Jabalpur. The Hon'ble High Court vide its order dated 23rd October, 2018 dismissed the Review Petition and further directed the subsidiary to raise all questions of Law and facts before the State Government. Aggrieved by the above order the subsidiary again filed a SLP before the Hon'ble Supreme Court. By an order and judgment dated 15th April, 2019 the Hon'ble Supreme Court dismissed the SLP with a direction to the State Government to decide the matter in accordance with Law in terms of the order of the Hon'ble High Court of Jabalpur. Matter is pending before the State Government for adjudication as per direction of Hon'ble Supreme Court as well as Hon'ble High Court, Jabalpur.

52 The Ministry of Coal had allocated Bikram and Brahampuri Coal Blocks in the state of Madhya Pradesh through E-Auction process vide CMDPA (Coal Mine Development and Production Agreement) dated 18th December, 2019 and Vesting Order dated 10th February, 2020. The Parent Company is in process to develop these blocks for extraction of Coal. Till 31st March, 2021 and 31st March, 2020, Parent Company has spent Rs. 15.11 Crores and Rs. 3.96 Crores respectively and shown under Capital Work-In-Progress.

53.1 As a policy, the Group annually assesses the impairment of property plant and equipment (PPE) and other non-current assets by comparing the carrying value of PPE and other non-current assets with its fair value. In case the fair value is less than the carrying value an impairment charge is created. Management has concluded that there is no impairment of PPE and other assets during the year, except in the case of an item of capital work-in-progress (Refer Note No. 38).

53.2 Certain Trade Receivables, Loans & Advances and Trade Payables are subject to confirmation. In the opinion of the management, the value of Trade Receivables and Loans & Advances on realisation in the ordinary course of business, will not be less than the value at which these are stated in the Balance Sheet.

53.3 The Parent Company's unit Soorah Jute mill is under Suspension of Operations since 29th March, 2004.

53.4 The Parent Company's unit Birla Vinoleum and Auto Trim Division at Birlapur, are under Suspension of Operations since 18th February, 2014.

53.5 Budge Budge Floorcoverings Ltd, one of the subsidiaries considered for consolidation, is under Suspension of Operations since 29th October, 2003.

53.6 In respect of mining matter of Parent Company's unit Chanderia before the Hon'ble Supreme Court, a comprehensive report has been submitted by Central Building Research Institute (CBRI) on full scale mining. The matter is in the final stage of hearing. Further, Principal Bench of National Green Tribunal on 8th March, 2019 has ordered to stop all mining activities which are being carried on within the municipal limites of Chittorgarh City and within 10 km of Bassi Wild Life Sanctuary or within Eco-Sensitive Zone of Bassi Wild Life Sanctuary, if finally notified. Government of India, MOEFCC has vide notification dated 8th April, 2021 notified the boundary limits of Eco Sensitive Zone of Bassi Wildlife Sanctuary which is zero to 3 Kms from the boundaries of the Sanctuary. No part of mining lease of the Parent Company is falling within the Sanctuary or within finally notified ESZ Limits. In the opinion of the management, there is no material impact of such order on the current operations of the Parent Company.

53.7 Following Subsidiary Company has not been consolidated during the year as these are under voluntarily winding up:

Name of the Company	Accumulated loss	
	As at 31st March, 2021	As at 31st March, 2020
Birla Corporation Cement Manufacturing PLC *	**0.45**	0.45

* The Subsidiary Company stands liquidiated as per Ethiopian Laws. However, distribution (repatriation) of the available money after satisfaction of liabilities still remains and hence shown in accounts.

54 FAIR VALUE MEASURMENT:

The fair value of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

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

54.1.1 The bonds and government securities being listed, the fair value has been taken at the market rates of the same as on the reporting dates. They are classified as Level 1 fair values in fair value hierarchy.

54.1.2 The fair values of non-current borrowings are based on the discounted cash flows using a current borrowing rate. Debentures are classified as Level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including own credit risks, which was assessed as on the balance sheet date to be insignificant.

54.1.3 The management has assessed that the fair values of cash and cash equivalents, trade receivables, trade payables, short term borrowings, and other current financial liabilities approximates their carrying amounts largely due to the short-term maturities of these instruments. The management has assessed that the fair value of floating rate instruments approximates their carrying value.

54.2 Fair Value Hierarchy

The following are the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair value are disclosed in the Consolidated Financial Statements. To provide an indication about the reliability of the inputs used in determining fair value, the Group has classified its financial instruments into the three levels of fair value measurement as prescribed under the Ind AS 113 "Fair Value Measurement". An explanation of each level follows underneath the tables.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

54.3 The following table provides classification of financial instruments and the fair value hierarchy of the Group's assets and liabilities:

54.3.1 Disclosure for the year ended 31st March, 2021

Particulars	Carrying Value	Fair Value heirarchy			
		Fair Value	Level 1	Level 2	Level 3
(1) Financial Assets					
Financial Assets at amortised cost					
Investment					
– Government Securities	0.00	0.00	–	–	–
Trade Receivables	279.51	279.51	–	–	–
Loan Receivables	1.53	1.53	–	–	–
Cash and Cash Equivalents	90.54	90.54	–	–	–
Other Bank Balances	86.71	86.71	–	–	–
Security Deposits	61.14	61.14	–	–	–
Other Deposits, Advances and Claims Recoverable	33.84	33.84	–	–	–
Fixed Deposit With Others	156.00	156.00	–	–	–
Interest Accrued on Deposits	4.30	4.30	–	–	–
Fixed Deposits maturing after 12 months from Balance Sheet date	9.70	9.70	–	–	–
Other Financial Assets	2.38	2.38	–	–	–
Incentive and Subsidy Receivable	508.21	508.21	–	–	–
Sub Total	**1,233.86**	**1,233.86**	**–**	**–**	**–**
Financial Assets at fair value through Profit & Loss					
Investments					
– Unlisted Preference Shares	0.00	0.00	–	–	0.00
– Mutual Funds	463.47	463.47	463.47	–	–
Derivative Contracts	0.26	0.26	–	0.26	–
Sub Total	**463.73**	**463.73**	**463.47**	**0.26**	**0.00**
Financial Assets at fair value through Other Comprehensive Income					
Investments					
– Listed Equity Instrument	279.76	279.76	279.76	–	–
– Unlisted Equity Instrument	0.06	0.06	–	–	0.06
– Bonds	7.95	7.95	7.95	–	–
– Government Securities	1.21	1.21	1.21	–	–
Sub Total	**288.98**	**288.98**	**288.92**	**–**	**0.06**
Total Financial Assets	**1,986.57**	**1,986.57**	**752.39**	**0.26**	**0.06**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

Particulars	Carrying Value	Fair Value heirarchy			
		Fair Value	Level 1	Level 2	Level 3
(2) Financial Liabilities					
Financial Liabilities at amortised cost					
Long Term Borrowings					
Fixed Rate					
- Debentures	550.00	552.07	–	–	552.07
Floating Rate					
- Rupee Term Loan	2,503.55	2,503.55	–	–	–
- Foreign Currency Term Loan	949.10	949.10	–	–	–
Others - Rupee Term Loan	13.35	13.35	–	–	–
Lease Liabilities	99.92	99.92	–	–	–
Short Term Borrowings	30.42	30.42	–	–	–
Trade Payables	589.01	589.01	–	–	–
Trade & Security Deposits	591.56	591.56	–	–	–
Amount Payable for Capital Goods	145.68	145.68	–	–	–
Interest accrued but not due on Borrowings	28.72	28.72	–	–	–
Interest accrued and due on Borrowings	2.01	2.01	–	–	–
Employees Related Liabilities	46.99	46.99	–	–	–
Other Financial Liabilities	379.18	379.18	–	–	–
Sub Total	**5,929.49**	**5,931.56**	**–**	**–**	**552.07**
Financial Liabilities at fair value through Profit & Loss					
Derivative Contracts	20.63	20.63	–	20.63	–
Sub Total	**20.63**	**20.63**	**–**	**20.63**	**–**
Total Financial Liabilities	**5,950.12**	**5,952.19**	**–**	**20.63**	**552.07**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

54.3.2 Disclosure for the year ended 31st March, 2020

(₹ in Crores)

Particulars	Carrying Value	Fair Value heirarchy			
		Fair Value	Level 1	Level 2	Level 3
(1) Financial Assets					
Financial Assets at amortised cost					
Investment					
- Government Securities	0.00	0.00	–	–	–
Trade Receivables	250.38	250.38	–	–	–
Loan Receivables	1.56	1.56	–	–	–
Cash and Cash Equivalents	46.66	46.66	–	–	–
Other Bank Balances	52.79	52.79	–	–	–
Security Deposits	59.44	59.44	–	–	–
Other Deposits, Advances and Claims Recoverable	7.23	7.23	–	–	–
Fixed Deposit With Others	156.36	156.36	–	–	–
Interest Accrued on Deposits	5.57	5.57	–	–	–
Fixed Deposits maturing after 12 months from Balance sheet date	6.24	6.24	–	–	–
Other Financial Assets	2.38	2.38	–	–	–
Incentive and Subsidy Receivable	445.83	445.83	–	–	–
Sub Total	**1,034.44**	**1,034.44**	**–**	**–**	**–**
Financial Assets at fair value through Profit & Loss					
Investments					
- Unlisted Preference Shares	0.00	0.00	–	–	0.00
- Mutual Funds	676.17	676.17	676.17	–	–
Derivative Contracts	7.82	7.82	–	7.82	–
Sub Total	**683.99**	**683.99**	**676.17**	**7.82**	**0.00**
Financial Assets at fair value through Other Comprehensive Income					
Investments					
- Listed Equity Instrument	151.11	151.11	151.11	–	–
- Unlisted Equity Instrument	0.06	0.06	–	–	0.06
- Bonds	7.64	7.64	7.64	–	–
- Government Securities	1.19	1.19	1.19	–	–
Sub Total	**160.00**	**160.00**	**159.94**	**–**	**0.06**
Total Financial Assets	**1,878.43**	**1,878.43**	**836.11**	**7.82**	**0.06**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

Particulars	Carrying Value	Fair Value heirarchy			
		Fair Value	Level 1	Level 2	Level 3
(2) Financial Liabilities					
Financial Liabilities at amortised cost					
Long Term Borrowings					
Fixed Rate					
- Debentures	530.00	538.70	–	–	538.70
Floating Rate					
- Rupee Term Loan	3,337.37	3,337.37	–	–	–
- Foreign Currency Term Loan	323.18	323.18	–	–	–
Others - Rupee Term Loan	7.73	7.73	–	–	–
Lease Liabilities	13.28	13.28	–	–	–
Short Term Borrowings	83.67	83.67	–	–	–
Trade Payables	522.75	522.75	–	–	–
Trade & Security Deposits	527.08	527.08	–	–	–
Amount Payable for Capital Goods	160.99	160.99	–	–	–
Interest accrued but not due on Borrowings	28.48	28.48	–	–	–
Interest accrued and due on Borrowings	2.64	2.64	–	–	–
Employees Related Liabilities	45.51	45.51	–	–	–
Other Financial Liabilities	522.07	522.07	–	–	–
Sub Total	**6,104.75**	**6,113.45**	**–**	**–**	**538.70**
Financial Liabilities at fair value through Profit & Loss					
Derivative Contracts	–	–	–	–	–
Sub Total	**–**	**–**	**–**	**–**	**–**
Total Financial Liabilities	**6,104.75**	**6,113.45**	**–**	**–**	**538.70**

54.4 During the year ended 31st March, 2021 and 31st March, 2020, there were no transfers between Level 1 and Level 2 fair value measurements, and no transfer into and out of Level 3 fair value measurements.

55 FINANCIAL RISK MANAGEMENT

The Group has a Risk Management Policy which covers risk associated with the financial assets and liabilities. The Risk Management Policy is approved by the Board of Directors. The different types of risk impacting the fair value of financial instruments are as below:

55.1 Credit Risk

The credit risk is the risk of financial loss arising from counter party failing to discharge an obligation.The Group is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits placed with banks and financial institutions and other financial instruments.

55.1.1 Trade Receivables

The credit risk is controlled by analysing credit limits and credit worthiness of customers on continuous basis to whom the credit has been granted, obtaining necessary approvals for credit and taking security deposits from trade channels. Summary of the Group's exposure to credit risk by age of the outstanding from various customers is as follows:

As at 31st March, 2021

Ageing schedule	Not due	0-30 days past due	31-60 days past due	61-90 days past due	Above 90 days past due
Gross carrying amount	76.92	143.10	25.39	10.02	38.94
Expected loss rate	0%	0%	0%	0%	38.16%
Expected credit losses (Loss allowance provision)	–	–	–	–	14.86
Carrying amount of trade receivables (net of impairment)	76.92	143.10	25.39	10.02	24.08

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

As at 31st March, 2020

Ageing schedule	Not due	0-30 days past due	31-60 days past due	61-90 days past due	Above 90 days past due
Gross carrying amount	46.35	104.63	57.02	17.98	39.38
Expected loss rate	0%	0%	0%	0%	38.04%
Expected credit losses (Loss allowance provision)	–	–	–	–	14.98
Carrying amount of trade receivables (net of impairment)	46.35	104.63	57.02	17.98	24.40

Reconciliation of loss allowance provision for Trade Receivable:

Particulars	2020-21	2019-20
Loss allowance as at beginning	14.98	16.25
Changes in loss allowance (Net)	(0.12)	(1.27)
Loss allowance as at Year end	**14.86**	**14.98**

There is no customer (Previous Year Nil) who represents more than 10% of the total balance of trade receivables.

55.1.2 Incentives receivable from the Government

The Parent Company's manufacturing units in various states; mainly those in West Bengal, Rajasthan and Madhya Pradesh are eligible for incentives under the respective State Industrial Policy. The Parent Company accrued these incentives as refund claims in respect of VAT/GST paid, on the basis that all attaching conditions were fulfilled by the Parent Company and there was reasonable assurance that the incentive claims will be disbursed by the State Governments. During the current year, in view of the management re-assessing the expected recovery period for incentives receivables, a charge of ₹ 32.62 Crores due to time value of money computed based on the expected credit loss method is included in Other Expenses. The Parent Company is confident about the ultimate realisation of the dues from the State Governments.

55.2 Liquidity Risk

The Group determines its liquidity requirement in the short, medium and long term. This is done by drawings up cash forecast for short term and long term needs.

The Group manage its liquidity risk in a manner so as to meet its normal financial obligations without any significant delay or stress. Such risk is managed through ensuring operational cash flow while at the same time maintaining adequate cash and cash equivalent position. The management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity monitoring future cash flow and liquidity on a regular basis. Surplus funds not immediately required are invested in certain mutual funds and fixed deposit which provide flexibility to liquidate. Besides, it generally has certain undrawn credit facilities which can be assessed as and when required; such credit facilities are reviewed at regular basis.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

55.2.1 Maturity Analysis for financial liabilities

a) The following are the remaining contractual maturities of financial liabilities as at 31st March, 2021:

Particulars	On Demand	0 to 6 Months	More than 6 months to 1 year	More than 1 year to 5 years	More than 5 years	Total
Non-derivative						
Trade payables	–	589.01	–	–	–	589.01
Borrowings						
Redeemable Debentures (Refer Note No. 22.1 (a))						
2500 9.25% NCD 2026	–	–	–	150.00	100.00	250.00
1500 9.15% NCD 2021	–	150.00	–	–	–	150.00
1500 7.05% NCD 2024	–	–	–	150.00	–	150.00
Rupee Term Loan from bank (Refer Note No. 22.1 (b))	–	50.33	96.86	1,025.80	1,344.60	2,517.59
Foreign Currency Term Loan (Refer Note no. 22.1 (c))	–	47.09	67.31	531.79	309.12	955.31
Rupee Term Loan from other (Refer Note No. 22.1 (d))	–	–	–	11.91	9.08	20.99
Short Term Borrowings	10.24	20.18	–	–	–	30.42
Other financial liabilities						
Trade & Security Deposits*	–	–	–	11.36	580.20	591.56
Amount Payable for Capital Goods	–	86.28	59.40	–	–	145.68
Lease Liabilities	–	1.13	2.38	20.39	76.02	99.92
Interest accrued but not due on Borrowings	–	25.59	3.13	–	–	28.72
Interest accrued and due on Borrowings	–	2.01	–	–	–	2.01
Employees Related Liabilities	–	46.99	–	–	–	46.99
Others Financial Liabilities	1.44	253.87	116.31	7.56	–	379.18
Total	**11.68**	**1,272.48**	**345.40**	**1,908.81**	**2,419.02**	**5,957.39**
Derivative						
Foreign Exchange forwards contracts and other Derivative Instruments	–	13.11	3.50	3.72	0.29	20.63

* Trade & Security Deposits classified under more than 5 years maturity pertain to "Dealer Trade Deposit" which are refundable only after surrender of dealership subject to clearance of outstanding dues.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

b) The following are the remaining contractual maturities of financial liabilities as at 31st March, 2020:

(₹ in Crores)

Particulars	On Demand	0 to 6 Months	More than 6 months to 1 year	More than 1 year to 5 years	More than 5 years	Total
Non-derivative						
Trade payables	–	522.75	–	–	–	522.75
Borrowings						
Redeemable Debentures (Refer Note No. 22.1 (a))						
2500 9.25% NCD 2026	–	–	–	75.00	175.00	250.00
1500 9.15% NCD 2021	–	–	–	150.00	–	150.00
1300 9.05% NCD 2020	–	–	130.00	–	–	130.00
Rupee Term Loan (Refer Note No 22.1(b))	–	79.65	89.71	1,405.71	1,784.64	3,359.71
Foreign Currency Term Loan (Refer Note no. 22.1 (c))	–	120.22	110.02	93.58	–	323.82
Rupee Term Loan - Other (Refer Note No 22.1(d))	–	–	–	5.24	6.67	11.91
Short Term Borrowings	63.17	20.50	–	–	–	83.67
Other financial liabilities				–		
Trade & Security Deposits*	–	–	–	11.01	516.07	527.08
Amount Payable for Capital Goods	–	19.80	141.19	–	–	160.99
Lease Liabilities	–	–	0.69	3.72	8.87	13.28
Interest accrued but not due on Borrowings	–	22.97	5.51	–	–	28.48
Interest accrued and due on Borrowings	–	2.64	–	–	–	2.64
Employees related Liabilities	–	45.51	–	–	–	45.51
Others Financial Liabilities	59.01	455.50	–	7.56	–	522.07
Total	**122.18**	**1,289.54**	**477.11**	**1,751.82**	**2,491.25**	**6,131.90**
Derivative						
Foreign Exchange forwards contracts and other Derivative Instruments	–	–	–	–	–	–

*Trade & Security Deposits classified under more than 5 years maturity pertain to " Dealer Trade Deposit " which are refundable only after surrender of dealership subject to clearance of outstanding dues.

c) The amounts are gross and undiscounted (except for lease liability) and exclude the impact of netting agreements (if any). The future cash flows on derivative instruments may be different from the amount in the above tables as exchange rates change. Except for these financial liabilities, it is not expected that cash flows included in the maturity analysis could occur significantly earlier, or at significantly different amounts. When the amount payable is not fixed, the amount disclosed has been determined with reference to conditions existing at the reporting date.

55.3 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 four type of risks: Commodity Price Risk, Foreign Currency Risk, Interest Rate Risk and Other Price Risk.

55.3.1 Commodity Price Risk

The Group primarily imports coal, pet coke, gypsum and raw jute. It is exposed to commodity price risk arising out of movement in prices of such commodities. Such risks are monitored by tracking of the prices and are managed by entering into fixed price contracts, where considered necessary.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

54.3.2 Foreign Currency Risk

The Group has Foreign Currency Exchange Risk on imports of input materials, capital equipments and also borrows funds in foreign currency for its business. The Group evaluates the impact of foreign exchange rate fluctuations by assessing its exposure to exchange rate risks. Certain transactions of the Group act as a natural hedge as a portion of both assets and liabilities are denominated in similar foreign currencies. For the remaining exposure to foreign exchange risk, the Group adopts a policy of selective hedging based on risk perception of the management using derivative, wherever required, to mitigate or eliminate the risk.

a) Exposure to currency risk

The Group's exposure to foreign currency risk at the end of the reporting period are as follows:

I) Unhedge Foreign Currency Exposure (Amount in Crores)

Particulars	As at 31st March, 2021					
	USD	**INR**	**EUR**	**INR**	**GBP**	**INR**
Financial Assets						
Trade Receivables	–	–	0.00	0.15	0.00	0.17
Financial Liabilities						
Foreign Currency Term Loan	0.90	65.45	–	–	–	–
Trade Payables & Others	0.03	2.06	0.06	4.42	0.00	0.07
Net Exposure (Liability)	**0.93**	**67.51**	**0.06**	**4.27**	**(0.00)**	**(0.10)**

Particulars	As at 31st March, 2020					
	USD	**INR**	**EUR**	**INR**	**GBP**	**INR**
Financial Assets						
Trade Receivables	–	–	–	–	–	–
Financial Liabilities						
Foreign Currency Term Loan	3.14	238.30	–	–	–	–
Trade Payables & Others (*)	0.01	1.10	0.03	2.20	0.00	0.08
Net Exposure (Liability)	**3.15**	**239.40**	**0.03**	**2.20**	**0.00**	**0.08**

(*) Does not includes CHF 3,060 equivalent to ₹ 0.02 Crore.

II) Hedge Foreign Currency Exposure (Amount in Crores)

Particulars	As at 31st March, 2021					
	USD	**INR**	**EUR**	**INR**	**SGD**	**INR**
Derivative Assets						
Forward Contract against Trade Receivable	0.08	5.97	–	–	–	–
Forward Contract against Firm Commitments	0.19	13.62	–	–	–	–
Derivative Liabilities						
Forward Contract - Against Payable	10.11	739.37	0.07	6.02	–	–
Cross Currency Swaps Contract - Against Payable (Refer Note (b) below)	–	–	–	–	2.79	151.73
Forward Contract - Against Firm Commitments	0.10	7.48	–	–	–	–
Net Exposure (Liability)	**9.94**	**727.26**	**0.07**	**6.02**	**2.79**	**151.73**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

Particulars	As at 31st March, 2020					
	USD	INR	EUR	INR	JPY	INR
Derivative Assets						
Forward Contract against Trade Receivable	0.06	4.32	–	–	–	–
Forward Contract against Firm Commitments	0.08	6.33	–	–	–	–
Derivative Liabilities						
Forward Contract - Against Payable	1.50	113.18	0.00	0.40	–	–
Forward Contract - Against Firm Commitments	1.33	100.62	0.02	1.42	0.01	0.61
Net Exposure (Liability)	**2.69**	**203.15**	**0.02**	**1.82**	**0.01**	**0.61**

b) The Parent Compant uses Cross Currency Swaps to hedge foreign exchange and Interest rate of External Commercial Borrowings of SGD 2.79 Cr (Previous Year Nil).

c) Sensitivity Analysis

The Analysis is based on assumption that the increase/decrease in foreign currency by 5% with all other variables held constant, on the unhedged foreign currency exposure. The following table demonstrates the sensitivity in the USD, EUR, CHF and GBP to the Indian Rupee with all other variables held constant.

Particulars	31st March, 2021			31st March, 2020		
	Sensitivity Analysis	Impact On		Sensitivity Analysis	Impact On	
		Profit Before Tax	Other Equity		Profit Before Tax	Other Equity
USD Sensitivity Increase	5%	(3.38)	(2.20)	5%	(11.97)	(7.79)
USD Sensitivity Decrease	5%	3.38	2.20	5%	11.97	7.79
EUR Sensitivity Increase	5%	(0.21)	(0.14)	5%	(0.11)	(0.07)
EUR Sensitivity Decrease	5%	0.21	0.14	5%	0.11	0.07

Sensitivity analysis for CHF and GBP are insignificant, hence ignored.

54.3.3 Interest Rate Risk

The Group is exposed to risk due to interest rate fluctuation on long term borrowings. Such borrowings are based on fixed as well as floating interest rate. Interest rate risk is determined by current market interest rates, projected debt servicing capability and view on future interest rate. Such interest rate risk is actively evaluated and is managed through portfolio diversification and exercise of prepayment/refinancing options where considered necessary.

The Group is also exposed to interest rate risk on surplus funds parked in fixed deposits and Investments viz. mutual funds, bonds. To manage such risks, such investments are done mainly for short durations, in line with the expected business requirements for such funds.

a) Exposure to Interest Rate Risk

Particulars	31st March, 2021	31st March, 2020
Fixed Rate Instruments		
Financial Assets	–	–
Financial Liabilities	701.71	530.00
	701.71	**530.00**
Variable Rate Instruments		
Financial Assets	–	–
Financial Liabilities	3,321.18	3,683.52
	3,321.18	**3,683.52**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

b) Interest Rate Sensitivity

A Change in 50 bps in interest rate would have following impact on Profit Before Tax and Other Equity:

Particulars	31st March, 2021			31st March, 2020		
	Sensitivity Analysis	Impact On		Sensitivity Analysis	Impact On	
		Profit Before Tax	Other Equity		Profit Before Tax	Other Equity
Interest Rate Increase by	0.50%	(16.61)	(10.80)	0.50%	(18.42)	(11.98)
Interest Rate Decrease by	0.50%	16.61	10.80	0.50%	18.42	11.98

55.3.4 Other Price Risk

The Group's exposure to equity securities price risk arises from investments held by the Group and classified in the balance Sheet either at fair value through OCI or at fair value through profit and loss. Having regard to the nature of securities, intrinsic worth, intent and long term nature of securities held by the Group, fluctuation in their prices are considered acceptable and do not warrant any management.

a) Exposure to other market price risk

Particulars	31st March, 2021	31st March, 2020
Investment in Equity Instruments	279.76	151.11
Investment in Mutual Funds	463.47	676.17
Investment In Bonds	7.95	7.64
Investment in Government Securities	1.21	1.19
	752.39	**836.11**

b) Sensitivity Analysis

The Analysis is based on assumption that the increase/decrease by 5% with all other variables held constant.

Particulars	31st March, 2021			31st March, 2020		
	Sensitivity Analysis	Impact On		Sensitivity Analysis	Impact On	
		Profit Before Tax	Other Equity		Profit Before Tax	Other Equity
Market rate Increase	5%	37.62	24.47	5%	41.81	27.20
Market rate Decrease	5%	(37.62)	(24.47)	5%	(41.81)	(27.20)

55.4 Hedge Accounting - Cash Flow Hedges

The objective of cross currency swap and interest rate swaps is to hedge the cash flows of the foreign currency denominated debt related to variation in foreign currency exchange rates and interest rates. The hedge provides for exchange of notional amount at agreed exchange rate of principle at each repayment date and conversion of variable interest rate into fixed interest rate as per notional amount at agreed exchange rate. The Group also enters into foreign currency forward contracts to hedge the foreign currency exchange risk arising from borrowings, other debt and forecasted purchases/sales. Some of the forward contracts are designated as cash flow hedges. The Parent Company is following hedge accounting for cross currency & interest rate swaps and Interest rate swaps and some foreign currency forward contracts based on qualitative approach. The Parent Company is having risk management objectives and strategies for undertaking these hedge transactions. The Parent Company has maintained adequate documents stating the nature of the hedge and hedge effectiveness test. The Group assesses hedge effectiveness based on following criteria :

i. An economic relationship between the hedged item and the hedging instrument

ii. The effect of credit risk

iii. Assessment of the hedge ratio

The Parent Company designates cross currency swaps and interest rate swaps and some foreign currency forward contracts to hedge its currency and interest risk and generally applies hedge ratio of 1:1.

All these derivatives have been marked to market to reflect their fair value and the fair value differences representing the effective portion of such hedge have been taken to equity.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

(₹ in Crores)

55.4.1 Disclosure of effects of hedge accounting on financial position as at 31st March, 2021:

Type of hedge and risks	Nominal value Assets / (Liabilities)	Carrying amount of hedging instrument Assets / (Liabilities)	Maturity date	Changes in fair value Gain / (loss) of hedging instrument since inception of hedge	Changes in the fair value Gain / (loss) of hedged item used as the basis for recognising hedge effectiveness
Cash flow hedge					
Foreign currency loan (USD 4.70 Crores) Refer Note No. 22.1(g), (ii) & (iii)					
- Forward contracts	(343.91)	(12.41)	Apr'21 to May'21	(12.41)	5.92
Foreign currency loan (SGD 2.79 Crores) Refer Note No. 22.1 (g)(i)					
- Cross Currency Swap	(151.71)	(4.33)	Sep'21 to Jun'26	(4.33)	1.23
Total	**(495.62)**	**(16.74)**		**(16.74)**	**7.15**

Since the Company has started Hedge Accounting in current year, previous year figures are not given.

55.4.2 The movement of effective portion of Cash Flow Hedges are shown below:

Particulars	31st March, 2021	31st March, 2020
Opening Balance	–	–
Gain/(loss) recognized on cash flow hedges	(9.59)	–
Income tax relating to gain/(loss) recognized on cash flow hedges	3.35	–
Reclassified to Statement of Profit and Loss	–	–
Income tax relating to Reclassified to Statement of Profit and Loss	–	–
Closing Balance	**(6.24)**	**–**

55.4.3 Foreign Currency Forward Contracts

The Group enters into forward contracts with intention to reduce the foreign exchange risk of expected purchases. Certain foreign currency forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally within one year. The fair value of foreign currency forward contracts are as under:

Particulars	31st March, 2021		31st March, 2020	
	Assets	Liability	Assets	Liability
Foreign Currency Forward Contracts	**0.26**	**3.89**	7.82	-

56 Capital Management

The Group's objective to manage its capital is to ensure continuity of business while at the same time provide reasonable returns to its various stakeholders but keep associated costs under control. In order to achieve this, requirement of capital is reviewed periodically with reference to operating and business plans that take into account capital expenditure and strategic Investments. Sourcing of capital is done through judicious combination of equity/internal accruals and borrowings, both short term and long term. Net debt (total borrowings less current investments, cash and cash equivalents and other bank balances) to equity ratio is used to monitor capital.

Particulars	31st March, 2021	31st March, 2020
Debt Equity Ratio	0.60	0.70

57 Government grants during the year Comprising incentive and Subsidies include:

57.1 Tax incentive for Capital investments under various State Investment Promotion Schemes of ₹ 170.59 Crores (Previous Year ₹ 177.78 Crores).

57.2 Amortisation of the deferred revenue of ₹ 0.74 Crore (Previous Year ₹ 0.75 Crore) arising due to difference between the fair value & nominal value of interest free loan granted under State Investment Promotion Scheme.

57.3 Amortisation of the deferred revenue of ₹ 0.50 Crore (Previous Year ₹ 0.58 Crore) on account of Investment in Plant & Machineries under various State Investment Promotion Schemes.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

57.4 Renewable Energy Certificates for generation of power from solar power plant under Central Electricity Regulatory Commission (Terms and Conditions for Recognition and Issuance of Renewable Energy Certificate for Renewable Energy Generation) Regulations, 2010 of ₹ 0.40 Crore (Previous Year ₹ 0.27 Crore).

57.5 The Government of India (vide press release dated 31st December, 2020) Introduced the benefit of the Scheme for Remission of Duties and Taxes on Exported Products (RoDTEP) to all export goods with effect from 1st January, 2021. With the introduction of the RoDTEP scheme, the benefit of ROSCTL scheme stood withdrawn, and the MEIS Scheme was also withdrawn w.e.f. 1st January, 2021. Considering that the rates of RoDTEP are yet to be notified, the Parent Company has not accrued income relating to benefits of RoDTEP scheme on the Export Sales made for the period from 1st January, 2021 to 31st March, 2021.

58 Segment Reporting

A) Primary Segment Information

(₹ in Crores)

Particulars	2020-21				2019-20			
	Cement	**Jute**	**Others**	**Total**	**Cement**	**Jute**	**Others**	**Total**
Business Segment								
Segment Revenue								
(a) External Sales	6,497.93	287.30	0.22	6,785.45	6,581.39	333.26	1.04	6,915.69
(b) Inter Segment Revenue	0.60	0.06	5.87	6.53	1.04	0.01	7.17	8.22
Total	**6,498.53**	**287.36**	**6.09**	**6,791.98**	**6,582.43**	**333.27**	**8.21**	**6,923.91**
Less : Inter Segment Revenue	0.60	0.06	5.87	6.53	1.04	0.01	7.17	8.22
Revenue from Operations	**6,497.93**	**287.30**	**0.22**	**6,785.45**	**6,581.39**	**333.26**	**1.04**	**6,915.69**
Segment Result	**968.37**	**13.62**	**(3.27)**	**978.72**	**1,046.04**	**13.59**	**(2.69)**	**1,056.94**
Add:								
(i) Interest Income				27.50				20.47
(ii) Unallocated Income net of unallocated Expense				2.65				(8.22)
Less:								
(i) Interest Expense				296.28				387.67
Profit before Tax				**712.59**				**681.52**
Tax Expense								
Current Tax				86.76				75.29
Deferred Tax				45.70				119.35
Income Tax for earlier years				–				(18.30)
Deferred Tax for earlier years				(50.01)				–
Profit after tax				**630.14**				**505.18**
Other Information								
Segment Assets	10,642.39	927.20	147.26	11,716.85	9,850.61	946.88	147.63	10,945.12
Unallocated assets				1,178.74				1,230.35
Total Assets				**12,895.59**				**12,175.47**
Segment Liabilities	1,781.64	17.63	2.02	1,801.29	1,530.16	26.41	1.51	1,558.08
Unallocated liabilities				5,608.27				5,811.22
Total Liabilities				**7,409.56**				**7,369.30**
Segment Capital Expenditure	761.54	10.65	0.42	772.61	1,092.99	8.34	0.19	1,101.52
Common Capital Expenditure				4.30				5.57
Total Capital Expenditure				**776.91**				**1,107.09**
Segment Depreciation	359.76	6.62	0.93	367.31	339.73	7.80	0.95	348.48
Common Depreciation				3.45				3.43
Total Depreciation				**370.76**				**351.91**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

B) Secondary (Geographical) Segment Information

(₹ in Crores)

Geographical segment is identified as the secondary segment and details are given below:

	2020-21	2019-20
1. Revenue from external customers		
– Within India	6,744.89	6,876.11
– Outside India	40.56	39.58
Total	**6,785.45**	**6,915.69**

2. The Group does not have any tangible, intangible assets and non current operating assets located outside India.
3. During the year as well as previous year, No customer contributed 10% or more to the Group's revenue from operations.

C) Other Disclosures

The Group's operations predominantly relate to Cement. Other products are Jute Goods and Steel Castings. Accordingly, these business segments comprise the primary basis of segmental information set out in the consolidated financial statements.

Inter-segment transfers are based on prevailing market prices except for Iron & Steel Castings which is based on cost plus profit.

The accounting policies adopted for segment reporting are in line with the accounting policy of the Group.

59 Related Party Disclosures

59.1 Related parties with whom transactions have taken place during the year and previous year are:

59.1.1

Nature	Name of the Company
Entities exercising significant influence over the Group	Vindhya Telelinks Ltd.
	August Agents Ltd.
	Insilco Agents Ltd.
	Laneseda Agents Ltd.

59.1.2

Nature	Name	Designation
Key Management Personnels	Mr. Harsh V. Lodha	Chairman
	Mr. Arvind Pathak	Managing Director and Chief Executive Officer (appointed w.e.f. 31st March, 2021)
	Mr. Bachh Raj Nahar	Managing Director (ceased to be Managing Director w.e.f. 3rd August, 2019)
	Mr. Pracheta Majumdar	Wholetime Director and Chief Executive Officer (upto 30th March, 2021) Wholetime Director designated as Chief Management Advisor (w.e.f. 31st March, 2021)
	Mr. Vikram Swarup	Directors
	Mr. Bachh Raj Nahar (ceased to be the Director w.e.f. 13th August, 2019 due to retirement by rotation)	
	Mr. Anand Bordia	
	Mr. Brij Behari Tandon	
	Mr. Dhruba Narayan Ghosh	
	Mr. Deepak Nayyar	
	Ms. Shailaja Chandra	
	Mr. Dilip Ganesh Karnik	

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

59.1.3

Nature	Name of the Trust/Fund
Post employment benefit plan Trust	Satna Cement Works Employees' Provident Fund
	Soorah Jute Mills Employees' Provident Fund Trust
	M P Birla Group Provident Fund Institution
	Birla Cement Works Staff Provident Fund
	Birla Jute Mills Workers' Provident Fund Trust
	Durgapur Cement Works Employees' Provident Fund
	Birla Corporation Limited, Employees Gratuity Fund
	Birla DLW Ltd. Employees Gratuity Fund
	Birla Corporation Superannuation Fund

59.2 Transactions during the year

(₹ in Crores)

Particulars	2020-21			2019-20		
	Entities exercising significant influence over the Parent Company	Key Management Personnel	Post employment benefit plan Trust	Entities exercising significant influence over the Parent Company	Key Management Personnel	Post employment benefit plan Trust
Sales of goods/ services provided	0.12	–	–	0.06	–	–
Purchase of goods/ services received	3.45	–	–	1.82	–	–
Receipt of rent	0.06	–	–	0.06	–	–
Advances given	–	–	–	–	–	2.00
Advances recovered	–	–	–	–	–	2.00
Paid to Trust-Employees Provident Fund Contribution	–	–	7.01	–	–	6.70
Paid to Trust-Employees Gratuity Fund Contribution	–	–	10.50	–	–	5.00
Paid to Trust-Employees Superannuation Fund Contribution	–	–	2.82	–	–	2.94
Remuneration, Perquisites & Others (Refer Note No. 59.2.1)	–	5.25	–	–	5.89	–
Dividend Paid	36.59	–	–	–	–	–
Dividend Received	0.00	–	–	0.00	–	–

59.2.1 Key Management Personnel compensation

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
Short-Term Employee Benefits	3.41	2.65
Post-Employment Benefits (*)	0.00	1.38
Long-Term Employee Benefits (*)	–	1.11
Director's Sitting Fees	1.06	0.75
Director's Commission	0.78	0.00
Total Compensation	**5.25**	**5.89**

(*) Amount related to previous year includes earlier year's accumulated amount of Gratuity and Leave encashment, paid at the time of retirement.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

59.3 Balance Outstanding as at the balance sheet date

(₹ in Crores)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Trade Payables		
Entities exercising significant influence over the Group	0.64	0.09
Provision for Employees benefit		
Post employment benefit plan Trust	0.55	3.45
Other Receivables		
Entities exercising significant influence over the Group	–	0.01
Short-term employee benefits		
Key Management Personnel	1.48	0.00

59.4 Terms and Conditions of transactions with Related Parties:

All Related Party Transactions are net off taxes and duties. The sales to and purchases from related party are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions. The Loans and Advances as well as Corporate Guarantee issued to related parties are on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year end are unsecured and settlement occurs in cash, the Group has recorded the receivable relating to amount due from related parties net of impairment (if any). This assessment is undertaken each financial year through examining the financial position of the related parties and the market in which the related party operates.

60 Additional Information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary/ Associates:

Name of the Entity	Net Assets (Total Assets minus Total Liabilities)		Share of Profit for the year		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of Consolidated Net Assets	(₹ in Crores)	As % of Consolidated Profit for the year	(₹ in Crores)	As % of Consolidated Other Comprehensive Income	(₹ in Crores)	As % of Total Comprehensive Income	(₹ in Crores)
Parent								
Birla Corporation Limited	87.99	4,827.28	68.00	428.51	100.60	108.11	72.75	536.62
Subsidiaries								
Indian								
1. Birla Jute Supply Co. Ltd.	0.03	1.40	0.01	0.05	(0.00)	(0.00)	0.01	0.05
2. Talavadi Cements Ltd.	0.16	8.84	(0.06)	(0.40)	–	–	(0.06)	(0.40)
3. Lok Cements Ltd.	0.01	0.55	(0.00)	(0.01)	–	–	(0.00)	(0.01)
4. Budge Budge Floorcoverings Ltd.	0.03	1.81	(0.00)	(0.00)	0.00	0.00	0.00	0.00
5. M.P. Birla Group Services Pvt. Ltd.	0.00	0.00	(0.00)	(0.00)	–	–	(0.00)	(0.00)
6. Birla Cement (Assam) Ltd.	0.00	0.03	(0.00)	(0.00)	–	–	(0.00)	(0.00)
7. RCCPL Pvt. Ltd.	53.35	2,926.88	33.36	210.27	(0.60)	(0.64)	28.42	209.63
Minority Interest in all subsidiaries	(0.00)	(0.04)	(0.00)	(0.00)	–	–	(0.00)	(0.00)
Consolidation adjustments	(41.57)	(2,280.76)	(1.31)	(8.28)	–	–	(1.12)	(8.28)
Total	**100.00**	**5,485.99**	**100.00**	**630.14**	**100.00**	**107.47**	**100.00**	**737.61**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2021

61 In the previous year, the Group had made an investment in AMP Solar Clean Power Private Limited ('AMP') by way of purchase of 7,56,800 fully paid up equity shares having face value of ₹ 10 each, amounting of ₹ 0.76 Crore (26% holding in AMP) and in 68,112 compulsorily convertible debentures having face value of ₹ 1000 each, amounting of ₹ 6.81 Crores under Share Purchase, Subscription and Shareholders Agreement. Further, the Group had entered into a long term power purchase agreement ('PPA') with the AMP which is engaged in setting up a solar power plant. The PPA has a lock-in period of 15 years wherein the Group is required to purchase the entire contracted power capacity from the said plant.

Taking into consideration the terms and conditions of PPA, it is considered that the arrangement in respect of long term power purchase agreement satisfies all the conditions of the lease as per IND AS 116 and the construction of plant is completed in current year. Consequently, Right of Use Assets and Lease Liabilities is recognized on the Commencement date of Solar Power Plant.

The investment in equity shares in AMP is 26%. Considering the substance of the transactions, in the opinion of the management, it is not considered as a related party under Ind AS 24/28. Accordingly, the investment in equity shares and compulsorily convertible debentures is recognized at amortised cost under "Deposits" as per the provision of Ind AS 109 and the difference between amortised cost and investment value on initial recognition is considered for valuation of "Right of Use Assets- Plant and Machinery", in the previous year it was recognized under "Capital Advance".

62 Due to COVID-19 situation, there have been several restrictions imposed by the Governments across the globe on the travel, goods movement and transportation considering public health and safety measures, which had impact on the Group's normal business operations by way of interruption in production, supply chain disruption, unavailability of personnel etc. during the lockdown period. As per our current assessment, no significant impact on carrying amounts of inventories, intangible assets, trade receivables, investments and other financial assets is expected as on the balance sheet date. The impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration. The Group will continue to monitor any material changes to future economic conditions.

63 The Code on Social Security, 2020 which received the President's assent on 28th September 2020 subsumes nine laws relating to Social security, retirement and employee benefits, including the Provident Fund and Gratuity. The effective date of the Code and rules thereunder are yet to be notified. The impact of the changes, if any, will be assessed and recognised post notification of the relevant provisions.

64 Previous year figures have been regrouped/rearranged/reclassified wherever necessary. Further, there are no material regroupings/reclassifications during the year.

As per our annexed Report of even date

For and on behalf of the Board of Directors

For **V. SANKAR AIYAR & CO.**
Chartered Accountants
Firm Registration No. 109208W

M. S. BALACHANDRAN
Partner
Membership No. 024282

ADITYA SARAOGI
Chief Financial Officer

HARSH V. LODHA
Chairman
(DIN : 00394094)

MANOJ KUMAR MEHTA
Company Secretary
& Legal Head

ARVIND PATHAK
Managing Director
& Chief Executive Officer
(DIN: 00585588)

New Delhi
Date: 12th May, 2021

Kolkata
Date: 12th May, 2021

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MP BIRLA GROUP

BIRLA CORPORATION LIMITED

www.birlacorporation.com