INNOVATING FOR YOU

NUVOCO
Shaping a new world

Annual Report FY 2019-20

CORPORATE INFORMATION

Board of Directors

Mr. Hiren Patel
Chairman

Mr. Kaushikbhai Patel
Non-Executive Director

Mr. Suketu Shah
Non-Executive Director

Mrs. Bhavna Doshi
Independent Director

Mr. Berjis Desai
Independent Director

Mr. Jayakumar Krishnaswamy
Managing Director

Chief Financial Officer

Mr. Maneesh Agrawal

Company Secretary and Compliance Officer

Ms. Shruta Sanghavi
Vice President
and Company Secretary

Statutory Auditors

M/s. MSKA & Associates

Cost Auditors

M/s. R Nanabhoy & Co.

Internal Auditors

M/s. Singhi & Co.

Secretarial Auditors

M/s. Parikh and Associates

Bankers

State Bank of India
Yes Bank Ltd.
Citi Bank NA
Standard Chartered Bank
BNP Paribas
Kotak Mahindra Bank Ltd.
The Hongkong and Shanghai Banking Corporation Ltd.
First Abu Dhabi Bank PJSC
Axis Bank Ltd
Credit Suisse AG Singapore Branch

Registered Office

Equinox Business Park, Tower - 3,
East Wing, 4th Floor, LBS Marg,
Kurla (West), Mumbai – 400 070
Tel: 022 - 6769 2500/6120 2600
Fax: 022 - 6630 6510
Website: www.nuvoco.in
E-mail: investor.relations@nuvoco.in
CIN: U26940MH1999PLC118229

Registrar and Share Transfer Agent

MCS Share Transfer Agent Limited
A-209, C Wing, 2nd Floor,
Gokul Industrial Estate, Sagbaug,
Marol Co-op Industrial Area,
Behind Times Square,
Andheri (E), Mumbai - 400 059
Tel: 022 - 2851 6020
Fax: 022 - 2851 6021
Website: www.mcsregistrars.com
E-mail: helpdeskmum@mcsregistrars.com
CIN: U67120WB2011PLC1658722

Debenture Trustee

IDBI Trusteeship Services Limited
Asian Building, Ground Floor, 17, R. Kamani Marg, Ballard Estate,
Mumbai – 400 001
Tel: 022 - 4080 7000
Fax: 022 - 6631 1776
Website: www.idbitrustee.com
E-mail: itsl@idbitrustee.com
CIN: U65991MH2001GOI131154

20th Annual General Meeting

Friday, August 14, 2020 | 1:00 p.m
Equinox Business Park, Tower - 3,
East Wing, 4th Floor, LBS Road,
Kurla (West), Mumbai – 400 070

Forward-looking Statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievements of results are subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future events or otherwise.

In a world of shifting paradigms, our innovative attitude drives us to satisfy unmet needs. At Nuvoco, we remain undeterred by changing circumstances and focus on delivering contemporary solutions that cement our position as a preferred partner for our valued patrons.

We believe, in unison, we can create a safer, smarter and sustainable world. To that end, our story resonates the strength of our brand and our devotion to always sustain our legacy with new and improved products, attuned to our futuristic outlook.

INSIDE THIS REPORT

ABOUT US

Nuvoco Vistas Corporation Limited has established its proficiency in the construction space as a leading manufacturer and retailer of innovative and superior quality building materials.

Jojobera Cement Plant

Since the Company's inception in 1999, we have adopted new methods, acquired renowned companies and introduced a diversified portfolio catering to the needs of new-age construction. Our relentless focus on developing and manufacturing innovative and unique products and solutions has enabled us to strategically enhance stakeholder value. With manufacturing units across the country, we continue to offer a wide array of products consisting of Cement, Ready-Mix Concrete and Modern Building Materials that are designed to meet the country's construction and development needs.

ABOUT US

Our Journey

1999
Commencement of operations in India with acquisition of cement business of Tata Iron & Steel Company Ltd. in Jharkhand.

2001
Acquisition of the cement business of Raymond Ltd, Chhattisgarh.

2006
Construction of a new clinker line at Sonadih cement plant in Chhattisgarh to increase total cement production capacity by 3MT.

2008
Acquisition of L&T's ready-mix concrete business.

2009
Commissioning of the Mejia grinding unit in West Bengal.

2011
Expansion of operations in East.

2012
Inauguration of Construction Development and Innovation Centre in Mumbai.

2013
Inauguration of Chittorgarh (Rajasthan) and Bhiwani (Haryana) cement plants.

2015
Commissioning of the Sonadih Railway Line.

2016
Transfer of shares from LafargeHolcim to Nirma Limited.

2017
Launch of new name, 'Nuvoco Vistas Corporation Limited' (formerly known as Lafarge India Limited).

2018
Associated with Royal Challengers Bangalore as Principal Partner.

CDIC receives NABL Accreditation.

2019
Commissioning of first Captive Power Plant (CPP) and Waste Heat Recovery (WHR) in Chittorgarh Cement Plant.

2020
Integration of Nimbol Cement Plant with Nuvoco.

Successful bidding for acquisition of Emami Cement Ltd.

Our Vision

Building a Safer, Smarter and Sustainable world.

Our Mission

Leading Building Materials Company Delivering Superior Performance.

Our Core Values

- Integrity
- Innovation
- Collaboration
- Care
- Operational Excellence

Numbers that matter

₹ 6,793 crore
Revenue from Operations

₹ 249 crore
PAT

7
Cement Plants

~14 MT
Cumulative Production Capacity of Cement

~60
Ready-Mix Concrete Plants

2,912
Employees

OUR DIVERSE OFFERINGS

The rising demand for unique, value-added and sustainable solutions drives us to continuously introduce innovative products that enable us to cement our position as a market leader. To enhance productivity and fulfil the evolving needs of our diverse customer base, we are embracing advanced technology and building a strong portfolio of superior quality solutions.

CEMENT

We have established a stronghold with innovative and world-class cement products by prioritizing the use of premium quality raw material. Our products have been awarded some of the highest regulatory ratings owing to our constant emphasis on delivering superior grade cement variants like Concreto, Duraguard, and PSC. Resting on the expertise of our in-house research and development team at the Construction Development and Innovation Centre (CDIC) located in Mumbai; we constantly endeavour to produce superior quality and inventive products that enable market growth.

One of the latest additions, Concreto Green, saves up to 25% Water.

Arasmeta Cement Plant

OUR DIVERSE OFFERINGS

READY-MIX CONCRETE (RMX)

Our RMX segment comprises excellent quality products like Agile, Artiste, XLite, InstaMix, and Robuste. We are a preferred partner for numerous developers, small contractors, builders, architects, government agencies and individuals alike, supplying efficient concrete solutions that improve the quality of construction.

Artiste Lumos is a **one-of-its-kind glow-in-the-dark** concrete variant.

Looks like any other concrete variant during the day

Artiste LUMOS, a night glow composite concrete that's visible after dark

OUR DIVERSE OFFERINGS

MODERN BUILDING MATERIALS (MBM)

We offer a wide variety of value-added products such as construction chemicals, multipurpose bonding, and waterproofing agents, Wall Putty, Tile Adhesive, Ready-Mix Dry Plaster and Cover Blocks under our Zero M and InstaMix brands. MBM has improved the stability and longevity of structures across the country.

InstaMix PlastoSmart, one of our recent offerings, is a

ready-to-use plaster

that saves time, money and water.

CHAIRMAN'S MESSAGE

> Despite the hardships caused by the pandemic, we remain optimistic about positive business growth and continue to step up efforts to overcome the initial hurdles it posed.

Hiren Patel
Chairman

Dear Stakeholders,

The new fiscal brought with it opportunities for Nuvoco to continue showcasing its perseverance and strength amidst challenging circumstances. The resilience and agility of our business model stems from our ability to be at par with changing consumer preferences, motivating us to continuously innovate and create exceptional solutions. Fiscal year 2019-20 marked another step forward in our Company's transformation – to inculcate an innovative approach and secure our future.

The year under review was marked by multiple challenges in the global as well as Indian economy. Global economic growth softened amidst rising trade tension between the US and China, geopolitical tensions and subdued investment growth across all regions. Further, the Indian economy was impacted by muted consumer demand, decline in Index of Industrial Production (IIP) output and weakened investments in the private sector. In early 2020, the COVID-19 outbreak further complicated the situation. As the pandemic wreaked havoc around the world, lockdowns were imposed, causing severe disruptions across supply chains.

The cement industry, however, showed resilience despite multiple challenges. It has continued to grow at a sustained pace over the past few years on account of increased investments in the infrastructure space. With an aim of making India a USD-5-trillion economy by 2025, the government continues to focus on infrastructure development. The building materials industry plays a pivotal role in India's infrastructure growth and with major initiatives like the Smart City projects, Pradhan Mantri Awas Yojana (aimed at offering affordable housing for all by 2022), construction and repair of roads, bridges, highways and development of industrial hubs in different parts of the country, the sector remains poised to witness an upward trajectory in the days ahead.

At Nuvoco, we keep abreast with changing industry dynamics to carve a unique identity as a manufacturer and supplier of truly innovative products and solutions. Our products have been widely accepted by the industry and have enabled us to sustain growth as well as capitalize on emerging opportunities.

During the year under review, we continued to strengthen our market share, resting on strategic interventions and zeal to incorporate innovative ideas across operations. Our robust financial performance over the years is a testimony to the strong business fundamentals that drive us to explore newer avenues of growth. We follow customer-centric business practices, whereby we remain focused on delivering products that are attuned to the needs of the market and new-age construction. Additionally, our relentless efforts to reduce the environmental impact of our operations are reflected in our ability to design solutions that ensure sustainability and encourage responsible procurement methods.

Our innovative product pipeline, consisting of Concreto Green, which uses up to 25% less water, the Duraguard range of cement and Xlite Structural ready-mix concrete products have enabled us to introduce smart and enduring solutions for the industry. Guided by our vision of 'Building a Safer, Smarter and Sustainable World', we have constantly formulated strategies and upgraded our product portfolio to deliver sustainable and innovative products to our customers.

In FY 2019-20, we continued to build on our commitment to make distinctive and positive contributions to communities in which we operate. We recognize that our approach to sustainability continues to underpin our future performances and accordingly, we understand our responsibility to fulfil our duties with utmost care and compassion. We aspire to ensure the well-being of communities as well as the environment through our CSR activities, encompassing the realms of health, safety, education, livelihood generation and infrastructure development. Our five CSR pillars of Surakshit Bharat (Safety), Swasth Bharat (Health), Shikshit Bharat (Education), Saksham Bharat (Livelihood) and Sanrachit Bharat (Infrastructure development) enabled us to reach close to two lakhs people in over a hundred villages of India during the year under review.

Recently, the COVID-19 pandemic has caused severe distress around the world. At Nuvoco, we are prepared to overcome hurdles and have strategically adapted to a 'new normal'; implementing adequate measures to resume operations after the lockdown. The safety and security of our people has always been our prime concern, and we have introduced stringent safety measures across the organization to ensure that. Despite the hardships caused by the pandemic, we remain optimistic about positive business growth and continue to step up efforts to overcome the initial hurdles it posed.

We believe in the strength of our team, and recognize that our progress is a result of the collective efforts of our people. I would like to take this opportunity to express my gratitude towards each one of our employees, the management and leadership for their invaluable contribution and the resilience demonstrated in the face of adversity.

As we look ahead with enthusiasm and confidence to deliver our best, we seek to fortify our strategies and stay focused on building a distinctive identity in the cement industry. I believe an exciting future awaits us, dotted with multiple opportunities to grow and thrive.

I extend my most sincere appreciation to all our stakeholders for their continued faith in the Company. Your support and encouragement is pivotal in our journey to create a safer, smarter and sustainable world.

Regards,

Hiren Patel
Chairman

MESSAGE FROM THE MANAGING DIRECTOR

Dear Stakeholders,

It gives me immense pleasure to write to you about yet another transformational year at Nuvoco. We continue to make big strides towards our vision of 'Leading Building Materials Company Delivering Superior Performance'; strategically bolstering every aspect of our business – from product innovation to sustainable practices. We aspire to drive improvement and growth across our operations while creating exceptional value for the organization and our stakeholders.

Over the years, we have established ourselves as a leading player in our industry. With our innovative products and solutions, we strive to respond to growing ecological challenges pertaining to climate change, water scarcity, urbanization and inappropriate utilization of natural resources. At Nuvoco, we believe these challenges are opportunities for us to rethink and reorganize our methods. It also acts as a precursor for delivering innovative products and solutions, specially designed to fulfil our environmental obligations and ensure customer satisfaction.

In line with our commitment to introduce smarter and greener solutions to the construction industry, our team at the Construction Development and Innovation Centre (CDIC) developed products such as Concreto Green, a high performance cement that utilizes up to 25% less water in comparison to other cement variants – this is an important step towards our efforts to reduce the carbon footprint. It is a matter of pride for us that today, we make the highest cementitious additions in the industry and manufacture, both, PSC (Portland Slag Cement) and PPC (Portland Pozzolana Cement; fly ash based), which have the lowest CO_2 emissions/ton of cement production within the sector.

In an effort to further minimize our environmental impact, we commissioned a Captive Power Plant and Waste Heat Recovery systems across our integrated units. These will also help us to optimize cost and improve savings from energy bills. We have been promoting water conservation by adopting practices ranging from rainwater harvesting in all our plants to reusing and recycling waste water. Moreover, as a part of our new initiative 'War on Waste', we have taken up an ambitious pledge to reduce water consumption by 5% across our operations.

In FY 2019-20, we achieved robust financial growth mainly on account of our constant focus on developing new and improved products, while sustaining efforts to further expand our reach.

Our revenue from operations stood at ₹ 6,793 crores in FY 2019-20, in comparison to ₹ 7,053 crores in FY 2018-19; while our EBITDA grew by 39% from ₹ 957 crore in FY 2018-19 to ₹ 1,334 crores in FY 2019-20; recording a strong margin of 20%. We also reported a healthy PAT of ₹ 249 crores, a substantial growth from ₹ (24) crores in FY 2018-19.

During the year under review, we signed a MoU with the Government of Jharkhand for the second stage expansion of our Jojobera cement plant, to increase its capacity from 4.6 MT to 6.6 MT. To further strengthen our foothold in the industry, we have made a bid to acquire 100% shareholding of Emami Cement Limited (ECL), a leading cement manufacturer in Eastern India with an integrated cement plant, grinding units and mining leases across the country. We have also successfully merged the Nimbol Cement Plant situated in Pali, Rajasthan with Nuvoco. These strategic endeavours have now enabled us to further secure our footing in the cement sector. To improve overall efficiency of the production process and seamlessly conduct operations, we have also adopted digitization to streamline procedures across the organization.

Our performances continue to reflect the enthusiasm and dedication of our people. At Nuvoco, it is our people that enable us to achieve our goals and objectives, especially in an environment where challenges are abound. We remain committed to build a diverse and inclusive workplace, allowing people from varied backgrounds to thrive and succeed. To create a conducive work environment for talent to prosper and flourish, we are also keen to promote gender diversity and induct more women within the organization, across business roles. Our employee engagement survey, NuView, which was conducted in association with Kincentric had a record participation of 99.56%. While the overall results placed us in good stead with respect to our peers across industries; it also threw up insightful areas for improvement. These will form

> In FY 2019-20, we achieved robust financial growth mainly on account of our constant focus on developing new and improved products, while sustaining efforts to further expand our reach.

Jayakumar Krishnaswamy
Managing Director

the basis of our employee-centric programs that we will implement in the new financial year.

The outbreak of COVID-19 has posed an unprecedented challenge; but, at Nuvoco, our courage and resilience in the face of a crisis have allowed us to navigate difficult circumstances and embrace uncertainty. During the lockdown, we ensured safety and security of all our employees and their families, enabling procedures to introduce 'work from home' modules that ensured business continuity amidst uncertainty. We also used this time to assist our employees in strengthening and developing their soft skills by offering them a range of online training courses. As the lockdown was lifted, operations at our facilities continued with reduced manpower, in line with government guidelines, and we strictly implemented safety protocols within the organization.

With the pandemic showing few signs of dissipating; we firmly believe that our strategic abilities, a robust portfolio of products, our diverse geographic footprint and the unparalleled efficiency of our people will enable us to efficiently achieve the objectives of our Mission 25. On behalf of Nuvoco, I would like to take this opportunity to thank our people, investors, shareholders and other stakeholders for their undeterred support and cooperation.

Regards,

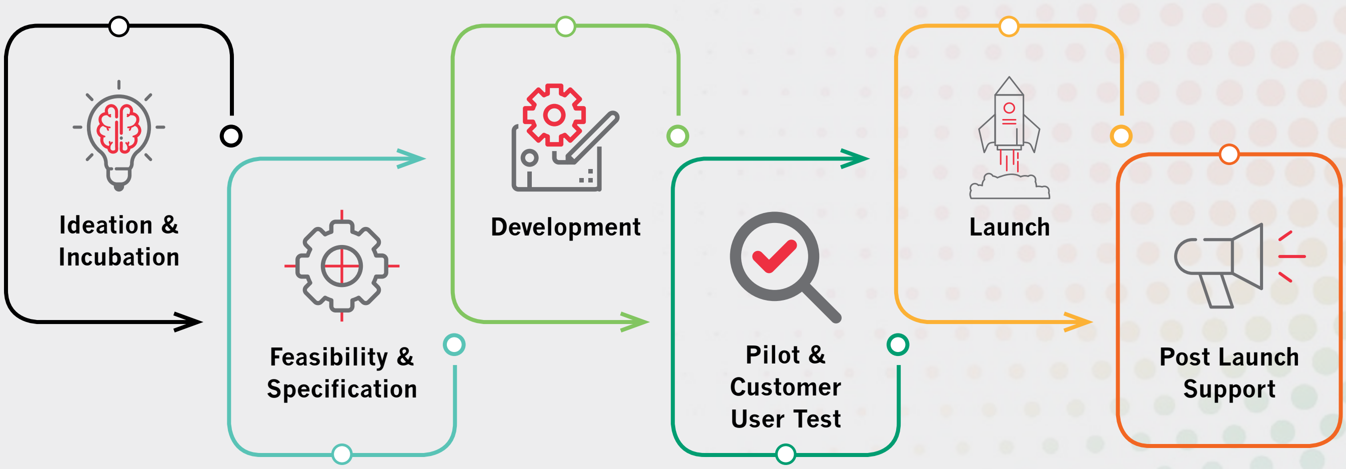
Jayakumar Krishnaswamy
Managing Director

DRIVING GROWTH THROUGH INNOVATION

At Nuvoco, we are committed to creating value for all our stakeholders through a portfolio of innovative and sustainable products. We rely on our in-house expertise to deliver modern building materials, numerous types of concrete and cement variants that offer efficient and cost-effective solutions to our valued patrons. The team at our Construction Development and Innovation Centre is constantly assessing changing market needs to steer inquiries that are backed by robust research.

Through it all, our focus always remains on YOU, the end user of our products. In the year under review, we introduced eight new products, each one addressing a specific or a multitude of consumer and market needs. For instance, one of our flagship innovations – Concreto Green – has stemmed from the need to conserve water, especially in those regions that suffer from water shortage for the better part of the year.

Nuvoco follows a tried-and-tested Innovation Process to conceive and develop safe, effective and sustainable solutions.



Some of the products developed and introduced during the year under review include:

CEMENT

Concreto Green

An environment-friendly cement variant, it is an innovative product that uses up to 25% less water in comparison to other types of cement. It can be an excellent solution for regions such as Rajasthan, which suffer from acute water shortage. It offers lower shrinkage and better workability even with lesser amount of water. Concreto Green also ensures greater strength and durability of constructions due to its high resistance to water penetration and chloride attack.

DuraGuard WaterSeal

Duraguard Waterseal protects buildings from water ingress, dampness, and efflorescence. It offers better protection against harmful waterborne environmental pollutants. It also helps to increase the structure's life and durability. The special Duraguard Waterseal mix improves the damp-lock process and does not compromise on the strength of the construction. It is a path-breaking product in the premium segment and is a perfect choice for both exterior and interior plastering.

DuraGuard Xtra

Duraguard Xtra is an innovative product with 'Superset Technology', designed for Individual Home Builders (IHB) and retail segments. The product enables appropriate water usage, ensures high compaction and optimum setting time through a unique ball-bearing mechanism. It improves the duress of concrete, making it the perfect companion for building stronger homes. Therefore, Duraguard Xtra does not just lend instant strength to structures but also fulfils the assurance of a durable home.

DRIVING GROWTH THROUGH INNOVATION

READY-MIX CONCRETE

Xlite Structural

Nuvoco has introduced a pioneering product, Structural XLite concrete, in India. It is 25-40% lighter than regular concrete but, has similar compressive strength. This makes it a popular choice in the downstream industry. The product offers various advantages such as lower dead load; improved seismic structural response; improved fire endurance, thermal and acoustic resistance. The product is extensively used for the top floors of high-rise construction, deck slabs, marine structures, screeds among others.

Artiste LUMOS

A new variant in the Artiste range, Artiste LUMOS is a night glow composite concrete that is used as a premium landscape solution using Photo Luminescent Aggregate. It is a glow-in-the-dark concrete, which absorbs sunlight during the day and emits it during the night creating a visual marvel.

InstaMix Mortare

It is a ready-to-use, concrete and mortar mix used for construction. A pre-mixed solution, it can be easily used onsite and ensures faster construction. The mixture can be used for the plastering of brick walls and other masonry purposes.

MODERN BUILDING MATERIALS

InstaMix Plastosmart - Dry Plaster

It is a high-performance ready-mix cement plaster for the exterior, interior, and ceiling applications. The product is produced in a controlled environment using well-graded natural/m-sand, cement, fibers, integral waterproofing compound & other specialised polymers which provide a smooth, crack-and-water-resistant surface for a durable structure.

Zero M Speedex - Tile Adhesive

It is a high performance, non-shrink, tile fixing product that offers faster bonding and adhesion, which is suitable for both walls and floors. At the time of application, one only needs to add water to achieve the desired consistency prior to application.

Nimbol Cement Plant

KEY HIGHLIGHTS OF THE YEAR

Building the brand Nuvoco, with its internal as well as external stakeholders, was an important area of focus in FY 2019-20. The various projects and activities that were rolled out not just helped us engage with our employees and customers; but they also further enhanced our reach.

Engaging Employees

Our employees being our biggest strength, this year we took multiple initiatives to motivate and engage them, build pride and nurture talent through various activities.

A fully sponsored 'CDIC Pride Tour' to our Construction Development Innovation Centre (CDIC) in Mumbai enabled employees across functions to witness the innovation process, touch and feel the products, and get a better understanding of how Nuvoco's products were differentiated from the rest of the industry offerings. These employees also visited the Head Office to attend the quarterly Town Hall in person and interact with the senior leadership.

The Nuvoco Excellence Awards are an important annual recognition platform that celebrate and recognize high performing teams and individuals. Marking employee work anniversaries with a congratulatory message accompanied by a quote from the employee on the company's LinkedIn page with a #proudtobewithnuvoco was launched last year that quickly gained popularity. Nuvoco Champions League, a much-anticipated annual sports extravaganza, promotes fitness, team work and facilitates employees to connect across locations.

The year under review also witnessed the seamless integration of the Nirmax business. Additionally, the organisation built a robust talent management programme by mapping employees' skills and capabilities against a Competency Framework, and linking it to the Organisation and Human Resources and Appraisal process. 'NuView', an Employee Engagement Survey, was undertaken to better understand our employees, learn about our improvement areas and make Nuvoco one of the best places to work.

Building the Brand

The year witnessed Nuvoco's first corporate branding campaign 'Nuvocology' being launched via the Out of Home (OOH) medium at airports, showcasing how Nuvoco is shaping a new world by offering innovative and path-breaking construction solutions.

The Company also renewed its association with the Royal Challengers Bangalore (RCB) team for its leading cement brand, Duraguard. The campaign highlighted the product's VRT Technology, an innovative production process, which allowed 'No Gap in Performance' through a widely accepted and popular route of cricket.

Renowned cricketers Virat Kohli, AB de Villiers, Yuzvendra Chahal and Brendon McCullum (part of the Royal Challengers Bangalore team) feature in the multi-media campaign across different formats; for instance, acquiring 'Powered' and 'Co-Powered' Sponsor positions during the screening of the Union Budget with top performing news channels like Aaj Tak, News18 India, India TV, Republic Bharat and ABP News. These enjoy 60% of viewership share; and along with print advertisements Duraguard could be amplified at a National level.

In addition to the traditional channels like advertisements in electronic, print, outdoor and radio; Nuvoco also participated in key on-ground exhibitions like 'ACETECH' (receiving 1,000+ Footfall at Nuvoco stall; 2.25 lakh Social Media impressions), 'Sthapatya 2019' (2.48 lakh Social Media impressions and 3,589 engagements), 'Design Perspective' by FOAID and sponsored events like Entrepreneurship Awareness Drive (EAD 2019) organised by IIT Kharagpur in prestigious colleges across the country and a seminar on the 'Use of Alternative Aggregates for Sustainable Concrete Construction' organised by IIT Chennai in collaboration with the Indian Concrete Institute Chennai Centre to showcase a wide range of innovative Cement, Ready-Mix Concrete and Modern Building Material Range of products.

Mejia Cement Plant

KEY HIGHLIGHTS OF THE YEAR

Customer Centricity

At Nuvoco we believe, any successful mission is incomplete without the support from the right partners. The biggest partner in Nuvoco's Mission is the Customer. Our employees from different functions devoted a day to meet our various customers (dealers, sub-dealers, contractors, site engineers, and builders) across locations to understand how our products are sold, learn about some of the industry's best practices, and above all, thank them for being our Biggest Partner.

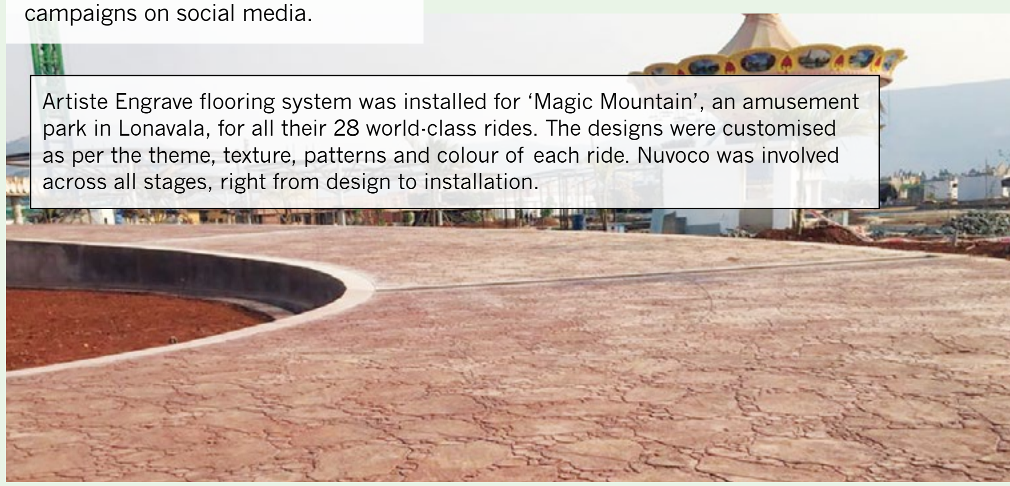
We also shared good practices with 3,500 contractors, masons, and Individual Home Builders through more than 250 retailers over 45 days to share knowledge on how to best use modern building materials through a series of Intervention Capsules. Recognising the contributions of our dealers, sub-dealers and masons at various meets was undertaken as well.

Social Media

This year, we had 10,000 engagements and around 15 million impressions through our social media campaigns. Our association with RCB highlighting the 'No-Gap in Performance'; promoting 'Safety during the Monsoon'; selfie contests at the 'Sthapatya' and 'Acetech' exhibitions; the Forecast for the Union Budget; the 'See Something Say Something' drive to reinstate the importance of health and safety; and 'Artistic Pujo' during Durga Puja; were some of the most liked campaigns on social media.

Prestigious Projects

This year, we served some prestigious projects that include the Bidhan Sabha building (Jharkhand's landmark project), Sathyabama University in Chennai and the Oncology Radiation Chamber of Ratandeep Hospital, Majuragate, Surat through our Ready-Mix range of products.

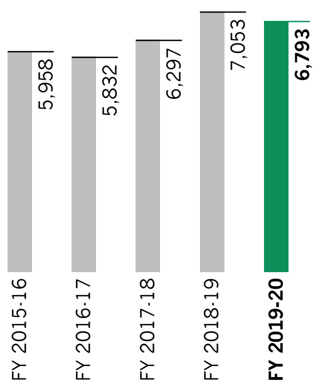


Artiste Engrave flooring system was installed for 'Magic Mountain', an amusement park in Lonavala, for all their 28 world-class rides. The designs were customised as per the theme, texture, patterns and colour of each ride. Nuvoco was involved across all stages, right from design to installation.

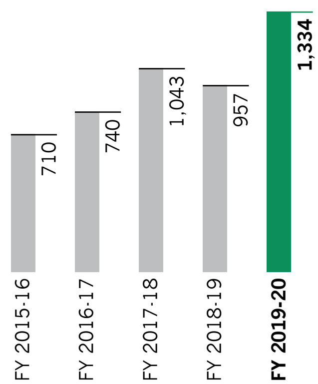
Bhiwani Cement Plant

TRACKING GROWTH

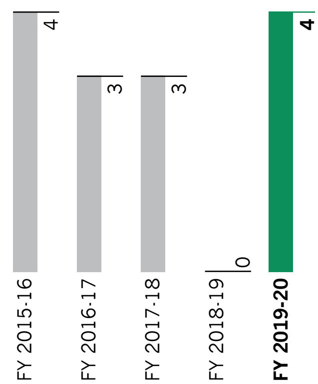
Revenue from operations
(₹ in crores)



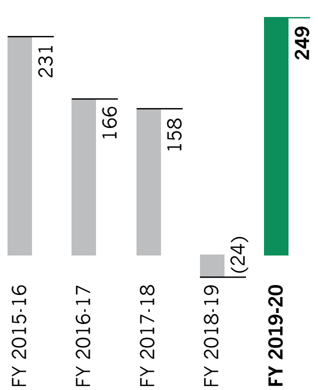
EBITDA
(₹ in crores)



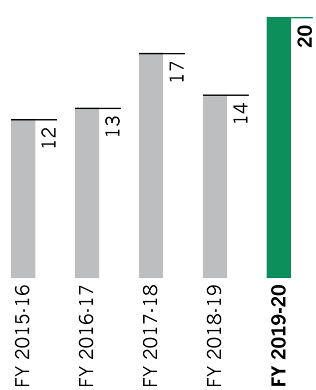
PAT Margin
(in %)



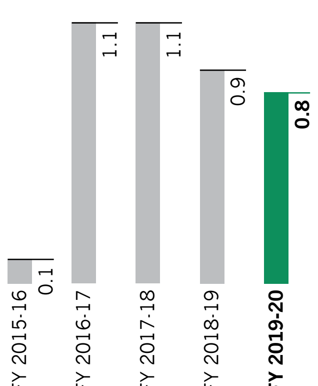
PAT
(₹ in crores)



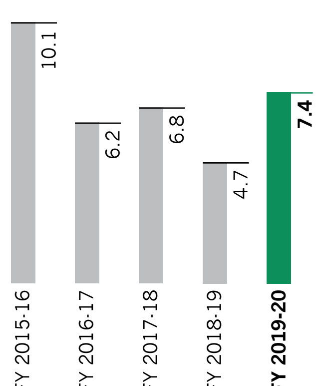
EBITDA Margin
(in %)

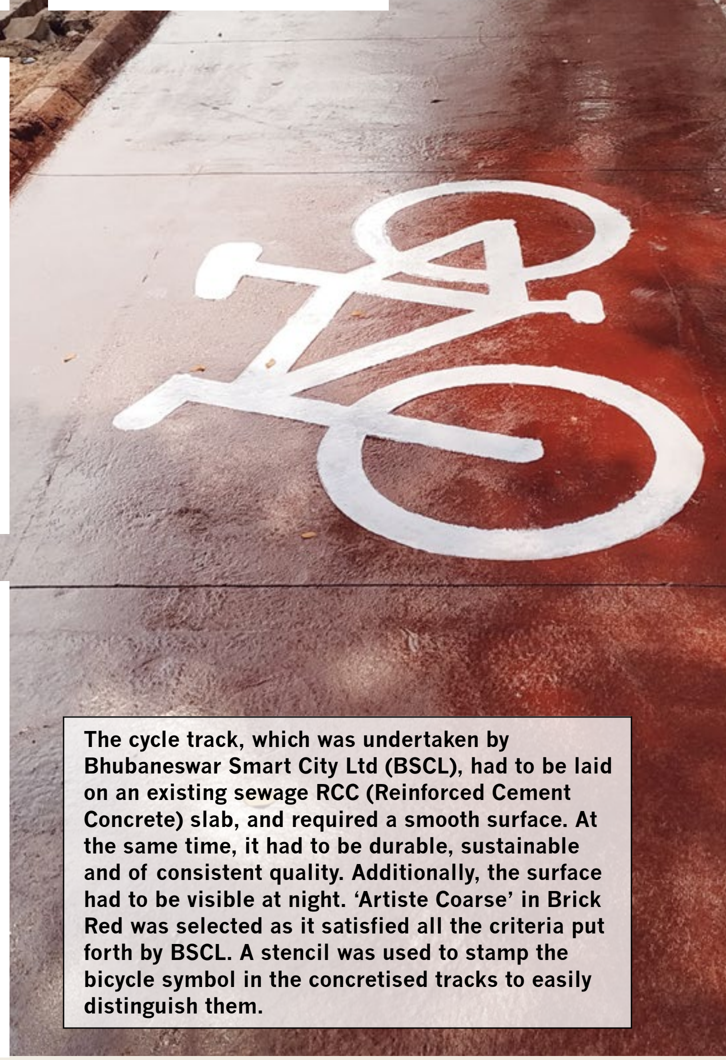


Debt Equity Ratio
(in times)



RoCE
(in %)





The cycle track, which was undertaken by Bhubaneswar Smart City Ltd (BSCL), had to be laid on an existing sewage RCC (Reinforced Cement Concrete) slab, and required a smooth surface. At the same time, it had to be durable, sustainable and of consistent quality. Additionally, the surface had to be visible at night. 'Artiste Coarse' in Brick Red was selected as it satisfied all the criteria put forth by BSCL. A stencil was used to stamp the bicycle symbol in the concretised tracks to easily distinguish them.

CARE FOR COMMUNITIES

Building a better world beyond the realm of our business is one of the fundamentals of our operating philosophy. Staying true to our commitment to make meaningful contributions and care for the communities in which we operate; we have endeavoured to educate and empower people, and create livelihood opportunities thereby laying the foundation for a sustainable society. Our five pillars of CSR namely, Surakshit Bharat (Safety), Swasth Bharat (Health), Shikshit Bharat (Education), Saksham Bharat (Livelihood), and Sanrachit Bharat (Infrastructure development) enable us to participate in forging positive and engaged communities.

103
Villages covered

~1,98,000
lives touched


Tribal children of the Sunderhattu and Sarenbera villages who have received education at Nuvoco's Birsa Prathmik Vidyalaya

This year, through our innovative approach, we were able to address community issues under each of our CSR Pillars

Shikshit Bharat

Through our Project **Shikshit Sunderhattu in Jamshedpur (Winner of FICCI CSR Jury Award 2018-19 for Education),** we were able to establish the 'Birsa Prathmik Vidyalaya' through community participation. This school has helped shape the lives of more than 500 tribal children of the Sunderhattu and Sarenbera villages by integrating them into mainstream education.

We could also support approximately **50 government schools** across locations by providing them access to new-age education facilities with the installation of **Smart Classes**, and improving infrastructure with **special health care facilities for girls** (construction of toilets, installation of a sanitary pad dispenser and incinerator in the girls' toilet facilities, etc).

Swasth Bharat

Continuing our focus on health, we were able to conduct regular Ante-Natal Care (ANC) checkups, even during COVID times, through our **Swasth Matritva initiative that provides mobile Ante-Natal Care (ANC) check-up kits that are integrated with a mobile app** to the government health workers in rural areas thus contributing towards safe motherhood.

Our **Project Angan** promotes an environment where children enjoy the learning process. We have adopted more than 170 Anganwadis locations that focus on mother and child health in addition to providing education.

We were also able to provide preventive healthcare facilities, organise free Medical and Health Check-up camps, build community toilets, and spread awareness on **WASH (Water Sanitation and Hygiene)**. We also supported the formation of **Girls' Health Groups** for adolescent girls. It promotes the use of sanitary pads and creates awareness about menstrual hygiene.

Saksham Bharat

We introduced a special sewing program for rural youth (especially girls) and supported interested candidates with placement opportunities in manufacturing units. We also offer other **skill development programs** like computer and vocational training, bag making, and food processing to improve employment opportunities for youth and women. This is in addition to our existing projects **Aakriti** (a women's enterprise for garment manufacturing) and **Samridhi** (a mushroom cultivation initiative led by women's self-help groups) that collectively supports the livelihood of more than 600 women across locations.

Sanrachit Bharat

We worked towards improving the quality of life by **developing community infrastructure** (construction and repair of roads, installing street lights, refurbishing school buildings and building community centers along with boundary walls), improving the drainage systems and organising tree plantations in communities and villages where we operate. We were also able to provide safe drinking water by installing bore wells and motors to pump water. We also engaged in activities for pond distillation and rainwater harvesting.

Surakshit Bharat

This pillar supports one of Nuvoco's non-negotiable tenets of ensuring the safety of everyone associated with the company. We were able to extend support towards building a safer world by **installing CCTV cameras at various junctions**.

We also contributed to protecting the environment by addressing issues like waste management and promoting the ban on single-use plastic; while showcasing its harmful effects on the environment under the **'Swatch Bharat Abhiyan'**.

Government health workers in rural areas sharing usage of Ante-Natal Care (ANC) check-up kits that are integrated with a mobile app for the villagers.

RESPONSIBLY NURTURING RESOURCES

At Nuvoco, we understand our obligations towards our natural environment. With a commitment to preserve our resources and reduce our carbon footprint, we continuously strive to engage in activities that lay the foundation for a sustainable future. From engaging in efforts to ensure optimum energy utilisation to creating green belts around our areas of operation, we are determined to make a difference.

Optimum Energy Utilisation

To reduce our environmental footprint, at Nuvoco, we are cognizant of the need to reduce emissions while ensuring optimal utilisation of energy. Thereby, we have installed waste heat recovery (WHR) systems in our plants, which enable us to reutilise the heat emitted from cement kilns during the clinker manufacturing process, to convert the heat into electrical energy. This energy is then efficiently used to support the energy requirements of our plants.

Further, we have focused on reducing specific heat consumption (SHC) as well as specific power consumption (SPC) in the clinkerization and grinding units and have actively adopted renewable energy. Our Chittor and Bhiwani plants are powered by a 500KW capacity and 1MW solar plant, respectively.

30 MW

Installed capacity of WHR systems across integrated plants

65

Solar street lights installed in Sonadih Cement Plant mines

Water Management

Water scarcity is a major concern around the world. At Nuvoco, we have adopted the best practices to ensure minimum wastage and maximum utilization of water. At our Arasmeta and Sonadih cement plants, we have used empty mine pits to conserve water and this has significantly improved the groundwater levels in the area. The water conserved through this project is utilised for varied purposes. It is used to control dust emission from mines, sprayed on haul roads and is efficiently utilized for watering the plants and vegetation around mines.

We have also initiated rainwater harvesting at our Mejia, Jojobera and Chittor cement plants. The water is used for the development of a green belt around the sites and is also used inside the plants. Besides, discharge water from the sewage treatment plant (STP) is recycled for sprinkling on haul roads.

As part of our new 'War on Waste' initiative, we have taken an ambitious pledge to reduce water consumption by 5% at every plant we own. Accordingly, water meters have been installed to monitor and track water usage. Waste water from sewage treatment plants is also regularly recycled for plantation purposes.

22%

Year-on-year reduction of total water consumption in FY 2019-20

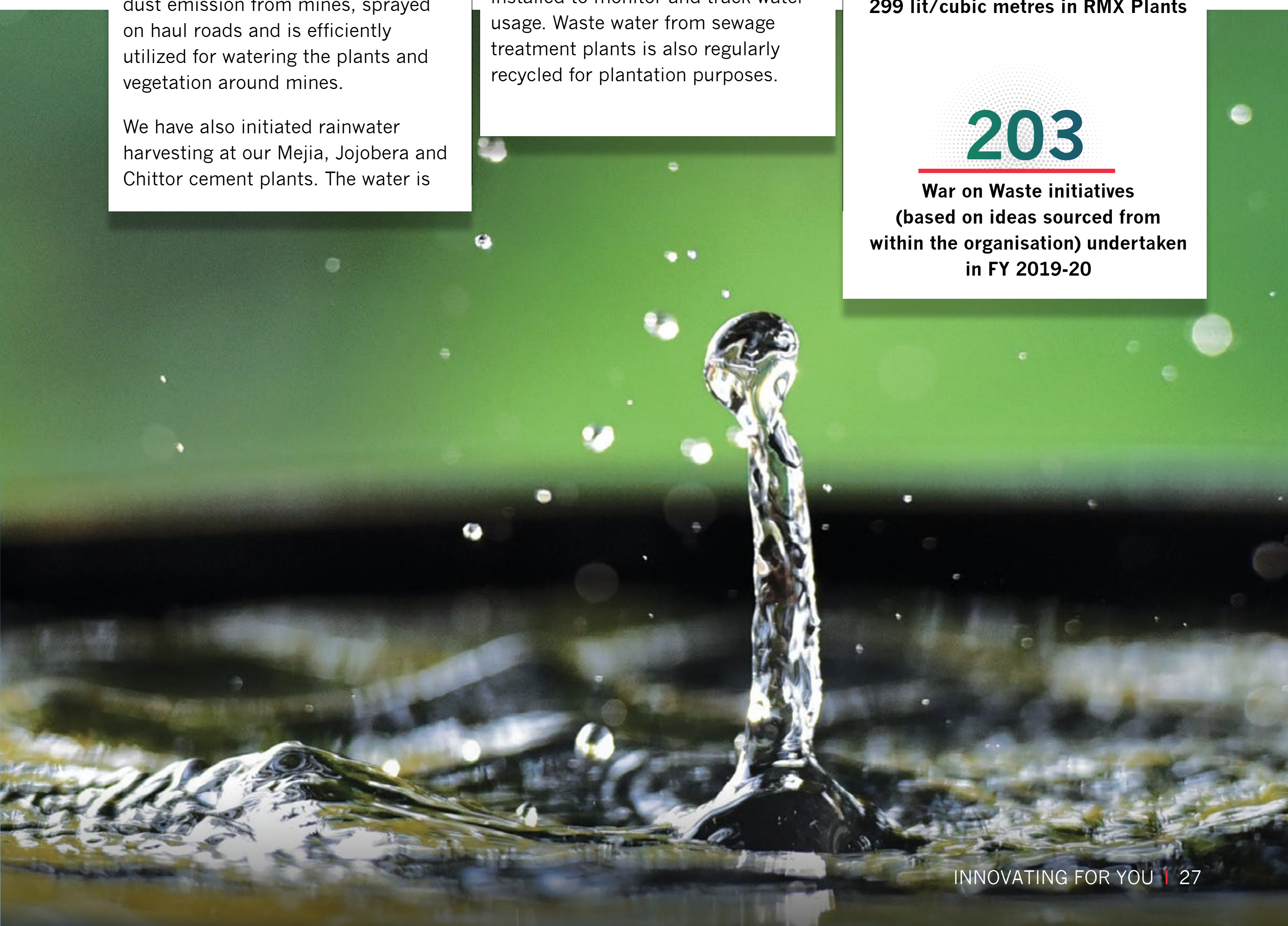
Conserved

290 litre/cum

Water against a target of 299 lit/cubic metres in RMX Plants

203

War on Waste initiatives (based on ideas sourced from within the organisation) undertaken in FY 2019-20



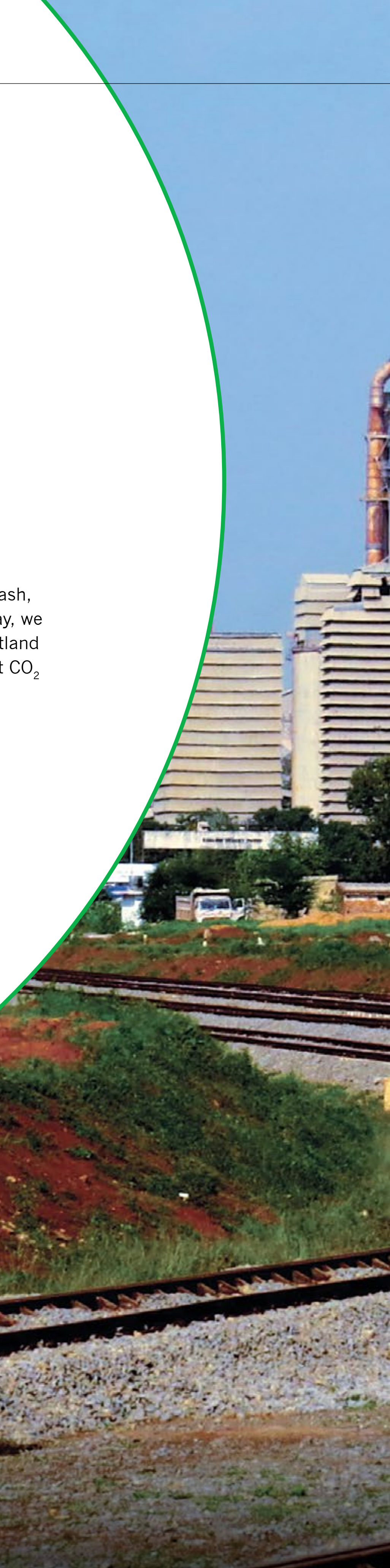
RESPONSIBLY NURTURING RESOURCES

Waste Management

At Nuvoco, we strive to enable efficient Waste Management practices at every step of the manufacturing process. From reducing leftovers to reusing material, waste management principles are implemented across operations. The addition of cementitious material (fly ash, ground blast furnace slag) to cement has considerably reduced our carbon footprint. Today, we make the **highest cementitious additions in the industry** and manufacture both PSC (Portland Slag Cement) and PPC (Portland Pozzolana Cement; fly ash based), which have the lowest CO_2 emissions/ton of cement production within the sector.

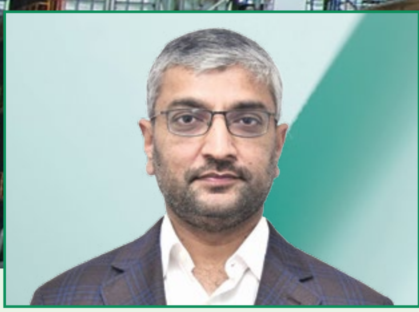
Green Footprint

In addition to prudent energy utilisation and water conservation, Nuvoco also made progress towards increasing its green footprint. Over 36,000 trees and saplings were planted in the vicinity of the manufacturing plants and mines, as well as in residential colonies, many of which were undertaken by employees and their family members.



Sonadih Cement Plant

PROFILE OF BOARD OF DIRECTORS



Mr. Hiren Patel
Chairman

Mr. Hiren Patel joined Nirma Limited in 1998 as Director and took over as its Managing Director in 2006; and has since spearheaded the growth of the privately held Group to transform it into a diversified conglomerate. At Nuvoco, he plays the role of mentor to the executive management. Mr. Patel is an active philanthropist with a history of supporting education; among other initiatives. He is a member of the Managing Committee of Nirma Education & Research Foundation, which runs the Nirma University. He has completed his Bachelor's degree in Chemical Engineering and M.B.A with specialization in Finance & Marketing from the USA.

Mr. Kaushikbhai Patel
Non-Executive Director

Mr. Kaushikbhai Patel is an eminent Chartered Accountant with about four decades of professional experience covering strategy, financial planning, mergers and acquisitions, direct tax and capital markets. He has advised corporations on effectively managing stakeholders, people performance, risks and opportunities. Mr. Patel is also on the Board of Nirma Limited and Kalupur Commercial Co-operative Bank Limited.

Mr. Suketu Shah
Non-Executive Director

Mr. Suketu Shah is a qualified Chartered Accountant, Cost & Works Accountant and Company Secretary. He joined Nirma Limited in 2013 and is presently part of its Strategic Opportunities and Finance teams. Mr. Shah has expertise in Business and Financial Consulting, Capital Market Advisory, Business and Financial Due Diligence Reviews. His areas of specialisation include M&A, Valuations and Corporate Finance. He has previously two decades of consultancy experience; including sixteen years at Deloitte India.

Chittor Cement Plant

Mr. Berjis Desai
Independent Director

Mr. Berjis Desai has been practicing law since 1980; with a speciality in Private Client Practice, Business Laws and Dispute Resolution. He has been Managing Partner of J. Sagar Associates (JSA) since 2003 and Senior Partner from 2016.

Mr. Desai practices privately since his retirement from JSA in March 2017. He is Director of several leading listed companies including, The Great Eastern Shipping Company Limited, Edelweiss Financial Services Limited, and Jubilant Foodworks Limited, to name a few. He secured a Starred First when pursuing post-graduate law at Cambridge University, U.K. He graduated with First Class Honours from the Elphinstone College and stood first in the University of Bombay in the final year law exams. He also topped the solicitor exams conducted by the Bombay Incorporated Law Society.

Mrs. Bhavna Doshi
Independent Director

Mrs. Bhavna Doshi is a respected Chartered Accountant with over three decades of experience in taxation, accounting, corporate and regulatory matters. She is an elected member of the Council of the ICAI for four terms. Mrs. Doshi was elected to the Western India Regional Council of the ICAI and held positions of Secretary and Chairperson. She is Director of several companies including Everest Industries Limited, Sun Pharma Advanced Research Company Limited and IndusInd Bank Ltd to name a few. She was also a member of the Compliance Advisory Panel of International Federation of Accountants, New York; as also of the Government Accounting Standards Advisory Board constituted by the Controller and Auditor General of India. She holds a Masters Degree in Commerce from Mumbai University and was ranked second at, both, intermediate and final examinations conducted by the ICAI.

Mr. Jayakumar Krishnaswamy
Managing Director

Mr. Krishnaswamy is responsible for Nuvoco's cement, ready-mix concrete and modern business materials business verticals. He has over thirty years of experience across the Automotive, Building Materials, Engineering, and FMCG Industries. His last assignment was as Managing Director of AkzoNobel India and with Hindustan Unilever prior to that where he worked in various positions and across manufacturing sites in the Home & Personal Care, and Foods segments. Mr. Krishnaswamy was also associated with Lafarge India where he helped establish the green-field site for the Chittor Cement Plant and its distribution system. He is a Mechanical Engineer and alumnus of Delhi College of Engineering.

COMPANY MANAGEMENT TEAM

Mr. Jayakumar Krishnaswamy
Managing Director

Mr. Ashish Palod
Procurement

Mr. Joydeep Chatterjee
Projects, CSR & Corporate Affairs

Mrs. Madhumita Basu
Marketing, Innovation & Strategy

Mr. Maneesh Agrawal
Finance & Information Management

Mrs. Manisha Kelkar
Human Resources & Industrial Relations

Mr. Prashant Jha
Ready-Mix Concrete

Mr. Raakesh Jain
Sales

Mr. Sanjay Joshi
Manufacturing

Board's Report

To,
The Members of
Nuvoco Vistas Corporation Limited

The Directors present their Twenty First Annual Report along with the Audited Financial Statements for the financial year ended March 31, 2020.

FINANCIAL HIGHLIGHTS

(₹ in crores)

Particulars	Consolidated		Standalone	
	2019-20	2018-19	2019-20	2018-19
Income				
Revenue from operations	6,793.24	7,052.62	6,793.24	7,052.62
Other income	36.70	53.27	36.70	53.27
Total Income	**6,829.94**	**7,105.89**	**6,829.94**	**7,105.89**
Total expenses	**6,443.19**	**7,086.60**	**6,443.19**	**7,086.60**
Profit before tax	**386.75**	**19.29**	**386.75**	**19.29**
Tax expenses	137.5	43.09	137.5	43.09
Profit for the year	**249.25**	**(23.80)**	**249.25**	**(23.80)**
Other comprehensive income				
Items that will not be reclassified to Profit or Loss				
Re-measurements gains/(losses) of post-employment benefit obligation	(4.67)	(2.46)	(4.67)	(2.46)
Income tax related to above	1.64	0.88	1.64	0.88
Items that will be reclassified to Profit or Loss				
Deferred gains/ (losses) on cash flow hedge	-	-	-	-
Income tax related to above	-	-	-	-
Other comprehensive income for the year	**(3.03)**	**(1.58)**	**(3.03)**	**(1.58)**
Total comprehensive income for the year	**246.22**	**(25.38)**	**246.22**	**(25.38)**

Pursuant to the provisions of the Companies Act, 2013 (the "Act"), the Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

GLOBAL PANDEMIC – COVID-19

The World Health Organisation declared the outbreak of Coronavirus Disease (COVID-19), a global pandemic. Consequent to this, Government of India declared a stringent nationwide lockdown in the last week of FY 2019-20 to prevent the spread of the pandemic which remained active in varying degrees in different geographies through most of the Q1 of FY 2020-21. COVID-19 will have impact on India's GDP resulting into a likely contraction in FY 2020-21.

During this challenging time, the Government of India and Reserve Bank of India announced several policy measures to provide relief to the affected sections of the economy to support the process of recovery. The Indian economy – like its global counterpart – will need to navigate through some difficult quarters. The COVID-19 pandemic has also impacted the cement demand because of nationwide lockdown and consequent slowdown in overall economic activities. While uncertainty around the continuation of this impact prevails, the outlook of the cement industry for the short term is uncertain; the long-term outlook continues to be positive on account of the various economic reforms and momentum in the rural infrastructure.

The COVID-19 pandemic has affected the normal business operations of the Company by way of interruption in production and supply chain during the lockdown period; and the Company had temporarily suspended the operations in all its units in compliance with the directives/ orders issued by the relevant authorities. In spite of COVID-19 and its expected impact on the operating environment, the Mission of the Company remains firm. The key priorities of the Company as a short term measure, are to conserve cash, control fixed costs, and defer capital expenditure while continuing to invest in some of the growth areas. The Company resumed operations subsequent to the year-end in a phased manner corresponding to the directives of the relevant government authorities.

While the world was grappling with a situation that off-guarded everyone and pervaded every facet of our lives; the Company ensured that all its stakeholders, not limited to its employees were safe and secure. The employees came forward to support the channel partners (dealers and sub-dealers) and the local communities by contributing a day's salary. Plant teams and their families came ahead to support the nearby villages by producing and distributing face masks, food packets, and other essential services. Plant and Sales teams combined were able to distribute approximately 12,000 safety kits comprising of N95 mask, cotton mask, face shield and temperature scanners in the East and North markets and to the local police teams of Chittorgarh, Rudrapur and Mejia. They also supported in installing approximately 750 hand wash stations (a foot-operated washbasin developed in-house that enables people to avoid handling taps or soap dispensers) at public places in Jharkhand, Bengal and Chhattisgarh markets and donated a ventilator machine at the government hospital in Janjgir Champa district of Chhattisgarh. The lockdown period has brought to the fore a number of creative solutions which the Company has endeavoured replicating at all the locations. All plants have identified and prepared dedicated isolation rooms to tend to anyone diagnosed with any of the COVID-19 symptoms.

DIVIDEND

The Company has not declared any dividend for FY 2019-20.

TRANSFER TO RESERVES

The Board of Directors has decided to retain the entire amount of profits of ₹ 246.22 crores for FY 2019-20 in the Retained Earnings.

PERFORMANCE REVIEW

Consolidated:

The Company produced 12,607 KT of Cement in FY 2019-20 as against 12,666 KT in the previous year. Clinker production has increased to 7,298 KT as against 7,239 KT in previous year. Cement Sales volume decreased from 12,546 KT to 12,242 KT; a decrease of 2.48% over the previous year.

The revenue from operations for FY 2019-20 decreased to ₹ 6,793.24 crores from ₹ 7,052.62 crores; a decrease of 4% over the previous year. The decrease in revenue was mainly on account of lower volume.

The Earnings before Interest, Depreciation, Tax and Amortisation ("EBIDTA") stood at ₹ 1,333.84 crores; an increase of 39% as compared to ₹ 956.57 crores earned in the previous year. The increase in EBITDA was mainly on account of decrease in cost of power & fuel and freight & forwarding charges. The total comprehensive income for the year was ₹ 246.22 crores as compared to total comprehensive loss of ₹ 25.38 crores in the previous year.

Standalone:

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BUSINESS OVERVIEW AND STATE OF THE COMPANY'S AFFAIRS

The Company has been a part of the Indian construction landscape since 1999; through its cement business. Following the integration of the Nirmax business, the ongoing expansion of Jojobera Cement Plant, and with the proposed acquisition of Nu Vista Limited (formerly known as Emami Cement Limited) for which the Order of Competition Commission of India ("CCI") is awaited; all put together has a combined installed cement capacity of 11 (eleven) cement plants, which account for around 23.5 MTPA, and close to 60 (sixty) ready-mix concrete plants across major cities and towns in India. The Company's innovation facility based in Mumbai, Construction Development and Innovation Centre ("CDIC"), is a research hub. It also functions as a customer interface zone and a testing centre, having been accredited by the NABL in 2018 for conducting 100 tests, many of which are internationally recognised.

The Company operates across 3 (three) business divisions; front-lined by robust and salient brands:

- Cement
- Ready-Mix Concrete
- Modern Building Materials

Cement

The Company's cement products are among the leading brands in the industry and are recognised through distinctive brand names. Concreto and Duraguard are market leaders in their respective regions, and have a large and growing loyal base of users. Concreto is a Gold Standard in slag cement, and one of the best cement brands available in the Indian market. Its specifications exceed all BIS standards. Duraguard, a type of Portland Pozzolana Cement, has a unique Void Reduction Technology that prevents seepage of water and chloride, and increases the strength and density of concrete. In FY 2019-20, the Company launched 3 (three) new cement products, namely, **Concreto Green, Duraguard Waterseal** and **Duraguard Xtra.**

Concreto Green, Nuvoco's most innovative and environment-friendly cement variants, has fast become one of the flagship brands of the Company. This unique High Performance Cement uses up to 25% less water in comparison to other cement variants; thereby opening up avenues for the building materials industry where water is scarce. Rajasthan being one of the most rain deficient regions in the country where access to potable water is tenuous at best; made it the ideal market to launch Concreto Green. The intent is to gradually introduce it in other markets in the North and East. With Concreto Green, Company is reinforcing its commitment towards providing greener and smarter solutions to the construction industry.

Duraguard Waterseal is another Portland Pozzolana Cement with unique water-repelling and damp-lock properties, which was launched across West Bengal in May 2019. This cement variant addresses consumers' needs for a versatile product with excellent waterproofing properties for beautiful interiors and exteriors. Duraguard Waterseal forms an insoluble coating over steel bars and enhances the overall life of the structure. It protects the construction from water ingress, dampness, and efflorescence; resulting in higher resistance to and better protection from the harmful waterborne environmental pollutants; thereby increasing the structure's life and durability. It also reduces exterior primer paint consumption by 20-25%, if applied directly upon plastered surfaces.

Duraguard Xtra, an innovative cement variant with 'Superset Technology', uses optimum amount of water to lend the cement enhanced workability, high compaction and optimum setting time through a unique ball bearing mechanism. It renders balance to the strength and duress of the concrete making it the perfect companion for building your perfect home. This product was launched in Rajasthan and Uttar Pradesh in July 2019.

Ready-Mix Concrete ("RMX")

The Company's RMX products are trusted alike by large developers and small contractors, builders, architects, government agencies, as well as individual house builders ("IHB") who are building their dream home. Consistency in the quality of concrete that is produced in automated batching plants; under stringent quality conditions, on-time delivery and a wide range of innovative value added products to help customers save time and money are the reasons for the Company being the most preferred RMX partner in India. The Company offers standard concrete in a number of strengths ranging from M5 to M40 (and above, if required). Its value added products ("VAPs") like Artiste (range of decorative concrete), Agile (self-compacting concrete), Xlite (low-density concrete), and InstaMix (bagged, ready-to-use concrete; the first-of-its-kind in the industry) have enabled the Company to develop a distinctive competitive edge. The Company launched 3 (three) new products in this business division in the year under review, namely, **Xlite Structural, Artiste LUMOS** and **InstaMix Mortare.**

Structural Xlite Concrete, which was launched via a research paper presentation by a team from Company's CDIC at Euro Coal Ash 2019 hosted by the University of Dundee, UK in June 2019. It is a specialized and technologically advanced product offering high strength and a density of 1000-1800 kg/m3 while being much lighter. This enables it to score over regular concrete due to the fact that it is 25-40% lighter while having similar compressive strength. As of then, structural grade lightweight concrete was covered under the American Society for Testing and Materials (ASTM) C330 and American Concrete Institute (ACI) 213R. This research paper helped the Company establish as the pioneer of this technology in India vis-à-vis this product. The main advantages of structural grade lightweight concrete structure are lower dead load; improved seismic structural response; improved fire endurance, thermal and acoustic resistance. As a result, structural grade lightweight concrete can be used extensively in top floors of high rise construction, deck slabs, marine structures, screeds among others.

Artiste Lumos is a night glow composite concrete that is used as a premium landscape solution using Photo Luminescent Aggregate. Lumos is a glow-in-the-dark concrete, which absorbs sunlight during the day and emits it during the night; creating a visual marvel. It is highly recommended for lighting up paths, decks, etc.

InstaMix Mortare is a type of wet, ready-to-use, cement based, bagged mortar especially designed for all kinds of manual plastering and masonry applications. It is available in 35 kg bags with retention up to eight hours.

Modern Building Materials ("MBM")

The Company's MBM range comprises new-age and progressive products that deliver innovative and customer centric products and solutions. This business division has 2 (two) brands; **Zero M** and **InstaMix. Zero M** consists of Construction Chemicals like an integral water-proofing compound and multipurpose agents like Acrylic Power and

Latex Expert; as well as Wall Putty, Tile Adhesive, and Cover Blocks. **InstaMix** was introduced last year and consists of dry pre-mix products that are convenient while promising consistent and reliable quality. The Company unveiled 2 (two) new products under this business division in FY 2019-20: **Zero M Speedex** and **InstaMix Plasto Smart.**

Zero M Speedex is a high performance, non-shrink, tile fixing product with high bond strength that offers faster bonding and adhesion. It works on both walls and floors, and requires only water to get the desired consistency at the time of application. Speedex is available in two variants – Speedex and Speedex T1.

InstaMix Plasto Smart is a high-performance ready-mix dry cement plaster. Produced in a controlled environment using well-graded natural/m-sand, cement, fibres, integral waterproofing compound and other specialised polymers; it provides a smooth, crack-and-water-resistant surface exterior, interior and ceiling application.

CORPORATE DEVELOPMENTS

Cement Cartelization Case

The appeal filed by the Company against the order of CCI for levying penalty of ₹ 490 crores on the Company was heard and dismissed by National Company Law Appellate Tribunal ("NCLAT") in July 2018. Against the order of NCLAT, the Company had filed an appeal before the Hon'ble Supreme Court which got admitted in October, 2018, with a direction that the COMPAT judgment, delivered by the NCLAT, will continue in the meantime. In view of this interim order of the Hon'ble Supreme Court, the Appellant has deposited 10% of the penalty amount as a fixed deposit with the NCLAT for a period of 6 months, renewable at periodical intervals. Subsequently, NCLAT has passed orders from time to time extending the renewal of the fixed deposit.

In terms of the Indemnity clause under the Share Purchase Agreement, the Company is indemnified against the penalty levied by the CCI. The Company is only a facilitator and the litigation is principally handled by Financier Lafarge SAS and Holderind Investments Limited (the erstwhile shareholders). During the year, the Company has filed a petition under section 9 of Arbitration and Conciliation Act, 1996 before the Hon'ble Delhi High Court against the erstwhile shareholders to protect itself against costs, if any, in view of the Indemnity Clause. The matter is sub-judice before the Hon'ble Delhi High Court.

Update on Scheme of Arrangement

The Board of Directors of the Company at its meeting held on April 30, 2019, had approved the Scheme of Arrangement under Sections 230 to 232 and other applicable provisions of the Act between Nirma Limited ("Nirma") and the Company and their respective shareholders and creditors for demerger of Cement Undertaking of Nirma located at Village Nimbol, Taluka Jaitaran, Dist. Pali in the state of Rajasthan and its merger into the Company. The Hon'ble NCLT, Ahmedabad and Mumbai vide its Order dated November 25, 2019 and January 9, 2020, respectively; have passed the Order for Demerger. The Appointed Date of the Scheme is June 1, 2019 and the Effective Date of the Scheme is February 1, 2020. From the Appointed Date, the Company has recorded the assets and liabilities of the Cement Undertaking of Nirma transferred to and vested into the Company pursuant to the Scheme of Arrangement, at values appearing in the books of account of Nirma as on that date pursuant to the provisions of Sections 230 to 232 of the Act. As required by Ind AS-103 "Business Combination", this arrangement has been accounted under the pooling of interest method. As the transaction was between two entities under "common control" the said Ind AS requires that the figures of the Cement Undertaking of Nirma be incorporated in the comparative statements for the previous FY 2018-19 as also for the current Financial Year including for the period prior to the Appointed Date.

Acquisition of Nu Vista Limited (formerly known as Emami Cement Limited)

The Company has entered into Share Purchase Agreement for acquiring 100% of the issued and paid up share capital of Nu Vista Limited (formerly known as Emami Cement Limited) on February 6, 2020. The said acquisition was subject to the approval of CCI and other requisite approvals, if any. The Company has received in-principle approval of CCI on May 21, 2020. As on the date of this Board's Report, the Order of CCI is awaited.

CHANGE IN THE NATURE OF BUSINESS, IF ANY

The Company continued to provide various products under Cement, RMX and MBM to its customers and hence, there was no material change in the nature of business or operations of the Company, which impacted the financial position during the year under review.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments affecting the financial position of the Company, subsequent to close of FY 2019-20 till the date of this Board's Report.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS

During the year under review, no significant and material orders have been passed by any Regulator or Court or Tribunal which would impact going concern status of the Company and its future operations.

FINANCE

Consolidated

The Cash flows from operations were positive ₹ 1,025.37 crores (as at March 31, 2019 ₹ 846.41 crores). Spend on capex was ₹ 569.48 crores (as at March 31, 2019 ₹ 580.83 crores). The borrowing of the Company as at March 31, 2020 stood at ₹ 4,463.27 crores (as at March 31, 2019 ₹ 4,625.90 crores). Cash and bank balances stood at ₹ 510.86 crores (as at March 31, 2019 ₹ 124.70 crores). The Net Debt to Equity stood at 0.75 times (as at March 31, 2019 0.90 times).

Standalone

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CREDIT RATING

CRISIL has placed the ratings on the long term bank facilities and debt programme of the Company to be on "Rating Watch with Developing Implications" and reaffirmed the Short Term Bank Facilities and Commercial Papers at "CRISIL A1+".

The ratings have been placed on watch following an announcement of the Company entering into binding agreement to acquire 100% stake in Nu Vista Limited (formerly known as Emami Cement Limited). CRISIL and India Ratings and Research shall remove the ratings from watch and take a final rating action once full clarity arises of the impact on the financial and business risk profile of the Company along with receipt of requisite approvals for the acquisition.

The Company continues to have credit rating which denotes high degree of safety regarding timely servicing of financial obligations. The Company has received the following credit ratings for its long term and short term credit Bank Loan facilities, Commercial Papers and Non-Convertible Debentures from CRISIL and India Ratings and Research:

Rating Agency	Rating	Instrument/ Facility
CRISIL	CRISIL AA/Watch Developing	Long Term Bank Loan
	CRISIL A1+	Short Term Bank Loan
	CRISIL AA/ Watch Developing	Non-Convertible Debentures
	CRISIL A1+	Commercial Paper
India Ratings and Research	IND AA/RWE	Long Term Bank Loan
	IND A1+/RWE	Short Term Bank Loan
	IND A1+/RWE	Commercial Paper

PUBLIC DEPOSITS

During the year under review, the Company has not accepted any deposits from the public falling within the meaning of Sections 73 and 76 of the Act and the Rules framed thereunder.

SHARE CAPITAL

Authorised Share Capital

During the year under review, there was no change in the Authorised Share Capital of the Company. As at March 31, 2020, the Authorised Share Capital of the Company was ₹ 88,011,100,000 crores divided into 7,801,110,000 equity shares having face value of ₹ 10/- each and 1,000,000,000 preference shares having face value of ₹ 10/- each.

Issue of shares pursuant to the Scheme of Arrangement

Pursuant to the Orders of the Hon'ble NCLT, Ahmedabad and Mumbai dated November 25, 2019 and January 9, 2020, respectively, approving the Scheme of Arrangement under Sections 230 to 232 and other applicable provisions of the Act between Nirma and the Company and their respective shareholders and creditors for demerger of Cement Undertaking of Nirma located at Village Nimbol, Taluka Jaitaran, Dist. Pali in the state of Rajasthan and its merger into the Company, Company has on February 7, 2020, allotted 42,361,787 fully paid up equity shares having face value of ₹ 10/- each of the Company to the Members of Nirma in the ratio of 29 equity shares having face value of ₹ 10/- each for every 100 equity shares of Nirma having face value of ₹ 5/-

each. This resulted in increase in the issued, subscribed and paid-up share capital of the Company from ₹ 2,000,000,000 divided into 200,000,000 equity shares having face value of ₹ 10/- each to ₹ 2,423,617,870 divided into 242,361,787 equity shares having face value of ₹ 10/- each.

Rights Issue

Subsequent to year under review, the Company has on June 8, 2020, allotted 54,545,455 fully paid up equity shares having face value of ₹ 10/- each of the Company to Niyogi Enterprise Private Limited (the "Holding Company") on Rights basis. This resulted in increase in the issued, subscribed and paid-up share capital of the Company to ₹ 2,969,072,420 divided into 296,907,242 equity shares having face value of ₹ 10/- each, as on the date of this Board's Report.

DEBENTURES

During the year under review, Company has issued and allotted 3,500 Redeemable, Listed, Secured and Rated Non-Convertible Debentures having face value of ₹ 1,000,000/- each aggregating ₹ 350 crores on private placement basis with a tenor of 3 (three) years.

The Company has redeemed Series B, Listed, Secured, Redeemable and Rated Non-Convertible Debentures ("NCDs") aggregating ₹ 1,250 crores on September 13, 2019 out of the total outstanding NCDs of ₹ 2,850 crores.

Pursuant to the Orders of the Hon'ble NCLT, Ahmedabad and Mumbai dated November 25, 2019 and January 9, 2020, respectively, approving the Scheme of Arrangement under Sections 230 to 232 and other applicable provisions of the Act between Nirma and the Company and their respective shareholders and creditors for demerger of Cement Undertaking of Nirma located at Village Nimbol, Taluka Jaitaran, Dist. Pali in the state of Rajasthan and its merger into the Company, Unsecured, Redeemable, Non-cumulative, Taxable, Non-convertible Debentures aggregating to ₹ 600 crores have been transferred to and vested in the Company. As on March 31, 2020, Non-Convertible Debentures aggregating ₹ 2,550 crores were outstanding.

Subsequent to the year under review, Company has on June 11, 2020 and June 18, 2020, issued and allotted Rated, Secured, Listed, Redeemable Non-Convertible Debentures having face value of ₹ 10,00,000/- each aggregating ₹ 800 crores and ₹ 650 crores respectively, on private placement basis.

All these Non-Convertible Debentures of the Company are listed on the Debt segment of the National Stock Exchange of India Limited.

CORPORATE GOVERNANCE REPORT

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements and transparency in all its dealings and places high emphasis on business ethics.

A separate section on the Corporate Governance forming part of this Board's Report is included in the Annual Report.

BOARD OF DIRECTORS

Number of meetings of the Board of Directors

During the year under review, 7 (seven) Board meetings were convened and held, the details of which are provided in the "Corporate Governance Report".

Committee Position

The details of the composition of the Committees, meetings held, attendance of Committee members at such meetings, and other relevant details are provided in the "Corporate Governance Report".

Recommendation of Audit Committee

During the year under review, there were no instances of non-acceptance of any recommendation of the Audit Committee of the Company by the Board of Directors.

Re-appointment of Director

In accordance with Section 152 of the Act and the Articles of Association of the Company, Mr. Hiren Patel (DIN: 00145149), Director of the Company, retires by rotation at ensuing 21st Annual General Meeting ("AGM") and being eligible, has offered himself for re-appointment. Attention of the Members is invited to the relevant item in the Notice of the ensuing 21st AGM.

Declaration from Independent Directors

The Company has received declarations from all Independent Directors confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Act. There has been no change in the circumstances affecting their status as Independent Directors of the Company.

BOARD EVALUATION

Pursuant to Sections 134 and 178 of the Act, performance evaluation of the Board, its Committees and Individual Directors including the Chairman of the Company was carried out. The evaluation framework for assessing the performance of the Director of the Company comprises of contributions at the meetings, strategic perspective or inputs regarding the growth and performance of the Company.

Further, the Independent Directors of the Company, at their exclusive meeting held during the year under review, reviewed the performance of the Board, its Chairman and Non-Executive Directors and other matters as required under the Act and assessed the quality, quantity and timelines of flow of information between the management of the Company and the Board that is necessary for the Board to effectively and reasonably perform its duties.

DIRECTORS/ KEY MANAGERIAL PERSONNEL

During the year under review, there was no change in the Key Managerial Personnel ("KMP") of the Company:

As at March 31, 2020, following are the KMP of the Company:

- Mr. Jayakumar Krishnaswamy, Managing Director;
- Mr. Maneesh Agrawal, Chief Financial Officer;
- Ms. Shruta Sanghavi, Vice President and Company Secretary

REMUNERATION POLICY

The Nomination and Remuneration Committee has framed a policy on the appointment and remuneration for Directors and Senior Management Personnel, including criteria for determining qualifications, independence of a Director and other related matters, in accordance with Section 178 of the Act and the Rules framed thereunder. The Board at its Meeting held on November 6, 2019 had amended the Remuneration Policy of the Company. The salient features of the Policy are set out in the Corporate Governance Report, which forms part of the Annual Report.

WHISTLEBLOWER POLICY AND VIGIL MECHANISM

The Company has adopted a Whistleblower Policy (the "Policy") and established the necessary vigil mechanism, which is in line with Section 177 of the Act. Pursuant to the Policy, the Whistleblower can raise concerns relating to Reportable Matters such as general malpractice/unethical and improper practices and events, which have taken place/ reasonable apprehension involving: (a) Abuse of authority; (b) Breach of contract; (c) Negligence causing substantial and specific danger to public health and safety; (d) Manipulation of Company's data/records; (e) Financial irregularities, including fraud or suspected fraud or deficiencies in internal control and check, or deliberate error in preparations of financial statements, or misrepresentation of financial reports; (f) Any unlawful act whether criminal/ civil; (g) Pilferage of confidential/propriety information; (h) Deliberate violation of law/regulation; (i) Bribery or corruption; (j) Harassment; (k) Retaliation; (l) Breach of IT security and data privacy; (m) Social media misuse; (n) Wastage/misappropriation of Company's funds/assets; (o) Taking kickbacks/seeking bribes, forgery, misuse of the Company's resources, etc; (p) Breach of Company's policies or failure to implement or comply with any existing policies of the Company, as notified from time to time, by or against the Directors and employees, etc.

Further, the mechanism adopted by the Company encourages the Whistleblower to disclose the reportable matters to the Whistle Officer who in turn reports the matter to the Ethics and Compliance Committee for further action. The Policy sets out detailed mechanism of investigation and also provides for adequate safeguards against retaliation and victimization of the Whistleblower, who avails of such a mechanism and also provides for direct access to the Chairman of the Audit Committee, in appropriate or exceptional cases. The Audit Committee supervises the development and implementation of the Policy, including the work of the Ethics and Compliance Committee. Co-ordination of the investigation of any serious Protected Disclosures concerning the alleged violation of laws or regulations, is the responsibility of the Audit Committee. The Whistleblower Policy is hosted on the Company's website https://nuvoco.in/governance-cat/whistleblower-policy/. During the year under review, the Company has received 2 (two) complaints under the Whistleblower Policy, which were resolved expeditiously. There were no pending complaints at the end of the year. It is affirmed that no personnel of the Company has been denied access to the Ethics and Compliance Committee and Audit Committee. The Board at its Meeting held on August 7, 2019 had amended the Whistleblower Policy and the same is hosted on the Company's website http://nuvoco.in/governance-cat/code-policies/.

CODE OF BUSINESS CONDUCT

The Company has laid down a robust Code of Business Conduct, which is based on the principles of ethics, integrity and transparency.

RISK MANAGEMENT

The Company has a Business Risk Management framework in place to identify, evaluate business risks and opportunities.

This framework focuses to assess risks to the achievement of business objectives and to deploy mitigation measures.

The framework has been established across the organisation and is designed to identify, assess and frame a response to threats that affect the achievement of its objectives. The Company's management systems, organisational structures, processes, standards, code of conduct and behaviours together govern how the Company conducts its business and manages associated risks.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has in place adequate internal financial controls commensurate with the size and complexity of its operations. Controls were tested during the year under review and no reportable material weakness in the operations or in the design were observed. These controls are periodically revisited to ensure that they remain updated to the change in environment.

The Board has laid down Internal Financial Controls and believes that the same are commensurate with the nature and size of its business. Based on the framework of internal financial controls; work performed by the internal, statutory and external consultants, including audit of internal financial controls over financial reporting by the Statutory Auditors; and the reviews performed by the Management and the Audit Committee, the Board is of the opinion that the Company's Internal Financial Controls were adequate and effective during FY 2019-20 for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of accounting records, and timely preparation of reliable financial disclosures.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A detailed analysis of the Company's performance is discussed in the Management Discussion and Analysis Report for the period under review and is available as a separate section which forms part of the Annual Report.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company has been long committed to sustainable development; pursuing a corporate social responsibility ("CSR") strategy that involves partnership with nearby communities to bring about a meaningful change to improve their quality of life, respect for local cultures, environmental protection, as well as conservation of natural resources and thus creating shared value both for nearby communities and Company. Accordingly, the CSR programmes of the Company focus on 5 (five) areas; namely, Surakshit Bharat (safety), Swasth Bharat (health), Shikshit Bharat (education), Saksham Bharat (generating livelihood) and Sanrachit Bharat (community infrastructure).

The brief outline of the CSR Policy of the Company and initiatives undertaken by the Company on CSR activities during the year under review are set out in **Annexure 1** of this Board's Report in the format prescribed in the Companies (Corporate Social Responsibility) Rules, 2014. The CSR Policy is hosted on the Company's website http://nuvoco.in/governance-cat/code-policies/.

CONSOLIDATED FINANCIAL STATEMENTS

A statement containing the salient features of the Financial Statements, including the performance and financial position of the Joint Venture as per the provisions of the Act, is provided in the prescribed **Form AOC-1,** which is annexed as **Annexure 2.**

Pursuant to Section 129 of the Act, the attached Consolidated Financial Statements of the Company have been prepared in accordance with the applicable Ind AS provisions.

The Company will make available the said Financial Statements, including consolidated financial statements, auditor's report and other documents, upon the request by any Member and Debenture Holder of the Company. These Financial Statements will also be kept open for inspection electronically by any Member and the Debenture Holder of the Company during business hours on working days up to the date of the ensuing 21st AGM.

Pursuant to the provisions of Section 136 of the Act, the Audited Standalone and Consolidated Financial Statements of the Company along with relevant documents are available on the Company's website http://nuvoco.in/financial-information/.

HOLDING COMPANY

Nirma has on April 30, 2019 and January 7, 2020, sold and transferred 14,00,00,000 equity shares (constituting 70% of equity stake) and 6,00,00,000 equity shares (constituting 30% of equity stake), respectively, held in the Company to Niyogi Enterprise Private Limited. As on March 31, 2020, the holding Company is Niyogi Enterprise Private Limited.

SUBSIDIARY COMPANY AND JOINT VENTURE

As on March 31, 2020, the Company has 1 (one) joint venture, viz. Wardha Vaalley Coal Field Private Limited.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions/contracts/arrangements that were entered into by the Company during the year under review were on an arm's length basis and in the ordinary course of business, and were in compliance with applicable provisions of the Act and the requisite disclosures under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been made. There are no material transactions with any related party as defined under Section 188 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014 which may have a potential conflict with the interest of the Company at large. Also, there are no material transactions with any related party that are required to be disclosed under Form AOC-2.

All related party transactions specifying the nature, and terms and conditions of the transaction, were placed before the Audit Committee for its approval and noting on a quarterly basis. The transactions entered into with related parties are certified by the Management stating that the same are in the ordinary course of business and on an arm's length basis.

The details of related party transactions that were entered into during FY 2019-20 are given in the notes to the Financial Statements as per Ind AS 24, which forms part of the Annual Report.

PARTICULARS OF LOANS, GUARANTEES, SECURITIES AND INVESTMENTS

Details of Loans, Securities and Investments covered under the provisions of Section 186 of the Act read with the Rules framed thereunder are given in the Notes to the financial statements.

AUDITORS

Statutory Auditors and their Report

M/s MSKA & Associates, Chartered Accountants (Firm Registration Number 105047W) ("MSKA") were appointed as Statutory Auditors of the Company by the Members at the 19th AGM held on September 27, 2018 to hold office up to the conclusion of the 23rd AGM of the Company to be held in the year 2022; and have confirmed that they are not disqualified from continuing as Statutory Auditors of the Company.

The Auditors' Reports do not contain any qualifications, reservations, adverse remarks or disclaimers.

Cost Auditor

As per Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, the Company is required to prepare, maintain as well as have the audit of its cost records conducted by a Cost Accountant. It has, accordingly, made and maintained such cost accounts and records.

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Act and the Rules framed thereunder, the Company had appointed M/s. Parikh & Associates, Company Secretaries in practice, to undertake Secretarial Audit of the Company for FY 2019-20. The Report of the Secretarial Auditor in **Form MR-3** for FY 2019-20 is annexed as **Annexure 3.**

The Secretarial Audit Report does not contain any qualification, reservation, adverse remark or disclaimer.

Reporting of fraud

During the year under review, the statutory, cost and secretarial auditors have not reported any instances of frauds committed in the Company by its officers or employees, to the Audit Committee under Section 143(12) of the Act.

PARTICULARS OF EMPLOYEES

The details of employees remuneration as required under Section 197(12) of the Act, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as **Annexure 4.**

The statement containing particulars of employees as required under Section 197(12) of the Act read with Rule 5(2) and (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Board's Report. Further, in terms of Section 136 of the Act, the Annual Report and the Audited Financial Statements are being sent to the Members and others entitled thereto, excluding the aforesaid statement. The said statement is available for inspection electronically by the Members of the Company during business hours on working days up to the date of the ensuing 21st AGM. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

HEALTH, SAFETY AND ENVIRONMENT (HSE)

The Company's prime focus is providing a safe and healthy environment to its all stakeholders. It is always working towards a goal of ZERO HARM and conducts the business in accordance with the local legal and regulatory requirements.

FY 2019-20 was a mixed year as far as HSE performance is concerned. The Company has received **60 (sixty) Awards** from various prestigious organizations like **Indian Chamber of Commerce** (ICC), **Confederation of India Industry** (CII), **Institute of Directors** (Golden Peacock Awards), **Director**

General of Mines Safety (DGMS) and **Indian Bureau of Mines** (IBM), **OHSSAI** for significant contribution in the field of **"SAFETY, HEALTH AND ENVIRONEMENT".**

Training and Learning are important aspects to bring the behavioural change towards safety among line managers. All the line managers have been aligned about the risk management process of the organization. In continuation to the efforts, comprehensive H&S Orientation Training Program and Safety Leadership Development Program (SLDP) were organized for the new joinees and existing management staff respectively.

The Company has also developed and published Guidelines on: Working at Height, Personal Protective Equipment, HSE Handbook for employee to implement uniform systems across the organization.

Company has celebrated HSE month in February-March, 2020, and launched a theme for the year 'If You See Something Say Something" and various HSE activities were conducted across the organization to develop a culture of intervention to prevent any unsafe act. LTIFR for FY 2019-20 was 0.18 against budgeted 0.12 as compared to 0.25 in FY 2018-19.

In this COVID-19 pandemic, the focus of the HSE professionals have been redirected in managing the situation to ensure that human lives are saved and overall health of the internal and external stakeholders are protected.

HUMAN RESOURCES

The Company's mission, core values and expected behaviours are well communicated to and clarified with all employees. While dealing with the unprecedented COVID-19 crisis, all employees displayed an unwavering commitment to the values and all non-negotiable tenets of the Company. The spirit of winning and agility was visible across all levels of the organisation. Every function has an articulated functional vision statement and roadmap to excel in its respective field over the next 3 (three) years. With an all-new zeal, rendered true with the spirit of igniting profitable growth, the Company achieved ambitious targets set around introducing new innovative products, cost optimization and various initiatives around process improvements.

While these initiatives will require training in various new areas across functions and capability building; the Company is also committed to the development of young talent, and has established processes for the identification and development of employees with high aptitude. The endeavour is to position the Company as a Leading Building Materials Company with world-class processes and talent, delivering top-notch performance. The Human Resources function also achieved recognition from Confederation of Indian Industry ("CII") for establishing strong people development processes.

The Industrial Relations situation in the Company continued to be cordial during the year under review. The union and the workmen extended their full support in achieving maximum productivity and promoting the safety culture in the organisation.

The Company aspires to be in the top quadrant of Best Employers to work for and started its journey with participation in an external survey. This is backed by a commitment to continue working on feedback received in the survey to make it one of the best workplaces. The Company provides a congenial atmosphere for work to all employees, which is free from discrimination and harassment, including sexual harassment. It provides equal opportunities of employment to all irrespective of their caste, religion, colour, gender and marital status.

Initiatives in the wake of COVID-19

In order to educate employees on the infection related risks involved, Company had organised interactive sessions by the Insurance Provider wherein employee's were apprised of the importance of personal safety and the related insurance process in cases of hospitalisation for treatment. Additionally, the organisation has also invested in adding a top-up equivalent to individual base sums of the Mediclaim policies and has included expenses for the treatment of COVID-19 specifically in the policies.

E-Learning was pursued in a big way by the Company by offering an option to the employees of using the One Hour Learning platform, which is an e-learning tool that has a multitude of courses on Functional, Behavioural and Leadership skills. Total Productive Maintenance (TPM) and technical training sessions through in-house experts were also organized for the plant officers; Company's vendors, too, shared their expertise through video conferences and helped impart skills training in the plants.

INFORMATION TECHNOLOGY

The Company's Information Technology (or Information Management/IM as it is known) function, works closely with business leadership, corporate functions and partners, for providing a strategic direction to the business through state-of-the-art IM initiatives and technology solutions.

The IM function leads all the initiatives in digital transformation, cost improvements, innovations, acquisitions, knowledge management and collaboration. It has underpinned the Company's business growth trajectory to become a Leading Building Materials Company by 2025, through an innovative Digital Business Ecosystem transformation.

Using the 'Business Partnership' approach, the IM function has entrenched itself in each of the Company's business functions, ably backed by a high quality of experienced IM team. This function is responsible for formulating and administering the IM strategy and policies, IS/IT security, IT standards and solutions, information risk management, and governance.

Through the 'IM Centre of Excellence' mode, the IM function, supports country-wide robust and scalable IT Infrastructure Services (DC/DR/LAN/WAN/Collaboration/AV tools), and Enterprise Business Applications including SAP, Ariba, Business Intelligence Tools for Core Business Functions. For Industrial IT Automation, systems like IP-21, BCMix, Labmix, QIMS etc are implemented.

The IM systems and audio/video platforms are designed for an "Office Anywhere" facility with the highest IS/IT security standards and platform to protect Company's information assets, while working from office / home / outside locations.

As a future roadmap, the IM function engages with business transformation projects in deploying enterprise architecture through S4-HANA technology platform, best practices and digital technologies like Artificial Intelligence, Cloud, Mobility, Analytics and IOT, and ChatBot.

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

The information on Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo as stipulated under Section 134(3)(m) of the Act and Rules framed thereunder, is annexed as **Annexure 5.**

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. As per the requirement of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder, the Company has formed Internal Complaints Committee ("ICC") to address complaints pertaining to sexual harassment of women at workplace. All employees are covered under this Policy.

During the year under review, no complaints of sexual harassment were received and 20 (twenty) Awareness Programmes about Sexual Harassment Policy were conducted for the employees. Aside to this, 190 employees of RMX division were trained via WebEx.

The Company has submitted its Annual Report on the cases of sexual harassment at workplace to the District Officer, Mumbai, pursuant to Section 21 of the aforesaid Act and Rules framed thereunder.

EXTRACT OF ANNUAL RETURN

Pursuant to Section 92(3) of the Act and Rules framed thereunder, an extract of the Annual Return in **Form MGT–9** is annexed as **Annexure 6.**

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(3)(c) read with Section 134(5) of the Act, the Board to the best of their knowledge and ability confirm that –

a) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2020 and of the profit for that period;

c) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) they have prepared the annual accounts on a going concern basis;

e) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

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

COMPLIANCE OF SECRETARIAL STANDARDS

The Company is in compliance with all the mandatory applicable Secretarial Standards issued by the Institute of Company Secretaries of India.

ACKNOWLEDGEMENTS

The Directors wish to place on record their appreciation for the continued cooperation and support extended to the Company by government authorities, customers, vendors, regulators, banks, financial institutions, rating agencies, stock exchange, depositories, auditors, legal advisors, consultants, business associates, members, debenture holders, debenture trustee, and other stakeholders during the year. The Directors also convey their appreciation to employees at all levels for their contribution, dedicated services and confidence in the management.

For and on behalf of the Board of Directors

Hiren Patel
Chairman
(DIN: 00145149)

Place: Mumbai
Date: June 24, 2020

Annexure 1

Annual Report on Corporate Social Responsibility (“CSR”) Activities

[Pursuant to Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014]

1	**A brief outline of the company’s CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.**	The Company is committed towards sustainable development, pursuing a strategy that combines industrial know-how with performance, value creation, respect for community and local cultures, environmental protection and the conservation of natural resources and energy. The Company’s Corporate Social Responsibility Policy has been formulated in compliance with the provisions of the Companies Act, 2013 and the same has been placed on the Company’s website. The web link of the same is as below: http://nuvoco.in/governance-cat/code-policies/
		CSR activities are carried out through the following Cement Plants : -
		1. Arasmeta Cement Plant (ACP)
		2. Bhiwani Cement Plant (BCP)
		3. Chittorgarh Cement Plant (CCP)
		4. Jojobera Cement Plant (JCP)
		5. Mejia Cement Plant (MCP)
		6. Sonadih Cement Plant (SCP)
		7. Nimbol Cement Plant (NCP) (Merged with the Company w.e.f. February 1, 2020)
		The themes of CSR activities and Projects at various locations of the plants are mainly :
		a. Surakshit Bharat - Safety
		b. Sakshar Bharat - Education
		c. Swasth Bharat - Health
		d. Saksham Bharat - Employability
		e. Sanrachit Bharat - Rural Infrastructure
		f. Others (Admin, Stakeholder Management etc.)
2	**The Composition of the CSR Committee**	Mr. Berjis Desai – Chairman
		Mr. Kaushikbhai Patel – Member
		Mr. Suketu Shah – Member
		Mr. Jayakumar Krishnaswamy – Member
3	**Average net profit of the company for last three financial years (₹ in crores)**	174
4	**Prescribed CSR Expenditure (two percent of the amount as in item 3 above) (₹ in crores)**	3.48

5	**Details of CSR spent during FY 2019-20**	
	(a) Total amount spent for the Financial Year (₹ in crores)	4.17
	(b) Amount unspent, if any; (₹ in crores)	Nil
	(c) Manner in which the amount spent during the financial year	The manner in which the amount is spent is detailed in **Annexure A.**
6	**Incase the Company has failed to spent the two percentage of the average net profit of the last three financial year or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report**	Not Applicable
7	**Responsibility Statement of CSR Committee**	The CSR Committee confirms that the implementation and monitoring of the CSR Policy is in compliance with the CSR objectives and Policy of the Company.

For and on behalf of the Board of Directors

Jayakumar Krishnaswamy
Managing Director
(DIN: 02099219)

Berjis Desai
Chairman-CSR Committee
(DIN: 00153675)

Annexure - A

(1) S. No.	(2) CSR Project or activity identified	(3) Projects or programs (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	(4) Sector in which the project is covered	(5) Amount outlay (budget) project or programs wise (₹ in crores)*	(6) Amount spent on the projects or programs Sub heads : (1) Direct expenditure on projects or programs (2) Overheads (₹ in crores)	(7) Cumulative expenditure upto the reporting period	(8) Amount spent : Direct or through implementing agency
1	Arasmeta Cement Plant (ACP) & Chilhati Projects	**Chhattisgarh** Dist. Janjgir-Champa	a. Surakshit Bharat - Safety	0.00	0.00	Total spent on the CSR activities is ₹ 4.17 crores upto March 31, 2020	1. Amount spent through implementing agency (NIDHEE Trust): ₹ 4.12 crores
			b. Sakshar Bharat - Education	0.15	0.29		
			c. Saksham Bharat - Employability	0.05	0.05		
			d. Swasth Bharat - Health	0.20	0.10		
			e. Nirman Bharat - Rural Infrastructure	0.58	0.53		
			f. Others (Admin, Stakeholder management etc.)	0.00	0.00		
2	Sonadih Cement Plant (SCP)	**Chhattisgarh** Dist. Raipur	a. Surakshit Bharat - Safety	0.00	0.00		2. Amount spent directlly : ₹ 0.05 crores
			b. Sakshar Bharat - Education	0.18	0.27		
			c. Saksham Bharat - Employability	0.05	0.05		
			d. Swasth Bharat - Health	0.20	0.10		
			e. Nirman Bharat - Rural Infrastructure	0.91	0.92		
			f. Others (Admin, SH Mgmt etc.)	0.00	0.00		
3	Jojobera Cement Plant (JCP)	**Jharkhand** Dist. Jamshedpur	a. Surakshit Bharat - Safety	0.00	0.00		
			b. Sakshar Bharat - Education	0.18	0.17		
			c. Saksham Bharat - Employability	0.05	0.12		
			d. Swasth Bharat - Health	0.10	0.06		
			e. Nirman Bharat - Rural Infrastructure	0.11	0.10		
			f. Others (Admin, SH Mgmt etc.)	0.00	0.00		
4	Mejia Cement Plant (MCP)	**West Bengal** Dist.Bankura	a. Surakshit Bharat - Safety	0.00	0.00		
			b. Sakshar Bharat - Education	0.10	0.09		
			c. Saksham Bharat - Employability	0.15	0.18		
			d. Swasth Bharat - Health	0.05	0.02		
			e. Nirman Bharat - Rural Infrastructure	0.02	0.03		
			f. Others (Admin, SH Mgmt etc.)	0.00	0.00		
5	Chittorgarh Cement Plant (CCP)/ GKW Mines villages	**Rajasthan** Dist. Chittorgarh	a. Surakshit Bharat - Safety	0.00	0.00		
			b. Sakshar Bharat - Education	0.15	0.06		
			c. Saksham Bharat - Employability	0.03	0.05		
			d. Swasth Bharat - Health	0.20	0.28		
			e. Nirman Bharat - Rural Infrastructure	0.21	0.21		
			f. Others (Admin, SH Mgmt etc.)	0.00	0.00		
6	Bhiwani Cement Plant (BCP)	**Haryana** Dist. Bhiwani	a. Surakshit Bharat - Safety	0.00	0.00		
			b. Sakshar Bharat - Education	0.06	0.15		
			c. Saksham Bharat - Employability	0.00	0.03		
			d. Swasth Bharat - Health	0.10	0.00		
			e. Nirman Bharat - Rural Infrastructure	0.16	0.14		
			f. Others (Admin, SH Mgmt etc.)	0.00	0.00		
7	Mumbai HO	**Mumbai**	a. Saksham Bharat - Employability	0.00	0.00		
			b. Swasth Bharat - Health	0.00	0.00		
			c. Nirman Bharat - Rural Infrastructure	0.00	0.12		
			d. Others (Admin, SH Mgmt etc.)	0.18	0.05		
			Total	**4.18**	**4.17**		

*The prescribed CSR Expenditure for the FY 2019-20 was ₹ 3.48 crores. However the Company's Internal Outlay was ₹ 4.18 crores out of which the Company has spent ₹ 4.17 crores, which is an overspend of ₹ 69 lakhs *vis-à-vis* the prescribed CSR Expenditure for FY 2019-20.

For and on behalf of the Board of Directors

Jayakumar Krishnaswamy
Managing Director
(DIN: 02099219)

Berjis Desai
Chairman-CSR Committee
(DIN: 00153675)

Annexure 2

Form AOC-1

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

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A": Subsidiaries

(Information in respect of each subsidiary to be presented with the amounts for the Financial Year ended March 31, 2020)

(₹ in lakhs)

Sr. No.	Particulars	Details
1.	Name of the subsidiary	-
2.	The date since when subsidiary was acquired	-
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	-
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	-
5.	Share capital	-
6.	Reserves & surplus	-
7.	Total assets	-
8.	Total Liabilities	-
9.	Investments	-
10.	Turnover	-
11.	Profit before taxation	-
12.	Provision for taxation	-
13.	Profit after taxation	-
14.	Proposed Dividend	-
15.	% of shareholding	-

Notes:

1. Names of subsidiaries which are yet to commence operations: None
2. Names of subsidiaries which have been liquidated or sold during the year: None

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

(₹ in lakhs)

Name of associates/Joint Ventures	Wardha Vaalley Coal Field Private Limited
1. Latest audited Balance Sheet Date	March 31, 2020
2. Date on which the Associate or Joint Venture was associated or acquired	March 20, 2009
3. Shares of Associate/Joint Ventures held by the company on the year end	
Number of shares	861,300
Amount of Investment in Associates/Joint Venture (₹)	86.13
Extent of Holding %	19.14

(₹ in lakhs)

4. Description of how there is significant influence	No significant influence, it is a joint control
5. Reason why the associate/joint venture is not consolidated	Not Applicable
6. Net worth attributable to shareholding as per latest audited Balance Sheet	(58.57)
7. Profit/(Loss) for the year	
i. Considered in Consolidation	-
ii. Not Considered in Consolidation	(7.20)

1. Names of associates or joint ventures which are yet to commence operations: None

2. Names of associates or joint ventures which have been liquidated or sold during the year: None

For and on behalf of the Board of Directors

Jayakumar Krishnaswamy
Managing Director
(DIN: 02099219)

Suketu Shah
Director
(DIN: 07211283)

Maneesh Agrawal
Chief Financial Officer

Shruta Sanghavi
Company Secretary

Place: Mumbai
Date: June 24, 2020

Annexure 3

FORM MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year ended March 31, 2020

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

To,

The Members,
NUVOCO VISTAS CORPORATION LIMITED
Equinox Business Park, Tower-3, East Wing, 4th Floor,
LBS Marg, Kurla (West),
Mumbai – 400 070.

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company, to the extent the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representations made by the Management 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 March 31, 2020, generally 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 made available to us and maintained by the Company for the financial year ended on March 31, 2020 according to the provisions of:

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

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

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

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not applicable to the Company during the audit period);

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") as amended from time to time:

(a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (Not applicable to the Company during the audit period);

(b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 including all notifications, circulars and guidelines issued thereunder;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 and amendments from time to time; (Not applicable to the Company during the audit period)

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014; (Not applicable to the Company during the audit period);

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

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; (Not applicable to the Company during the audit period);

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during the audit period); and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; (Not applicable to the Company during the audit period).

(vii) Other laws applicable specifically to the Company namely:

1. The Mines and Minerals (Development & Regulation) Act, 1957 read with The Mines and Minerals (Development & Regulation) Amendment Act, 2015 & 2016 and The Mineral Conservation and Development Rules, 2017;
2. The Mines Act, 1952 with the Mines Rules, 1955 & The Metalliferous Mines Regulations, 1961;
3. The Minerals (other than Atomic and Hydrocarbons Energy Minerals) Concession Rules, 2016;
4. The Mines Vocational Training Rules, 1966;
5. The Explosives Act, 1884 and Explosives Rules, 2008;
6. The Manufacture, Storage and Import of Hazardous Chemicals Rules, 1989;
7. The Legal Metrology Act, 2009 read with The Legal Metrology (Packaged Commodities) Rules, 2011 and The Legal Metrology (Packaged Commodities) Amendment Rules, 2017;
8. The Factories Act,1948 & The Factories Rules (State-wise);
9. The Petroleum Act, 1934 and The Petroleum Rules, 2002;
10. Cement Quality Control Order (2003);
11. The Gas Cylinder Rules, 2004;
12. The Environment Protection Act, 1986;
13. Air (Prevention and Control of Pollution) Act, 1981;
14. Water (Prevention and Control of Pollution) Act, 1974.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India with respect to board and general meetings.

(ii) The Listing Agreements entered into by the Company with the National Stock Exchange of India Limited read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There was no change in the composition of the Board of Directors during the period under review.

Adequate notice was given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance for meetings other than those held at shorter notice, 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.

Decisions at the Board Meetings were taken unanimously.

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

We further report that during the audit period the following events occurred which have a major bearing on the Company's affairs in pursuance of the laws, rules, regulations, guidelines, standards etc. referred to above.

a. Nirma Limited has on April 30, 2019 sold and transferred 140,000,000 equity shares (constituting 70% of equity stake) held in the Company to Niyogi Enterprise Private Limited, pursuant to this, Company became a subsidiary of Niyogi Enterprise Private Limited.

b. The borrowing limit of the Company was increased to ₹ 7,750 crores by the Board at its meeting held on May 7, 2019 and shareholders at its meeting held on August 7, 2019 under Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013.

c. Resolution was passed for providing assets of the Company as security (creation of charge) for an aggregate amount not exceeding a sum of ₹ 7,750 crores by the Board at the meeting held on May 7, 2019 and shareholders at its meeting held on August 7, 2019 under Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013.

d. 3,500 Secured, Rated, Listed, Redeemable, Non-Convertible Debentures of ₹ 350 crores were allotted on August 30, 2019 on private placement basis.

e. Redemption of Series B, Listed, Secured, Redeemable and Rated Non-Convertible Debentures aggregating ₹ 1,250 crores on September 13, 2019.

f. Nirma Limited has on January 7, 2020 sold and transferred remaining 60,000,000 equity shares (constituting 30% of equity stake) held in the Company to Niyogi Enterprise Private Limited, pursuant to this, the Company became a wholly owned subsidiary of Niyogi Enterprise Private Limited.

g. Pursuant to the Orders of the Hon'ble NCLT, Ahmedabad and Mumbai dated November 25, 2019 and January 9, 2020, respectively, approving the Scheme of Arrangement under Sections 230 to 232 and other applicable provisions of the Act between Nirma Limited ("Nirma") and the Company and their respective shareholders and creditors for demerger of Cement Undertaking of Nirma located at Village Nimbol, Taluka Jaitaran, Dist. Pali in the state of Rajasthan and its merger into the Company, Company has on February 7, 2020, allotted 42,361,787 fully paid up equity shares having face value of ₹ 10/- each of the Company to the Members of Nirma in the ratio of 29 equity shares having face value of ₹ 10/- each for every 100 equity shares of Nirma having face value of ₹ 5/- each. This resulted in the increase in the issued, subscribed and paid-up share capital of the Company from ₹ 2,000,000,000 divided into 200,000,000 equity shares having face value of ₹ 10/- each to ₹ 2,423,617,870 divided into 242,361,787 equity shares having face value of ₹ 10/- each. Pursuant to the above, shareholding of Niyogi Enterprise Private Limited in the Company reduced to 82.52% and the Company continues to be a subsidiary of Niyogi Enterprise Private Limited. Also, Unsecured, Redeemable, Noncumulative, Taxable, Non-convertible Debentures aggregating ₹ 600 crores have been transferred to and vested in the Company.

h. Share Purchase Agreement for acquiring 100% of the issued and paid up share capital of Nu Vista Limited (formerly known as Emami Cement Limited) was executed on February 6, 2020.

i. The borrowing limit of the Company was increased to ₹ 8,750 crores by the Board at the meeting held on February 7, 2020 and shareholders at its meeting held on March 13, 2020 under Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013.

j. Resolution was passed for providing assets of the Company as security (creation of charge) for an aggregate amount not exceeding a sum of ₹ 8,750 crores by the Board at the meeting held on February 7, 2020 and shareholders at its meeting held on March 13, 2020 under Section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013.

For **Parikh & Associates**
Company Secretaries

Jigyasa Ved
Partner
FCS No: 6488 CP No: 6018
Udin: F006488B000372623

Place: Mumbai
Date: June 24, 2020

This Report is to be read with our letter of even date which is annexed as Annexure I and Forms an integral part of this report.

'Annexure I'

To,
The Members,
Nuvoco Vistas Corporation Limited
Equinox Business Park, Tower-3, East Wing, 4th Floor,
LBS Marg, Kurla (West),
Mumbai – 400 070.

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **Parikh & Associates**
Company Secretaries

Jigyasa Ved
Partner
FCS No: 6488 CP No: 6018
Udin: F006488B000372623

Place: Mumbai
Date: June 24, 2020

Annexure 4

Details of Remuneration of Directors, Key Managerial Personnels and Employees

[Pursuant to 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 ratio of the remuneration of each Director to the median remuneration of the employees of the Company and the percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary for FY 2019-20:

Sr. No.	Name of Director	Designation	Ratio of Remuneration of each Director to median remuneration of employees	% Increase/ (Decrease) in Remuneration in the FY 2019-20
I	**Non-Executive Director**			
1	Mr. Hiren Patel$	Chairman	111:1	-
2	Mr. Suketu Shah	Non-Executive Director	-	-
3	Mr. Kaushikbhai Patel	Non-Executive Director	-	-
4	Mrs. Bhavna Doshi	Independent Director	2:1	9
5	Mr. Berjis Desai	Independent Director	2:1	17
II	**Executive Director and Key Managerial Personnel**			
1	Mr. Jayakumar Krishnaswamy#	Managing Director	65:1	-
2	Mr. Maneesh Agrawal	Chief Financial Officer	-	27
3	Ms. Shruta Jatin Sanghavi*	Company Secretary	-	-

Note:

a) Remuneration of Directors also includes Commission and Sitting fees

b) Commission related to FY 2019-20, will be paid during FY 2020-21

$ No commission was paid for FY 2018-19, hence not comparable and does not include sitting fees

 # Appointed w.e.f. September 17, 2018, hence % increase in remuneration, not comparable

** Appointed w.e.f. December 12, 2018, hence % increase in remuneration, not comparable*

ii) In FY 2019-20, there was a decrease of 7.32 % in the median remuneration of employees

iii) There were 2,912 permanent employees on the rolls of Company as on March 31, 2020

iv) Average percentage increase in the remuneration of employees, other than the Managerial Personnel in FY 2019-20 was 9.34% whereas the managerial remuneration decreased by 36.71%

v) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy of the Company.

For and on behalf of the Board of Directors

Hiren Patel
Chairman
(DIN: 00145149)

Place: Mumbai
Date: June 24, 2020

Annexure 5

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

[Pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014]

(A) Conservation of Energy:

i. Steps taken or impact on conservation of energy

1. Commissioning of Waste Heat Recovery ("WHR") at 3 (three) integrated units [viz. Sonadih Cement plant ("SCP"), Chittorgarh Cement plant ("CCP") and Arasmeta Cement plant ("ACP")];
2. Operational optimisation of Pyro Process and Mills for overall energy conservation with corrective actions;
3. Installation of energy efficient fans across plants;
4. Reduction of power consumption by installation of different variable frequency drives ("VFDs");
5. Power Factor improvement;
6. Replacement of old reciprocating compressors with new efficient compressors to save utility power consumption;
7. Replacement of old incandescent lightings by LED lights;
8. Optimization of Hot Air Generator ("HAG") to reduce the diesel and coal consumption.

ii. Steps taken by the Company for utilising alternate sources of energy

1. The Company has prioritised and is using various waste materials as substitute for convention fossil fuels in its kilns;
2. Infrastructure for handling, storage, testing, pre-processing and usage of waste materials as energy source is being augmented at plants in phased manner based on potential availability of such materials;
3. Sourcing of new alternative raw material remains a key focus area to save natural resources;
4. Addition of WHR Systems.

iii. The capital investment on energy conservation equipments – ₹ 288 crores

The following projects were implemented in FY 2019-20 to reduce energy consumption:

Sonadih Cement plant

- Plastic waste handling and feeding system has been installed;
- Started the use of Liquid solvent in Pre Calciner as an Alternate Fuel;
- Cement Mill compressor power optimisation by installing VFD;
- Fan efficiency improvement by replacing it with high efficiency impeller;
- Optimisation of newly installed IKN cooler in Line-1 to improve heat consumption along with WHR stabilization;
- HT Automatic Power Factor Correction Panel ("APFC") installation in line-2 to improve Power factor;
- VFD installation in Bag filters.

Arasmeta Cement plant

- Installation of Medium Voltage VFD;
- Gas Conditioning Tower ("GCT") water pumps up-gradations;
- Dry Fly Ash ("DFA") addition system to Cement Mill Outlet;
- Up-gradation of old reciprocating Compressors by Screw Compressors;
- Replacement of old incandescent lightings with low power consuming LED lights.

Jojobera Cement plant

- Process optimization of Vertical Roller Mill ("VRM");

- Process optimization of VRM-product Particle Size Distribution, thereby reducing Power Consumption;
- Optimisation of VRM HAG leading to reduction of diesel and coal consumption.

Mejia Cement plant

- Replacement of cement mill process fan motor;
- Installation of VFD in Damodar Valley Corporation's cooling tower fan and pump motor to run the system in optimize mode;
- Installation of HT capacitor with automatic power factor controller to get unity power factor;
- Replacement of two numbers old inefficient Compressors with efficient VFD compressors for DVC fly ash conveying system;
- Rerouting of fly ash conveying pipeline to reduce pressure drop and pulsation flow.

Chittorgarh Cement plant

- WHR commissioning and installation for low cost energy generation;
- Deep Bucket Conveyor ("DBC") replacement to handle higher clinker production;
- Cooler stack height increased;
- C4B feed pipe relocation (height decreased) for better heat transfer;
- Down Comer Duct ("DCD") bypass damper replacement;
- VFD installation in CM 1 Bag House fan and CM-2 Bag House fan;
- New compressor provision for Cooler blasters stopping higher capacity compressor;
- Reduction of purging pressure in all major bag house;
- Discharge pipe diameter increased to avoid cyclone jamming;
- Separator Bag House gratings beneath of bags have removed to reduce pressure drop.

Bhiwani Cement plant

- Installation of VFD;
- Truck loading machine travel length enhanced to improve packing loading time.

(B) Technology Absorption:

i. **Efforts made towards technology absorption**

- Commissioning of CPP and WHR at all Integrated Units;
- Improvement of power factor by automatic power factor controller;
- VFD installations across all locations;
- Commencement of Solar Power project at Bhiwani Cement Plant;
- Replacement of old compressors for energy efficiency.

ii. **Benefits derived like product improvement, cost reduction, product development or import substitution**

- Reduction in specific energy consumption in cement mill and pyro-processing sections;
- Water conservation;
- Cost reduction by using Tyre Oil in place of diesel;
- Consistency in product quality leading to improved customer satisfaction;
- Product mix optimization for lowering of cost and conservation of resources;
- Alternate vendor development in place of OEM for cost reduction.

iii. **In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) -** Nil

iv. **The expenditure incurred on Research and Development -** ₹ 0.12 crores

(C) Foreign Exchange Earnings and Outgo

i. **Foreign exchange earnings for the year ended March 31, 2020:** Nil

ii. **Foreign exchange outgo for the year ended March 31, 2020:** ₹ 275.15 crores

For and on behalf of the Board of Directors

Hiren Patel
Chairman
(DIN: 00145149)

Place: Mumbai
Date: June 24, 2020

Annexure 6

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2020

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	**CIN**	U26940MH1999PLC118229
ii)	**Registration Date**	February 8, 1999
iii)	**Name of the Company**	Nuvoco Vistas Corporation Limited
iv)	**Category / Subcategory of the Company**	Public Company limited by shares/Indian Non-Government Company
v)	**Address of the Registered office and contact details**	Equinox Business Park, Tower 3, East Wing, 4th Floor, LBS Marg, Kurla (West), Mumbai – 400 070 Tel: 022-6630 6511 Fax: 022-6630 6510
vi)	**Whether listed company**	Yes As per Section 2(52) of the Companies Act, 2013 (the "Act"), the Company is considered as a listed company since its debentures are listed on the National Stock Exchange of India Limited
vii)	**Name, Address and Contact Details of Registrar and Transfer Agent, if any**	M/s. MCS Share Transfer Agent Limited A-209, C Wing, 2nd Floor, Gokul Industrial Estate, Sagbaug, Marol Co-op Industrial Area, Behind Times Square, Andheri (E), Mumbai- 400 059 Tel: 022-28516020 Fax: 022 – 28516021 Email: helpdeskmum@mcsregistrars.com Website: www.mcsregistrars.com Contact Person: Mr. Subodh Vichare

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/Service*	% to Total Turnover of the Company
1	Cement	23942	83.93
2	Ready Mix Concrete	23952	16.02

**As per National Industrial Classification – Ministry of Statistics and Programme Implementation.*

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Section
1	Niyogi Enterprise Private Limited Nirma House, Ashram Road, Ahmedabad, Gujarat – 380 009	U51909GJ2019PTC106218	Holding	82.52	2(46)
2	Wardha Vaalley Coal Field Private Limited A-23, New Office Complex, Defence Colony, New Delhi – 110 024	U10300DL2010PTC197802	Joint Venture	19.14	2(6)

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

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	-	-	-	42,361,787	-	42,361,787	17.48	17.48
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate*	200,000,000	-	200,000,000	100	200,000,000	-	200,000,000	82.52	(17.48)
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1)	**200,000,000**	**-**	**200,000,000**	**100**	**242,361,787**	**-**	**242,361,787**	**100**	**-**
(2) Foreign									
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	**200,000,000**	**-**	**200,000,000**	**100**	**242,361,787**	**-**	**242,361,787**	**100**	**-**
B. Public Shareholding	-	-	-	-	-	-	-	-	-
1. Institutions									
i) Mutual Funds	-	-	-	-	-	-	-	-	-
ii) Banks/FI	-	-	-	-	-	-	-	-	-
iii) Central Govt	-	-	-	-	-	-	-	-	-
iv) State Govt(s)	-	-	-	-	-	-	-	-	-
v) Venture Capital Funds	-	-	-	-	-	-	-	-	-
vi) Insurance Companies	-	-	-	-	-	-	-	-	-
vii) FIIs	-	-	-	-	-	-	-	-	-
viii) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
ix) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (1)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of ₹ 1 lakh	-	-	-	-	-	-	-	-	-
iii) Others (Specify)	-	-	-	-	-	-	-	-	-
Sub-total (B) (2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total Public Shareholding (B)=(B)(1)+ (B)(2)	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
C. Shares held by Custodian for GDRs & ADRs	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Grand Total (A+B+C)	**200,000,000**	**-**	**200,000,000**	**100**	**242,361,787**	**-**	**242,361,787**	**100**	**-**

**At the beginning of the year, the entire Equity Share Capital of the Company was held by Nirma Limited ("Nirma") wherein 6 individual members were holding 1 share each as a nominee of Nirma. During the year, Nirma has on April 30, 2019 and January 7, 2020, sold and transferred 140,000,000 equity shares (constituting 70% of equity stake) and 60,000,000 equity shares (constituting 30% of equity stake), respectively, held in the Company to Niyogi Enterprise Private Limited. At the end of the year, the shareholding of Niyogi Enterprise Private Limited includes the shares held by 6 individual members holding 1 share each as a nominee of Niyogi Enterprise Private Limited.*

(ii) Shareholding of Promoters:

Sr. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the Company	% of shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of shares Pledged/ encumbered to total shares	% change in share holding during the year
1	Nirma Limited*	200,000,000	100	100	-	-	-	(100)
2	Niyogi Enterprise Private Limited**	-	-	-	200,000,000	82.52	82.52	82.52
3	Shri. Karsanbhai Khodidas Patel Jt. Shantaben Karsanbhai Patel	-	-	-	24,984,351	10.31	10.31	10.31
4	Smt. Shantaben Karsanbhai Patel	-	-	-	29	-	-	-
5	Shri Rakesh Karsanbhai Patel	-	-	-	8,313,982	3.43	3.43	3.43
6	Shri Hiren Karsanbhai Patel	-	-	-	8,452,227	3.49	3.49	3.49

Sr. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of Shares	% of total Shares of the Company	% of shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of shares Pledged/ encumbered to total shares	% change in share holding during the year
7	Rajalben H Patel Jt. Hirenbhai K Patel	-	-	-	279,641	0.11	0.11	0.11
8	Keyuriben Rakeshbhai Patel Jt. Rakeshbhai Karsanbhai Patel	-	-	-	331,528	0.14	0.14	0.14
9	Dhruvil Hiren Patel	-	-	-	29	-	-	-
	Total	**-**	**-**	**-**	**242,361,787**	**100**	**100**	**100**

**At the beginning of the year, the entire Equity Share Capital of the Company was held by Nirma Limited ("Nirma") wherein 6 individual members were holding 1 share each as a nominee of Nirma. During the year, Nirma Limited has on April 30, 2019 and January 7, 2020, sold and transferred 140,000,000 equity shares (constituting 70% of equity stake) and 60,000,000 equity shares (constituting 30% of equity stake), respectively, held in the Company to Niyogi Enterprise Private Limited.*

***The shareholding of Niyogi Enterprise Private Limited includes the shares held by 6 individual members holding 1 share each as a nominee of Niyogi Enterprise Private Limited.*

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

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	**Nirma Limited***				
	At the beginning of the year	200,000,000	100		
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):				
	Sale and transfer of shares to Niyogi Enterprise Private Limited on April 30, 2019	(140,000,000)	(70)	60,000,000	30
	Sale and transfer of shares to Niyogi Enterprise Private Limited on January 7, 2020	(60,000,000)	(30)	-	-
	At the end of the year			-	-
2	**Niyogi Enterprise Private Limited#**				
	At the beginning of the year	-	-		
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):				
	Transfer of shares from Nirma Limited on April 30, 2019	140,000,000	70	140,000,000	70
	Transfer of shares from Nirma Limited on January 7, 2020	60,000,000	30	200,000,000	100
	At the end of the year@			200,000,000	82.52

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
3	**Shri. Karsanbhai Khodidas Patel Jt. Shantaben Karsanbhai Patel**				
	At the beginning of the year	-	-		
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):				
	Allotment pursuant to Demerger on February 7, 2020	24,984,351	10.31	24,984,351	10.31
	At the end of the year			24,984,351	10.31
4	**Smt. Shantaben Karsanbhai Patel**				
	At the beginning of the year	-	-		
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):				
	Allotment pursuant to Demerger on February 7, 2020	29	-	29	-
	At the end of the year			29	-
5	**Shri Rakesh Karsanbhai Patel**				
	At the beginning of the year	-	-		
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/ bonus/sweat equity etc):				
	Allotment pursuant to Demerger on February 7, 2020	8,313,982	3.43	8,313,982	3.43
	At the end of the year			8,313,982	3.43
6	**Shri Hiren Karsanbhai Patel**				
	At the beginning of the year	-	-		
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):				
	Allotment pursuant to Demerger on February 7, 2020	8,452,227	3.49	8,452,227	3.49
	At the end of the year			8,452,227	3.49
7	**Smt. Rajalben H Patel Jt. Hirenbhai K Patel**				
	At the beginning of the year	-	-		
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):				
	Allotment pursuant to Demerger on February 7, 2020	279,641	0.11	279,641	0.11
	At the end of the year			279,641	0.11
8	**Smt. Keyuriben Rakeshbhai Patel Jt. Rakeshbhai Karsanbhai Patel**				
	At the beginning of the year	-	-		
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):				
	Allotment pursuant to Demerger on February 7, 2020	331,528	0.14	331,528	0.14
	At the end of the year			331,528	0.14

Sr. No.	Particulars	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
9	**Shri Dhruvil Hiren Patel**				
	At the beginning of the year	-	-		
	Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc):				
	Allotment pursuant to Demerger on February 7, 2020	29	-	29	-
	At the end of the year			29	-

Demerger: *Pursuant to the Orders of the Hon'ble NCLT, Ahmedabad and Mumbai dated November 25, 2019 and January 9, 2020, respectively, approving the Scheme of Arrangement under Sections 230 to 232 and other applicable provisions of the Act between Nirma Limited ("Nirma") and the Company and their respective shareholders and creditors for demerger of Cement Undertaking of Nirma located at Village Nimbol, Taluka Jaitaran, Dist. Pali in the state of Rajasthan and its merger into the Company, the Company has on February 7, 2020, allotted 42,361,787 fully paid up equity shares having face value of ₹ 10/- each of the Company to the Members of Nirma in the ratio of 29 equity shares having face value of ₹ 10/- each for every 100 equity shares of Nirma having face value of ₹ 5/- each. The Appointed Date and the Effective Date of the Scheme are June 1, 2019 and February 1, 2020 respectively.*

**The entire Equity Share Capital of the Company was held by Nirma wherein 6 individual members were holding 1 share each as a nominee of Nirma.*

#The shareholding of Niyogi Enterprise Private Limited includes the shares held by 6 individual members holding 1 share each as a nominee of Niyogi Enterprise Private Limited.

@ Pursuant to the sale and transfer of shares from Nirma on January 7, 2020, 100% of the share capital of the Company was held by Niyogi Enterprise Private Limited. However, as on March 31, 2020, shareholding of Niyogi Enterprise Private Limited in the Company reduced to 82.52% on account of allotment of shares to the Members of Nirma pursuant to Demerger.

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

Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	At the beginning of the year	-	-	-	-
	At the end of the year	-	-	-	-

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

Sr. No.	For Each of Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1	**Mr. Hiren Patel – Non Executive Chairman**				
	At the beginning of the year	-	-	-	-
	Allotment pursuant to Demerger on February 7, 2020	8,452,227	3.49	8,452,227	3.49
	At the end of the year			8,452,227	3.49
2	**Mr. Suketu Shah - Non Executive Director**				
	At the beginning of the year*	1	-	1	-
	At the end of the year#	1	-	1	-

**As a nominee of Nirma Limited*

#As a nominee of Niyogi Enterprise Private Limited

V. INDEBTEDNESS

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

(₹ in crores)

Particulars	Secured Loans (excluding deposits)	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
Principal Amount	4,205.81	344.24	-	4,550.05
Interest due but not paid	-	-	-	-
Interest accrued but not due	17.87	57.97	-	75.84
Total (i+ii+iii)	**4,223.68**	**402.21**	**-**	**4,625.89**
Change in Indebtedness during the financial year				
- Addition	800	230	-	1,030
- Reduction	1,250	-	-	1,250
Net Change	**(450)**	**230**	**-**	**(220)**
Indebtedness at the end of the financial year				
Principal Amount	3,773.16	632.21	-	4,405.37
Interest due but not paid	-	-	-	-
Interest accrued but not due	28.8	29.1	-	57.9
Total (i+ii+iii)	**3,801.96**	**661.31**	**-**	**4,463.27**

Note: *The Company has, from the Appointed Date i.e. June 1, 2019, recorded the assets and liabilities of the Cement Undertaking of Nirma Limited ("Nirma") transferred to and vested into the Company pursuant to the Scheme of Arrangement, at values appearing in the books of account of Nirma as on that date pursuant to the provisions of Sections 230 to 232 of the Act. As required by Ind AS-103 "Business Combination", this arrangement has been accounted under the pooling of interest method. As the transaction was between two entities under "common control" the said Ind AS requires that the figures of the Cement Undertaking of Nirma be incorporated in the comparative statements for the previous FY 2018-19 as also for the current Financial Year including for the period prior to the Appointed Date.*

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ in Lakhs)

Particulars	Name of Managing Director Mr. Jayakumar Krishnaswamy
Gross Salary (a) + (b) + (c)	452.12
(a) Salary as per provision contained in section 17(1) of the Income-tax Act, 1961	451.72
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.40
(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-
Stock Option	-
Sweat Equity	-
Commission - as % of profit - others, specify	-
Others, please specify	
- Provident Fund	15.41
- Superannuation Fund	1.50
Total (A)	**469.03**
Ceiling as per the Act: 5% of the Net Profit calculated as per Section 198 of the Act	

The remuneration paid to Managing Director is well within the said limit
Variable pay of FY 2018-19 received in FY 2019-20

B. Remuneration to other Directors:

(₹ in Lakhs)

Sr. No.	Particulars	Fee for attending Board/ Committee Meetings	Commission*	Others (please specify)	Total
1	Mr. Hiren Patel	-	797.31	-	797.31
2	Mrs. Bhavna Doshi	7.25	8.50	-	15.75
3	Mr. Berjis Desai	6.50	7.29	-	13.79
4	Mr. Suketu Shah	-	-	-	-
5	Mr. Kaushikbhai Patel	-	-	-	-
	Total (B)	**13.75**	**813.10**	**-**	**826.85**

Ceiling as per the Act: Members have approved payment of commission exceeding 1% of the Net Profit calculated as per Section 198 of the Act

The remuneration paid to Non-Executive Directors is well within the said limit approved by the Members.

**Commission relates to FY 2019-20, which will be paid during FY 2020-21*

	Total Managerial Remuneration (A+B)	**1,295.88**

Overall ceiling as per the Act: 6% of the Net Profit of the Company calculated as per Section 198 of the Act*

**Exceeds 6% of the Net Profit. The Members of the Company have approved payment of commission to Non-Executive Directors exceeding 1% of the net profits.*

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

(₹ in Lakhs)

Sr. No.	Particulars	Mr. Maneesh Agrawal, Chief Financial Officer	Ms. Shruta Sanghavi, Company Secretary	Total
1.	Gross Salary (a) + (b) + (c)	212.05	75.54	287.59
	(a) Salary as per provision contained in section 17(1) of the Income-tax Act, 1961	212.05	72.96	285.01
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	2.58	2.58
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission as % of profit others, specify	-	-	-
5.	Others, please specify	8.14		
	Provident Fund	-	3.01	11.15
	Superannuation Fund		1.50	1.50
	Total	**220.19**	**80.05**	**300.24**

Variable pay of FY 2018-19 received in FY 2019-20

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

There were no penalties/punishment/compounding of offences for breach of any section of the Act against the Company or its Directors or other officers in default, if any, during the year under review.

For and on behalf of the Board of Directors

Hiren Patel
Chairman
(DIN: 00145149)

Place: Mumbai
Date: June 24, 2020

Management Discussion and Analysis

A. Indian Structure and Development

Indian Economy Overview

The Indian economy has been witnessing robust growth in the past few years backed by increasing focus on economic and social development. The country remained one of the fastest growing major economies in 2019. Although, it recorded a lower growth rate of 4.2% in FY 2019-20 as compared to previous year on account of both global and domestic factors, as per a recent World Outlook Report by the IMF. The major global factors were the rising trade policy tensions between the U.S. and China, and the reduced momentum of the European economy given the uncertainties revolving around BREXIT. Domestic factors like subdued consumer demand, decline in Index of Industrial Production ("IIP") output and weakened investment in private sector also resulted in the decline of the Indian economy.

The unprecedented COVID-19 pandemic has significantly disrupted social and economic activities, globally as well as domestically. The lockdown implemented by the Indian government, in order to curb the spread of the virus, nearly stalled all economic activities; disrupting supply chains and productivity as surviving businesses ramped up necessary workplace safety and hygiene practices. The Indian government has introduced various monetary and fiscal policies to help in the revival of the economy. Its initiatives also focus on making credit cheaper and more easily accessible for individuals as well as businesses, with the focus being on MSMEs.

Industry Overview

India is the second largest cement producer in the world; accounting for over 8% of the global capacity in 2019. The Indian cement industry is a vital part of its economy and provides employment, directly or indirectly, to more than a million people. According to a recent report on the Indian Cement Industry by the India Brand Equity Foundation, the country's cement production reached 334.48 million tonnes (MT) in FY 2019-20; with the private sector accounting for 98% of the total capacity and the public sector comprising the rest.

The sector has been witnessing significant growth in the past few years owing to the focus on development of infrastructure by the government and increase in investments in the sector, both from domestic as well as foreign investors. India has a lot of potential for development in the infrastructure and construction sector, which is expected to be highly beneficial for the cement sector. Another significant factor which aids the growth of this sector is the ready availability of raw materials for making cement, such as limestone and coal.

The Indian government has taken up multiple initiatives to help boost the growth of the cement industry; like allocating ₹ 139 billion (USD 1.93 billion) for Urban Rejuvenation Mission: AMRUT and Smart Cities Mission in the Union Budget. Additionally, the government's infrastructure push and focus on housing for all will significantly boost cement demand in the country. The move is expected to boost major demand for cement from the housing segment.

B. Opportunities and Threats

Opportunities

- **Easily Available Raw Materials:** Essential minerals used for manufacturing cement, which include limestone (calcium), bauxite (aluminium), iron ore, and coal, are available in abundance in different parts of India. This has resulted in zero or low cost of import of raw materials for cement manufacturers, thus making cement businesses profitable in India. As a result, this easy availability will continue to drive the Indian cement industry in the coming years.

- **Development of Infrastructure:** In order to develop the country's infrastructure, the Indian government has undertaken several projects related to the construction of roads and highways, both in the rural and urban areas, along with the development of industrial hubs in different parts of the country. These schemes and initiatives are together expected to drive the growth of the Indian cement industry, since it is one of the primary materials for the successful execution of such projects.

- **Affordable Housing for All by 2022:** The Pradhan Mantri Awas Yojana aims to provide affordable housing for all by 2022 in over 4,000 towns across India. This is likely to provide the necessary impetus to the affordable housing segment and boost the growth of the construction sector, which would lead to increase in demand for cement, hence helping it grow further.

- **Alternate Investment Fund (''AIF''):** The Government has announced an AIF of ₹ 25,000 crores with an aim to offer relief to developers with unfinished projects to ensure timely delivery of homes to buyers. The

Government's initiative to revive the residential real estate sector through the AIF and further liquidity infusion through sovereign wealth funds will be crucial to the development of the residential real estate sector. This will also positively impact the cement industry.

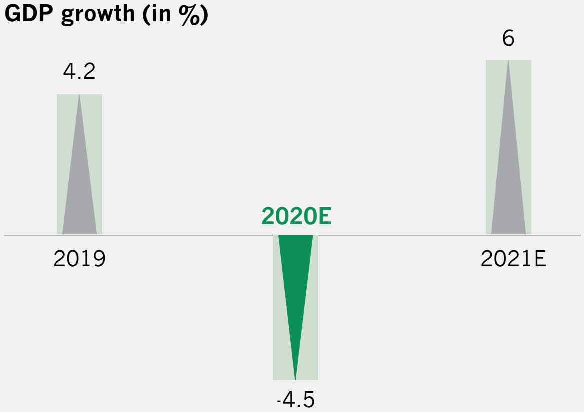
Threats

- **Low Production Rates:** Many major cement companies in India have increased their production capacity at a considerable rate over the past few years, relying mainly on government support. However, the rate of cement production has not risen at the same pace as compared to capacity expansion during the same period. This gap between installed capacity and actual production is mainly due to delays in the processes related to awarding of construction projects and decision-making regarding commencement dates, acquisition of land for construction projects, etc., at government offices, mostly for the execution of roads and highways construction projects and smart city development projects. As a result, continuous demand for cement has dropped, thus rendering parts of newly installed production capacities idle.
- **Delay in Projects due to COVID-19:** Due to the lockdown implemented by the Indian government, the construction sector came to a standstill temporarily. This led to a delay in the construction of the existing projects and launch of new ones. Hence, it is expected to have a short-term negative impact on the cement industry.

C. Outlook

The Indian economy is projected to contract by 4.5% in FY 2020-21 due to the adverse effects of the ongoing COVID-19 pandemic following a longer than anticipated lockdown period and combined with the existing headwinds. Although aided by suitable government policies and resumption of economic activities, the economy is expected to bounce back in FY 2021-22 with a robust 6% growth.

GDP growth (in %)



[Source: Indian Monetary Fund ("IMF") World Outlook Report June 2020]

Going forward, the Indian cement industry is expected to show substantial growth backed by suitable government policies, development in infrastructure and construction sector and increasing interest of major international players in the Indian market. India's cement production capacity is expected to reach 550 MT by 2025, while the demand of cement industry is expected to achieve 550-600 MT per annum ("MTPA") constantly by 2025 because of the expanding requests of different divisions like housing, commercial construction and industrial construction. In the next ten years, India is also expected to become the main exporter of clinker and grey cement to the Middle East, Africa, and other developing nations of the world.

D. Risks and Concerns

Given below are the associated risks and concerns and their mitigation:

I. The Long-term Implications of the Ongoing COVID-19 Pandemic

Associated Risks:

- The COVID-19 pandemic brought the entire world to a standstill affecting every facet of normal life. Businesses and world economies suffered a heavy set back, which will take time to surmount. Governments responded with appropriate measures that involved nation-wide and area-specific lockdowns causing widespread disruption to regular business activities.
- With a new wave being anticipated in the near future, there are possibilities of more lockdowns, which could adversely affect business.

Mitigation:

- Following guidelines laid down by the local government authorities and working with them to run business. The Company firmly believes in abiding by the norms that have been laid down and has also taken measures to ensure the safety of its employees, contract workers and associates.
- Strengthening the Company's IM infrastructure and systems that could be leveraged to support business from home. This was effectively used during the initial months of the lockdown.

II. Changes in Economic Environment and Industry Dynamics

Associated Risks:

- Slowdown in the economy and muted infrastructural growth can have a significant impact on the demand in cement industry. Also, tightening of financial conditions and its impact on foreign exchange rates and financial markets may adversely affect the company's financial condition and operations.

Mitigation:

- Capitalizing on the recent policy implementation in the infrastructure sector can help the Company boost demand for its product and improve profitability of the business.
- The Company's emphasis on providing quality and innovative products and services to its customers that address need gaps in the market, helps it minimize the risk of market fluctuations.

III. Raw Material Price Fluctuations

Associated Risks:

- The Company's cement facilities are situated in east and north India; and the eastern region has experienced relatively low price volatility with a healthy demand in the past. However, these realizations are constrained by demand, supply, sales, and other regional factors. As a result, the margins also remain sensitive to the cyclical nature of cement industry.

Mitigation:

- Developed capabilities in plants to consume all types of wastes including the hazardous industrial wastes as an alternative to conventional fuels; thereby promoting environmental sustainability and mitigating risk of high fuel prices.
- Continued to focus on sourcing of cheaper and new alternative raw materials, which meet the Company's exacting standards and do not compromise the quality of the final product.
- Closely monitored the commodity market for all key commodities to optimize sourcing costs.
- Established an online and transparent system of procurement, which improves the serviceability and reduces the sourcing lead time.

IV. Changes in the Regulatory Environment

Associated Risks:

- The operations of the Company are exposed to a range of environmental laws and regulations. In such an ever-evolving environment of regulatory framework, non-compliance of any law could result in increased legal costs for the Company and also affect its reputation and profitability.
- Government has allowed pet coke usage for registered industrial units of cement, lime kiln, calcium carbide and gasification, following the ban imposed by the Supreme Court in August 2018. We are operating our Kiln with 100% pet coke in the North and 30% pet coke in the East. There is a risk of this ban being extended to the exempted Industries in future.

Mitigation:

- We have installed on line monitoring systems to continuously measure the stack emissions and ambient air conditions. These measurement are connected online to state and central govt portals as per statutory requirements
- Cementitous material addition is being done to the maximum levels to reduce the carbon foot print without compromising the quality of the product.
- Solar power generation is the new initiative being taken to reduce conventional electricity consumption.
- The Company has a comprehensive Health, Safety and Environment ("HSE") Policy and Code of Business Conduct in place, which meet the local legal and regulatory requirements.
- The HSE Risk-based compliance programme involving inclusive training and adherence to the Code of Conduct is institutionalized by the Company.
- The Health and Safety Policy of the Company helps to create a healthy working environment for its stakeholders while also meeting legal and regulatory requirements. It has been especially effective in rolling out the stringent protective measures during the recent and ongoing COVID-19 pandemic.
- The Company needs to develop fuel flexibility to run our kilns without pet coke, and is working towards the same.

V. Rising Competition

Associated Risks:

- The Company operates in a highly competitive market served by numerous established companies with well recognized brand names, new market entrants and substitute products. Inability of the Company to effectively stand the competition may result in losing the market share, thereby impacting operations and financial condition of the business.

Mitigation:

- By delivering superior consumer experience, driving operational excellence and continuing to pursue Company's pricing strategy; Company is well-placed to counter any risks associated with rising competition.
- The Company operates on a robust customer-based three-legged philosophy of Quality, Innovation and Trust, which has endured over the years.
- It offers a basket of innovative and premium products, many of which are market leaders in the regions where it operates. Customers recognise and appreciate the value that they get by paying the price the Company's products command in the market.

VI. Technological Advancement

Associated Risks:

- In an era of continuous technological development, it is essential for an organisation to keep itself abreast of new technologies; else it could result in an increase in the cost of production and decrease in profits of the Company.

Mitigation:

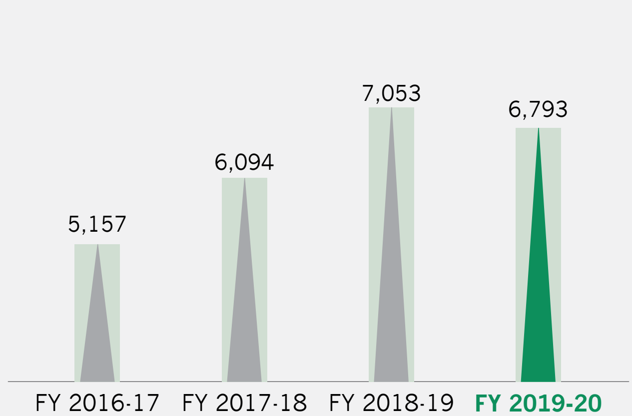
- The Company has invested in research facilities and technological advancements that serve all its product lines to enhance its efficiencies.
- In the year under review, the Company's Construction Development and Innovation Centre ("CDIC") developed eight new products to address existing gaps in the market; one of which was an innovative cement variant, Concreto Green, that uses up to 25% less water.
- There will be continuous investment in the prevention and maintenance of existing technology while also adopting new and improved technologies.

Business Performance

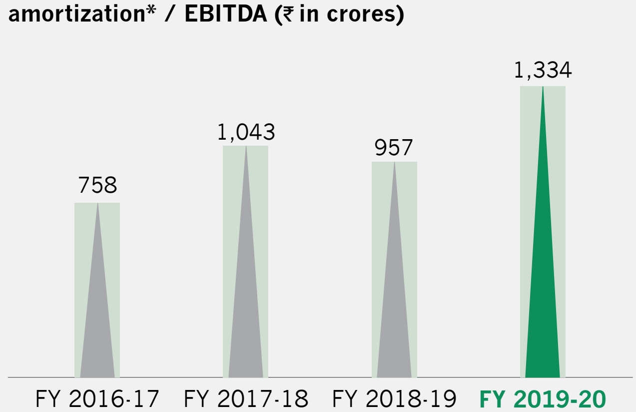
The information provided in this section relate to the consolidated financial results pertaining to the year ended 31st March 2020. The financial statements of the Company and its subsidiaries have been prepared in accordance with the Indian Accounting standards (Ind AS), prescribed under Section 133 of the Companies Act, 2013, read with the Companies (Indian Accounting Standards) Rules as amended from time to time. The table below provides an overview of key financial parameters.

The Revenue from Operations (net of taxes) of the Company reduced by 4% on a Y-o-Y basis; while EBITDA increased by 39% in FY 2019-20 on Y-o-Y basis. The FY 2018-19 and FY 2019-20 numbers include financial numbers of the cement division of Nirma Limited, which have been merged with the Company vide Scheme of Arrangement approved by the National Company Law Tribunal, Mumbai Bench vide Order dated January 9, 2020. (Refer note 52 of balance sheet).

Net Revenue from Operations (₹ in crores)



Earnings before interest, tax, depreciation and amortization* / EBITDA (₹ in crores)



Financial Highlights

₹ in crores

Description	FY 2019-20	FY 2018-19	% change
Revenue from Operations	6,793	7,053	-4%
Other Income	37	53	-31%
Total Revenue	**6,830**	**7,106**	**-4%**
Expenditure			
Cost of materials consumed	1,274	1,397	-9%
Purchase of stock in trade	18	13	40%
Change in Inventory	(61)	35	-
Power and Fuel	1,226	1,374	-11%
Freight and forwarding charges	1,776	1,983	-10%
Employee benefits expense	405	381	6%
Other expenses	860	966	-11%
Total Expenditure	**5,496**	**6,149**	**-11%**
EBITDA	**1,334**	**957**	**39%**
EBITDA Margin (%)	**20%**	**14%**	
Depreciation	528	485	9%
Finance costs	419	452	-7%
Profit before tax (PBT)	**387**	**19**	**1905%**
Income Tax	137	43	219%
Profit after Tax (PAT)	**249**	**(24)**	
PAT %	**4%**	**0%**	

Ratio Analysis

Particulars	FY 2019-20	FY 2018-19	Variance (%)
Debtors Turnover Ratio	13.13	13.76	-4.59
Inventory Turnover Ratio	11.13	11.76	-5.42
Interest Coverage Ratio[2]	1.92	1.04	84.39
Current Ratio	1.27	1.26	1.04
Debt Equity Ratio	0.81	0.89	-9.25
Operating Profit Margin (%)[1]	11.86%	6.68%	77.48
Net Profit Margin (%)[2]	3.65%	-0.33%	
Return on Net Worth (%)[2]	4.51%	-0.46%	
Return on Capital Employed (ROCE) (%)[2]	7.38%	4.66%	58.36
Earnings per Share[2]	10.28	(0.98)	

1. In FY 2019-20, Companies operating profit margin has improved by 77%, mainly due to reduction in overall cost (mainly power & fuel, and freight & forwarding) and increase in Earnings before Interest and Tax ("EBIT") by 71%.
2. Increase in EBIT leads to improved interest coverage ratio, earning per share and other ratios related to profitability.

Details of any change in Return on Profitability as compared to the immediately previous financial year along with a detailed explanation thereof.

Technical Performance

In FY 2019-20, the Company achieved cement production of 12,607 KT (12,666 KT in previous year) and clinker production of 7,298 KT (7,239 KT in previous year).

Sales Performance

Cement sales volume was 12,242 KT compared 12,546 KT for the previous year. The Company continued to retain a strong leadership presence in the Eastern Region Markets. The average selling price (net of taxes) increased to ₹4,663/T in FY 2019-20 as compared to ₹4,523/T in FY 2018-19.

Particulars	UOM	FY 2019-20	FY 2018-19	% change
Sales Volume*				
- Cement	KT	12,242	12,546	-2%
- Ready Mix Concrete	KM3	2,711	3,090	-12%
Average Selling Price (ASP)**				
- Cement	₹/T	4,663	4,523	3%
- Ready Mix Concrete	₹/M3	4,069	3,926	4%

** Sales volume above includes inter division transfer*

*** Net of taxes*

Power and Fuel

Power and fuel costs of the Company have decreased by 11% from ₹ 1,095/T in FY 2018-19 to ₹ 1,001/T in FY 2019-20. Power cost reduced mainly due to the installation of Waste Heat Recovery ("WHR") systems at the integrated plants and a Captive Power Plant ("CPP") at Chittorgarh Cement Plant. Reduction in fuel cost is mainly due to a decrease in pet coke and coal prices compared to the previous year.

Freight and Forwarding

For cement operations, the freight and forwarding cost decreased by 10%, from ₹ 1,581/T in the previous year to ₹ 1,451/T in the current year mainly due to i) waiver of the busy season surcharge on rail freight ii) an increase in direct dispatches and iii) lower road dispatches of clinker from the integrated unit to the grinding unit

Employee Benefit Expenses

The Company believes that its human resources are of prime importance and due emphasis is given to skill development and retention. The increase in employee cost was primarily on account of normal annual increment, which was in line with the industry.

Finance Cost (Net)

Finance cost decreased to ₹ 419 crores in FY 2019-20 from ₹ 452 crores in FY 2018-19; mainly due to repayment of Series B Non Convertible Debentures ("NCDs") of ₹ 1,250 crores, and higher capitalisation of finance cost in Projects, partially offset by interest on term loan borrowings and NCDs raised in the current year.

Loan Funds

During the year, Company has repaid Series B Non Convertible Debentures ("NCDs") of ₹ 1,250 crores. Term loans of ₹ 450 crores, NCDs of ₹ 350 crores, and inter-corporate deposits of ₹ 230 crores have been borrowed during the year. As per notification GSR 574(E) in reference to amendment in rule 18, for sub rule 7 of the Companies (Share Capital and Debentures) Rules, 2014, the Company has discontinued creating Debenture Redemption Reserve w.e.f. August 16, 2019.

Cash Flow

During the year under review, the Company's net cash inflow was ₹ 386 crores as compared to inflow of ₹ 61 crores in the previous year. Cash flow from operating activities was higher at ₹ 1,025 crores in the year under review as compared to ₹ 846 crores in the previous year. The Company paid interest and finance cost of ₹ 358 crores in the current year as compared to ₹ 385 crores in the previous year.

₹ in crores

Description	FY 2019-20	FY 2018-19
Cash flow from operations	**1,326**	**886**
Income tax	(100)	(16)
(Increase) / decrease in working capital	(200)	(23)
Net Cash from Operating Activities	**1,025**	**846**
Capex	(569)	(581)
Net purchases of Current Investment	475	418
Loans and advances	(1)	(1)
Interest received	15	15
Net Cash used in Investing Activities	**(80)**	**(149)**
Long term borrowings	(220)	(400)
Short term borrowings	-	(4)
Contribution from erstwhile owners of demerged undertaking	40	153
Repayment of lease liabilities	(20)	-
Payment of interests & financing cost	(358)	(385)
Others	(1)	-
Net Cash Used in Financing Activities	**(559)**	**(636)**
Net Increase/(Decrease) In Cash	**386**	**61**
Opening cash and bank balances	125	43
Additions through business combination	-	20
Closing cash and bank balances	511	125
Closing current investments	-	456
Total cash and current investments	**511**	**580**

Internal Control Systems and their Adequacy

The Company has in place adequate internal financial controls commensurate with the size and complexity of its operations. Controls were tested during the year and no reportable material weakness in the operations or in the design were observed. These controls are periodically revisited to ensure that they remain updated to the change in environment.

The Board has laid down Internal Financial Controls and believes that the same are commensurate with the nature and size of its business. Based on the framework of internal financial controls, work performed by the internal, statutory and external consultants, including audit of internal financial controls over financial reporting by the Statutory Auditors, and the reviews performed by the Management and the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during

FY 2019-20 for ensuring the orderly and efficient conduct of its business including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of accounting records and timely preparation of reliable financial disclosures.

Material Developments in Human Resources / Industrial Relations Front, including Number of People Employed

The Company's progressive people policies and systems reflect its strong belief in its employees being its driving force. In the year under review, the Company had 2,912 employees working across its various plants and offices in the country.

Employee Engagement and Talent Development: Despite the challenging environment, the Company continues on its journey towards achieving its 'Mission 25' that was articulated by the Managing Director.

The Company has introduced a number of projects and initiatives to strengthen its foundations, which involve developing and streamlining world-class manufacturing and sales processes. It also put into place an aligned annual appraisal and target-setting process, with rewards and variable pay clearly linked to employee performance; thereby reiterating its commitment to driving a performance culture that is transparent and challenging to propel the Company to its mission. The Company also provides a congenial work environment to all its employees, which is free from discrimination and harassment, including sexual harassment. It provides equal opportunities of employment to all; without regard to their caste, religion, colour, marital status and gender.

As an organisation that is strongly driven by its people; it is important to continuously engage with the employees by various means to understand their aspirations, know their views on various aspects of the company, as well as identify the areas of improvement for building its culture. In addition to interacting with its employees on a number of platforms like the cascade sessions, quarterly town halls, and one-on-one interactions; the Company's leadership also believes in receiving feedback through a structured medium. Consequently, it engaged Kincentric (formerly AON), to carry out an employee engagement survey in August that achieved a participation level of 99.56%. The findings were shared with the employees and will comprise the blueprint for the organisation that will accomplish 'Mission 25', and get the Company recognised as the Best Building Materials Company in India.

Industrial Relations: With an endeavour to build a culture of Trust and Transparency across all levels; the Company extends the Principle of Equity to all its employees, which includes on-roll officers, workers and off-roll contract workers. The Company is also committed to following all legislations and compliances, which has helped in maintaining cordial relations with the employees at its manufacturing plants and any associated unions. The union and the workmen, in turn, extended their support in achieving maximum productivity and promoting the safety culture in the organisation; especially during the lockdown phase. Any instances of disagreements are addressed in a cordial manner, and every attempt is made to resolve them in the best possible manner.

Occupational Health and Safety: The Company prioritises providing a safe and healthy environment for its employees and all its stakeholders, and took a number of initiatives (shared in the Board's Report) in order to ensure the safety of its employees and associates during the pandemic. The Company has received various accolades; details of the same are given separately in the Annual Report.

Cautionary Statement

Certain statements in the MDA section concerning future prospects may be forward-looking statements which involve a number of underlying identified / non-identified risks and uncertainties that could cause actual results to differ materially. In addition to the foregoing changes in the macro-environment, global pandemic like COVID-19 may pose an unforeseen, unprecedented, unascertainable and constantly evolving risk(s), inter-alia, to the Company and the environment in which it operates. The results of these assumptions made, relying on available internal and external information, are the basis for determining certain facts and figures stated in the report. Since the factors underlying these assumptions are subject to change over time, the estimates on which they are based are also subject to change accordingly. These forward-looking statements represent only the Company's current intentions, beliefs or expectations, and any forward-looking statement speaks only as of the date on which it was made. The Company assumes no obligation to revise or update any forward-looking statements, whether as a result of new information, future events, or otherwise.

Corporate Governance Report

PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Following the best Corporate Governance practices has been an integral part of the Company's operations since its inception. The Company believes that it is imperative to manage its business affairs in the most fair and transparent manner with a firm commitment to its Vision, Mission and Values. The Company sharpened its Mission to be a Leading Building Materials Company Delivering Superior Performance to get better aligned with its vision of building a safer, smarter and sustainable world. The Company's Core Values – IICCO – comprise Integrity, Innovation, Collaboration, Care and Operational Excellence. These are further bolstered by well articulated Operating Philosophy, Rules of the Journey, Expected Behaviours, and overall, a strict adherence to the guidelines of safety; all of which are termed as Non-Negotiable service conditions.

To be better prepared for the changing market scenario; the Company is transforming the way that it operates by embracing a culture of 'Execution Excellence'. This process was chosen as it also leverages its existing core strengths of trust, transparency and collaboration. In short, the Company's corporate governance framework is a reflection of its culture, policies, commitment to the core values, as well as its relationship with and accountability to its various stakeholders. The Company believes that good Corporate Governance emerges from the application of best and sound management practices and compliance with Laws; coupled with adherence to the highest standards of transparency and business ethics.

BOARD OF DIRECTORS

The Board of Directors of the Company, which is an optimum mix of Executive and Non-Executive Directors; including a Woman Director, plays a significant role in ensuring the highest corporate governance practice in the Company.

The Board consists of eminent individuals with considerable professional expertise, qualifications, and experience in finance, taxation, legal, commercial, strategy and planning, business administration and other related fields, which enable them to contribute effectively to the Company through their wide range of experience, and also impart the desired level of independence to the Board. The Board's roles, functions, responsibilities and accountability are clearly defined. The day-to-day management of the Company is entrusted with the Senior Management Personnel of the Company and is headed by the Managing Director, who functions under the overall supervision, direction and control of the Board.

The Board currently comprises 6 (six) resident Directors, of which 2 (two) are Non-Executive Independent Directors, including 1 (one) Woman Independent Director, 3 (three) are Non-Executive Directors, and 1 (one) is the Managing Director as on March 31, 2020. Detailed profiles of the Directors are available on the Company's website https://nuvoco.in/board-of-directors/. The composition of the Board during the year under review was in conformity with the provisions of the Companies Act, 2013 and as amended from time to time (the "Act"). None of the Directors on the Board hold directorship in more than 20 (twenty) companies, including 10 (ten) public companies, pursuant to the provisions of the Act.

All Independent Directors have confirmed that they meet the criteria as mentioned in Section 149(6) of the Act. The maximum tenure of the Independent Directors is in compliance with the provisions of the Act. The terms and conditions of the appointment of the Independent Directors are hosted on the Company's website https://nuvoco.in/governance-cat/code-policies/.

As on March 31, 2020, as per Section 203 of the Act, Mr. Jayakumar Krishnaswamy, Managing Director, Mr. Maneesh Agrawal, Chief Financial Officer and Ms. Shruta Sanghavi, Company Secretary are holding office as Key Managerial Personnel ("KMP") of the Company.

The composition of the Board, the number of directorship (including the Company) and committee chairmanship/membership held by them in all public companies, attendance at the Board meetings held during the year under review, at 20th Annual General Meeting ("AGM") and their shareholding as on March 31, 2020 are as given below:

Name of the Director and Director Identification Number	Category of the Director	No. of Board Meetings Attended	Attendance at the 20th AGM held on August 7, 2019	Director-ship(1)	Committee positions(1) & (2)		No. of Equity Shares held in the Company as on March 31, 2020
					Chairman	Member	
Hiren Patel (DIN 00145149)	Chairman, Non-Executive Director	7	Yes	2	-	-	8,452,227
Kaushikbhai Patel (DIN 00145086)	Non- Executive Director	5	Yes	2	1	-	-
Suketu Shah (DIN 07211283)	Non-Executive Director	6	Yes	1	-	1	1*
Bhavna Doshi (DIN 00400508)	Non-Executive Independent Director	7	Yes	8	4	2	-
Berjis Desai (DIN 00153675)	Non-Executive Independent Director	6	Yes	10	4	5	-
Jayakumar Krishnaswamy (DIN 02099219)	Managing Director	7	Yes	1	-	-	-

(1) Excludes directorships in Private Companies, Foreign companies, Section 8 companies and alternate directorships. The Company has relied on the disclosures received from the respective Directors under Section 184 of the Act, for classification of companies as private or public

(2) Only two committees viz. Audit Committee and Stakeholders Relationship Committee of all public limited companies are considered

*Share held as nominee of Niyogi Enterprise Private Limited

The Board meets at least once in every calendar quarter and 4 (four) times in a year with a maximum time gap of not more than 120 days (one hundred and twenty days) between two consecutive meetings. Dates for the Board meetings are decided well in advance and communicated to the Directors. In case of exigencies or urgency of matters, resolutions are passed by circulation, for such matters as permitted by the Act. The Board takes note of the resolutions passed by circulation at its subsequent meeting. Additional meetings of the Board are held as and when deemed necessary.

The agenda of the meetings along with the explanatory notes and relevant papers are circulated well in advance to the Directors to enable them to take informed decisions at the meetings. The Company Secretary monitors Board and Committee proceedings in line with the Charter/Terms of Reference to ensure the compliances of the Act. Further, the decisions of the meetings are properly recorded in the minutes and actions on the same are monitored regularly. The Managing Director apprises the Board at the meeting about the overall performance of the Company, followed by presentations on business operations on a regular basis. The members of the senior leadership of various functions are usually invited at the Board and Committee meetings based on the agenda of the meetings to provide necessary insights on further developments on the projects and for discussing corporate strategies, which provides them proper direction and creates sense of accountability in them.

The Board periodically reviews the strategy, annual business plan, annual operating and capital expenditure budgets, investments and exposure limits, compliance report of all laws applicable to the Company, review of major legal matters, significant transaction and arrangement with joint venture company, adoption of quarterly/half-yearly/annual results of the Company, major accounting provisions and write offs, corporate structuring, minutes of the committee meetings, details of any acquisition, joint venture or collaboration agreements, transactions pertaining to purchase or disposal of property, development in Human Resource/Industrial Relations. The important decisions taken at the Board or Committee meetings are communicated to the concerned business verticals/departments promptly for their immediate action. The Action Taken Report on the decisions taken/suggestions made at previous meetings are placed at the subsequent meeting of the Board or Committee for its review. The Board and Committees are responsible for corporate strategy, planning, external contracts and related matters. The Senior Management Personnel heading respective divisions are responsible for day-to-day operations of their divisions.

As a cost saving measure and optimal utilization of the time of the Directors, the Company provides a video conferencing facility as permitted under Section 173(2) of the Act read with Rules framed thereunder.

During the year under review, 7 (Seven) meetings of the Board were held on April 30, 2019, May 07, 2019, August 7, 2019, November 6, 2019, January 30, 2020, February 7, 2020 and March 13, 2020. The requisite quorum was present at all the meetings.

Board Effectiveness Evaluation:

Pursuant to the provisions of the Act, performance evaluation of the Board, its Committees and individual Directors, including the role of the Chairman of the Board, was conducted during the year. For details pertaining to the same, kindly refer to the Board's Report.

Re-appointment of Director:

As required under the Secretarial Standard on General Meetings, a brief profile and other details of the Director seeking re-appointment are given in the Notice convening the 21st AGM of the Company.

Meeting of Independent Directors:

During the year under review, Independent Directors meeting in accordance with the provisions of Section 149(8) read with Schedule IV of the Act and Secretarial Standard on meetings of the Board of Directors was convened on March 13, 2020, wherein both the Independent Directors were present. At the meeting, the Independent Directors:

i. Reviewed the performance of Non-Independent Directors and the Board as a whole;

ii. Reviewed the performance of the Chairman of the Company, taking into account the views of Managing Director and Non-Executive Directors;

iii. Assessed the quality, quantity and timeliness of flow of information between the Company, management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The Non-Independent Directors did not take part in the meeting.

The Company has adopted a Code of Conduct for the Independent Directors in compliance with Section 149(8) read with Schedule IV of the Act which guides the professional conduct for Independent Directors, which is available on the Company's website http://nuvoco.in/governance-cat/code-policies/

COMMITTEES OF THE BOARD

The Board has constituted 3 (three) statutory committees comprising Executive, Non-Executive and Independent Directors to discharge various functions, duties and responsibilities cast under the various laws, statutes, rules and regulations applicable to the Company from time to time. The Committees also focus on critical functions of the Company in order to ensure smooth and efficient business operations. The Board is responsible for constituting, assigning, co-opting and fixing the composition and the charter of these committees in line with the extant regulatory requirements. The Committees meet at regular intervals for deciding various matters and providing recommendation and authorizations to the management for its implementation. The draft minutes of the proceedings of each Committee meeting are circulated to the Members of the respective Committees for their comments, if any, and thereafter confirmed and signed by the Chairman of the respective Committees. The Board also takes note of the minutes of the meetings of the Committees, and material recommendations/decisions of the Committees are placed before the Board for their approval and information.

The following Statutory Committees have been constituted by the Board from time to time and were in force during the year under review:

1. Audit Committee
2. Nomination and Remuneration Committee
3. Corporate Social Responsibility Committee

AUDIT COMMITTEE

As on March 31, 2020, the Audit Committee comprises 3 (three) Non-Executive Directors, of which 2 (two) are Independent Directors and who are well versed with finance, accounts, corporate laws and general business practices. The Board has adopted a Charter of the Audit Committee for its functioning, which defines its composition, authority, responsibilities and reporting functions. The Audit Committee functions according to the said Charter. All the items listed in Section 177 of the Act are covered in the Charter. The Charter is reviewed from time to time to maintain conformity with the regulatory framework. The Committee acts as a link between the Statutory, Cost and Internal Auditors and the Board of the Company.

The Committee is formed to discharge the below responsibilities as per the provisions of the Act:

i. Recommend the appointment, remuneration and terms of appointment of auditors of the Company.

ii. Review and monitor the auditors' independence and performance, and effectiveness of the audit process with the management.

iii. Examine the financial statements and the auditors' report thereon.

iv. Approve transactions of the Company with related parties (including omnibus approval) and any subsequent modification thereof.

v. Approve the transactions referred to in Section 188 of the Act between the Company and its wholly owned subsidiary company.

vi. Make recommendations to the Board, in case of transactions, other than transactions referred to in Section 188 of the Act entered with, other than wholly owned subsidiary company, and where Committee does not approve the same.

vii. Ratify the transactions for an amount as specified in Section 177 of the Act, entered into by a Director or Officer of the Company, if not, approved by the Audit Committee within three months from the date of the transaction.

viii. Scrutinize inter-corporate loans and investments.

ix. Undertake valuation of undertakings or assets of the company, wherever it is necessary.

x. Evaluate internal financial controls and risk management systems.

xi. Review/monitor 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.

xii. Call for the comments of the auditors about internal control systems, the scope of audit, including the observations of the auditors, and review of the financial statements before their submission to the Board, and discuss any related issues with internal and statutory auditors and management of the Company.

xiii. Review with the management, the quarterly, half yearly and annual financial statements/results and auditor's report thereon (both standalone and consolidated) before submission to the Board for approval, with particular reference to:

  a. Matters required to be included in the Directors' Responsibility Statement under Section 134(3)(c) of the Act;

  b. Changes, if any, in accounting policies and practices, and reasons for the same;

  c. Major accounting entries involving estimates based on the exercise of judgment by management;

  d. Significant adjustments made in the financial statements arising out of audit findings;

  e. Compliance with listing and other legal requirements relating to financial statements;

  f. Disclosure of any related party transactions; and

  g. Modified Opinion/Qualifications in the draft audit report.

xiv. Review the adequacy of internal audit function 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.

xv. Discuss with internal auditors any significant findings and follow up there on.

xvi. Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

xvii. Discuss with statutory auditors, before the audit commences about the nature and scope of audit and post-audit, to ascertain any area of concern.

xviii. 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.

xix. Review the functioning of the Vigil Mechanism and Whistleblower policy.

xx. Have 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.

xxi. Review of internal controls for financial reporting and review of significant changes in internal control over financial reporting.

xxii. Approve payment to statutory auditors for any other services rendered by the statutory auditors.

xxiii. The Audit Committee shall mandatorily review:

a. Management discussion and analysis of financial condition and results of operations;

b. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;

c. Management letters/letters of internal control weaknesses issued by the statutory auditors;

d. Internal audit reports relating to internal control weaknesses;

e. The appointment, removal and terms of remuneration of the Internal Auditor; and

f. Statement of Deviations: Quarterly, Annually including report of monitoring agency.

xxiv. Review compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time at least once in a financial year, and verify that the systems for internal control are adequate and are operating effectively.

xxv. Review, investigate and recommend to the Board the complaints received under the Policy and Procedure for inquiry in the case of any leak of Unpublished Price Sensitive Information or suspected leak of Unpublished Price Sensitive Information.

xxvi. Review with the management, performance of internal auditors, and adequacy of the internal control systems.

xxvii. Select, engage and approve fees for professional advisors/consultants that the Committee may require to carry out their duties.

xxviii. Review and recommend the Cost Audit Report to the Board.

xxix. Periodically review the adequacy and appropriateness of the Company's compliance programmes and the system of storage, and retrieval of books of accounts maintained in electronic mode.

xxx. Carry out any other function as is mentioned in the Charter of the Audit Committee.

The Composition of the Audit Committee and attendance at its meetings are as follows:

During the year under review, 5 (Five) meetings of the Committee were held on April 30, 2019, May 7, 2019, August 7, 2019, November 6, 2019 and February 7, 2020; and the gap between two consecutive meetings of the Committee did not exceed one hundred and twenty days.

Name of the Member	Category	No. of Meetings Attended
Bhavna Doshi – Chairperson	Non-Executive Independent Director	5
Berjis Desai	Non-Executive Independent Director	4
Suketu Shah	Non-Executive Director	5

Representatives of the Statutory Auditors are generally invited to attend the Meetings of the Committee. The Internal Auditor, M/s Singhi & Co. (Firm Registration No. 302049E), also attends and participates in all the meetings of the Committee. The Chief Financial Officer and the President – Finance of the Company are permanent invitee to the Committee Meetings. The Company Secretary of the Company acts as Secretary to the Committee.

M/s MSKA & Associates ("MSKA"), Chartered Accountants, have carried out the Statutory Audit for FY 2019-20. The Chairperson of the Audit Committee briefs the Board about the significant discussions at the Audit Committee meetings. The minutes of each of the Audit Committee Meeting are placed in the next meeting of the Board.

NOMINATION AND REMUNERATION COMMITTEE

As on March 31, 2020, the Nomination and Remuneration Committee comprises 3 (three) Non-Executive Directors, of which 2 (two) are Independent Directors. The composition and role of the Nomination and Remuneration Committee are in line with Section 178 of the Act. The Company Secretary of the Company acts as Secretary to the Committee.

The Board has adopted a charter of the Nomination and Remuneration Committee to provide assistance to the Board in fulfilling its oversights responsibility relating to:

(i) Making recommendations as to the size, composition and structure of the Board and its committees;

(ii) Assessing, identifying persons eligible to be appointed as the directors of the Company or appointed in senior management of the company;

(iii) Guiding the Board in relation to appointment and removal of Directors, Key Management Personnel and Senior Management of the Company;

(iv) Evaluating the performance of the members of the Board and providing necessary report to the Board for further evaluation of the Board;

(v) Recommending to the Board on remuneration payable to the Directors, Key Management Personnel and Senior Management;

(vi) Formulating the criteria for determining qualifications, positive attributes and independence of a Director;

(vii) Formulating and recommending to the Board a policy on remuneration of the Directors, Key Managerial Personnel and other employees.

The Composition of Nomination and Remuneration Committee and Attendance at its Meetings are as follows:

During the year under review, 3 (Three) meetings of the Committee were held on May 7, 2019, November 6, 2019 and March 13, 2020.

Name of the Member	Category	No. of Meetings Attended
Berjis Desai – Chairman	Non-Executive Independent Director	2
Bhavna Doshi	Non-Executive Independent Director	3
Kaushikbhai Patel	Non-Executive Director	2

Remuneration Policy and its Salient Features:

The Company has in place a Remuneration Policy for Directors and senior management, in accordance with the provisions of the Act. This Policy is derived from the Charter adopted by the Nomination and Remuneration Committee. It outlines the role of the Nomination and Remuneration Committee, *inter alia*, for determining the criteria for Board membership, approving, and recommending compensation packages and policies for Directors and Senior Management.

The Remuneration Policy is available on the Company's website http://nuvoco.in/governance-cat/code-policies/. The Board at its Meeting held on November 6, 2019 had amended the Remuneration Policy of the Company.

In accordance with the Policy, the responsibilities of Nomination and Remuneration Committee, *inter alia*, include:

- Ensuring the independent nature of Independent Director(s) *vis-à-vis* the Company before appointment;
- Ensuring that the Director identified for appointment is not disqualified under Section 164 of the Act;
- Considering the mentioned attributes/criteria for recommendation of candidature for appointment as Director;
- Recommending the remuneration payable to the Directors and Senior Management Employees based on the criteria prescribed in the Policy;
- Identifying a person of integrity who possesses relevant expertise, experience and leadership qualities in line with the HR Policy of the Company for the position of MD/CEO/Executive Director.

Remuneration of Directors:

Non-Executive Directors

A sitting fee of ₹50,000/- is paid to the Directors for attending each meeting of the Board, Independent Director and Audit Committee; and ₹25,000/- for Nomination and Remuneration Committee, and Corporate Social Responsibility Committee meetings. The sitting fee paid/payable to the Non-Executive Directors is excluded while calculating the limits of remuneration in accordance with Section 197 of the Act. The Company also reimburses out-of-pocket expenses incurred by Directors for attending the meetings.

The remuneration by way of commission to the Non-Executive Directors is decided by the Board and distributed to them based on their attendance, participation and contribution at the Board and Committee meetings as well as time spent on matters other than at meetings.

A disclosure of all the pecuniary relationships/transactions of the Non-Executive Directors with the Company have been made under the head 'Related Party Disclosures' forming part of Notes to the Audited Financial Statements contained in the Annual Report. The Nomination and Remuneration Committee and the Board reviews the performance of the Non-Executive Directors on an annual basis.

Details of Remuneration paid to the Non-Executive Directors:

(₹ in lakhs)

Name of the Director	Sitting Fees	Commission*
Hiren Patel	-	797.31
Berjis Desai	6.50	7.29
Bhavna Doshi	7.25	8.50

*Commission for FY 2019-20 will be paid in FY 2020-21.

Managing Director

The Company pays remuneration by way of salary, benefits, perquisites and allowances being fixed component along with variable component to the Managing Director. Increments are recommended by the Nomination and Remuneration Committee on a yearly basis and are effective from 1st April each year. The Nomination and Remuneration Committee recommends the remuneration payable to the Managing Director out of the profits for the financial year, as calculated in accordance with Sections 197 and 198 of the Act read with Rules framed thereunder, based on the performance of the Company as well as that of the Managing Director.

Details of Remuneration paid to the Managing Director are as given below:

(₹ in lakhs)

Name of the Director	Salary, Allowance, Bonus and Perquisites
Jayakumar Krishnaswamy	469.03

Note: In addition to the above, Variable Pay of FY 2019-20 will be paid in FY 2020-21, once recommended by the Nomination and Remuneration Committee and approved by the Board.

The terms of appointment and remuneration of the Managing Director are contractual in nature. As per the provisions of the service contracts entered into by the Company with Managing Director, the validity period of service contract is up to 5 (five) years from the date of appointment by the Board. The Notice period for the Managing Director is 6 (six) months. The service contract may be terminated earlier, by either Party by giving to the other Party a 6-month (six) notice of such termination or the payment of basic salary in lieu of the notice period or part thereof by either party. There is no provision for payment of severance fees.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

As on March 31, 2020, the CSR Committee comprises 4 (four) Directors, of which 1 (one) is Managing Director, 2 (two) Non-Executive Directors and 1 (one) Independent Director. The composition and role of the CSR Committee are in line with Section 135 of the Act, and Rules framed thereunder. The Company Secretary of the Company acts as Secretary to the Committee.

The Board has adopted a charter for the CSR Committee to provide assistance to the Board in fulfilling its oversights responsibility relating to:

(i) Formulating and recommending to the Board, a CSR Policy indicating the activities to be undertaken by the Company as specified in Schedule VII of the Act;

(ii) Recommending to the Board, the amount of expenditure to be incurred on the activities pertaining to CSR;

(iii) Formulating a transparent monitoring mechanism for the implementation of the CSR projects or programmes or activities undertaken by the Company;

(iv) Monitoring the CSR Policy of the Company from time to time;

(v) Carrying out such other functions as may be entrusted by the Board or which may be required to be undertaken pursuant to any regulatory or statutory requirements/ stipulations prescribed from time to time;

(vi) Obtaining outside legal or other professional advice with relevant expertise.

The CSR policy is hosted on the Company's website http://nuvoco.in/governance-cat/code-policies/. For details of the CSR activities undertaken by the Company and amount spent thereon during the year under review, kindly refer to the Annexure to the Board's Report.

The Composition of CSR Committee and Attendance at its Meeting are as follows:

During the year under review, 2 (two) meetings of the Committee were held on May 07, 2019 and February 07, 2020.

Name of the Member	Category	No. of Meetings Attended
Berjis Desai – Chairman	Non-Executive Independent Director	2
Kaushikbhai Patel	Non-Executive Director	1
Suketu Shah	Non-Executive Director	2
Jayakumar Krishnaswamy	Managing Director	2

COMPANY SECRETARY AND COMPLIANCE OFFICER

Ms. Shruta Sanghavi, Company Secretary, who is also a Compliance Officer, can be contacted at: Nuvoco Vistas Corporation Limited, Equinox Business Park, Tower – 3, East Wing, 4th Floor, LBS Marg, Kurla (West) Mumbai – 400 070 and e-mail: investor.relations@nuvoco.in.

During the year under review, the Company has not received any complaints from the Investors/Debenture Holders of the Company relating to non-receipt of interest, annual report, etc. The Company has not received any complaint during the year through SEBI Complaints Redress System ("SCORES").

The Company submits a Statement of Investor Complaints under Regulation 13 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") with the Stock Exchange on quarterly basis.

CODE OF BUSINESS CONDUCT

The Company has in place a comprehensive Code of Business Conduct ("Code") which is applicable to all the employees, officers, vendors, suppliers, representatives, agents and consultants of the Company. The Code lays down the rules to be followed for ensuring compliance with the laws while carrying out the duties, preventing conflict of interest in a given professional engagement, ensuring health and safety, protecting the Company's assets, resources and ensuring fairness in financial reporting. Violation of the Code would lead to disciplinary action against the employees and officers of the Company.

GENERAL BODY MEETINGS

Annual General Meetings:

Location, date and time of the Annual General Meetings held during the preceding 3 (three) years and the Special Resolutions passed thereat are as follows:

Meeting	Date and Time	Venue	Special Resolutions passed
20th Annual General Meeting	August 7, 2019 at 2.30 p.m.	Equinox Business Park, Tower – 3, East Wing, 4th Floor, LBS Marg, Kurla (West) Mumbai – 400 070	a. Increase in the Borrowing limits of the Company pursuant to Section 180(1)(c) of the Companies Act, 2013 to ₹ 7,750 crores; b. Increase in the limits for creation of mortgage/charge on the assets of the Company upto ₹ 7,750 crores, pursuant to Section 180(1)(a) of the Companies Act, 2013.
19th Annual General Meeting	September 27, 2018 at 11.30 a.m.	Equinox Business Park, Tower – 3, East Wing, 4th Floor, LBS Marg, Kurla (West) Mumbai – 400 070	None
18th Annual General Meeting	September 12, 2017 at 11.30 a.m.	Equinox Business Park, Tower – 3, East Wing, 4th Floor, LBS Marg, Kurla (West) Mumbai – 400 070	None

Extra-Ordinary General Meeting:

Below Extra-Ordinary General Meetings were convened during the year under review:

Date and Time	Venue
November 6, 2019 at 2.30 p.m.	Equinox Business Park, Tower – 3, East Wing, 4th Floor, LBS Marg, Kurla (West) Mumbai – 400 070
March 13, 2020 at 5.30 p.m.	Equinox Business Park, Tower – 3, East Wing, 4th Floor, LBS Marg, Kurla (West) Mumbai – 400 070

MEANS OF COMMUNICATION

The Company has promptly disseminated half yearly financial results to National Stock Exchange of India Limited ("NSE") on which Listed, Secured, Redeemable, Rated, Non Convertible Debentures of the Company are listed as per the requirement under the Listing Regulations. Such information is also simultaneously hosted on the Company's website http://nuvoco.in/financial-result/.

The Annual Report, half yearly results, intimation/outcome of the board meetings and other relevant information of the Company are submitted to NSE through NSE's Electronic Application Processing System (NEAPS) for investors' information in compliance with the Listing Regulations.

The financial results, half yearly and annual, and other statutory information were communicated to the investors by way of publication in English daily, 'Business Standard' as per the Listing Regulations. However, the financial results for the half year and financial year ended March 31, 2020 were not published in the newspaper pursuant to the exemption granted by SEBI vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020.

In compliance with Regulation 58(1)(d) of the Listing Regulations, the Company sends the half yearly communication as specified in Regulation 52 (4) and (5) of the Listing Regulations, to the holders of non convertible debentures through e-mail.

GENERAL SHAREHOLDER INFORMATION

a. 21st Annual General Meeting

Day and Date	Friday, August 14, 2020
Venue	In accordance with the General Circular issued by the MCA on May 5, 2020, the Annual General Meeting ("AGM") will be held through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") The deemed venue for the AGM Meeting: Equinox Business Park, Tower – 3, East Wing, 4th Floor, LBS Marg, Kurla (West) Mumbai – 400 070
Time	1.00 p.m.

b. Financial Year and Calendar

The Company's accounting year comprises a 12-month period from April 1 to March 31.

The tentative dates for the Meeting of the Board for consideration of financial results for the financial year ending March 31, 2021 are as follows:

First Quarter ended June 30, 2020	On or before August 14, 2020
Second Quarter and Half Year ended September 30, 2020	On or before November 14, 2020
Third Quarter and Nine Months ended December 31, 2020	On or before February 14, 2021
Fourth Quarter and Year ended March 31, 2021	On or before May 30, 2021

Note: Convening of Board Meeting and submission of financial results to the Stock Exchange will be decided as per the SEBI Circular, if any, providing relaxation/extension of time for holding such meetings.

No dividend is announced and recommended by the Board for FY 2019-20.

c. Listing on Stock Exchange

The Non-Convertible Debentures of the Company are traded on NSE under National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL").

In terms of Regulation 14 of the Listing Regulations, the listing fee for the FY 2020-21 has been paid to NSE.

d. ISIN/Symbol/CIN

Equity Shares (Unlisted)	INE118D01016

Non Convertible Debentures (Listed)

ISIN	Amount	Scrip Symbol
Series C: INE548V07039	₹ 800 crores	NVCL 20
Series D: INE548V07047	₹ 800 crores	NVCL 21
INE118D07120	₹ 350 crores	NVCL 22
INE118D08052	₹ 300 crores	NVCL 77
INE118D08045	₹ 300 crores	NVCL 77A
INE118D07138*	₹ 800 crores	NVCL 21
INE118D07146*	₹ 650 crores	NVCL 21A

* These Non-Convertible Debentures were issued subsequent to the year under review on private placement basis.

Corporate Identity Number	U26940MH1999PLC118229

e. Share Transfer System

The Company's 100% equity shares are in dematerialized form and are transferable through the depository system under NSDL. The Registrar and Share Transfer Agent of the Company is MCS Share Transfer Agent Limited.

f. Credit Ratings obtained by the Company

The details of Credit Ratings obtained by the Company have been disclosed in the Board's Report which forms part of this Annual Report.

g. Investor Helpdesk & Registrar and Share Transfer Agent

For any grievances/complaints/correspondence, the Members/Debenture holders may contact at the following addresses:

MCS Share Transfer Agent Limited	IDBI Trusteeship Services Limited	Nuvoco Vistas Corporation Limited
CIN: U67120WB2011PLC165872	**CIN:** U65991MH2001GOI131154	**CIN:** U26940MH1999PLC118229
Mr. Subodh Vichare **Branch Manager**	Mr. Aditya Kapil **Vice President**	Ms. Shruta Sanghavi **Company Secretary and Compliance Officer**
Address: 209-A, C Wing, 2nd Floor Gokul Industrial Estate, Sagbaug, Marol Co-op Industrial Area, B/H Times Square, Andheri (E), Mumbai – 400 059.	**Address:** Asian Building, Ground Floor, 17-R, Kamani Road, Ballard East, Mumbai – 400001	**Address:** Equinox Business Park, Tower – 3, East Wing, 4th Floor, LBS Marg, Kurla (West) Mumbai – 400070
Tel: 022 28516020-23 **Fax:** 022 – 28516021	**Tel:** 022-40807000 **Fax:** 022 – 66311776	**Tel:** 022 - 66306511 **Fax:** 022 – 66306510
Email: subodh@mcsregistrars.com helpdeskmum@mcsregistrars.com	**Email:** itsl@idbitrustee.com	**E-mail:** investor.relations@nuvoco.in
Website: www.mcsregistrars.com	**Website:** www.idbitrustee.com	**Website:** www.nuvoco.in

h. Shareholding Pattern as on March 31, 2020

Category of shareholders	Number of equity shares	% to Share Capital
Promoter - Body Corporate*	200,000,000	82.52
Promoter - Individual	42,361,787	17.48
Total	**242,361,787**	**100**

* The shareholding of Niyogi Enterprise Private Limited includes the shares held by 6 individual members holding 1 share each as its nominee.

i. Plant Locations

Cement Plants:

Arasmeta Cement Plant	Bhiwani Cement Plant	Chittor Cement Plant
P.O. Gopalnagar, Dist – Janjgir – Champa, Chhattisgarh - 495663	Village Chirya, Teh – Charkhi Dadri, Dist – Bhiwani, Haryana – 127022	Village Bhawaliya, Tehsil – Nimbahera, Dist – Chittorgarh, Rajasthan - 312620

Jojobera Cement Plant	Mejia Cement Plant	Nimbol Cement Plant
P.O. Rahargora, Jamshedpur – 831016	Village Amdanga, Post – MTPS (DVC), Bankura, West Bengal – 722183	Village: Nimbol, Taluka: Jaitaran, Dist: Pali, Rajasthan – 306308

Sonadih Cement Plant
P.O. Raseda, Dist – Balodabazar – Bhatapara, Chhattisgarh – 493332

RMX Commercial Plants

Ichhapore	Harini	Udhnabhestan
Plot No A- 7/1, GIDC, Ichhapore, Magadalla Hazira Road, Surat, Gujarat – 394510	Survey No. 688/2, opp Daripura, Air Force Gate, Near Kismat Kathyavadi Hotel, NH8, Vadodara, Gujarat – 390039	Survey no. 2, E2 - 1, Bhagwati Nagar, Industrial area, behind Reliance Petrol, Udhna Bhestan road, Surat, Gujarat – 395023
Haripar	**Siruseri**	**Sanathal**
Survey No. 42-1/2, Haripar Industrial, Estate, opp. Motal the village resort, Kalawad road, Rajkot, Gujarat - 360005	S.no. 268 / 11, Kazhipattur Village, old Mahapalipuram Road, next to Chettinad Silicon factory, Kazhipattur Village, Kanchipurm District, Chennai, Tamil Nadu – 603103	Plot No. 14 / 15 /16, Behind Sanchi Cement Godown, Sarkhej-Saanand Road, Village Sanathal, P.O.Ullariya, Tal: Sanand, Ahmedabad, Gujarat – 382210
Naroda	**Whitefield**	**Sarjapura**
Plot No 41, Phase 1, Naroda, GIDC, Ahmedabad, Gujarat – 380025	No:20/A, Vishveshwaraiah Industrial Area, Mahadevapura, Bangalore, Karnataka - 560048	No:51/1,2,3,Sompura Gate, Bangalore, Karnataka - 562125
Pilerne	**Hubli**	**Vasco**
Plot no. 61/A, Pilerne Industrial Estate, Pilerne, Bardez, Goa – 403511	SY No:144(P) & 145(P), Rayapura Industrial Estate, Rayapura Hobli & Taluk, Dharwad, Karnataka – 580025	Plot No:23/26, Chowgule Industries Plots, Zuari Nagar, Sancoale, Goa – 403726
Anjanapura	**Mysore**	**Perungudi**
Sy No:32/1,Gollahalli Village, Uttarahalli,Hobli, Anjanapura Post, Bangalore, Karnataka – 560062	No:43/5,Huliyalu Village, Yalwale Hobli, Hunsur Bypass Road, Mysore, Karnataka – 571130	No. 142, Developed Industrial Estate, Palavakkam village, Perungudi, Chennai Tamil Nadu – 600096
Rudrapur	**Sonepet**	**Noida**
Near Chattarpur Village, Behind Ashok Leyland, Rudhrapur, Uttarkhand – 263153	Gold Plus Road, Near Bharat Petroleum Pump, Gahalgarh Chowk, Sonepat, Haryana – 131001	Plot No.85 -90, Toy City, Udyog Kendra, Greater Noida, Uttar Pradesh - 201304
Faridabad	**Patencheru**	**Uppal**
14 /4 , Mathura Road, Faridabad, Haryana – 121003	Plot No.10B, Survey No.808, 811, 812, Phase 2, IDA, Patancheru, Hyderabad, Telangana – 502319	B -12 / A IDA Uppal, Hyderabad, Telangana – 500039

Jeedimetla	**Miyapur**	**Vijayawada**
Plot No. 8 & 9,Phase IV, IDA, Jeedimetla, Hyderabad, Telangana – 500055	Survey No. 345, Bachupally, Miyapur, Hyderabad, Telangana – 500072	Survey no. 1/1, Vaddeswaram Village, Tabepalli Mandal, Guntur, Andhra Pradesh – 522001
Vizag-I	**Dankuni**	**Rajarhat**
Plot No.235,D Block, Autonagar, Gajuwaka, Visakhapatnam, Andhra Pradesh – 530012	Kona More,P.O.Chamrail, Mouza:Khaila, Howrah, West Bengal – 711114	Village:Mouja - Kalaberia-Bishnupur, Kolkata, West Bengal – 700135
Mohali	**Baddi**	**Ludhiana**
B34, Phase 3, Industrial Area, Mohali, Punjab – 160055	Khasra no. 459 - 462, opp. Hotel Annapurna, village - Malku Majra, PO - Bhud, Tahsil – Nalagarh, Baddi, Himachal Pradesh – 173205	Near Zimindara Dhaba, Airport Road, Sahnewal, Ludhiana, Punjab – 141120
Durgapur I	**Sitapura**	**Panchkula**
G/14,Mouza Baktarnagar, J.L.Number 30, P.S.Raniganj, Mangalpur Industrial Estate, Raniganj, West Bengal – 713347	Plot no. 782 & 783, village Ramachandrapura, Taluk Sanganer, Goner Road, Sitapur Industrial Estate, Jaipur, Rajasthan – 302022	Plot No.101, Industrial Area, Phase 1, Punchkula, Haryana – 134113
Jogeshwari	**Rajkot II**	**Patna**
Village Bandivali, behind Oshiwara Plaza (Marraige Plaza), opp. Sadhna Industrial Estate, S.V.Road, Jogeshwari - West, Mumbai, Maharashtra - 400102	Plot No.3, Madhapur Industrial Area, Near Binani Cement Dump, Jamnagar Road, Rajkot, Gujarat – 360005	Khagol Road,Near St.Karens School, Patna, Bihar – 801503
Gurgaon-I	**Raipur-II**	**Udaipur**
Plot No./KH.No.-1527/916/2/2, 1528/916/2/3,Revenue Estate Village, Behrampur Road, Khandsa,Gurgaon, Haryana – 122001	Khasra No. Part of 467/ (1,3,4,5,6,7), situated at Village Cherikhedi, Tahsil Raipur, Chattisgarh – 344455	A - 204 MIA, Road No.11, Madri, Udaipur, Rajasthan - 313003
Ceemasandra (Hoskhote)	**Jamshedpur**	**Hegdenagar 2**
No:77/P2,Cheemasandra, Virgo Nagar Post, Bangalore, Karnataka – 560049	Tata Kandra Main Road, Village-Pendrabera, P.O & P.S-Kandra,Dist-Sarikella, Kharshwan, Jamshedpur, Jharkhand – 832402	Old Survey No. 55, New Survey No. 55/P53, Village - Bellahalli, Taluka - Bangalore North, Karnataka – 560064
Bhubaneswar III	**Thane II**	**Ravirala**
Plot No-2/A, Sector-A, Zone-B, Mancheswar Industrial Estate, Bhubaneswar, Odisha - 771010	Siddhi Vinayak Ent, S.No:93/9,Part 1 & S.No:93/10, Taluka Thane, Dist-Thane (Mankoli Naka), Nasik High Way, Thane Mumbai, Maharashtra – 400607	Survey No. 281 & 281, Village Kongara Kurdha, Ranga Reddy District, Hyderabad, Telangana – 509325
Lucknow	**Ranchi II**	**Amrapali-02**
Khasra No. 94, Mau, Mohanlalganj, Lucknow, Uttar Pradesh – 227305	Village Garh Khatanga and Lal Khatanga, RS Plot N. 425/561/563, Ranchi, Jharkhand – 834003	Plot No-Rep 2, Sector-27, Greater Noida, Uttar Pradesh – 201301

Nagpur	Surat-3	Hatisala
K.H No. 78, Mouza Sondapar, R.H No. 72 Mihan, Tahsil - Hingana, District - Nagpur, Maharashtra – 441108	Land Bearing No 20 of Vareli Village, Near Vareli Garden Mill, Kadodara GIDC, Surat, Gujarat – 394327	JL no. 24, Mouza - Pithapukuria, village & post office -Pithapukuria, District -south 24 parganas, Kolkata, West Bengal – 700135
Marunji	**Jojobera**	
Gat No. 23/1/6, A/P Marunji. Akemi Business school road, Taluka Mulshi, District Pune – 411057	P.O. Rahargora, Jamshedpur – 831016	

RMX Project Plants

CIT JV-MM3	L&W, RMZ Infinity	Oberoi Garden City -I
Anik Wadala Road,Wadala East, Near Mono Rail Depot, Mumbai, Maharashtra – 400037	RMZ Infinity (Chennai) Limited, One Paramount, Campus (20-30), Chennai, Tamil Nadu – 600116	Off Western Express Highway, Goregaon East, Mumbai, Maharashtra - 400063
Oberoi Sky City Mall	**Runwal Bliss**	**Purvankara Silversand**
Dattapada Road,Off Western Express Highway, Borivali-West, Mumbai, Maharashtra - 400066	Crompton Greaves Compound, Kanjur Marg-East, Mumbai, Maharashtra – 400092	Keshav Nagar Road, Pune, Maharashtra – 411036
WTC Capacite		
No.5/142,Rajiv Gandhi Salai (OMR), Chennai, Tamil Nadu – 600096		

DISCLOSURES

a. Disclosures on materially significant Related Party Transactions that may have potential Conflict with the interests of the Company at large:

During the year under review, all the related party transactions that were entered into were on an arm's length basis and in the ordinary course of business, and there were no transactions of material nature with the Promoters, Directors, Key Managerial Personnel, and Senior Management Personnel that had potential conflict with the interest of the Company at large.

The details of the transactions with the related parties are placed before the Audit Committee on a quarterly basis in compliance with the provisions of Section 177 of the Act and Rules framed thereunder. Details of related party transactions are disclosed in the notes to the Financial Statements as per the applicable Indian Accounting Standards.

b. Compliance with regards to Capital Market:

The Company has complied with the requirements of the Stock Exchange, SEBI and Statutory Authority on all matters related to capital markets. During the last three years, no penalties or strictures have been imposed on the Company by these authorities on matters related to capital markets.

c. Whistleblower Policy:

The Company has adopted a Whistleblower Policy and established the necessary Vigil Mechanism, which is in line with Section 177 of the Act. Pursuant to the Policy, the Whistleblower can raise concerns relating to Reportable Matters such as actual or suspected fraudulent practices, corruption, breach of Code of Conduct, breach of Prevention of Sexual Harassment policy, and any other policy of the Company, as notified from time to time, by or against the Directors and employees, etc.

Further, the mechanism adopted by the Company encourages the Whistleblower to disclose the Reportable Matters to the Ethics and Compliance Committee, provides for adequate safeguards against victimization of any Whistleblower, who avails of such a mechanism, and also provides for direct access to the Chairperson of the Audit Committee in appropriate or exceptional cases. The Audit Committee supervises the development and implementation of the Policy, including the work of the Ethics and Compliance Committee. Co-ordination of the investigation of any serious Protected Disclosures concerning the alleged violation of laws or regulations, is the responsibility of the Audit Committee. The Board at its Meeting held on August 7, 2019 had amended the Whistleblower Policy and the same is hosted on the Company's website http://nuvoco.in/governance-cat/code-policies/. During the year under review, the Company has received 2 (two) complaints under the Whistleblower Policy, which were resolved expeditiously. There were no pending complaints at the end of the year. It is affirmed that no personnel of the Company has been denied access to the Ethics and Compliance Committee and Audit Committee.

d. **Disclosure of Accounting Treatment:**

Pursuant to the provisions of the Act, the Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time.

e. **Confirmation by the Board of Directors' acceptance of Recommendations of Committees:**

During the year under review, the Board has accepted all recommendations received from all its Committees.

f. **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Complaints Committee redresses the complaints received regarding sexual harassment of women at workplace. All employees are covered under this Policy.

Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 are as follows:

- number of complaints filed during the financial year – Nil
- number of complaints disposed of during the financial year – Nil
- number of complaints pending as on end of the financial year – Nil

During the year under review, no complaints of sexual harassment were received and 20 (Twenty) Awareness Programmes about Sexual Harassment Policy were conducted.

The Company has submitted its Annual Report on the cases of sexual harassment at workplace to District Officer, Mumbai, pursuant to Section 21 of the aforesaid Act and Rules framed thereunder.

GREEN INITIATIVE

For the Company, sustainable development is an enduring commitment based on the conviction that there can be no long-term economic development without the preservation of nature. The Company has undertaken several initiatives to make a net positive contribution to nature by minimizing the environmental footprint while maximizing the value created for all the stakeholders. The Company has framed an Environmental Policy through which every employee and officer of the Company participates in the Company's efforts and commitment by complying with the applicable regulations and the framed policy. An overview of the green initiatives has been provided below:

1. **Water Conservation and Rainwater Harvesting ("RWH")**: The Company is committed to reducing its water footprint through best practices such as rainwater harvesting, reusing waste water and water recycling. To conserve water resource, the empty mines pit of Arasmeta and Sonadih cement plants have been converted into RWH pits and dry borewells are being used for rainwater harvesting at Nimbol cement plant.

2. **Reduction in Emissions:** High-end equipment has been installed within the plant premises to control the air and

fugitive dust emission, which help in the collection and reuse of fine materials. This equipment also ensures that the emission levels are well within prescribed limits.

3. **Use of Alternative Fuels and Alternative Raw Materials; Addition of Waste and By-Products from Power and Steel Plants; Reduction of Energy Consumption:** Details provided in Annexure to the Board's Report.

4. **Development of a Green Belt:** Company's endeavour has been to develop a green belt in and around all its plants, and in the process it has also worked closely with local government authorities to facilitate the same. Over twenty five thousand saplings were planted across all plants premises.

5. **Other Initiatives:**

   a. Eco Friendly Product: The Company has launched 'Concreto Green' – which consumes 25% less water and increases the strength of concrete upto 70% which can be used at places where water scarcity is a perpetual issue.

   b. Fuel Consumption Reduction: Waste heat recovery systems have been commissioned at Sonadih, Arasmeta and Chittor Cement plants to produce upto 25 MW in an environmental friendly manner i.e. without any fossil fuel consumption.

   c. The Company also supports the green initiatives by dispatching communication to the Shareholders, Debenture Holders and Debenture Trustee through email.

   With its sustainability initiatives, the Company is looking to create value for all its stakeholders – customers, employees and local communities in the vicinity of its production plants. These actions define Company's commitments for the future and its contribution to a sustainable environment, climate and society. The Company expects that these initiatives will enable to build a better and greener world to live in.

CODES AS PER THE SEBI (PROHIBITION OF INSIDER TRADING) REGULATIONS, 2015 AND POLICIES AS PER THE LISTING REGULATIONS

Codes:

Pursuant to the provisions of SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time (the "PIT Regulations"), the Board has adopted the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and the Code of Conduct for Prevention of Insider Trading to regulate, monitor and report trading in the securities of the Company by its employees and other connected persons. The Company has also adopted the Policy and Procedure for inquiry in case of Leak of Unpublished Price Sensitive Information or suspected leak of Unpublished Price Sensitive Information.

Ms. Shruta Sanghavi, Company Secretary of the Company has been designated as Chief Investor Relations Officer, for dealing with dissemination of information and disclosure of Unpublished Price Sensitive Information. She has also been designated as Compliance Officer for regulating, monitoring trading, and reporting on trading by the Insiders as required under the PIT Regulations and Code of Conduct of the Company.

Policies:

Pursuant to Regulation 9 of the Listing Regulations, the Company has adopted the Policy on Preservation, Maintenance and Disposal of Documents.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis Report forms part of this Annual Report.

Independent Auditor's Report

To the Members of **Nuvoco Vistas Corporation Limited**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **Nuvoco Vistas Corporation Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2020, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and 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.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and profit, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those 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 there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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.

Sr. No.	Key Audit Matter	Auditor's response
1.	**Contingent liabilities and Provisions:** The Company operates in multiple jurisdictions, exposing it to a variety of different laws, regulations and interpretations thereof. In such an environment, there is an inherent risk of litigation. Further, the Company has disclosed significant open legal cases with respect to Competition Appellate Tribunal (COMPAT) [Refer Note 49 to the Standalone financial statements], Sales tax incentives recoverable for Mejia Plant [Refer Note8 to the Standalone financial statements] and other material contingent liabilities [Refer Note 49 to the Standalone financial statements]. Given the complexity and magnitude of potential exposures to the Company, the assessment of the existence of legal or constructive obligation and analysis of the probability of the related outflow of resources involves significant judgement by the management.	Our audit procedures, in respect of this matter are described below: 1. Assessed Management's processes of identifying new / possible obligations and changes in existing obligations for compliance with Company's policy and Ind AS 37 requirements. 2. Analysed significant changes/update from previous periods and obtained a detailed understanding of such items. Assessed relevant judgments passed by the court authorities affecting such change. 3. Discussed the status of significant known actual and potential litigations with the Head of Legal and Compliance and management who possess knowledge of such matters. 4. Involved our internal tax experts to challenge management decisions and rationale with respect to provisions not made in the books of account or disclosed as contingent liability or cases which are remote and do not warrant any disclosure.

Sr. No.	Key Audit Matter	Auditor's response
	Due to the level of judgement relating to recognition of provisions and disclosure of contingent liabilities, this is considered to be a key audit matter.	5. Evaluated the legal opinion obtained by the management from external lawyers for significant litigations including with respect to: - the COMPAT case and the reimbursable rights available with the Company for recovery. - the recoverability of fiscal incentives from the State Government for the Mejia plant. 6. Assessed the decisions and rationale with respect to provisions made in the books of account, disclosed as contingent liability or cases which are remote and do not warrant any disclosure. 7. Reviewed minutes of board meetings and held regular meetings with management and legal head in this regard.
2.	**Revenue Recognition: Discounts and Rebates** Refer to the disclosures related to Revenue Recognition in Note 44 to the Standalone Financial Statements. The Company sells cement in various states through its dealers. The Company gives various types of discounts and rebates to these dealers through various scheme based on the market conditions and competition. The Company records revenue net of such discounts and rebates as required under Ind AS 115- Revenue from contracts with customers. Considering the nature of the business and industry in which the Company operates, discounts and rebates are material amounts and involve significant estimation by management; hence, we have considered this as a key audit matter.	Our key audit procedures, in respect of this matter are described below: 1. Verified whether accounting policy adopted by the Company is in accordance with Ind AS 115 - Revenue from contracts with customers and Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets. 2. Performed procedures to assess whether the design, implementation and operating effectiveness of the controls related to the approval, recording, calculation and payments of rebates and discounts and the estimates for the year end provisions are in accordance with the discount schemes approved by the Head of Department. 3. Recalculated the discounts for certain schemes on test check basis. 4. Verified on test check basis the subsequent payments made against the year-end provision and also verified the actual pay-outs made against the previous year provision to test the reasonableness of the management estimation process. 5. Verified any reversal/ utilisation of discounts and rebates during the year and analysed the rationale for the same. 6. Verified the ageing for the discount payables under the schemes outstanding at the year end.

Sr. No.	Key Audit Matter	Auditor's response
3.	**Business Combination:** On January 9, 2020, National Company law tribunal of Mumbai branch has approved the merger of cement division of Nirma Limited into the Company. The Company accounted for the merger as per guidance provided in Ind AS 103: Business Combination, Appendix C: Business combinations of entities under common control. [Refer Note 52 to the Standalone financial statements]. We have determined this to be a key audit matter in view of magnitude and complexity in accounting this transaction and restating the prior period information.	Our audit procedures, in respect of this matter are described below: 1. Evaluated the appropriateness of method of accounting adopted by the management to account for the merger is as per Ind AS 103: Business Combination, Appendix C: Business combinations of entities under common control. 2. We corroborated management's alignment of accounting policies and estimates by comparing the significant accounting policies and estimates of cement division of Nirma Limited and comparing with the Company's accounting policies and estimates. 3. We read the scheme of arrangement and focused on accounting for the transaction in accordance with the Scheme of arrangement in the books of the Company. 4. We checked the restatement for the prior period financial information for the year ended March 31, 2019 and Other equity as on April 1, 2018 from the audited financials of the Cement division, audited by the other auditor. 5. We checked whether the shares issued to shareholders of Nirma Limited by the Company as consideration against the assets and liabilities acquired in merger is in accordance with the Scheme of Arrangement and is accounted as per as per Ind AS 103 : Business Combination, Appendix C : Business combinations of entities under common control. 6. Checked whether the disclosures in respect of the transaction is in accordance with Ind AS 103- 'Business Combinations'

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report including Annexures to the Directors' Report, Management discussion and analysis, Corporate Governance Report, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS 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 Ind AS 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 Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the Indian Accounting

Standards (Ind AS) prescribed under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statement 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. Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Standalone Financial Statements.

Other Matter

(i) Due to restrictions and lock down laid by the government due to COVID 19 pandemic, it was impracticable for us to attend the physical verification carried out by the management subsequent to the year-end. Consequently, we have performed related alternative audit procedures and have obtained sufficient appropriate audit evidence over the existence and condition of inventory as on March 31, 2020including review of work done and report issued in this regard by independent firm of Chartered Accountants for certain locations. (Refer Note 55to the Standalone financial statements)

(ii) The previously issued Standalone financial statements of the Company for the year ended March 31, 2019 have been restated to give effect to the Scheme of Arrangement ("Scheme") of merger of cement business of Nirma Limited ("Demerged undertaking") with the Company, as explained in Note 52 to the Standalone financial statement. The financial information of erstwhile demerged undertaking included in the restated Standalone financial statements have been audited by the other auditors. The adjustments made to the previously issued financial information to give effect to the Scheme have been reviewed by us.

Our report on the standalone Ind AS financial statements is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

2. As required by Section 143(3) of the Act, we report that:

   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

   (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flow 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 Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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

(f) With respect to the adequacy of the internal financial controls with reference to standalone Ind AS financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".

(g) 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, 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 Note49 to the standalone financial statements.

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

3. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 of the Act and the rules there under.

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No. 105047W

Amrish Vaidya
Partner
Membership No. 101739
UDIN: 20101739AAAADE7081

Place: Mumbai
Date: June 24, 2020

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF NUVOCO VISTAS CORPORATION LIMITED

Auditor's Responsibilities for the Audit of the Standalone Ind AS 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 Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to standalone Ind AS financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 financial statements, including the disclosures, and whether the standalone Ind AS 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 Ind AS 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.

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No. 105047W

Amrish Vaidya
Partner
Membership No. 101739
UDIN: 20101739AAAADE7081

Place: Mumbai
Date: June 24, 2020

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT ON EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF NUVOCO VISTAS CORPORATION LIMITED

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of Nuvoco Vistas Corporation Limited on the financial statements for the year ended March 31, 2020]

i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment.

(b) The management has a planned programme for verifying Property, Plant and Equipment once in every three years, which in our opinion is reasonable having regards to the size and nature of its assets. Pursuant to the programme, Property, Plant and Equipment have been physically verified by the management during the year and no material discrepancies were identified on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company and based on the Court Orders approving the scheme of arrangement provided to us, we report that, the title deeds of immovable properties other than self-constructed building are held in the name of the Company except for few freehold lands as under:-

In case of Land:

No. of cases	Leasehold/ Freehold	Gross Block as at March 31, 2020 (Amount in ₹ Crores)	Net Block as at March 31, 2020 (Amount in ₹ Crores)	Remarks
1	Leasehold Land	7.10	6.94	
5	Freehold Land	204.78	181.05	Out of this we have not been made available original title deeds aggregating to ₹14.13 Crores

ii. The inventory (excluding stocks with third parties) has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. In respect of inventory lying with third parties, these have substantially been confirmed by them. No material discrepancies were noticed on verification between the physical stocks and the book records.

iii. The Company has granted unsecured loan to one Company covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). According to the information and explanations given to us and on the basis of our examination of the records of the Company, the rate of interest and other terms and conditions on which the loans have been granted to the Company listed in the register maintained under Section 189 of the Act are not, prima facie, prejudicial to the interest of the Company. However, the loan and interest amount has been fully provided for in the Financial Statements.

iv. In our opinion and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loan to any of its directors or to any other person in whom the director is interested, in accordance with the provisions of section 185 of the Act. Further, in our opinion and according to the information and explanations given to us, there are no loans and advances given, investments made and guarantees given by the Company in accordance with section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under.

vi. We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Company pursuant as specified by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Act related to manufacture of cement, ready mix concrete and aggregates and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and the records of the Company examined by us , in our opinion , undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.

(b) According to the information and explanation given to us, no undisputed amounts in respect of provident fund, employees' state insurance, income-tax, goods and service tax, duty of customs, cess and any other statutory dues applicable to the Company were in arrears, as at March 31, 2020 for a period of more than six months from the date they become payable.

(c) According to the information and explanation given to us and examination of records of the Company, there are no dues of income-tax, sales tax, value added tax, service tax, goods and service tax, customs duty and excise duty which have not been deposited on account of any dispute, except for:

Name of the statute	Nature of dues	Amount (₹ In crores)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
The Central Excise Act 1944	Differential excise duty on MRP value	84.53	2009-10, 2010-11, 2015-16	Various Appellate Authorities	
	Disallowance of Cenvat credit on goods/services	17.79	2003-04 to 2017-18	Various Appellate Authorities	Amount is net of protest payment made of ₹ 0.39 Cr.
	Excise Duty/ Additional excise duty on NFR sales	78.69	2007-08 to 2017-18	Various Appellate Authorities	
	Other excise dues	8.14	2007-08 to 2017-18	Various Appellate Authorities	
The Central Sales Tax Act, 1956	Central Sales Tax	4.74	2000-01, 2003-04, 2007-08 and 2010-11 to 2015-16	Various Appellate Authorities	Amount is net of protest payment made of ₹ 6.10 Cr.
Various State Sales Tax Act	Sales Tax	18.83	1999-2000 to 2017-18	Various Appellate Authorities	Amount is net of protest payment made of ₹ 21.54 Cr.
Various State VAT Tax Act	Value Added Tax	37.93	2008-09 to 2017-18	Various Appellate Authorities	Amount is net of protest payment made of ₹7 Cr.
The Customs Act, 1961	Custom Duty	14.44	1996-97	Assistant Commissioner Customs, Mumbai	
Finance Act, 1994	Service Tax liability on income earned from own your wagon Scheme	0.82	2005-06 to 2017-18	Various Appellate Authorities	
	Service Tax liability on VSAT charges	1.87	2010-11 to 2015-16	Addl. Commissioner, Kolkata	Amount is net of protest payment made of ₹ 0.02 Cr.
CGST Act 2017	Transitional credit of CENVAT credit into CGST	13.44	2017– 2018	Commissioner, CGST, Mumbai	
IGST Act 2017	Imposition of Tax and Penalty	0.06	2018-19	Deputy Commissioner SGST	Amount is net of protest payment made of 0.003 Cr.

Name of the statute	Nature of dues	Amount (₹ In crores)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
SGST Act 2017	SGST Act 2017	0.0046	2017-18	Senior Joint Commissioner, SGST	
Income Tax Act, 1961	Income Tax	60.47	2012-13	Income Tax Appellate	Amount is net of payment made of 33.32 Cr. For the stated amount, a stay has been obtained from the jurisdictional AO

viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to the financial institution, bank or debenture holders.

ix. In our opinion and according to the information and explanations given to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.

x. During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees.

xi. According to the information and explanations given to us and based on our examination of the records of the Company, the remuneration paid by the Company to its directors is within limit as mandated under Section 197 and the rules thereunder.

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

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

xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions stated in paragraph 3 (xiv) of the Order are not applicable to the Company.

xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.

xvi. In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph clause 3 (xvi) of the Order are not applicable to the Company.

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No. 105047W

Amrish Vaidya
Partner
Membership No. 101739
UDIN: 20101739AAAADE7081

Place: Mumbai
Date: June 24, 2020

ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF NUVOCO VISTAS CORPORATION LIMITED

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of Nuvoco Vistas Corporation Limited on the Standalone Ind AS financial statements for the year ended March 31, 2020]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to standalone Ind AS financial statements of Nuvoco Vistas Corporation Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the standalone Ind AS 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 with reference to standalone Ind AS financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone Ind AS financial statements 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. 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 internal financial controls with reference to standalone Ind AS financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls with reference to standalone Ind AS financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone Ind AS financial statements included obtaining an understanding of internal financial controls with reference to standalone Ind AS financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone Ind AS financial statements.

Meaning of Internal Financial Controls with reference to Standalone Ind AS Financial Statements

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

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

Because of the inherent limitations of internal financial controls with reference to standalone Ind AS financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone Ind AS financial statements to future periods are subject to the risk that the internal financial control with reference to standalone Ind AS financial statements 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 internal financial controls system with reference to standalone Ind AS financial statements and such internal financial controls with reference to standalone Ind AS financial statements were operating effectively as at March 31, 2020, based on the internal control with reference to standalone Ind AS financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No. 105047W

Amrish Vaidya
Partner
Membership No. 101739
UDIN: 20101739AAAADE7081

Place: Mumbai
Date: June 24, 2020

Standalone Balance Sheet

as at 31 March 2020

(All amounts are in ₹ crore, unless otherwise stated)

Particulars	Note No.	As at 31 March 2020	As at 31 March 2019
ASSETS			
NON-CURRENT ASSETS			
(a) Property, plant and equipment	2	6,220.80	6,121.90
(b) Capital work-in-progress (net of provision)		646.93	604.88
(c) Investment property	3	1.19	1.27
(d) Goodwill	4	2,443.86	2,443.86
(e) Other intangible assets	4	1,202.64	1,276.22
(f) Right of use asset	5	101.68	-
(g) Financial assets			
(i) Investments	6	0.05	0.05
(ii) Loans	7	0.17	0.20
(iii) Other non-current financial assets	8	579.09	580.56
(h) Income tax assets (net)		133.93	113.03
(i) Other non current assets	9	107.06	63.43
		11,437.40	**11,205.40**
CURRENT ASSETS			
(a) Inventories	10	603.03	584.68
(b) Financial assets			
(i) Investments	11	-	455.60
(ii) Trade receivables	12	511.04	499.86
(iii) Cash and cash equivalents	13	253.86	98.27
(iv) Bank balances other than Cash and cash equivalents	14	257.00	26.43
(v) Loans	15	2.26	1.48
(vi) Other current financial assets	16	257.84	183.77
(c) Income tax assets (net)		1.39	12.50
(d) Other current assets	17	120.46	142.00
		2,006.88	**2,004.59**
TOTAL ASSETS		**13,444.28**	**13,209.99**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	18	242.36	200.00
(b) Other equity		5,036.88	4,793.68
		5,279.24	**4,993.68**
LIABILITIES			
NON-CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Borrowings	19	2,931.25	3,318.34
(ii) Other non-current financial liabilities	20	52.76	52.76
(iii) Lease liabilities	40	33.64	-
(b) Provisions (non-current)	21	70.31	61.00
(c) Deferred tax liabilities (net)	22	1,441.84	1,393.04
		4,529.80	**4,825.14**
CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Borrowings	23	1,532.02	1,307.56
(ii) Trade payables	24		
· Due to micro and small enterprises		8.80	5.33
· Due to creditors other than micro and small enterprises		778.48	759.40
(iii) Other current financial liabilities	25	645.96	576.55
(iv) Lease liabilities	40	15.88	-
(b) Other current liabilities	26	333.84	426.51
(c) Provisions (current)	27	320.26	315.82
		3,635.24	3,391.17
TOTAL EQUITY AND LIABILITIES		**13,444.28**	**13,209.99**
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	1B		

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

For **MSKA & Associates**
Chartered Accountants
Firm Registration No. 105047W

Amrish Vaidya
Partner
Membership No. 101739

Place : Mumbai
Date : 24 June 2020

For and on behalf of the Board of Directors of Nuvoco Vistas Corporation Limited

CIN: U26940MH1999PLC118229

Jayakumar Krishnaswamy
Managing Director
DIN: 02099219

Suketu Nareshbhai Shah
Director
DIN: 07211283

Maneesh Agrawal
Chief Financial Officer

Shruta Sanghavi
Company Secretary

Place : Mumbai
Date : 24 June 2020

Standalone Statement of Profit and Loss

for the year ended 31 March 2020

(All amounts are in ₹ crore, unless otherwise stated)

Particulars	Note No.	2019-20	2018-19
INCOME			
Revenue from operations	28	6,793.24	7,052.62
Other income	29	36.70	53.27
Total Income		**6,829.94**	**7,105.89**
EXPENSES			
Cost of materials consumed	30	1,273.82	1,397.41
Purchase of stock in trade	31	17.56	12.55
Changes in inventories of finished goods, work-in-progress and stock-in-trade	32	(61.37)	34.71
Power and fuel		1,225.63	1,374.13
Freight and forwarding charges		1,776.14	1,983.21
Employee benefits expense	33	404.61	381.13
Finance costs	34	419.21	452.17
Depreciation and amortisation expense	35	527.88	485.11
Other expenses	36	859.71	966.18
Total expenses		**6,443.19**	**7,086.60**
Profit before tax		386.75	19.29
Tax expenses:	38		
1. Current tax		89.62	64.21
2. Deferred tax		47.65	(1.14)
3. Tax expense relating to earlier years		0.23	(19.98)
Total tax expense		**137.50**	**43.09**
Profit/ (Loss) for the year		**249.25**	**(23.80)**
OTHER COMPREHENSIVE INCOME (OCI)			
I Items that will not be reclassified to profit or loss			
i. Remeasurements losses of post-employment benefit obligation		(4.67)	(2.46)
ii. Income tax related to above		1.64	0.88
		(3.03)	**(1.58)**
Other comprehensive loss for the year		**(3.03)**	**(1.58)**
Total comprehensive income/ (loss) for the year		**246.22**	**(25.38)**
Earnings per equity share (Face value of ₹ 10 each)	37		
1. Basic (₹)		10.28	(0.98)
2. Diluted (₹)		10.28	(0.98)

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

For **MSKA & Associates**
Chartered Accountants
Firm Registration No. 105047W

Amrish Vaidya
Partner
Membership No. 101739

Place : Mumbai
Date : 24 June 2020

For and on behalf of the Board of Directors of Nuvoco Vistas Corporation Limited

CIN: U26940MH1999PLC118229

Jayakumar Krishnaswamy
Managing Director
DIN: 02099219

Suketu Nareshbhai Shah
Director
DIN: 07211283

Maneesh Agrawal
Chief Financial Officer

Shruta Sanghavi
Company Secretary

Place : Mumbai
Date : 24 June 2020

Standalone Statement of Cash Flows

for the year ended 31 March 2020

(All amounts are in ₹ crore, unless otherwise stated)

Particulars	2019-20	2018-19
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	386.75	19.29
Adjustments for:		
Depreciation and Amortisation Expense	527.88	485.11
Net gain on foreign currency transaction and translation	(0.51)	(0.77)
Provision for bad/doubtful debts and advances	13.13	12.30
Provision for indirect taxes and litigations	13.29	14.36
Provision/liabilities no longer required, written back	(6.29)	(47.72)
(Gain)/Loss on disposal of Property, Plant & Equipment	3.40	(0.48)
Gain on sale of current investments	(19.90)	(26.27)
Fair value gain on financial instruments at fair value through profit or loss	-	(3.20)
Interest income on bank deposits	(2.81)	(1.65)
Interest income on others	(8.25)	(17.26)
Finance costs	419.21	452.17
Operating profit before working capital adjustments	**1,325.90**	**885.88**
Adjustments for working capital :		
Increase in Inventories	(18.35)	(28.86)
Increase in trade and other receivables	(24.33)	(89.10)
Increase in loans and advances and other non current assets	(49.92)	(46.44)
Decrease/(Increase) in trade / other payables, provisions and other liability	(107.69)	141.39
	1,125.61	**862.87**
Income tax paid	(100.24)	(16.46)
NET CASH FLOW FROM OPERATING ACTIVITIES	**1,025.37**	**846.41**
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Payment for purchase and construction of property, plant and equipment	(569.48)	(580.83)
Purchase of current investments	(4,337.51)	(2,904.00)
Proceeds from sale of current investments	4,813.00	3,322.24
Loans/advances given during the year	(0.75)	(0.53)
Interest received	14.58	14.50
NET CASH FLOW USED IN INVESTING ACTIVITIES	**(80.16)**	**(148.62)**
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Stamp duty on issue of shares	(0.88)	-
Repayment of long term borrowings	(1,250.00)	(1,150.00)
Proceeds from long term borrowings	1,030.00	750.00
Contribution from erstwhile owners of demerged undertaking	39.91	152.88
Short term borrowing (Net)	-	(4.39)
Repayment of lease liabilities (Refer note 40)	(20.12)	-
Interest paid	(357.96)	(384.91)
NET CASH USED IN FINANCING ACTIVITIES	**(559.05)**	**(636.42)**
Net increase in cash and cash equivalents (A+B+C)	**386.16**	**61.37**
Cash and cash equivalents at the beginning of the year	124.70	43.13
Additions through business combination	-	20.20
Cash and cash equivalents at the end of the year	**510.86**	**124.70**

Standalone Statement of Cash Flows

for the year ended 31 March 2020

(All amounts are in ₹ crore, unless otherwise stated)

Particulars	2019-20	2018-19
Reconciliation of Cash and Cash equivalents with the Balance Sheet		
Cash and Bank Balances as per Balance Sheet		
Bank balances (including bank deposits)	510.71	118.20
Cheques/drafts on hand	0.07	6.44
Cash on hand	0.08	0.06
Cash and cash equivalents at the end of the year	**510.86**	**124.70**

Notes :

i) Cash and Cash equivalents at the end of the year includes cash collateral of ₹ 5.18 crores maintained by the Company for collateral of disputed indirect tax case and ₹ 21.82 with various statutory authorities.

ii) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 - "Statement of Cash Flows ".

iii) Disclosure as required by Ind AS 7 - "Statement of Cash Flows" - Changes in liabilities arising from financing activities:

Particulars	2019-20	2018-19
Opening balance	4,625.90	4,373.19
Non Cash movement		
- Conversion of CCD (Refer note 18(c)(ii)	-	(32.48)
- Borrowings of amalgamating company (Refer note 52)	-	636.43
- Accrual of interest	398.36	431.11
Cash movement		
- Further Borrowings	1,030.00	750.00
- Principle repayment	(1,250.00)	(1,154.38)
- Interest payment	(340.99)	(377.97)
Closing balance	**4,463.27**	**4,625.90**

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

For **MSKA & Associates**
Chartered Accountants
Firm Registration No. 105047W

Amrish Vaidya
Partner
Membership No. 101739

Place : Mumbai
Date : 24 June 2020

For and on behalf of the Board of Directors of Nuvoco Vistas Corporation Limited

CIN: U26940MH1999PLC118229

Jayakumar Krishnaswamy
Managing Director
DIN: 02099219

Suketu Nareshbhai Shah
Director
DIN: 07211283

Maneesh Agrawal
Chief Financial Officer

Shruta Sanghavi
Company Secretary

Place : Mumbai
Date : 24 June 2020

Standalone Statement of Changes in Equity

for the year ended 31 March 2020

(All amounts are in ₹ crore, unless otherwise stated)

Equity Share Capital

Particulars	31 March 2020		31 March 2019	
	2019-20	2019-20	2018-19	2018-19
Balance at the beginning of the reporting period	200,000,000	200.00	150,000,000	150.00
Share issued on account of business combination(Refer note 52)	42,361,787	42.36	-	-
Conversion of CCD into equity shares (Refer note 18(c)(ii))	-	-	50,000,000	50.00
Balance at the end of the reporting period	**242,361,787**	**242.36**	**200,000,000**	**200.00**

Other equity

Particulars	Reserves and Surplus**										Equity share pending allotment	Equity component of compound financial instrument	Total
	Capital reserve	Capital reserve on amalgamation	Capital reserve on merger	Securities premium	Capital redemption reserve	Debenture redemption reserve	Amalgamation Reserves	General reserve	Statutory Reserve Under Section 45IC of RBI Act	Retained earnings			
Balance at 31 March 2018	**37.33**	**(1,053.75)**	**-**	**1,313.03**	**23.33**	**520.95**	**2.53**	**90.00**	**0.01**	**2,077.00**	**-**	**956.84**	**3,967.27**
Adjustment due to Business Combination (Refer note 52)	-	-	727.76	-	-	-	-	-	-	-	-	-	727.76
Equity shares pending allotment (Refer note 52)	-	-	(42.36)	-	-	-	-	-	-	-	42.36	-	-
Restated balance at 1 April 2018	**37.33**	**(1,053.75)**	**685.40**	**1,313.03**	**23.33**	**520.95**	**2.53**	**90.00**	**0.01**	**2,077.00**	**42.36**	**956.84**	**4,695.03**
Loss for the year	-	-	-	-	-	-	-	-	-	(23.80)	-	-	(23.80)
Other comprehensive loss for the year	-	-	-	-	-	-	-	-	-	(1.58)	-	-	(1.58)
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(25.38)**	**-**	**-**	**(25.38)**
Transfer to Debenture redemption reserve from retained earning	-	-	-	-	-	260.05	-	-	-	(260.05)	-	-	-
Transfer to retained earning from Debenture redemption reserve	-	-	-	-	-	(287.50)	-	-	-	287.50	-	-	-
Contribution from erstwhile owners of demerged undertaking	-	-	152.88	-	-	-	-	-	-	-	-	-	152.88
Reversal of CCD debt component (Refer note 18(c)(ii))	-	-	-	-	-	-	-	-	-	32.46	-	-	32.46
Reversal of deferred tax on CCD debt component	-	-	-	-	-	-	-	-	-	11.37	-	(22.68)	(11.31)
Converstion of CCD into equity (Refer note 18(c)(ii))	-	-	-	884.16	-	-	-	-	-	-	-	(934.16)	(50.00)
Balance at 31 March 2019	**37.33**	**(1,053.75)**	**838.28**	**2,197.19**	**23.33**	**493.50**	**2.53**	**90.00**	**0.01**	**2,122.90**	**42.36**	**-**	**4,793.68**

Standalone Statement of Changes in Equity

for the year ended 31 March 2020

(All amounts are in ₹ crore, unless otherwise stated)

Other equity (Contd..)

Particulars	Reserves and Surplus**										Equity share pending allotment	Equity component of compound financial instrument	Total
	Capital reserve	Capital reserve on amalgamation	Capital reserve on merger	Securities premium	Capital redemption reserve	Debenture redemption reserve	Amalgamation Reserves	General reserve	Statutory Reserve Under Section 45IC of RBI Act	Retained earnings			
Profit for the year	-	-	-	-	-	-	-	-	-	249.25	-	-	249.25
Other comprehensive loss for the year	-	-	-	-	-	-	-	-	-	(3.03)	-	-	(3.03)
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**246.22**	**-**	**-**	**246.22**
Transfer to Debenture redemption reserve from retained earning*	-	-	-	-	-	73.07	-	-	-	(73.07)	-	-	-
Contribution from erstwhile owners of demerged undertaking	-	-	39.91	-	-	-	-	-	-	-	-	-	39.91
Transfer to retained earning from Debenture redemption reserve*	-	-	-	-	-	(303.96)	-	-	-	303.96	-	-	-
Issue of shares on account of business combination (Refer note 52)	-	-	-	-	-	-	-	-	-	-	(42.36)	-	(42.36)
Share issue expenses (net of tax)***	-	-	-	(0.57)	-	-	-	-	-	-	-	-	(0.57)
Balance at 31 March 2020	**37.33**	**(1,053.75)**	**878.19**	**2,196.62**	**23.33**	**262.61**	**2.53**	**90.00**	**0.01**	**2,600.01**	**-**	**-**	**5,036.88**

Notes:

* As per notification GSR 574(E) in reference to amendmend in rule 18, for sub rule 7 of the Companies (Share Capital and Debentures) Rules, 2014, Company has discontinued creating Debenture Redemption Resserve w.e.f. 16th August 2019

** Refer note 18 for description of the nature and purpose of each reserve within other equity

*** Share issue expense is related to stamp duty charge on new equity shares on business combination in financial year 2019-20 (Refer note 52)

The accompanying notes are an integral part of these financial statements

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

For **MSKA & Associates**
Chartered Accountants
Firm Registration No. 105047W

Amrish Vaidya
Partner
Membership No. 101739

Place : Mumbai
Date : 24 June 2020

For and on behalf of the Board of Directors of Nuvoco Vistas Corporation Limited

CIN: U26940MH1999PLC118229

Jayakumar Krishnaswamy
Managing Director
DIN: 02099219

Suketu Nareshbhai Shah
Director
DIN: 07211283

Maneesh Agrawal
Chief Financial Officer

Shruta Sanghavi
Company Secretary

Place : Mumbai
Date : 24 June 2020

Notes to Standalone Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

1A. Company Information

Nuvoco Vistas Corporation Limited ("the Company") is a limited company domiciled and headquartered in India and incorporated under the provisions of the Companies Act, 1956. The registered office is located at Equinox Business Park, Tower-3, 4th Floor, LBS Marg, Off BKC, Kurla (West), Mumbai – 400070. The Company is principally engaged in the business of manufacturing and sale of Cement and Ready Mix along with trading and manufacturing of Aggregates. The Company caters mainly to the domestic market.

1B. Summary of significant accounting policies

a) Basis of preparation

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 (the Act) and other relevant provisions of the Act.

During the year, the National Company Law Tribunal (NCLT) Mumbai vide its order dated January 9, 2020 sanctioned the Scheme of Arrangement for transfer of cement division of Nirma Limited (Demerge undertaking) into the Company. The appointed date as per the scheme is June 1, 2019. The Scheme has become effective upon filing of certified copy of said order of NCLT with the Office of Registrar of Companies, Mumbai MCA on February 1, 2020 ("Effective Date") and accordingly has been given effect in the books of account and restate the prior years' financial information as required under Ind AS- 103: Business Combination, Appendix C : Business combinations of entities under common control.

The company has applied Ind AS 116- Leases using the modified retrospective approach for the first time for their annual reporting period commencing 1 April 2019 and therefore the comparative information has not been restated and continues to be reported under Ind AS 17

The financial statements have been prepared on the historical cost except for certain financial instruments and defined benefit plans which are measured at fair value or amortized cost.

b) Property, plant and equipment (PPE)

Property, plant and equipment are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation (other than freehold land) and impairment loss, if any.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

An item of spare parts that meets the definition of 'PPE' is recognised as "PPE". The depreciation on such an item of spare part will begin when the asset is available for use i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. In case of a spare part, as it may be readily available for use, it may be depreciated from the date of purchase of the spare part.

All other repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

Capital work in progress ('CWIP') is stated at cost, net of accumulated impairment losses, if any. All the direct expenditure related to implementation including incidental expenditure incurred during the period of implementation of a project, till it is commissioned, is accounted as CWIP and after commissioning the same is transferred / allocated to the respective item of property, plant and equipment.

Pre-operating costs, being indirect in nature, are expensed to the statement of profit and loss as and when incurred.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Property, plant and equipment are eliminated from financial statement, either on disposal or when

Notes to Standalone Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

retired from active use. Losses arising in the case of retirement of property, plant and equipment are recognised in the statement of profit and loss in the period of occurrence.

Depreciation methods, estimated useful lives and residual value

Depreciation (other than on mining land) is calculated on a straight-line basis to allocate the cost of assets, net of their residual values, over their estimated useful lives. Components having value significant to the total cost of the asset and life different from that of the main asset are depreciated over its useful life. The useful lives have been determined based on technical evaluation which are higher than those specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets. The useful lives so determined are as follows:

Asset Type	Useful life (in years)
Buildings and roads	1 to 60
Plant and machinery	1 to 50
Railway sidings and locomotives	30
Office equipment	1 to 20
Vehicles	5 to 10
Furniture and fixtures	1 to 15
Mining land	Amortised on the unit of production method based on extraction of limestone from mines

Cost of mineral reserve embedded in the cost of freehold mining land is depreciated in proportion of actual quantity of minerals extracted to the estimated quantity of extractable mineral reserves.

Depreciation on items of property, plant and equipment acquired / disposed off during the period is provided on pro-rata basis with reference to the date of addition / disposal.

Residual values, useful life of assets and methods of depreciation of property, plant and equipment are reviewed at the end of each financial period.

c) **Investment property**

A property that is held for long term rental yields or for capital appreciation or both and that is not occupied by the company is classified as "Investment properties".

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The Company depreciates building component of investment property over 30 years from the date of original purchase.

The Company, based on management estimate, depreciates the building over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

d) **Intangible Assets**

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets acquired separately are measured at cost on initial recognition. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Notes to Standalone Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

Amortisation methods, estimated useful lives and residual value

Intangible assets are amortised on a straight line basis over their estimated useful lives based on underlying contracts where applicable, except for mining rights

The useful lives of intangible assets are assessed as either finite or indefinite. The useful lives so determined are as follows:

Asset Type	Useful life/ Basis of amortisation
Mining Rights	Amortised on the unit of production method based on extraction of limestone from mines but restricted upto the lease period (in case of Leasehold and Freehold Land)
Supplier agreement	(Finite) Upto the validity of the Contract
Trademark	(Finite) 10 years
Software	(Finite) 4 to 15 years

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually and change if any in useful life from indefinite to finite is made on a prospective basis.

e) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is determined:

1. In case of individual asset, at higher of the fair value less cost to sell and value in use; and

2. In case of cash-generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash-generating unit's fair value less cost to sell and the value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. In any case the growth rate does not exceed the long term average growth rate for the products/industries in which the entity operates.

Impairment losses, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

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(All amounts are in ₹ crore, unless otherwise stated)

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

f) Leases:

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

The Company as a lessee:

The Company assesses, whether the contract is, or contains, a lease at the inception of the contract or upon the modification 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.

The Company at the commencement of the lease contract recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with a term of twelve months or less (short-term leases) and leases for which the underlying asset is of low value (low-value leases). 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 cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, adjusted for any lease payments made at or prior to the commencement date of the lease, any initial direct costs incurred by the Company, any lease incentives received and expected costs for obligations to dismantle and remove right-of-use assets when they are no longer used.

Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease over the shorter of the end of the lease term or useful life of the right-of-use asset.

Right-of-use assets are assessed for impairment whenever there is an indication that the balance sheet carrying amount may not be recoverable using cash flow projections for the useful life.

For lease liabilities at commencement date, the Company measures the lease liability at the present value of the future lease payments as from the commencement date of the lease to end of the lease term. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, the Company's incremental borrowing rate for the asset subject to the lease in the respective markets.

Subsequently, the Company measures the lease liability by adjusting carrying amount to reflect interest on the lease liability and lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever there is a change to the lease terms or expected payments under the lease, or a modification that is not accounted for as a separate lease

The portion of the lease payments attributable to the repayment of lease liabilities is recognized in cash flows used in financing activities. Also, the portion attributable to the payment of interest is included in cash flows from financing activities. Further, Short-term lease payments, payments for leases for which the underlying asset is of low-value and variable lease payments not included in the measurement of the lease liability is also included in cash flows from operating activities.

The Company as a lessor:

In arrangements where the Company is the lessor, it determines at lease inception whether the lease is a finance lease or an operating lease. Leases that transfer substantially all of the entire risk and rewards incidental to ownership of the underlying asset to the counterparty (the lessee) are accounted for as finance leases. Leases that do not transfer substantially all of the risks and rewards of ownership are accounted for as operating leases. Lease payments received under operating leases are recognized as income in the statement of profit

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(All amounts are in ₹ crore, unless otherwise stated)

and loss on a straight-line basis over the lease term or another systematic basis. The Company applies another systematic basis if that basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished.

g) Financial instruments

A. Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two broad categories:

1. Financial assets at amortised cost
2. Financial assets at fair value

Where assets are measured at fair value, gains and losses are either recognized in the statement of profit and loss (i.e. fair value through profit and loss) (FVTPL), or recognized in other comprehensive income (i.e. fair value through other comprehensive income) (FVTOCI)

Financial asset at amortised cost

A financial asset is measured at amortised cost if following two conditions are met:

1. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

2. The contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Financial assets at fair value

Debt instruments

A debt instrument is classified as at FVTOCI if following two conditions are met:

1. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

2. The asset's contractual cash flows represent SPPI

Debt instrument included within the fair value through other comprehensive income are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

All other investment in debt instruments not measured at amortised cost or at FVTOCI as described above is measured at fair value through profit and loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration, recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at fair value through profit or loss. 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.

If the company decides to classify an equity instrument as at fair value through other comprehensive income, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Profit and loss, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

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(All amounts are in ₹ crore, unless otherwise stated)

Equity instruments included within the fair value through profit or loss category are measured at fair value with all changes recognised in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when:

1. The rights to receive cash flows from the asset have expired, or
2. The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
   a) the Company has transferred substantially all the risks and rewards of the asset, or
   b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

   When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Impairment of financial assets

The company assesses impairment based on expected credit loss (ECL) model to the following:

1. Financial assets measured at amortised cost;
2. Financial assets measured at fair value through other comprehensive income (FVTOCI);

Expected credit losses are measured through a loss allowance at an amount equal to:

1. The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
2. Full life time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

Under the simplified approach, the company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

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(All amounts are in ₹ crore, unless otherwise stated)

B. **Financial liabilities**

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The company's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

1. Financial liabilities at fair value through profit or loss
2. Loans and borrowings
3. Financial guarantee contracts

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

C. **Off-setting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

D. **Derivative financial instruments and hedge accounting**

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks and interest rate risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss.

For the purpose of hedge accounting, hedges are classified as:

i. Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment

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(All amounts are in ₹ crore, unless otherwise stated)

ii. Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment

iii. Hedges of a net investment in a foreign operation

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

The Company uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments. The ineffective portion relating to foreign currency contracts is recognised in finance costs and the ineffective portion relating to commodity contracts is recognised in other income or expenses.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

h) Compulsorily Convertible Debentures:

Compulsorily Convertible Debentures are separated into liability and equity components based on the terms of the contract.

On issuance of the convertible debentures, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 Financial Instruments: Presentation criteria for fixed to fixed classification. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not remeasured in subsequent years.

Transaction costs are apportioned between the liability and equity components of the convertible debentures shares based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised

i) Investment in subsidiaries and joint ventures

The Company accounts for investment in subsidiaries and Joint venture at Cost in its separate financial statements.

j) Business combination of entities under common control

Business combinations involving entities that are controlled by the company or ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory, are accounted for using the pooling of interests method as follows:

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(All amounts are in ₹ crore, unless otherwise stated)

- The assets and liabilities of the combining entities are reflected at their carrying amounts
- No adjustments are made to reflect fair values, or recognise any new assets or liabilities. Adjustments are only made to harmonise accounting policies.
- The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination, however, where the business combination had occurred after that date, the prior period information is restated only from that date.
- The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve.
- The identity of the reserves is preserved and the reserves of the transferor become the reserves of the transferee

k) Inventories

Inventories are valued at the lower of cost and Net Realisable Value (NRV).

Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the actual level of production which approximates normal operating capacity, but excluding borrowing costs.

Stores, spares and other supplies: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis. An item of stores and spares that does not meet the definition of 'property, plant and equipment' is recognised as a part of inventories.

Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

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

l) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

m) Cash dividend to equity holders of the Company

The Company recognises a liability to make cash distributions to equity holders of the company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

n) Revenue Recognition

Sale of goods:

Revenue is measured at the fair value of the consideration received or receivable, on the basis of approved contracts for the transfer of goods or services with the customer which the entity expects to be entitled in exchange for those goods or services. Revenue is recognized net of returns and allowances, related discounts, incentives and volume rebates after the control over the goods sold are transferred to the customer which is generally on dispatch/delivery of goods.

Returns, allowances, incentives, volume rebates, discounts etc. are estimated at contract inception

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(All amounts are in ₹ crore, unless otherwise stated)

considering the terms of various schemes with customers using expected value method and revenue is only recognized to the extent that it is highly probable that significant reversal will not occur.

Significant financing component - Generally, the Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

Interest income

For all interest bearing financial assets interest income is recorded using the effective interest rate (EIR), which 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. Interest income is included in other income in the statement of profit and loss.

o) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. All the grants related to an expense item are recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When grants relates to an assets it is recognized as income in equal amounts over the expected useful life of the related asset and disclosed under financial assets in accordance with Ind AS -109- Financial Instruments.

p) Borrowing costs

Borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of the asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time (generally over twelve months) to get ready for its intended use or sale.

All other borrowing costs are expensed in the period in which they occur.

Borrowing costs consist of interest and other costs that a company incurs in connection with the borrowing of funds.

q) Income tax

The Income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on the rates and tax laws enacted or substantively enacted, at the reporting date in the country where the entity operates and generates taxable income.

Current income tax relating to items recognized directly in equity is recognised in equity and not in the statement of profit and loss.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their corresponding carrying amounts for the financial reporting purposes at the reporting date.

Deferred tax assets are the amounts of income taxes recoverable in future periods in respect of:

1. deductible temporary differences;
2. the carry forward of unused tax losses; and
3. The carry forward of unused tax credits.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the

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(All amounts are in ₹ crore, unless otherwise stated)

extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a period is charged to the Statement of Profit and Loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal income tax during the specified period.

r) Employee benefits

All employee benefits payable wholly within twelve months of rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognised during the period in which the employee renders related service.

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The Company also has additional death benefit scheme for specific set of employees. This death benefit scheme is unfunded.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

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(All amounts are in ₹ crore, unless otherwise stated)

Other Long-term employee benefits

Other long term employee benefits are recognised as an expense in the statement of profit and loss for the period in which the employee has rendered services. The expenses are recognised at the present value of the amount payable determined using actuarial valuation technique. Actuarial gains and loss in respect of other long term benefits are charged to the statement of profit and loss.

s) Foreign currency translation

Items included in the financial statements of the entity are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is company's functional and presentation currency.

Transactions and balances

Transactions in foreign currencies are initially recorded at functional currency, using the foreign exchange rate at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

At each balance sheet date, foreign currency monetary assets and liabilities are translated at the functional currency using the foreign exchange rate at the reporting date. Foreign exchange gains and losses resulting from the settlement of such transactions and from translation of monetary assets and liabilities denominated at foreign currencies at year end exchange rates are generally recognized in profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transaction.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income or the statement of profit and loss are also recognised in other comprehensive income or the statement of profit and loss, respectively).

t) Provisions, Contingent liabilities, Contingent assets and Commitments:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, 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.

When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed in the case of:

1. A present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
2. A present obligation arising from the past events, when no reliable estimate is possible;
3. A possible obligation arising from the past events, unless the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

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(All amounts are in ₹ crore, unless otherwise stated)

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

u) Earnings per share

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

v) Operating Segment

The Chief Operational Decision Maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

The Operating segments have been identified on the basis of the nature of products/services.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter Segment revenue is accounted on the basis of transactions which are primarily determined based on market/fair value factors. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocated to segments on a reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

w) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

1. In the principal market for the asset or liability,

   Or

2. 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.

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 lowest level input that is significant to the fair value measurement as a whole:

1. Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or Liabilities.

2. Level 2 — Valuation techniques for which the lowest level input that is significant to the fair

Notes to Standalone Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

value measurement is directly or indirectly observable.

3. Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

x) Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

1. Expected to be realised or intended to be sold or consumed in normal operating cycle;
2. Held primarily for the purpose of trading;
3. Expected to be realised within twelve months after the reporting period,

   Or

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

All other assets are classified as non-current.

A liability is current when:

1. It is expected to be settled in normal operating cycle;
2. It is held primarily for the purpose of trading;
3. It is due to be settled within twelve months after the reporting period,

   Or

4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

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

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

y) Exceptional items

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

z) Rounding off

All amounts disclosed in the financial statements and notes have been rounded off to the nearest cores as per the requirements of Schedule III, unless otherwise stated. Any amount appearing as ₹ 0.00 represents amount less than ₹ 1,00,000.

aa) Significant estimates and judgments

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The estimates and assumptions that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are described below:

a. Useful life of property, plant and equipment

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's

Notes to Standalone Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

b. Impairment of Goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash generating units to which goodwill has been allocated. The value in use calculation requires the management to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than the carrying amount, a material impairment loss may arise.

c. Defined benefit obligation

The cost of defined benefit gratuity plans, Leave encashment and death benefit, is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future salary increments. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty

d. Measurement of site restoration provisions

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

e. Legal & Tax matters and contingent liabilities

Various litigations and claims related to Company are assessed primarily by the management and also in certain cases by with the support of the relevant external advice. Disclosures related to such provision for legal cases, as well as contingent liabilities, require judgment and estimations.

f. Revenue recognition

Company provides various discounts to the customers. The methodology and assumptions used to estimate the same are monitored and adjusted regularly in the light of contractual and legal obligations, historical trends, past experience and projected market conditions.

g. Provision for doubtful trade receivables

Trade receivables are stated at their transaction value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off / provide for basis management estimate, historical trend and existing market condition as well as forward looking estimates at the end of each reporting period

h. Leases

Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use an underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Company considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The options to extend the lease term are included in the lease term, if it is reasonably certain that the lessee will exercise the option. The Company re-assess the option when significant events or changes in circumstances occur that are within the control of the lessee.

Notes to Standalone Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

2. Property, plant and equipment

Description	Land - Freehold (a)	Land - Leasehold	Quarry Development	Building and Roads	Plant and Machinery	Railway Sidings & Locomotives	Furniture & Fixtures	Office Equipment	Vehicles	Total
Cost as at 1 April 2018	**624.81**	**102.07**	**3.82**	**1,334.38**	**5,228.51**	**655.03**	**8.42**	**32.38**	**3.65**	**7,993.07**
Adjustment due to Business Combination (Refer note 52)	98.03	0.56	-	194.23	1,311.71	-	8.95	3.45	15.90	1,632.83
Additions	15.54	-	0.57	22.26	172.23	2.73	1.39	1.03	0.10	215.85
Disposals	-	-	-	(1.23)	(3.76)	-	-	(0.06)	(0.35)	(5.40)
Adjustments	32.08	(32.08)	-	-	-	-	-	-	-	-
Cost as at 31 March 2019 (A)	**770.46**	**70.55**	**4.39**	**1,549.64**	**6,708.69**	**657.76**	**18.76**	**36.80**	**19.30**	**9,836.35**
Additions	6.47	-	3.90	64.57	505.69	3.40	2.19	2.58	0.98	589.78
Disposals	-	-	-	(14.93)	(15.97)	-	0.00	(4.27)	(0.07)	(35.24)
Reclassified on adoption of Ind AS 116 (Refer note 5)	-	(70.55)	-	-	-	-	-	-	-	(70.55)
Cost as at 31 March 2020 (C)	**776.93**	**-**	**8.29**	**1,599.28**	**7,198.41**	**661.16**	**20.95**	**35.11**	**20.21**	**10,320.34**
Accumulated depreciation as at 1 April 2018	**19.89**	**11.07**	**2.99**	**490.14**	**2,300.99**	**224.71**	**5.16**	**26.34**	**2.63**	**3,083.92**
Adjustment due to Business Combination (Refer note 52)	0.22	0.02	-	25.12	189.19	-	2.21	1.46	6.79	225.01
Depreciation for the year	8.05	2.08	0.20	60.05	307.16	23.07	1.83	3.03	2.73	408.20
Disposals/adjustments	-	-	-	(0.36)	(2.06)	-	-	(0.06)	(0.20)	(2.68)
Accumulated depreciation as at 31 March 2019 (B)	**28.16**	**13.17**	**3.19**	**574.95**	**2,795.28**	**247.78**	**9.20**	**30.77**	**11.95**	**3,714.45**
Depreciation for the year	7.42	-	0.22	54.26	336.52	23.61	2.30	2.60	2.52	429.45
Disposals/adjustments	-	-	-	(14.90)	(11.96)	-	(0.00)	(4.26)	(0.07)	(31.19)
Reclassified on adoption of Ind AS 116 (Refer note 5)	-	(13.17)	-	-	-	-	-	-	-	(13.17)
Accumulated depreciation as at 31 March 2020 (D)	**35.58**	**-**	**3.41**	**614.31**	**3,119.84**	**271.39**	**11.50**	**29.11**	**14.40**	**4,099.54**
Net carrying amount as at 31 March 2019 (A)- (B)	**742.30**	**57.38**	**1.20**	**974.69**	**3,913.41**	**409.98**	**9.56**	**6.03**	**7.35**	**6,121.90**
Net carrying amount as at 31 March 2020 (C)- (D)	**741.35**	**-**	**4.88**	**984.97**	**4,078.57**	**389.77**	**9.45**	**6.00**	**5.81**	**6,220.80**

Notes:

a. Freehold land includes ₹ 2.11 Crores (31 March 2019 : ₹ 2.11 Crores) being used by third party

b. Refer note 19 for property, plant and equipment provided as collateral against borrowings

Notes to Standalone Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

3. Investment property

Description	Amount
Cost as at 1 April 2018	**1.59**
Additions	-
Disposals/transfer	-
Cost as at 31 March 2019 (A)	**1.59**
Additions	-
Disposals/transfer	-
Cost as at 31 March 2020 (C)	**1.59**
Accumulated depreciation as at 1 April 2018	**0.24**
Depreciation for the year	0.08
Disposals/transfer	-
Accumulated depreciation as at 31 March 2019 (B)	**0.32**
Depreciation for the year	0.08
Disposals/transfer	-
Accumulated depreciation as at 31 March 2020 (D)	**0.40**
Net carrying amount as at 31 March 2019 (A)- (B)	**1.27**
Net carrying amount as at 31 March 2020 (C)- (D)	**1.19**

In March 2020, the Company has received quotation from one of the customer for sale of said investment property at ₹ 1.60 crores. The fair value, as on 31 March 2019, was also ₹ 1.60 crores.

4. Goodwill and Other intangible assets

Description	Other Intangible Assets						Goodwill
	Software	Mining rights	Trade Mark	Non Compete Agreement	Suppliers Agreement	Total	
Cost as at 1 April 2018	**56.46**	**924.60**	**506.66**	**71.90**	**17.78**	**1,577.40**	**2,443.86**
Adjustment due to Business Combination (Refer note 52)	-	14.90	-	-	-	14.90	-
Additions	4.40	0.42	-	-	-	4.82	-
Cost as at 31 March 2019 (A)	**60.86**	**939.92**	**506.66**	**71.90**	**17.78**	**1,597.12**	**2,443.86**
Additions	0.49	3.18	-	-	-	3.67	-
Cost as at 31 March 2020 (C)	**61.35**	**943.10**	**506.66**	**71.90**	**17.78**	**1,600.79**	**2,443.86**
Accumulated amortisation as at 1 April 2018	**42.85**	**36.40**	**84.45**	**71.90**	**6.65**	**242.25**	**-**

Notes to Standalone Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

4. Goodwill and Other intangible assets

Description	Other Intangible Assets						Goodwill
	Software	Mining rights	Trade Mark	Non Compete Agreement	Suppliers Agreement	Total	
Adjustment due to Business Combination (Refer note 52)	-	1.32	-	-	-	1.32	-
Amortisation for the year	4.46	18.82	49.62	-	4.43	77.33	-
Accumulated amortisation as at 31 March 2019 (B)	**47.31**	**56.54**	**134.07**	**71.90**	**11.08**	**320.90**	**-**
Amortisation for the year	4.66	18.54	49.62	-	4.43	77.25	-
Accumulated amortisation as at 31 March 2020 (D)	**51.97**	**75.08**	**183.69**	**71.90**	**15.51**	**398.15**	**-**
Net carrying amount as at 31 March 2019 (A)- (B)	**13.55**	**883.38**	**372.59**	**-**	**6.70**	**1,276.22**	**2,443.86**
Net carrying amount as at 31 March 2020 (C)- (D)	**9.38**	**868.02**	**322.97**	**-**	**2.27**	**1,202.64**	**2,443.86**

Note : Refer note 19 for other intangible assets provided as collateral against borrowings

Impairment testing of goodwill

Goodwill pertains to the two CGUs below, which are also operating and reportable segments, for impairment testing:

- Cement CGU
- Ready Mix CGU

Carrying amount of goodwill pertains to each of the CGUs:

Particulars	Cement		RMX	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
Goodwill	2,017.85	2,017.85	426.01	426.01

The Company performed its annual impairment test for years ended 31 March 2020 and 31 March 2019 respectively and no Goodwill impairment was deemed necessary.

i. Cement CGU

The recoverable amount of the Cement CGU has been determined based on a value in use calculation using cash flow projections covering a five-year period. The projected cash flows have been updated to reflect the demand for Cement. The pre-tax discount rate applied to cash flow projections for impairment testing during the current year is 13% and cash flows beyond the five-year period are extrapolated using a 2.0% growth rate that is the same as the long-term average growth rate for the industry. It was concluded that the recoverable amount exceeded the carrying value of cash generating unit hence there is no impairment.

Notes to Standalone Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

ii. Ready Mix CGU

The recoverable amount of the Ready mix CGU has been determined based on a value in use calculation using cash flow projections covering a five-year period. The projected cash flows have been updated to reflect the demand for Ready mix. The pre-tax discount rate applied to cash flow projections for impairment testing during the current year is 13% and cash flows beyond the five-year period are extrapolated using a 2.0% growth rate that is the same as the long-term average growth rate for the industry. It was concluded that the recoverable amount exceeded the carrying value of cash generating unit hence there is no impairment.

Key assumptions used for value in use calculations

The calculation of value in use for both units is most sensitive to the following assumptions:

(1) Sales Growth rate

(2) Raw Material price inflation

(3) Market growth rate

Sales Growth Rate - Management expects a stable sales growth rate over the forecast period, the management further expects the Company position in relative to its competitors to strengthen following sales aggressive targets taken by the Company.

Raw Material Price inflation - Past material price movements are used as indicators of future price movements.

Market growth rate - Management expects the Company position in Cement & RMX business to be stable over the forecast period, the management further expects the Company position in relative to its competitors to strengthen following sales aggressive targets taken by the Company.

Sensitivity to changes in assumptions

The implications of the key assumptions for the recoverable amount are discussed below:

Sales Growth Rate - Management recognises the effect of new entrant and additional capacity expansion of existing competitors as not to have material adverse impact on the forecasts.

Raw Material Price inflation - The management has considered the possibility of greater than forecast increases in raw material price inflation. This may occur if anticipated regulatory changes result in an increase in demand that cannot be met by suppliers. If prices of raw materials increase greater than the forecast price inflation, then the RMX CGU will have to pass on such increase to the customer. For Cement CGU raw material prices do not vary significantly.

Market growth rate - Based on industrial data and infrastructure growth action taken by the government, the Company is of the view that the growth rate will be higher than the forecast estimated by the Company.

While it is unlikely for all the above assumptions to move adversely together, it would require a significant increase/ decrease to result in an impairment charge.

Notes to Standalone Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

5. Right of use asset

Description	Land - Leasehold	Office Premises*	Plant & Machinery	Vehicles	Total
Cost as at 1 April 2019	**11.77**	**33.97**	**10.14**	**1.24**	**57.12**
Additions	2.56	2.44	3.11	-	8.11
Reclassified on adoption	70.55	-	-	-	70.55
Disposals/ Adjustment	-	-	(1.59)	-	(1.59)
Cost as at 31 March 2020 (A)	**84.88**	**36.41**	**11.66**	**1.24**	**134.19**
Accumulated amortisation as at 1 April 2019	-	-	-	-	-
Amortisation for the period	5.82	8.67	6.22	0.39	21.10
Reclassified on adoption	13.17	-	-	-	13.17
Disposals/ Adjustment	(0.67)	-	(1.09)	-	(1.76)
Accumulated amortisation as at 31 March 2020 (B)	**18.32**	**8.67**	**5.13**	**0.39**	**32.51**
Net carrying amount as at 31 March 2020 (A)- (B)	**66.56**	**27.74**	**6.53**	**0.85**	**101.68**

*including furniture

Note: The Company has adopted Ind AS 116 “Leases” effective 1 April 2019 and applied the same to lease contracts existing on 1 April 2019, classified as lease under Ind AS 17, using the modified retrospective approach. This has resulted in recognising a “Right of Use” asset of an amount equal to the lease liability of ₹ 57.12 Cr on transition date. (Refer note 40)

6. Non current investments

Particulars	As at 31 March 2020	As at 31 March 2019
Unquoted, valued at cost unless stated otherwise		
a. Investment in joint venture		
861,300 (31 March 2019 - 861,300) equity shares of ₹ 10/- each fully paid up in Wardha Vaalley Coal Field Private Limited	0.86	0.86
Less: Provision for impairment	(0.86)	(0.86)
	-	-

Note :

The Ministry of coal had allotted a coal block in the state of Maharashtra to a consortium in which the Company is a member. The Company plans to carry out mining activities through Wardha Vaalley Coal Field Private Limited, a joint venture company incorporated in India as a special purpose vehicle. The Company’s ownership in the jointly controlled entity is 19.14%. The other owners in the joint venture being IST Steel & Power Limited (53.59%) and Ambuja Cements Limited (27.27%).

In prior years, the allotment of the coal block has been cancelled and the Joint Venture (JV) company has been show caused for allegedly not achieving the progress milestones in the development of the mine. Deallocation of the coal block has been challenged before the Hon’ble Delhi High Court and the matter is sub-judice. The guarantees given by the JV has also been sought to be invoked but the same has been stayed by the Hon’ble Delhi High Court subject to the guarantee being kept alive. Subsequently such guarantee furnished by the company has been cancelled.

Notes to Standalone Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

b. Investment in others

Particulars	As at 31 March 2020	As at 31 March 2019
i. Equity investment (at FVTOCI)		
1,925,924 (31 March 2019 - 1,925,924) Class A equity shares of ₹ 10/- each fully paid-up in VS Lignite Power Private Ltd.	1.93	1.93
ii. Debt investment (at FVTPL)		
4,828,298 (31 March 2019 - 4,828,298) 0.01% cumulative class A redeemable preference shares of ₹ 10/- each fully paid-up in VS Lignite Power Private Ltd.	4.83	4.83
Less: Provision for impairment	(6.76)	(6.76)
iii) Un-quoted government securities at amortised cost		
National savings certificates lodged with various authorities	0.05	0.05
	0.05	**0.05**

7. Loans

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good		
Loans/advances to employees	0.17	0.20
Sub total (a)	**0.17**	**0.20**
Doubtful		
Loans to related party (Refer note 43)#	1.17	1.11
Less: Provision for doubtful loans	(1.17)	(1.11)
Sub total (b)	**-**	**-**
Total (a+b)	**0.17**	**0.20**

#Represents intercorporate loan given to Wardha Vaalley Coal Field Private Limited for working capital requirements.

8. Other non-current financial assets

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good		
Industrial promotional assistance (Refer note below)	427.14	427.14
Deposits with govt. authorities and others	151.95	153.42
Sub total (a)	**579.09**	**580.56**
Doubtful		
Deposits with govt. authorities and others	4.90	4.90
Less: Provision for doubtful deposits	(4.90)	(4.90)
Sub total (b)	**-**	**-**
Total (a+b)	**579.09**	**580.56**

Notes to Standalone Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

The Company is entitled to Industrial Promotional Assistance related to the Mejia Cement Plant (MCP) of 75% of the VAT and CST paid by it, for a period of 12 years, from the Government of West Bengal under the West Bengal Incentive Scheme 2004 with effect from 23 April 2008. Accordingly, the Company has accrued such fiscal incentive in its books up to 31 March 2019 (outstanding claim balance as of balance sheet date is ₹ 427.14 crore). The authorities disputed the claim of the Company, pursuant to which, the Company filed a writ petition against the Industry, Commerce & Enterprise department, Government of West Bengal during the year 2017-18 in the Honourable High Court of Kolkata (High Court). The High Court passed an order on 27 June 2018 directing Principal Secretary of the State of West Bengal to re-consider the claim and contention lodged by the Company. The Additional Chief Secretary to the Government of West Bengal had rejected the Company's claim for incentive vide order dated 18 March 2019, following which the Company has filed a writ petition against said Order in the High Court of Kolkata on 25 July 2019. While the Company, based on advice of legal counsel, is confident of the ultimate recovery of balances accrued till date, the Company on a conservative basis on account of ongoing litigation as stated above, has discontinued the accrual of such incentive in the books from 1 April 2019. (Refer note 28)

8. Other non-current assets

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good		
Capital advances	105.25	61.14
Prepaid expenses	1.81	2.29
Sub total (a)	**107.06**	**63.43**
Doubtful		
Capital advances	1.26	1.26
Less: Provision for doubtful advances	(1.26)	(1.26)
Sub total (b)	**-**	**-**
Total (a+b)	**107.06**	**63.43**

10. Inventories

Particulars	As at 31 March 2020	As at 31 March 2019
(Valued at cost or NRV whichever is lower)		
Raw materials	52.90	61.27
(includes in transit and stock with third party ₹ 7.82 crores (31 March 2019 : ₹ 0.55 crores))		
Work-in-progress	112.27	140.16
(includes in transit ₹ Nil (31 March 2019 : ₹ 7.13 crores))		
Finished goods	143.33	55.32
(includes in transit ₹ 32.21 crores (31 March 2019 : ₹ 11.34 crores))		
Stock-in-Trade	1.79	0.55
Stores and Spare Parts, Packing Material and Fuel*	292.74	327.38
(includes in transit and stock with third parties ₹ 72.34 crores (31 March 2019 : ₹ 48.03 crores))		
Total	**603.03**	**584.68**

*The Company has provided for write down to the value of stores and spare parts in the statement of profit and loss of ₹ 0.03 crores (previous year - ₹ 0.28 crores.)

Notes to Standalone Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

11. Investments

Particulars	As at 31 March 2020	As at 31 March 2019
Quoted, valued at fair value through profit or loss		
SBI Liquid Fund (NIL, 31 March 2019-391,165.81 Units)	-	114.56
HDFC Liquid Fund (NIL, 31 March 2019-312,275.94 Units)	-	114.86
Kotak Liqud Fund (NIL, 31 March 2019-67,597.23 Units)	-	25.58
Reliance Liquid Fund (NIL, 31 March 2019-123,500.31 Units)	-	56.34
DHFL Pramerica Insta Cash Fund (NIL, 31 March 2019-629,632.04 Units)	-	15.30
DSP Blackrock Liquidity Fund (NIL, 31 March 2019-147,910.37 Units)	-	39.54
Axis Liquid Fund (NIL, 31 March 2019- 112,327.52 Units)	-	23.29
ICICI Prudential Liquid Plan (NIL, 31 March 2019- 2,209,294.42 Units)	-	61.07
Invesco India Medium Term Bond Fund (NIL, 31 March 2019- 19,667.81 Units)	-	5.06
Total	**-**	**455.60**
Aggregate book value of quoted investments	-	455.60
Aggregate market value of quoted investments	-	455.60

12 Trade receivables

Particulars	As at 31 March 2020	As at 31 March 2019
- Secured, considered good	153.38	162.14
- Unsecured, considered good	349.95	330.14
- Which have significant increase in credit risk	7.71	7.58
- Credit impaired	89.02	75.87
	600.06	**575.73**
Provision for doubtful trade receivables	(89.02)	(75.87)
Total	**511.04**	**499.86**

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. Also no trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

13. Cash and cash equivalents

Particulars	As at 31 March 2020	As at 31 March 2019
Balances with bank		
- On current accounts	23.71	41.77
- Deposits with original maturity of less than three months	230.00	50.00
Cheques/drafts on hand	0.07	6.44
Cash on hand	0.08	0.06
Total	**253.86**	**98.27**

Notes to Standalone Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

14. Bank balances other than Cash and cash equivalents

Particulars	As at 31 March 2020	As at 31 March 2019
Earmarked deposit with bank	230.00	-
Balances with various statutory authorities	21.82	21.25
Collateral for disputed indirect tax cases	5.18	5.18
Total	**257.00**	**26.43**

15. Loans

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good		
Loans/advances to employees	2.26	1.48
Total	**2.26**	**1.48**

16. Other current financial assets

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good		
Industrial promotional assistance	60.43	43.70
Interest accrued	1.48	0.82
Deposits with govt. authorities and others	129.59	120.48
Other receivables (Refer note 43)	66.34	18.77
Sub total (a)	**257.84**	**183.77**
Doubtful		
Interest accrued on loan to related party (Refer note 43)	0.83	0.66
Provision for doubtful loan	(0.83)	(0.66)
Sub total (b)	**-**	**-**
Total	**257.84**	**183.77**

17. Other current assets

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good		
Balances with indirect tax authorities	29.24	33.46
Advances to Suppliers#	70.60	85.52
Other receivables	5.22	4.26
Prepaid expenses	15.40	18.76
Total	**120.46**	**142.00**

#For advances given to related parties (Refer note no. 43)

Notes to Standalone Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

18. Equity share capital

Particulars	As at 31 March 2020	As at 31 March 2019
Authorized		
7,801,110,000 (31 March 2019 - 7,801,110,000) equity shares of ₹ 10/- each	7,801.11	7,801.11
1,000,000,000 (31 March 2019 - 1,000,000,000) preference shares of ₹ 10/- each	1,000.00	1,000.00
	8,801.11	**8,801.11**
Issued, subscribed and fully paid-up		
242,361,787 (31 March 2019 - 200,000,000) equity shares of ₹ 10/- each	242.36	200.00
	242.36	**200.00**

(a) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The shareholders are entitled to dividends in Indian Rupees, proposed by the Board of Directors and subject to the approval of the shareholders in the Annual General Meetings.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(b) Shares held by shareholders holding more than 5% in the Company

Particulars	As at 31 March 2020	As at 31 March 2019
Niyogi Enterprise Private Limited (Holding Company) and its nominees		
No of Shares	200,000,000	-
Shareholding %	83%	-
Nirma Limited (Erstwhile Holding Company) and its nominees		
No of Shares	-	200,000,000
Shareholding %	-	100%
Shri. Karsanbhai Khodidas Patel Jt. Shantaben Karsanbhai Patel		
No of Shares	24,984,351	-
Shareholding %	10%	-

As per records of the Company, including its register of shareholder/members and other declarations received from shareholder regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

(c) Aggregate number of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

i) Equity shares issued pursuant to merger scheme in financial year 2016-17 - 150,000,000 shares of ₹ 10/- each

Notes to Standalone Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

ii) On 19th February 2019, the Company has converted Compulsory Convertible Debentures (CCD) of ₹ 1000 crores into 50,000,000 numbers of equity shares of ₹ 10/- each. Difference between the equity component of CCD and face value of the equity shares issued on conversion has been credited to security premium account. Difference between the outstanding debt component related to CCD (including accrued interest till the date of conversion accounted as per Ind As) and interest payable @ 2% till the date of conversion, has been credited to retained earnings. Remaining portion of the debt component has been treated as Inter Corporate Deposit from Nirma Limited to the Company bearing interest @ 8% p.a..

iii) Pursuant to the Scheme of arrangement between the Company and Nirma Limited in February, 2020, 4,23,61,787 equity shares were allotted as fully paid up to the equity shareholders of Nirma Limited, without payment being received in cash. (Refer note 52)

Nature and purpose of reserve

A - Capital Reserve, Capital Reserve on Amalgamation, Capital Reserve on Merger and Amalgamation Reserve

Capital reserve is used to record excess of net assets taken over pursuant to amalgamation.

B - Debenture Redemption Reserve

The Company has issued redeemable non-convertible debentures. Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), requires the Company to create Debenture Redemption Reserve (DRR) out of profits of the Company available for payment of dividend. DRR was required to be created for an amount which is equal to 25% of the value of debentures issued. As per notification GSR 574(E) in reference to amendmend in rule 18, for sub rule 7 of the Companies (Share Capital and Debentures) Rules, 2014, Company has discontinued creating Debenture Redemption Resserve w.e.f. 16th August 2019

C - Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilized in accordance with the provisions of the Companies Act, 2013.

D - Capital Redemption Reserve

Capital redemption reserve was created by transferring from retained earnings. The balance will be utilised in accordance with the provision of the Companies Act, 2013.

E - General Reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.

F - Statutory Reserve Under Section 45IC of RBI Act

Statutory Reserve under section 45IC of RBI Act was created by transfering profits as per the rules stated therein when the company was registered as a Non Banking Financial Company (NBFC).

G - Retained earning

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, debenture redemption reserve. Retained Earnings is a free reserve available to the Company.

Notes to Standalone Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

19. Borrowings

Particulars	As at 31 March 2020	As at 31 March 2019
i) Non convertible debentures		
8.66% Secured listed non convertible debenture redeemable at par on 14.09.2021 (8000 nos.) (Refer note a)	790.19	784.22
8.57% Secured listed non convertible debenture redeemable at par on 14.09.2020 (8000 nos.) (Refer note a)	-	790.64
9.15% Secured listed non convertible debenture redeemable at par on 30.08.2022 (3500 nos.) (Refer note b)	349.12	-
9.65 % Unsecured listed non convertible debenture redeemable at par on 05.07.2024 (3000 nos.) (Refer note c(i))	297.50	297.13
10.15% Unsecured listed non convertible debenture redeemable at par on 05.07.2027 (3000 nos.) (Refer note c(ii))	296.00	295.69
ii) Term loan from bank in local currency (Refer note d)		
Secured term loans	1,198.44	748.45
iii) Unsecured borrowings (Refer note e)		
Inter corporate deposit	-	402.21
	2,931.25	**3,318.34**

Note :

a. The Company has issued Non convertible debentures (NCD) of ₹ 1,600.00 crores which are secured by first ranking exclusive charge in favour of the debenture trustee over all rights, title, interest and benefit of the Company in respect of and over the fixed assets including plant and machinery, equipments, land, immovable properties, mining leases (to the extent permitted under the applicable law), investments, its intellectual properties (other than the excluded intellectual properties) and a second pari passu charge over the current assets including cash, receivables, stocks, bank accounts of the Company. The interest is payable half yearly at the applicable rates as specified for each series.

b. The Company has issued Non convertible debentures (NCD) of ₹ 350.00 crores which are secured by first ranking charge in favour of the debenture trustee over all rights, title, interest and benefit of the Company in respect of and over the fixed assets of the Company. The interest is payable yearly at the applicable rate and principle is payable at the end of the tenure.

c (i). On merger of the cement undertaking of Nirma Ltd with the Company, proportionate liability in form of Unsecured, Subordinated, Rated, Listed Non Convertible Debentures redeemable at par on 6th July 2077 was also transferred. These debentures have a call option which can be exercised by the Company at the end of 7 years from 6th July 2017 and annualy every year thereafter with the maximum additional interest of 2% p.a. (Refer note 52)

(ii). On merger of the cement undertaking of Nirma Ltd with the Company, proportionate liability in form of Unsecured, Subordinated, Rated, Listed Non Convertible Debentures redeemable at par on 6th July 2077 was

Notes to Standalone Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

19. Borrowings (Contd..)

also transferred. These debentures have a call option which can be exercised by the Company at the end of 10 years from 6th July 2017 and annualy every year thereafter with the maximum additional interest of 2% p.a. (Refer note 52)

d. The Company has taken term loan of ₹ 375.00 crores from Kotak Mahindra Bank Ltd and ₹ 375.00 crores from State Bank of India, carrying average interest rate of 8.54% respectively, which is secured by first pari passu charge to be shared with other term lenders and debenture holders on all rights, title, interest and benefits of the borrower pertaining to all existing and future moveable fixed assets and immovable properties. Loan shall be repaid in 20 equal quarterly installments starting from the quarter following the expiry of moratorium period of 24 month from the date of first disbursement. The interest is payable on monthly basis at the applicable rates.

The Company has taken term loan of ₹ 150.00 crores from The Hongkong and Shanghai Banking Corporation Ltd, carrying interest of 8.25%, which is secured by first pari passu charge to be shared with other term lenders and debenture holders on all rights, title, interest and benefits of the borrower pertaining to entire fixed assets to the extent of 1.25x at all times and second pari passu charge over current assets. 10% of Loan to be repaid in equal quarterly installment during 2nd year following the expiry of moratorium of 1year from the date of disbursement and rest 90% in following 3years in equal quaterly installment. The interest is payable on monthly basis at the applicable rates.

The Company has taken term loan of ₹ 150.00 crores from Axis Bank Ltd , carrying interest of 7.90%, which is secured by first pari passu charge to be shared with other term lenders and debenture holders on all rights, title, interest and benefits of the borrower pertaining to all existing and future moveable fixed assets and immovable properties. Loan shall be repaid in 16 equal quarterly installments starting from the quarter following the expiry of moratorium period of 24 month from the date of first disbursement. The interest is payable on monthly basis at the applicable rates.

The Company has taken term loan of ₹ 150.00 crores from First Abu Dhabi Bank PJSC , carrying interest of 8.35%, which is secured by first pari passu charge to be shared with other term lenders and debenture holders on all rights, title, interest and benefits of the borrower pertaining to all existing and future moveable fixed assets and immovable properties and second pari passu charge over current assets. Loan shall be repaid in 5 equal quarterly installments starting from 36th month after the date of first disbursement. The interest is payable on monthly basis at the applicable rates.

e. The inter corporate deposit of ₹ 573.87Cr (Previous year ₹ 343.87Cr) carries interest rate of 8%.

Particulars	As at 31 March 2020	As at 31 March 2019
Repayment Schedule of non convertible debentures:		
Not later than one year	800.00	1,250.00
Later than one year and not later than two years	800.00	800.00
Later than two years and not later than five years	650.00	800.00
More than five years	300.00	600.00

Notes to Standalone Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

20. Other non-current financial liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
Other liabilities	52.76	52.76
Total	**52.76**	**52.76**

21. Provisions (non-current)

Particulars	As at 31 March 2020	As at 31 March 2019
Provision for death benefit (Refer note 42)	3.33	3.41
Provision for gratuity (Refer note 42)	6.84	2.23
Provision for site restoration (Refer note 53)	31.96	29.61
Provision for contractors' charges (Refer note 53)	28.18	25.75
Total	**70.31**	**61.00**

22. Deferred tax liabilities (net)

Particulars	As at 31 March 2020	As at 31 March 2019
Deferred tax liability (Refer note 39)	1,714.15	1,719.62
- Depreciation and amortisation	1,714.15	1,718.50
- Others	0.00	1.12
Deferred tax asset (Refer note 39)	272.31	326.58
- Disallowance under section 43B of the Income Tax Act	45.28	42.81
- Provision for doubtful debts and advances	36.62	31.27
- Others	17.34	19.78
- MAT credit entitlement	173.07	232.72
Total	**1,441.84**	**1,393.04**

23. Borrowings

Particulars	As at 31 March 2020	As at 31 March 2019
Secured :		
Current maturities of long term debt	870.71	1,307.56
Unsecured :		
Inter corporate deposit (Refer note 19(e))	661.31	-
	1,532.02	**1,307.56**

Notes to Standalone Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

24. Trade payables

Particulars	As at 31 March 2020	As at 31 March 2019
Due to micro and small enterprises	8.80	5.33
Due to creditors other than micro and small enterprises	778.48	759.40
Total	**787.28**	**764.73**

This information on Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company and the same has been relied upon by the auditors.

25. Other current financial liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
Creditors for capital expenditure	162.88	82.91
Liability for employee related expenses	30.02	63.73
Security deposits from dealers, transporters and others	453.06	429.91
Total	**645.96**	**576.55**

26. Other current liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
Advance from customers	79.75	58.11
Liability towards discount to dealers	174.73	209.74
Others (including statutory dues and liabilities for expenses)	79.36	158.66
Total	**333.84**	**426.51**

27. Provisions (current)

Particulars	As at 31 March 2020	As at 31 March 2019
Provision for leave benefits	25.57	23.22
Provision for death benefit (Refer note 42)	0.54	0.52
Provision for indirect taxes/litigations (Refer note 53)	180.50	180.81
Provision for dealers' discounts (Refer note 53)	112.07	106.61
Provision for contractors' charges (Refer note 53)	-	2.42
Provision for site restoration (Refer note 53)	1.58	2.24
Total	**320.26**	**315.82**

Notes to Standalone Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

28. Revenue from operations

Particulars	2019-20	2018-19
Sale of products		
Finished goods	6,682.98	6,857.81
Traded goods	26.43	20.20
Other operating revenue		
Industrial promotional assistance - fiscal incentive*	47.46	81.28
Provision/liabilities no longer required, written back	6.29	47.72
Scrap sales	17.92	10.49
Recoveries of shortages & damages	10.14	2.78
Sale of power and service	2.02	31.86
Gain on disposal of Property, Plant & Equipment	-	0.48
Total revenue from operations	**6,793.24**	**7,052.62**

Note

*The Company has recognized as other operating revenue Industrial Promotional Assistance (IPA) of ₹ Nil (Previous Year ₹ 46.39 Cr) related to Mejia Cement Plant, from the Government of West Bengal under the West Bengal Incentive Scheme 2004. Similarly, IPA of ₹ 47.46 Cr (Previous Year ₹ 34.89 Cr) has been recognised related to Chittorgarh Cement Plant and Nimbol Cement Plant, from the Government of Rajasthan under the Rajasthan Investment Promotion Scheme 2010.

29. Other income

Particulars	2019-20	2018-19
Gain on sale of current investments	19.90	26.27
Fair value gain on financial instruments at fair value through profit or loss	-	3.20
Interest income on bank deposits	2.81	1.65
Interest income on others	8.25	17.26
Net gain on foreign currency transaction and translation	0.51	0.77
Other non-operating income	5.23	4.12
	36.70	**53.27**

30. Cost of materials consumed

Particulars	2019-20	2018-19
Inventory at the beginning of the year	61.27	65.13
Add: Purchases	1,265.45	1,393.55
	1,326.72	**1,458.68**
Less: Inventory at the end of the year	(52.90)	(61.27)
	1,273.82	**1,397.41**

Notes to Standalone Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

31. Purchase of stock in trade

Particulars	2019-20	2018-19
Construction chemicals and Others	17.56	12.55
	17.56	**12.55**

32. Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	2019-20	2018-19
Inventories at the end of the year		
Finished goods	143.33	55.32
Work-in-progress	112.27	140.16
Stock-in-Trade	1.79	0.55
	257.39	**196.03**
Inventories at the beginning of the year		
Finished goods	55.32	62.70
Work-in-progress	140.16	167.53
Stock-in-Trade	0.55	0.51
	196.03	**230.74**
Changes in inventories of finished goods	(88.01)	7.38
Changes in inventories of work-in-progress	27.89	27.37
Changes in inventories of Stock-in-trade	(1.25)	(0.04)
	(61.37)	**34.71**

33. Employee benefits expense

Particulars	2019-20	2018-19
Salaries, bonus and wages	339.46	326.03
Contribution to provident fund and other retirement benefits (Refer note 42)	40.81	32.82
Staff welfare expenses	24.34	22.28
	404.61	**381.13**

34. Finance costs

Particulars	2019-20	2018-19
Interest on :		
Non convertible debentures	281.13	372.12
Term loans	84.93	25.84
Inter corporate deposits	32.33	26.70
Compulsory convertible debentures	-	6.45
Security deposits from dealers, transporters and others	26.80	25.99
Others	24.75	9.60
	449.94	**466.70**
Less: Borrowing cost capitalised	(30.73)	(14.53)
	419.21	**452.17**

Notes to Standalone Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

35. Depreciation and amortisation expense

Particulars	2019-20	2018-19
Depreciation on tangible assets	429.45	407.70
Amortisation of intangible assets	77.25	77.33
Amortisation of Right of use assets	21.10	-
Depreciation on investment property	0.08	0.08
	527.88	**485.11**

36. Other expenses

Particulars	2019-20	2018-19
Consumption of stores & spares	141.82	180.51
Consumption of packing materials	199.81	228.41
Lease rent (Refer note 40)	23.23	38.22
Rates & taxes	14.82	12.79
Insurance	6.96	6.55
Repairs and maintenance to plant and machinery, building and others	78.80	83.53
CSR expenditure (Refer note 56)	4.17	3.01
Advertisement and sales promotions	72.07	90.50
Travelling and conveyance expenses	36.00	35.18
Legal and professional charges	35.33	38.25
Payment to auditors (Refer note below)	0.96	0.86
Donations	0.04	0.23
Provision for bad/doubtful debts and advances	13.13	12.30
Loss on disposal of Property, Plant & Equipment	3.40	-
Equipment hire, labour and subcontract charges	192.37	189.93
Security service charges	16.61	16.44
Miscellaneous expenses	23.95	33.91
Less : Captive Consumption (Cement & Concrete)	(3.76)	(4.44)
	859.71	**966.18**
Payment to auditor (excluding taxes)		
Statutory Auditors :		
Audit fee (including half year limited review)	0.72	0.64
Tax audit fee	0.13	0.11
Other services	0.10	0.10
Reimbursement of expenses	0.01	0.01
Total	**0.96**	**0.86**

37. Earnings per equity share

Particulars	2019-20	2018-19
Profit attributable to equity shareholders	**249.25**	**(23.80)**
Weighted average number of equity shares for basic & dilutive EPS (Nos.)	**242,361,787**	**242,361,787**
Basic earnings per share (in ₹)	10.28	(0.98)
Diluted earning per share (in ₹)	10.28	(0.98)
Face value per equity Share (in ₹)	10.00	10.00

Notes to Standalone Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

38. Tax expense

(a) Amounts recognised in profit and loss

Particulars	2019-20	2018-19
Current income tax	89.62	64.21
Tax expense relating to earlier years*	0.23	(19.98)
	89.85	**44.23**
Deferred tax liability (net)		
Origination and reversal of temporary differences	3.66	8.26
Minimum Alternate Tax credit	43.99	(9.40)
Deferred tax expense	**47.65**	**(1.14)**
Tax expense for the year	**137.50**	**43.09**

*Tax expenses relating to earlier years include adjustment related to MAT credit utilisation of ₹15.66Cr (Previous year Mat credit entitlement of ₹18.65Cr), deferred tax credit of ₹12.62Cr (Previous year debit of ₹0.84) and current tax credit of ₹2.81Cr (Previous year credit of ₹2.17Cr).

(b) Reconciliation of effective tax rate

Particulars	2019-20	2018-19
Tax Rate*	34.944%	**34.944%**
Profit before tax (A)	**386.75**	**19.29**
Loss for the period before appointed date (Refer note 52) (B)	(6.90)	(144.30)
Profit before tax (A-B)	**393.65**	**163.59**
Tax using the applicable tax rate	137.56	57.16
Tax effect of:		
Expenses inadmissible under Income Tax Act, 1961	1.44	1.03
Adjustment related to earlier years	0.23	(19.98)
Adjustment on account of business combination	-	5.04
Others	(1.73)	(0.16)
Tax expense as per statement of profit and loss	**137.50**	**43.09**
Effective tax rate	**34.93%**	**26.34%**

*On 20th September, 2019, vide the Taxation Laws (Amendment) Ordinance 2019, the Government of India inserted Section 115BAA in the Income Tax Act, 1961 which provides domestic companies with an option to opt for lower tax rates effective 1st April, 2019 subject to certain conditions. The Company is currently in the process of evaluating this option and has considered the rate existing prior to the Ordinance for the purpose of these financial statements.

Notes to Standalone Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

39. Deferred Tax Liability (Net)

Particulars	As at 1 April 2018	2018-19 Acquired in Business combination	2018-19 Recognised in statement of profit and loss	2018-19 Recognised in OCI	2018-19 Recognised in other equity	As at 31 March 2019	2019-20 Recognised in statement of profit and loss	2019-20 Recognised in OCI	2019-20 Recognised in other equity	As at 31 March 2020
Deferred tax liability										
Depreciation and amortisation difference	1,497.16	221.85	(0.51)	-	-	1,718.50	(4.35)	-	-	1,714.15
Others	4.86	-	(3.74)	-	-	1.12	(1.12)	-	-	0.00
Total (a)	**1,502.02**	**221.85**	**(4.25)**	**-**	**-**	**1,719.62**	**(5.47)**	**-**	**-**	**1,714.15**
Deferred tax Asset										
Disallowance under section 43B of Income Tax Act, 1961	56.82	1.84	(16.73)	0.88	-	42.81	0.83	1.64	-	45.28
Provision for doubtful debts and advances	28.14	-	3.13	-	-	31.27	5.35	-	-	36.62
Others	30.84	-	0.25	-	(11.31)	19.78	(2.69)	-	0.25	17.34
MAT credit entitlement	204.67	-	28.05	-	-	232.72	(59.65)	-	-	173.07
Total (b)	**320.47**	**1.84**	**14.70**	**0.88**	**(11.31)**	**326.58**	**(56.16)**	**1.64**	**0.25**	**272.31**
Net deferred tax liability (a-b)	**1,181.55**	**220.01**	**(18.95)**	**(0.88)**	**11.31**	**1,393.04**	**50.69**	**(1.64)**	**(0.25)**	**1,441.84**

40. Disclosures required by Indian Accounting Standard (Ind AS) 116 - Leases

The following table summarizes the movement of lease liabilities during the year:

Particulars	Land - Leasehold	Office Premises*	Plant & Machinery	Vehicles	Total
Liability as at 01 April 2019	11.77	33.97	10.14	1.24	57.12
Additions	2.56	2.44	3.11	0.00	8.11
Interest Expense (included in finance costs)	1.10	2.90	0.91	0.09	5.00
Lease Payments	(3.45)	(9.59)	(6.63)	(0.45)	(20.12)
Reversal	-	-	(0.59)	-	(0.59)
Liability as at 31 March 2020	**11.98**	**29.72**	**6.94**	**0.88**	**49.52**

*Including Furniture

Notes to Standalone Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

The lease liabilities of continuing operations at 31 March 2020 by maturity are as follows:

Particulars	Lease Liabilities - Undiscounted
Less than one year	19.50
Between one and five years	35.81
After five years	2.65

The following table provides additional disclosures related to right-of-use assets and lease liabilities:

Particulars	Note Ref	2019-20
Expense relating to short-term leases (included in other expenses)	36	23.23

41. Transition Disclosure

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees

Lessor accounting under Ind AS116 is substantially unchanged as compair to Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 did not have an impact for leases where the Company is the lessor.

The Company adopted Ind AS 116 using the modified retrospective method of adoption with the date of initial application of 1 April 2019 and has not restated comparative for the year ended March 31, 2019, as permitted under the specific transition provisions in the standard. The Company elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying Ind AS 17 at the date of initial application. The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option ('short-term leases'), and lease contracts for which the underlying asset is of low value ('low-value assets')

Nature of the effect of adoption of Ind AS116

The Company has lease contracts for various items of plant and machinery, vehicles, land and office premises. Before the adoption of Ind AS116, the Company classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease. A lease was classified as a finance lease if it transferred substantially all of the risks and rewards incidental to ownership of the leased asset to the Company; otherwise it was classified as an operating lease. Finance leases were capitalised at the commencement of the lease at the inception date at fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments were apportioned between interest (recognised as finance costs) and reduction of the lease liability. In an operating lease, the leased property was not capitalised and the lease payments were recognised as rent expense in profit or loss on a straight-line basis over the lease term. Any prepaid rent and accrued rent were recognised under other current assets and trade payables respectively.

Notes to Standalone Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

Upon adoption of Ind AS116, the Company applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The standard provides specific transition requirements and practical expedients, which has been applied by the Company

Leases previously classified as finance leases

The Company did not change the initial carrying amounts of recognised assets and liabilities at the date of initial application for leases previously classified as finance leases (i.e., the right-of-use assets and lease liabilities equal the lease assets and liabilities recognised Ind AS 17). The requirements of Ind AS116 was applied to these leases from 1 April 2019.

Leases previously accounted for as operating leases

The Company recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The Company also applied the available practical expedients wherein it:

a) Used a single discount rate to a portfolio of leases with reasonably similar characteristics

b) Applied the short-term leases exemptions to leases with lease term that ends within 12 months at thedate of initial application

c) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application

d) Used hindsight in determining the lease term where the contract contains options to extend or terminate the lease

Based on the foregoing, as at 1 April 2019:

a) Right-of -use assets of ₹ 127.67 Cr were recognised and presented separately in the Balance Sheet. This includes the lease assets recognised previously under finance leases of ₹ 70.55 Cr that were reclassified from Property, plant and equipment.

b) Lease liabilities of ₹ 57.12 Cr were recognised and presented separately in the Balance Sheet.

The lease liabilities as at 1 April 2019 can be reconciled to the operating lease commitments as of 31 March 2019 as follows:

Particulars	Amounts
Operating lease commitment as on March 31, 2019 *	**23.25**
Recognition exemption for short-term leases	(7.63)
Payments in optional extension periods not recognised as at 31 Mach 2019	53.81
Undiscounted future lease payments as of April 01, 2019	**69.43**
Effect of discounting	(12.31)
Lease liabilities recognised as of April 01, 2019 **	**57.12**

*As reported under previous years' financial statement FY 2018-19 note 41

**The weighted average incremental borrowing rate at April 01, 2019, the date of implementation of Ind AS 116 Leases, was 8.60%.

Notes to Standalone Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

42. Employee benefit

The Company contributes to the following post-employment defined benefit plans in India.

(i) Defined Contribution Plans:

The Company makes contributions towards provident fund, superannuation fund and other retirement benefits to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits.

The Company recognised ₹ 14.73 crores (Previous year ₹ 12.39 crores) for superannuation contribution in the statement of Profit and Loss. The Company recognised ₹ 11.80 crores (previous year ₹ 10.71 crores) for provident fund contributions in the Statement of Profit and Loss.

The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

(ii) Defined Benefit Plan:

A. The Company makes annual contributions to the Group Gratuity cum Life Assurance Schemes administered by HDFC Life, a funded defined benefit plan for qualifying employees. The scheme provides for payment as under:

i) On normal retirement / early retirement / withdrawal / resignation:

As per the provisions of the Payment of Gratuity Act, 1972 with vesting period of 5 years of service.

ii) On death in service:

As per the provisions of the Payment of Gratuity Act, 1972 without any vesting period.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2020. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statement as at balance sheet date:

Particulars	31 March 2020	31 March 2019	31 March 2020	31 March 2019
	Gratuity (Funded)		Death Benefit	
Defined benefit obligation	(72.27)	(65.89)	(3.87)	(3.93)
Fair value of plan assets	65.43	63.66	-	-
Net defined benefit (obligation)/assets	(6.84)	(2.23)	(3.87)	(3.93)
Non-current	(6.84)	(2.23)	(3.33)	(3.41)
Current	-	-	(0.54)	(0.52)

Notes to Standalone Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

B. Movement in net defined benefit (asset) / liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit liability/(asset) and its components.

Particulars	31 March 2020	31 March 2019	31 March 2020	31 March 2019
	Gratuity (Funded)		Death Benefit	
Defined benefit obligation				
Opening balance	65.89	60.28	3.93	3.97
Included in statement of profit and loss				
Current service cost	4.48	4.03	0.07	0.09
Past service cost	0.07	-	0.22	-
Adjustment due to Business Combination	2.67	0.70	-	-
Interest cost	4.44	4.36	0.27	0.28
	11.66	**9.09**	**0.55**	**0.37**
Included in OCI				
Actuarial loss / (gain) - experience adjustments	1.78	1.14	(0.20)	(0.02)
Actuarial loss / (gain) - financial assumptions	0.24	1.37	0.05	0.06
	2.02	**2.51**	**(0.15)**	**0.04**
Other				
Benefits paid	(7.30)	(5.99)	(0.46)	(0.45)
Closing balance (a)	**72.27**	**65.89**	**3.87**	**3.93**
Fair value of plan asset				
Opening balance	63.66	59.01	-	-
Interest income	4.58	4.49	-	-
	68.24	**63.50**	**-**	**-**
Included in OCI				
Actuarial gain /(loss)	(2.81)	0.16	-	-
	65.43	**63.66**	**-**	**-**
Other				
Contributions paid by the employer	7.30	5.99	-	-
Benefits paid	(7.30)	(5.99)	-	-
Closing balance (b)	**65.43**	**63.66**	**-**	**-**
Represented by				
Net defined benefit asset (b-a)	-	-	-	-
Net defined benefit liability (a-b)	6.84	2.23	3.87	3.93

C. Plan assets

Plan assets comprises the following :

Particulars	31 March 2020	31 March 2019
	Gratuity (Funded)	
Investment in scheme of insurance	100%	100%

Notes to Standalone Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

D. Defined benefit obligations

i. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

Particulars	2019-20	2018-19
Discount rate	6.70%	7.20%
Expected rate of return on plan assets	8.00%	8.00%
Salary escalation	7.50%	8.00%
Mortality pre and post retirement	Indian Assured Lives Mortality (2006-08) (modified) Ult	Indian Assured Lives Mortality (2006-08) (modified) Ult
Employee turnover rate (for different age groups)	5%-10%	5%-10%

The estimate of future salary increase, considered in actuarial valuation takes into consideration inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

E. Sensitivity analysis

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	31 March 2020				31 March 2019			
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
	Gratuity (Funded)		Death Benefit		Gratuity		Death Benefit	
Discount rate (1% movement)	(3.72)	4.14	(0.15)	0.16	(3.31)	3.67	(0.15)	0.16
Future salary growth (1% movement)	3.56	(3.35)	0.05	(0.05)	3.10	(2.95)	0.06	(0.06)
Employee turnover rate (1% movement)	(0.14)	0.14	(0.06)	0.06	0.08	(0.08)	(0.06)	0.07
Mortality pre-retirement	-	-	0.17	(0.16)	-	-	0.17	(0.18)

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.

G. Maturity profile of defined benefit obligation

Particulars	2019-20	2018-19
Within the next 12 months	9.14	7.31
Between 1 and 5 years	40.74	37.01
Between 5 and 10 years	54.07	47.93

Notes to Standalone Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

H. Other information

Particulars	2019-20	2018-19
Expected employer contribution for the next annual reporting period	6.84	2.23
Weighted average duration of defined benefit obligation	6 years	6 years

43. Related party relationships, transactions and balances

Related parties and nature of relationship

(i) Holding Company

Niyogi Enterprise Private Limited (w.e.f. 30 April 2019)

Nirma Limited (Ceased to be holding company w.e.f. 30 April 2019)

(ii) Joint Venture Company

Wardha Vaalley Coal Field Private Limited

(iii) Entities over which Promoters exercise control

Nirma Credit and Capital Pvt. Ltd.

Nirma Limited

Nirma Chemical Works Pvt. Ltd.

Navin Overseas FZC, UAE

Constera Realty Pvt. Ltd.

Aculife Healthcare Pvt. Ltd.

(iv) Entities over which Promoters has significant influence

Nirma University

Nirma Education and Research Foundation

(v) Key Management Personnel

Managing Director & Chief Executive Officer - Mr. Ujjwal Batria (Ceased to be MD & CEO w.e.f. 19 June 2018)

Managing Director - Mr. Jayakumar Krishnaswamy (Appointed w.e.f. 17 September 2018)

Director - Mr. Hiren Patel

Director - Mr. Kaushik Patel

Director - Mr. Suketu Nareshkumar Shah

Independent Director - Mr. Berjis Minoo Desai

Independent Director - Mrs. Bhavna Doshi

Notes to Standalone Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

Particulars	As at and for the year ended 31st March 2020						As at and for the year ended 31st March 2019				
	Holding Company	Entities over which Promoters exercise control	Entities over which Promoters has significant influence	KMP and relatives of KMP	Joint Venture Company	Total	Holding Company	Entities over which Promoters exercise control	Entities over which Promoters has significant influence	Joint Venture Company	Total
Details of Related Party Transactions carried out during the year											
Sales	-	-	-	-	-	**-**	-	0.00	0.46	-	**0.46**
Finance Cost*	2.57	29.77	-	-	-	**32.34**	33.15	-	-	-	**33.15**
Interest Income	-	-	-	-	0.19	**0.19**	-	-	-	0.19	**0.19**
Training & Development	-	-	0.14	-	-	**0.14**	-	-	-	-	**-**
Sales promotion	-	-	0.03	-	-	**0.03**	-	-	-	-	**-**
Issue of Equity shares (Refer note 52)	-	-	-	42.36	-	**42.36**	-	-	-	-	**-**
Advances against properties	-	1.70	-	-	-	**1.70**	-	-	-	-	**-**
Loan taken	-	230.00	-	-	-	**230.00**	-	-	-	-	**-**
Loans given	-	-	-	-	0.06	**0.06**	-	-	-	-	**-**
Details of Related Party balances											
Interest Payable and outstanding	-	87.43	-	-	-	**87.43**	58.34	-	-	-	**58.34**
Outstanding Inter Corporate Deposits	-	573.88	-	-	-	**573.88**	343.87	-	-	-	**343.87**
Outstanding amount receivable	-	66.34	-	-	-	**66.34**	-	-	-	-	**-**
Loans and Advances	-	1.70	-	-	2.00	**3.70**	-	-	0.01	1.76	**1.77**
Provision against Loans and Advances	-	-	-	-	2.00	**2.00**	-	-	-	1.76	**1.76**

*To Nirma Limited

1. All transactions listed above are at arms length price and all the outstanding balances are unsecured.
2. Key Managerial Compensation breakup is as follow:

Notes to Standalone Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

Compensation paid to Key Management Personal

Particulars	2019-20	2018-19
- Short term	4.34	9.09
- Post retirement	0.35	0.43
- Sitting Fees & Commission	8.27	0.31
Total	**12.96**	**9.83**
Professional services availed from relative of Key Management Personnel	0.18	0.18

44. Revenue

The Company is primarily in the Business of manufacture and sale of cement and cement related products. All sales are made at a point in time and revenue recognised upon satisfaction of the performance obligations which is typically upon dispatch/delivery. The Company has a credit evaluation policy based on which the credit limits for the trade receivables are established. The amounts receivable from customers become due after expiry of credit period. There is no significant financing component in any transaction with the customers. The Company does not provide performance warranty for products, therefore there is no liability towards performance warranty.

In compliance with Ind AS 115, certain sales promotion schemes treated as variable components of consideration and have been recognised as revenue deductions instead of other expenses.

Revenue recognised from Contract liability (Advances from Customers):

Particulars	2019-20	2018-19
Closing Contract liability	79.75	58.11

The Contract liability outstanding at the beginning of the year has been recognised as revenue during the year ended March 31, 2020

Reconciliation of revenue as per contract price and as recognised in statement of profit and loss:

Particulars	31 March 2020	31 March 2019
Revenue as per Contract price	7,409.80	7,455.32
Less: Discounts and incentives	(700.39)	(577.31)
Revenue as per statement of profit and loss	**6,709.41**	**6,878.01**

Notes to Standalone Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

45. Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value.

31 March 2020	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investment	-	-	0.05	0.05	-	-	-	-
Trade receivables	-	-	511.04	511.04	-	-	-	-
Cash and cash equivalents	-	-	253.86	253.86	-	-	-	-
Bank balances other than Cash and cash equivalents	-	-	257.00	257.00	-	-	-	-
Loans	-	-	2.43	2.43	-	-	-	-
Others	-	-	836.93	836.93	-	-	-	-
	-	-	1,861.31	1,861.31	-	-	-	-
Financial liabilities								
Borrowings	-	-	4,463.27	4,463.27	-	4,463.27	-	4,463.27
Trade payables	-	-	787.28	787.28	-	-	-	-
Lease Liability	-	-	49.52	49.52	-	-	-	-
Others	-	-	698.72	698.72	-	-	-	-
	-	-	5,998.79	5,998.79	-	4,463.27	-	4,463.27

31 March 2019	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investment	455.60	-	0.05	**455.65**	455.60	-	-	**455.60**
Trade receivables	-	-	499.86	**499.86**	-	-	-	**-**
Cash and cash equivalents	-	-	98.27	**98.27**	-	-	-	**-**
Bank balances other than Cash and cash equivalents	-	-	26.43	**26.43**	-	-	-	**-**
Loans	-	-	1.68	**1.68**	-	-	-	**-**
Others	-	-	764.33	**764.33**	-	-	-	**-**
	455.60	**-**	**1,390.62**	**1,846.22**	**455.60**	**-**	**-**	**455.60**
Financial liabilities								
Borrowings	-	-	4,625.90	**4,625.90**	-	4,625.90	-	**4,625.90**
Trade payables	-	-	764.73	**764.73**	-	-	-	**-**
Others	-	-	629.31	**629.31**	-	-	-	**-**
	-	**-**	**6,019.94**	**6,019.94**	**-**	**4,625.90**	**-**	**4,625.90**

Notes to Standalone Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

B. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk, and
- Market risk

i. Risk management framework

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.

ii. Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business.

The Company has disclosed the cases where legal case has been filed against the customer and Company believes that the likelihood of the court proceedings will take longer time. Company has shown these cases net of provisions.

Trade receivables

The Company's exposure to credit risk is determined by the individual characteristics and specifications of each customer. The profile of the customer, including the market risk of the industry has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business.

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

Particulars	31 March 2020	31 March 2019
Neither past due nor impaired	258.62	291.99
Past due but not impaired		
Past due 1–180 days	187.87	165.40
Past due 181–365 days	36.68	18.31
Past due 1 to 2 years	17.49	14.97
More than 2 years	10.38	9.19
Total	**511.04**	**499.86**

Notes to Standalone Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

Expected credit loss assessment for customers as at 31 March 2019 and 31 March 2020

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue. Further, management believes that the unimpaired amounts that are past due are still collectable in full, based on historical payment behaviour and extensive analysis of customer credit risk. The allowance at 31 March, 2019 and 31 March, 2020 related to several customers that may default on their payments to the Company and may not pay their outstanding balances, mainly due to economic circumstances.

The movement in the allowance for impairment in respect of trade receivables during the year was as follow :

Particulars	31 March 2020	31 March 2019
Balance as at beginning of the year	75.87	65.64
Impairment loss recognised net of reversal	13.15	10.23
Balance at the end of the year	**89.02**	**75.87**

Cash and cash equivalents

The Company held cash and cash equivalents with credit worthy banks and financial institutions. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.

iii. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, that it always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

The Company has obtained both fund based and non-fund based working capital loans from various banks. The Company also constantly monitors, as and when required, funding options available in the debt and capital markets with a view to maintain financial liquidity. The Company also enjoys A1+ ratings from CRISIL on short term facilities from banks indicating very strong degree of safety regarding timely payment of financial obligations and carries lowest credit risk.

Exposure to liquidity risk

The table below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non derivative financial liabilities

31 March 2020	Contractual cash flows				
	Total	1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities					
Borrowings	5,350.00	1,797.69	1,213.41	1,812.20	526.70
Other non-current financial liabilities	52.76	-	52.76	-	-
Trade payables	787.28	787.28	-	-	-
Lease Liability	57.96	19.50	15.73	20.08	2.65
Other current financial liabilities	645.96	645.96	-	-	-

Notes to Standalone Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

Exposure to liquidity risk (Contd..)

31 March 2019	Contractual cash flows				
	Total	1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities					
Borrowings*	5,252.26	1,565.28	1,083.60	1,589.07	1,014.31
Other non-current financial liabilities	52.76	-	52.76	-	-
Trade payables	764.73	764.73	-	-	-
Other current financial liabilities	576.55	576.55	-	-	-

*No repayment schedule has been specified for Inter Corporate Deposits, hence not included above

iv. Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates and foreign currency exchange rates) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk and interest rate risk.

a. Currency risk

The fluctuation in foreign currency exchange rates may have potential impact on the profit before tax account and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the entity.

Considering economic environment in which the Company operates, its operations are subject to risks arising from fluctuation in exchange rates in those countries. The risks primarily relate to fluctuations in the foreign exchange rates of USD & EURO, on account of payables to foreign suppliers, for import of petcoke, gypsum and spares.

The Company, as per its risk management policy, uses foreign exchange forward contracts to hedge foreign exchange exposure. The Company does not use derivative financial instruments for trading or speculative purposes.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows:

Particulars	31 March 2020		31 March 2019	
	EUR	USD	EUR	USD
Accounts Receivable	-	-	-	-
Accounts Payable	2.61	1.69	2.52	1.21
Net exposure	**2.61**	**1.69**	**2.52**	**1.21**

Sensitivity analysis

A 10% strengthening / weakening of the respective foreign currencies with respect to functional currency of Company would result in increase or decrease in profit before tax and equity as shown in table below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. The following analysis has been worked out based on the exposures as of the date of statements of financial position.

Notes to Standalone Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

Effect in ₹ Crores

31 March 2020	Strengthening	Weakening
EUR	(0.26)	0.26
USD	(0.17)	0.17

Effect in ₹ Crores

31 March 2019	Strengthening	Weakening
EUR	(0.25)	0.25
USD	(0.12)	0.12

b. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to market risk for changes in interest rates relates to fixed deposits and borrowings from financial institutions. For details of the Company's short-term and long term loans and borrowings, including interest rate profiles, Refer to Note 19 and 23 of these financial statements.

Particulars	31 March 2020			31 March 2019		
	Total Borrowings	Floating rate borrowing	Fixed rate borrowing	Total Borrowings	Floating rate borrowing	Fixed rate borrowing
Borrowings	4,463.27	1,052.11	3,411.16	4,625.90	748.45	3,877.45
Total	**4,463.27**	**1,052.11**	**3,411.16**	**4,625.90**	**748.45**	**3,877.45**

Sensitivity analysis

Interest rate sensitivity for floating rate borrowings (impact of increase in 100 bps)

Particulars	31 March 2020	31 March 2019
Impact in profit before tax	(5.88)	(3.00)

Interest rate sensitivity for floating rate borrowings (impact of decrease in 100 bps)

Particulars	31 March 2020	31 March 2019
Impact in profit before tax	5.88	3.00

46. Netting off disclosure

The Company engages the services of CFA agents for selling the cement. As per the terms of the agreement, Company has a right to offset balances with CFA against debtors balances if debtor has not paid for a period of 90 days. Hence such amounts have been offset in the balance sheet. The amount of CFA assignment, as on reporting date, is not material.

Notes to Standalone Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

47. Capital management

The Company's policy is to maintain a strong capital base so as to maintain investors, creditors and to sustain future development of the business. The Company carefully monitors cash and bank balances, deployment of surplus funds and regularly assesses any debt requirements.

The Company's adjusted net debt to equity ratio is as follows.

Particulars	As at 31 March 2020	As at 31 March 2019
Total borrowings along with accrued interest	4,463.27	4,625.90
Less : Cash and bank balances & Current Investments	(510.86)	(580.30)
Adjusted net debt	3,952.41	4,045.60
Equity	242.36	200.00
Other equity	5,036.88	4,793.68
Total equity	**5,279.24**	**4,993.68**
Adjusted net debt to equity ratio	0.75	0.81

48. Segment Reporting

A. General Information

For management purposes, the Company is organised into business units based on its products and has two reportable segments, as follows:

- Segment-1 Cement Division
- Segment-2 Concrete Division

Others - All the segments other than segments identified above are collectively included in this segment.

The Chief Operating Decision Maker ("CODM") evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by operating segments.

Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

Transfer prices between operating segments are on arm's length basis in a manner similar to transaction with third parties.

B. Information about reportable segments

Particulars	Reportable segments				Others		Total	
	Cement		RMX					
	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2020	For the year ended 31 March 2019
Revenue								
External sales	5,685.14	5,828.48	1,105.11	1,214.49	2.99	9.65	6,793.24	7,052.62
Inter segment sales	103.87	18.04		-	0.51	9.34	104.38	27.38
Total	**5,789.01**	**5,846.52**	**1,105.11**	**1,214.49**	**3.50**	**18.99**	**6,897.62**	**7,080.00**

Notes to Standalone Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

B. Information about reportable segments (Condt..)

Particulars	Reportable segments				Others		Total	
	Cement		RMX					
	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2020	For the year ended 31 March 2019
Less : Eliminations	(103.87)	(18.04)	-	-	(0.51)	(9.34)	(104.38)	(27.38)
Net Revenue	**5,685.14**	**5,828.48**	**1,105.11**	**1,214.49**	**2.99**	**9.65**	**6,793.24**	**7,052.62**
Segment Results	792.86	406.04	(16.81)	25.19	(6.79)	(13.04)	769.26	418.19
Financial expense							(419.21)	(452.17)
Financial income							36.70	53.27
Profit before tax							**386.75**	**19.29**
Tax expenses							(137.50)	(43.09)
Profit after tax							**249.25**	**(23.80)**
OTHER INFORMATION								
Segment assets	12,300.83	12,130.52	960.30	891.00	18.58	29.48	13,279.71	13,051.00
Un-allocated assets	-	-	-	-	-	-	164.57	158.99
Total Assets	**12,300.83**	**12,130.52**	**960.30**	**891.00**	**18.58**	**29.48**	**13,444.28**	**13,209.99**
Segment liabilities	1,755.40	1,742.56	369.37	315.71	135.17	139.11	2,259.94	2,197.38
Un-allocated liabilities	-	-	-	-	-	-	5,905.10	6,018.93
Total Liabilities	**1,755.40**	**1,742.56**	**369.37**	**315.71**	**135.17**	**139.11**	**8,165.04**	**8,216.31**
Capital Expenditure								
Tangible assets	629.30	667.82	2.52	11.48	-	-	631.82	679.30
Intangible assets	3.67	1.54	-	0.13	-	-	3.67	1.67
Depreciation / Amortization	495.59	453.41	27.86	23.30	4.43	8.40	527.88	485.11
Other non cash expense/ (income)	0.25	(56.67)	9.95	12.36	(0.80)	0.85	9.40	(43.46)

C. Geographic information

All assets of the Company are domiciled in India. Further the Company does not have any single customer contributing more than 10% of revenue. The breakup of total revenue into domestic revenue and exports is as follows :

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Domestic	6,793.24	7,052.62
Export	-	-
Total	**6,793.24**	**7,052.62**

Notes to Standalone Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

49. Contingent Liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
Contingent Liabilities not provided for in respect of:		
i. Claims against the Company not acknowledged as debts: -		
a. Disputed demands in respect of Sales Tax/VAT/GST by various tax authorities	61.82	59.73
b. Disputed demand in respect of Entry Tax by various tax authorities	38.47	54.50
c. Disputed demand in respect of Excise Duty*	27.81	192.95
d. Disputed demand in respect of Service Tax	2.74	3.34
e. Stamp Duty paid under protest for change of name from GKW to LRCL	1.80	1.80
f. Disputed demands in respect of Custom duties	14.44	14.44
g. In respect of Income Tax	315.18	278.42
h. Other claims	23.88	27.23
Against these, payments under protest/adjustments made by the Company	134.88	137.74

*The Supreme Court in its judgement dated November 27, 2019 in case of Civil appeal no.10193 of 2017 Commissioner of central Excise Vs M/s Madras Cements Ltd. along with the Company, dismissed the appeal filed by the Commissioner of Central Excise. Accordingly, the Company is now entitled to concession rate of excise duty for sales made to Institutional consumer or industrial consumer. The Company believes that identical matters amount to ₹ 161.70Cr pending before various forums are squarely covered by the aforesaid judgment of the Hon'ble Supreme Court and treated as remote.

ii. The State of Chhattisgarh has filed a Revision Application challenging the adjudication order of the District Registrar and Collector of Stamps; Janjgir - Champa for alleged under-valuation of the properties, which the Company acquired from Raymond Ltd. Against this, Raymond Ltd. has filed a Special Leave Petition before the Hon'ble Supreme Court, which has stayed the proceedings before the Board of Revenue.	Amount not determinable	Amount not determinable
The Collector of Stamps, Raipur has commenced enquiry proceedings under Section 47 (A)(3) of the Indian Stamp Act, 1899 questioning the amount of stamp duty paid by The Tata Iron and Steel Company Limited (TISCO) on transfer of the immovable properties at Sonadih from TISCO to the Company. The Company has filed a Writ Petition in the Hon'ble High Court of Bilaspur, Chhattisgarh challenging the enquiry commenced by the Collector of Stamps. The matter is pending before the High Court.	Amount not determinable	Amount not determinable
The Company's liability, if at all arises, in both the above cases, is restricted to 50% by virtue of business transfer agreement between Lafarge and Raymond Ltd/TISCO.	Amount not determinable	Amount not determinable

iii. In June 2012, the Competition Commission of India (CCI) passed an Order levying a penalty of ₹ 490 crores on the Company in connection with a complaint filed by the Builders Association of India against leading cement companies (including the Company) for alleged violation of certain provisions of the Competition Act, 2002. The Company filed an appeal before the Competition Appellate Tribunal (COMPAT) for setting aside the said Order of CCI. The COMPAT granted stay on levying the penalty imposed on the Company by CCI against deposit of 10% of the penalty amount. In December 2015, the COMPAT finally set aside the said Order of CCI and remanded back to CCI for fresh adjudication of the issues and passing of fresh Order. However, in August 2016 the case was reheard by CCI and it passed an Order levying a penalty of ₹ 490 crores on the Company. The Company had filed an appeal against the Order before

Notes to Standalone Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

49. Contingent Liabilities (Contd..)

the COMPAT. The COMPAT has granted a stay with a condition to deposit 10% of the penalty amount, which was deposited and levy of interest of 12% p.a. in case the appeal is decided against the appellant (the "Interim order"). COMPAT was replaced by the National Company Law Appellate Tribunal (NCLAT) effective May 26, 2017, who vide its judgment dated July 25, 2018, dismissed the Company's appeal and upheld the CCI's order. Against the above judgment of NCLAT, the Company appealed before the Hon'ble Supreme Court, which by its order dated October 5, 2018 had admitted the appeal of the Company and directed that the interim order passed by the tribunal in this case will continue in the meantime. Based on the reimbursable rights available with the Company backed by legal opinion, no provision is considered necessary.

50. Capital and other commitments

Particulars	As at 31 March 2020	As at 31 March 2019
Estimate amount of contracts remaining to be executed on capital account and not provided for (net of advances)	482.00	276.58

51. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	As at 31 March 2020	As at 31 March 2019
i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year (including capex vendors)		
Principal amount due to micro and small enterprises	9.55	6.11
Interest due on above	0.23	0.13
ii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year		
Principal	65.16	60.76
Interest on above	-	-
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	1.06	0.86
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	1.29	0.99
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006, 2006.	-	-

Notes to Standalone Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

52. Business combination

The Scheme of Arrangement ("Scheme") for transfer of cement division of Nirma Limited with the Company with effect from 1 June 2019, the appointed date has been approved by the National Company Law Tribunal, Mumbai Bench vide Order dated 9 January 2020.

The following accounting treatment, inter-alia, has been given effect to the Scheme as approved by the NCLT :

(i) The merger has been accounted as prescribed under Appendix C of Indian Accounting Standard (Ind AS) 103 – Business Combinations.

(ii) As required by Ind AS-103 "Business Combination", this arrangement has been accounted under the pooling of interest method. As the transaction was between two entities under "common control" the said Ind AS requires that the figures of the cement division of Nirma Ltd. be incorporated in the comparative statements for the previous Financial Year 2018-19 as also for the current Financial Year including for the period prior to the Appointed Date. Consequently, the financial statements include loss before tax of ₹ 144.30 Cr. for FY 2018-19 and loss before tax of ₹ 6.90 Cr. for April to May 2019 in respect of the cement division of Nirma Ltd. These losses have not been suffered by the Company

(iii) All assets, liabilities, income and expenditure of Demerged undertaking have been recorded in the books at their respective carrying amounts after eliminating intercompany balances and transactions. Necessary adjustments have been made to ensure proper allocation of common assets and liabilities and common bank account between demerge undertaking and Nirma Limited through which receipt and payment have been routed.

(iv) The excess of assets over liabilities taken over on 1 April 2018 amounting to ₹ 727.76Cr has been credited to Capital Reserve. In consideration of merger of cement business, the Company has issued 4,23,61,787 fully paid up equity shares of ₹ 10/- each to the equity shareholders of the Nirma Limited in proportion of their holding in the Nirma Limited and the same has been adjusted against Capital Reserve as of 1 April 2018.

Calculation of Capital Reserve

Particulars	Amount	Note
Issue of new equity shares of NVCL as per merger scheme	(42.36)	Refer SOCIE
Ind AS 103 carrying values derived from carve out financial statements of Nirma Limited (Cement unit):		
Tangible assets	1,407.82	Refer Note 2
Intangible assets	13.58	Refer Note 4
Capital work-in-progress	0.80	
Investment	0.05	
Cash and Bank	20.20	
Working Capital	141.75	
Borrowing	(636.43)	
Deferred tax liability	(220.01)	Refer Note 39
Capital Reserve on Merger	42.36	Refer SOCIE
Capital reserve on Merger	727.76	Refer SOCIE

Notes to Standalone Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

53. Disclosures required by Indian Accounting Standard (Ind AS) 37 - Provisions

Particulars	Site Restotation expense		Dealer discount provisions		Indirect taxes and litigations		Provision for contractors' charges		Total	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Carrying amount at the beginning of the year	31.86	30.91	106.61	91.21	180.81	185.82	28.17	25.84	347.45	333.78
Additional provision made during the year	2.93	2.84	80.44	81.73	13.29	14.36	0.97	2.33	97.63	101.26
Amounts used during the year	(1.25)	(1.89)	(69.20)	(66.33)	(13.60)	(19.37)	(0.96)	-	(85.01)	(87.59)
Amounts written back during the year	-	-	(5.78)	-	-	-	-	-	(5.78)	-
Carrying amount at the end of the year#	**33.54**	**31.86**	**112.07**	**106.61**	**180.50**	**180.81**	**28.18**	**28.17**	**354.29**	**347.45**

#This includes current and non current portion.

i. Site Restoration expense

The Company provides for the expenses to reclaim the quarries used for mining. The total estimate of reclamation expenses is apportioned over the estimate of mineral reserves and a provision is made based on the minerals extracted during the year. Mines reclamation expenses are incurred on an ongoing basis and until the closure of the mine. The actual expenses may vary based on the nature of reclamation and the estimate of reclamation expenditure.

ii. Dealer discount provisions

The provision for discounts is on account of various promotion and incentive schemes proposed to be announced to dealers on products sold by the Company. The provision is based on the historic data/ estimated figures of discounts passed on. The timing and amount of the cash flows that will arise will be determined as and when these schemes are formalised and pay-offs approved by management, which is generally 12 to 18 months.

iii. Indirect taxes and legal cases

Provision for indirect tax and legal cases includes disputed cases of excise tax, value added tax, sales tax, entry tax and other disputed legal cases.

iv. Provision for contractor charges

Provision for contractors' charges pertains to gratuity amount payable by contractor to its employees which as per the terms of the contract shall be reimbursed by the Company.

Note - 54

The Company had installed a Fly Ash classifier at its Mejia Cement Plant in earlier years and has a claim of ₹ 12.22 Crores (Previous year ₹ 12.22 Crores) on Damodar Valley Corporation (DVC) towards their share of the capital expenditure on such Fly Ash classifier in terms of the agreement, which along with certain operational settlements are currently under discussion with DVC. Pending resolution on the matters, the Company has not recognized the above claims in its books. Further, the management is confident that the use of the Fly Ash classifier and operational settlements shall be amicably resolved with the party.

Notes to Standalone Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

Note - 55

Company's operations were impacted in the month of March 2020, due to shutdown of all plants following nationwide lockdown by the Government of India in view of COVID-19. The Company expects to recover the carrying amount of all its assets including inventories and receivables in the ordinary course of business based on information available on current economic conditions. The Company will continue to monitor any material changes in future economic conditions. Operations have been resumed in phased manner in line with the directives of the Government of India.

Note - 56

As per the limit specified under Section 135 of the Companies Act, 2013, the Company was required to spend ₹ 3.48 crores (Previous year ₹ 5.04 crores) during the year on account of Corporate Social Responsibility (CSR). However, the actual amount spent during the year amounts to ₹ 4.17 crores (Previous year ₹ 2.95 crores).

Note - 57

Company has entered into a share purchase agreement on 6 February 2020 with Emami Group for the acquisition of 100% shareholding of Emami Cement Limited (ECL) for an enterprise value of ₹ 5,500 Cr. The transaction has been approved by the Competition Commission of India (CCI) on 21 May 2020, however the order from CCI is still awaited. ECL operates an integrated cement plant in Risdah, Chhattisgarh, and grinding units in Bihar, West Bengal and Odisha, with a total installed capacity of 8.3 million tonnes per annum.

Note - 58

The figures of the previous year have been regrouped wherever necessary to conform to current year's classification.

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

For **MSKA & Associates**
Chartered Accountants
Firm Registration No. 105047W

Amrish Vaidya
Partner
Membership No. 101739

Place : Mumbai
Date : 24 June 2020

For and on behalf of the Board of Directors of Nuvoco Vistas Corporation Limited

CIN: U26940MH1999PLC118229

Jayakumar Krishnaswamy
Managing Director
DIN: 02099219

Suketu Nareshbhai Shah
Director
DIN: 07211283

Maneesh Agrawal
Chief Financial Officer

Shruta Sanghavi
Company Secretary

Place : Mumbai
Date : 24 June 2020

Consolidated Financial Statements

Independent Auditor's Report

To the Members of **Nuvoco Vistas Corporation Limited**

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Nuvoco Vistas Corporation Limited (hereinafter referred to as the "Company") and its joint venture, which comprise the Consolidated Balance Sheet as at March 31, 2020, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on other financial information of joint venture,the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of the consolidated financial position of the Companyand its joint venture as at March 31, 2020,and their consolidated financial performance including other comprehensive income,their consolidated statement of changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those 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 Company and its joint venture in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by Institute of Chartered Accountant of India ("ICAI"), and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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.

Sr. No.	Key Audit Matter	Auditor's response
1.	**Contingent liabilities and Provisions:** The Company operates in multiple jurisdictions, exposing it to a variety of different laws, regulations and interpretations thereof. In such an environment, there is an inherent risk of litigation. Further, the Company has disclosed significant open legal cases with respect to Competition Appellate Tribunal (COMPAT) [Refer Note 49 to the Consolidated financial statements], Sales tax incentives recoverable for Mejia Plant [Refer Note 8 to the Consolidated financial statements] and other material contingent liabilities [Refer Note 49 to the Consolidated financial statements].	Our audit procedures, in respect of this matter are described below: 1. Assessed Management's processes of identifying new / possible obligations and changes in existing obligations for compliance with Company's policy and Ind AS 37 requirements. 2. Analysed significant changes/update from previous periods and obtained a detailed understanding of such items. Assessed relevant judgments passed by the court authorities affecting such change. 3. Discussed the status of significant known actual and potential litigations with the Head of Legal and Compliance and management who possess knowledge of such matters.

Sr. No.	Key Audit Matter	Auditor's response
	Given the complexity and magnitude of potential exposures to the Company, the assessment of the existence of legal or constructive obligation and analysis of the probability of the related outflow of resources involves significant judgement by the management. Due to the level of judgement relating to recognition of provisions and disclosure of contingent liabilities, this is considered to be a key audit matter.	4. Involved our internal tax experts to challenge management decisions and rationale with respect to provisions not made in the books of account or disclosed as contingent liability or cases which are remote and do not warrant any disclosure. 5. Evaluated the legal opinion obtained by the management from external lawyers for significant litigations including with respect to: - the COMPAT case and the reimbursable rights available with the Company for recovery. - the recoverability of fiscal incentives from the State Government for the Mejia plant. 6. Assessed the decisions and rationale with respect to provisions made in the books of account, disclosed as contingent liability or cases which are remote and do not warrant any disclosure. 7. Reviewed minutes of board meetings and held regular meetings with management and legal head in this regard.
2.	**Revenue Recognition: Discounts and Rebates** Refer to the disclosures related to Revenue Recognition in Note 44 to the Consolidated Financial Statements. The Company sells cement in various states through its dealers. The Company gives various types of discounts and rebates to these dealers through various scheme based on the market conditions and competition. The Company records revenue net of such discounts and rebates as required under Ind AS 115- Revenue from contracts with customers. Considering the nature of the business and industry in which the Company operates, discounts and rebates are material amounts and involve significant estimation by management; hence, we have considered this as a key audit matter.	Our key audit procedures, in respect of this matter are described below: 1. Verified whether accounting policy adopted by the Company is in accordance with Ind AS 115 - Revenue from contracts with customers and Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets. 2. Performed procedures to assess whether the design, implementation and operating effectiveness of the controls related to the approval, recording, calculation and payments of rebates and discounts and the estimates for the year end provisions are in accordance with the discount schemes approved by the Head of Department. 3. Recalculated the discounts for certain schemes on test check basis. 4. Verified on test check basis the subsequent payments made against the year-end provision and also verified the actual pay-outs made against the previous year provision to test the reasonableness of the management estimation process. 5. Verified any reversal/ utilisation of discounts and rebates during the year and analysed the rationale for the same. 6. Verified the ageing for the discount payables under the schemes outstanding at the year end.

Sr. No.	Key Audit Matter	Auditor's response
3.	**Business Combination:** On January 9, 2020, National Company law tribunal of Mumbai branch has approved the merger of cement division of Nirma Limited into the Company. The Company accounted for the merger as per guidance provided in Ind AS 103: Business Combination, Appendix C: Business combinations of entities under common control. [Refer Note 52 to the Consolidated financial statements]. We have determined this to be a key audit matter in view of magnitude and complexity in accounting this transaction and restating the prior period information.	Our audit procedures, in respect of this matter are described below: 1. Evaluated the appropriateness of method of accounting adopted by the management to account for the merger is as per Ind AS 103 : Business Combination , Appendix C : Business combinations of entities under common control. 2. We corroborated management's alignment of accounting policies and estimates by comparing the significant accounting policies and estimates of cement division of Nirma Limited and comparing with the Company's accounting policies and estimates. 3. We read the scheme of arrangement and focused on accounting for the transaction in accordance with the Scheme of arrangement in the books of the Company. 4. We checked the restatement for the prior period financial information for the year ended March 31, 2019 and Other equity as on April 1, 2018 from the audited financials of the Cement division, audited by the other auditor. 5. We checked whether the shares issued to shareholders of Nirma Limited by the Company as consideration against the assets and liabilities acquired in merger is in accordance with the Scheme of Arrangement and is accounted as per as per Ind AS 103 : Business Combination , Appendix C : Business combinations of entities under common control. 6. Checked whether the disclosures in respect of the transaction is in accordance with Ind AS 103- 'Business Combinations' .

Information Other than the Consolidated financial statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Directors' Report including Annexures to the Directors' Report, Management discussion and analysis, Corporate Governance Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, 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 Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), the consolidated statement of changes in equity and consolidated cash flows of the Company and its joint venture in accordance with the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. The respective Board of Directors of the Company and its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and its joint ventureand for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Company, as aforesaid.

In preparing the consolidated financial statements, the Board of Directors of the company and its joint venture are responsible for assessing the ability of the Company and its joint venture to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company and its joint venture or to cease operations, or has no realistic alternative but to do so.

The Board of Directors of the Company and its joint venture are responsible for overseeing the financial reporting process of the Company and its joint venture.

Auditor's Responsibilities for the Audit of the Consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurancebut is not a guarantee that an audit conducted in accordance with Standards on Auditing ("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.

We give in "Annexure A" a detailed description of Auditor's responsibilities for Audit of the Consolidated financial statements.

Other Matters

(i) The consolidated financial statements also include the Company's share of net profit/loss of ₹ Nilfor the year ended March 31, 2020, as considered in the consolidated financial statements, in respect of one joint venture, whose financial statements (including the comparative financial information for the year ended March 31, 2019) have not been audited by us. These financial statements of the joint venture are unaudited and 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 the joint venture, and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid joint venture, is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, these financial statements are not material to the Company.

(ii) Due to restrictions and lock down laid by the government due to COVID 19 pandemic, it was impracticable for us to attend the physical verification carried out by the management subsequent to the year-end. Consequently, we have performed related alternative audit procedures and have obtained sufficient appropriate audit evidence over the existence and condition of inventory as on March 31, 2020 including review of work done and report issued in this regard by independent firm of Chartered Accountants for certain locations. (Refer Note 55 to the Consolidated financial statements).

(iii) The previously issued Consolidated financial statements of the Company for the year ended March 31, 2019 have been restated to give effect to the Scheme of Arrangement ("Scheme") of merger of cement business of Nirma Limited ("Demerged undertaking") with the Company, as explained in Note 52 to the Consolidated financial statement. The financial information of erstwhile demerged undertaking included in the restated Consolidated financial statements have been audited by the other auditors. The adjustments made to the previously issued financial information to give effect to the Scheme have been reviewed by us.

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 financial informationcertified by the Management.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the consideration of financial information

of the Joint venture, as noted in the 'other matter' paragraph above, we report, to the extent applicable, that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.

c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income, the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow 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 Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standard) Rules, 2015, as amended.

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

f. With respect to the adequacy of internal financial controls over financial reporting of the Company and its joint venture 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 Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of financial information of joint venture, as noted in the 'other matter' paragraph:

   i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Company and its joint venture– Refer Note 49to the consolidated financial statements.

   ii. The Company and its joint venture did not have any material foreseeable losses on long-term contracts including derivative contracts.

   iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company and its joint venture incorporated in India.

2. As required by The Companies (Amendment) Act, 2017, in our opinion, according to information, explanations given to us, the remuneration paid by the Company to its directors is within the limits laid prescribed under Section 197 of the Act and the rules thereunder except in case of one joint venture, as the provisions of the aforesaid section is not applicable to private company.

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No. 105047W

Amrish Vaidya
Partner
Membership No. 101739
UDIN: 20101739AAAADD2441

Place: Mumbai
Date: June 24, 2020

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF NUVOCO VISTAS CORPORATIN LIMITED

Auditor's Responsibilities for the Audit of the Consolidated Ind AS 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 Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and jointly controlled entities 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 Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates and jointly controlled entities to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS 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 of the Company and its joint venture to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS 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 Company 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 Ind AS 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.

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No. 105047W

Amrish Vaidya
Partner
Membership No. 101739
UDIN: 20101739AAAADD2441

Place: Mumbai
Date: June 24, 2020

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF NUVOCO VISTAS CORPORATION LIMITED

[Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Nuvoco Vistas Corporation Limited on the consolidated financial statements for the year ended March 31, 2020]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2020, we have audited the internal financial controls with reference to consolidated financial statements of Nuvoco Vistas Corporation Limited (hereinafter referred to as "the Company") and its joint venture, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the company and its joint venture, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the company and its joint venture, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. 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 internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of 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 internal financial controls with reference to consolidated financial statements of the company and its joint venture, which are companies incorporated in India.

Meaning of Internal Financial Controls with Reference to Consolidated financial statements

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

Inherent Limitations of Internal Financial Controls with Reference to Consolidated financial statements

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

Opinion

In our opinion, and to the best of our information and according to the explanations given to us, the Company has in all material respects, an internal financial controls with reference to consolidated financial statement and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2020, based on the internal control with reference to consolidated financial statements criteria established by the company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to one joint venture incorporated in India whose financial statements are unaudited and hence we are unable to comment on the adequacy and operative effectiveness of the internal financial controls in respect of this joint venture. In our opinion and according to the information and explanations given to us by the Management, the said joint venture is not material to the Company.

For **MSKA & Associates**
Chartered Accountants
ICAI Firm Registration No. 105047W

Amrish Vaidya
Partner
Membership No. 101739
UDIN: 20101739AAAADD2441

Place: Mumbai
Date: June 24, 2020

Consolidated Balance Sheet

as at 31 March 2020

(All amounts are in ₹ crore, unless otherwise stated)

Particulars	Note No.	As at 31 March 2020	As at 31 March 2019
ASSETS			
NON-CURRENT ASSETS			
(a) Property, plant and equipment	2	6,220.80	6,121.90
(b) Capital work-in-progress (net of provision)		646.93	604.88
(c) Investment property	3	1.19	1.27
(d) Goodwill	4	2,443.86	2,443.86
(e) Other intangible assets	4	1,202.64	1,276.22
(f) Right of use asset	5	101.68	-
(g) Financial assets			
(i) Investments	6	0.05	0.05
(ii) Loans	7	0.17	0.20
(iii) Other non-current financial assets	8	579.09	580.56
(h) Income tax assets (net)		133.93	113.03
(i) Other non current assets	9	107.06	63.43
		11,437.40	**11,205.40**
CURRENT ASSETS			
(a) Inventories	10	603.03	584.68
(b) Financial assets			
(i) Investments	11	-	455.60
(ii) Trade receivables	12	511.04	499.86
(iii) Cash and cash equivalents	13	253.86	98.27
(iv) Bank balances other than Cash and cash equivalents	14	257.00	26.43
(v) Loans	15	2.26	1.48
(vi) Other current financial assets	16	257.84	183.77
(c) Income tax assets (net)		1.39	12.50
(d) Other current assets	17	120.46	142.00
		2,006.88	**2,004.59**
TOTAL ASSETS		**13,444.28**	**13,209.99**
EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	18	242.36	200.00
(b) Other equity		5,036.88	4,793.68
		5,279.24	**4,993.68**
LIABILITIES			
NON-CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Borrowings	19	2,931.25	3,318.34
(ii) Other non-current financial liabilities	20	52.76	52.76
(iii) Lease liabilities	40	33.64	-
(b) Provisions (non-current)	21	70.31	61.00
(c) Deferred tax liabilities (net)	22	1,441.84	1,393.04
		4,529.80	**4,825.14**
CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Borrowings	23	1,532.02	1,307.56
(ii) Trade payables	24		
- Due to micro and small enterprises		8.80	5.33
- Due to creditors other than micro and small enterprises		778.48	759.40
(iii) Other current financial liabilities	25	645.96	576.55
(iv) Lease liabilities	40	15.88	-
(b) Other current liabilities	26	333.84	426.51
(c) Provisions (current)	27	320.26	315.82
		3,635.24	3,391.17
TOTAL EQUITY AND LIABILITIES		**13,444.28**	**13,209.99**
SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES	1B		

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

For **MSKA & Associates**
Chartered Accountants
Firm Registration No. 105047W

Amrish Vaidya
Partner
Membership No. 101739

Place : Mumbai
Date : 24 June 2020

For and on behalf of the Board of Directors of Nuvoco Vistas Corporation Limited

CIN: U26940MH1999PLC118229

Jayakumar Krishnaswamy
Managing Director
DIN: 02099219

Suketu Nareshbhai Shah
Director
DIN: 07211283

Maneesh Agrawal
Chief Financial Officer

Shruta Sanghavi
Company Secretary

Place : Mumbai
Date : 24 June 2020

Consolidated Statement of Profit and Loss

for the year ended 31 March 2020

(All amounts are in ₹ crore, unless otherwise stated)

Particulars	Note No.	2019-20	2018-19
INCOME			
Revenue from operations	28	6,793.24	7,052.62
Other income	29	36.70	53.27
Total Income		**6,829.94**	**7,105.89**
EXPENSES			
Cost of materials consumed	30	1,273.82	1,397.41
Purchase of stock in trade	31	17.56	12.55
Changes in inventories of finished goods, work-in-progress and stock-in-trade	32	(61.37)	34.71
Power and fuel		1,225.63	1,374.13
Freight and forwarding charges		1,776.14	1,983.21
Employee benefits expense	33	404.61	381.13
Finance costs	34	419.21	452.17
Depreciation and amortisation expense	35	527.88	485.11
Other expenses	36	859.71	966.18
Total expenses		**6,443.19**	**7,086.60**
Profit before tax		386.75	19.29
Tax expenses:	38		
1. Current tax		89.62	64.21
2. Deferred tax		47.65	(1.14)
3. Tax expense relating to earlier years		0.23	(19.98)
Total tax expense		**137.50**	**43.09**
Profit/ (Loss) for the year		**249.25**	**(23.80)**
OTHER COMPREHENSIVE INCOME (OCI)			
I Items that will not be reclassified to profit or loss			
i. Remeasurements losses of post-employment benefit obligation		(4.67)	(2.46)
ii. Income tax related to above		1.64	0.88
		(3.03)	**(1.58)**
Other comprehensive loss for the year		**(3.03)**	**(1.58)**
Total comprehensive income/ (loss) for the year		**246.22**	**(25.38)**
Earnings per equity share (Face value of ₹ 10 each)	37		
1. Basic (₹)		10.28	(0.98)
2. Diluted (₹)		10.28	(0.98)

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

For **MSKA & Associates**
Chartered Accountants
Firm Registration No. 105047W

Amrish Vaidya
Partner
Membership No. 101739

Place : Mumbai
Date : 24 June 2020

For and on behalf of the Board of Directors of Nuvoco Vistas Corporation Limited

CIN: U26940MH1999PLC118229

Jayakumar Krishnaswamy
Managing Director
DIN: 02099219

Suketu Nareshbhai Shah
Director
DIN: 07211283

Maneesh Agrawal
Chief Financial Officer

Shruta Sanghavi
Company Secretary

Place : Mumbai
Date : 24 June 2020

Consolidated Statement of Cash Flows

for the year ended 31 March 2020

(All amounts are in ₹ crore, unless otherwise stated)

Particulars	2019-20	2018-19
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Profit before tax	386.75	19.29
Adjustments for:		
Depreciation and Amortisation Expense	527.88	485.11
Net gain on foreign currency transaction and translation	(0.51)	(0.77)
Provision for bad/doubtful debts and advances	13.13	12.30
Provision for indirect taxes and litigations	13.29	14.36
Provision/liabilities no longer required, written back	(6.29)	(47.72)
(Gain)/Loss on disposal of Property, Plant & Equipment	3.40	(0.48)
Gain on sale of current investments	(19.90)	(26.27)
Fair value gain on financial instruments at fair value through profit or loss	-	(3.20)
Interest income on bank deposits	(2.81)	(1.65)
Interest income on others	(8.25)	(17.26)
Finance costs	419.21	452.17
Operating profit before working capital adjustments	**1,325.90**	**885.88**
Adjustments for working capital :		
Increase in Inventories	(18.35)	(28.86)
Increase in trade and other receivables	(24.33)	(89.10)
Increase in loans and advances and other non current assets	(49.92)	(46.44)
Decrease/(Increase) in trade / other payables, provisions and other liability	(107.69)	141.39
	1,125.61	**862.87**
Income tax paid	(100.24)	(16.46)
NET CASH FLOW FROM OPERATING ACTIVITIES	**1,025.37**	**846.41**
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Payment for purchase and construction of property, plant and equipment	(569.48)	(580.83)
Purchase of current investments	(4,337.51)	(2,904.00)
Proceeds from sale of current investments	4,813.00	3,322.24
Loans/advances given during the year	(0.75)	(0.53)
Interest received	14.58	14.50
NET CASH FLOW USED IN INVESTING ACTIVITIES	**(80.16)**	**(148.62)**
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Stamp duty on issue of shares	(0.88)	-
Repayment of long term borrowings	(1,250.00)	(1,150.00)
Proceeds from long term borrowings	1,030.00	750.00
Contribution from erstwhile owners of demerged undertaking	39.91	152.88
Short term borrowing (Net)	-	(4.39)
Repayment of lease liabilities (Refer note 40)	(20.12)	-
Interest paid	(357.96)	(384.91)
NET CASH USED IN FINANCING ACTIVITIES	**(559.05)**	**(636.42)**
Net increase in cash and cash equivalents (A+B+C)	**386.16**	**61.37**
Cash and cash equivalents at the beginning of the year	124.70	43.13
Additions through business combination	-	20.20
Cash and cash equivalents at the end of the year	**510.86**	**124.70**

Consolidated Statement of Cash Flows

for the year ended 31 March 2020

(All amounts are in ₹ crore, unless otherwise stated)

Particulars	2019-20	2018-19
Reconciliation of Cash and Cash equivalents with the Balance Sheet		
Cash and Bank Balances as per Balance Sheet		
Bank balances (including bank deposits)	510.71	118.20
Cheques/drafts on hand	0.07	6.44
Cash on hand	0.08	0.06
Cash and cash equivalents at the end of the year	**510.86**	**124.70**

Notes :

i) Cash and Cash equivalents at the end of the year includes cash collateral of ₹ 5.18 crores maintained by the Company for collateral of disputed indirect tax case and ₹ 21.82 with various statutory authorities.

ii) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 - "Statement of Cash Flows".

ii) Disclosure as required by Ind AS 7 - "Statement of Cash Flows" - Changes in liabilities arising from financing activities:

Particulars	2019-20	2018-19
Opening balance	4,625.90	4,373.19
Non Cash movement		
- Conversion of CCD (Refer note 18(c)(ii)	-	(32.48)
- Borrowings of amalgamating company (Refer note 52)	-	636.43
- Accrual of interest	398.36	431.11
Cash movement		
- Further Borrowings	1,030.00	750.00
- Principle repayment	(1,250.00)	(1,154.38)
- Interest payment	(340.99)	(377.97)
Closing balance	**4,463.27**	**4,625.90**

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

For **MSKA & Associates**
Chartered Accountants
Firm Registration No. 105047W

Amrish Vaidya
Partner
Membership No. 101739

Place : Mumbai
Date : 24 June 2020

For and on behalf of the Board of Directors of Nuvoco Vistas Corporation Limited

CIN: U26940MH1999PLC118229

Jayakumar Krishnaswamy
Managing Director
DIN: 02099219

Suketu Nareshbhai Shah
Director
DIN: 07211283

Maneesh Agrawal
Chief Financial Officer

Shruta Sanghavi
Company Secretary

Place : Mumbai
Date : 24 June 2020

Consolidated Statement of Changes in Equity

for the year ended 31 March 2020

(All amounts are in ₹ crore, unless otherwise stated)

Equity Share Capital

Particulars	31 March 2020		31 March 2019	
	2019-20	2019-20	2018-19	2018-19
Balance at the beginning of the reporting period	200,000,000	200.00	150,000,000	150.00
Share issued on account of business combination(Refer note 52)	42,361,787	42.36	-	-
Conversion of CCD into equity shares (Refer note 18(c)(ii))	-	-	50,000,000	50.00
Balance at the end of the reporting period	**242,361,787**	**242.36**	**200,000,000**	**200.00**

Other equity

Particulars	Reserves and Surplus**										Equity share pending allotment	Equity component of compound financial instrument	Total
	Capital reserve	Capital reserve on amalgamation	Capital reserve on merger	Securities premium	Capital redemption reserve	Debenture redemption reserve	Amalgamation Reserves	General reserve	Statutory Reserve Under Section 45IC of RBI Act	Retained earnings			
Balance at 31 March 2018	**37.33**	**(1,053.75)**	**-**	**1,313.03**	**23.33**	**520.95**	**2.53**	**90.00**	**0.01**	**2,077.00**	**-**	**956.84**	**3,967.27**
Adjustment due to Business Combination (Refer note 52)	-	-	727.76	-	-	-	-	-	-	-	-	-	727.76
Equity shares pending allotment (Refer note 52)	-	-	(42.36)	-	-	-	-	-	-	-	42.36	-	-
Restated balance at 1 April 2018	37.33	(1,053.75)	685.40	1,313.03	23.33	520.95	2.53	90.00	0.01	2,077.00	42.36	956.84	4,695.03
Loss for the year	-	-	-	-	-	-	-	-	-	(23.80)	-	-	(23.80)
Other comprehensive loss for the year	-	-	-	-	-	-	-	-	-	(1.58)	-	-	(1.58)
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(25.38)**	**-**	**-**	**(25.38)**
Transfer to Debenture redemption reserve from retained earning	-	-	-	-	-	260.05	-	-	-	(260.05)	-	-	-
Transfer to retained earning from Debenture redemption reserve	-	-	-	-	-	(287.50)	-	-	-	287.50	-	-	-
Contribution from erstwhile owners of demerged undertaking	-	-	152.88	-	-	-	-	-	-	-	-	-	152.88
Reversal of CCD debt component (Refer note 18(c)(ii))	-	-	-	-	-	-	-	-	-	32.46	-	-	32.46
Reversal of deferred tax on CCD debt component	-	-	-	-	-	-	-	-	-	11.37	-	(22.68)	(11.31)
Converstion of CCD into equity (Refer note 18(c)(ii))	-	-	-	884.16	-	-	-	-	-	-	-	(934.16)	(50.00)
Balance at 31 March 2019	**37.33**	**(1,053.75)**	**838.28**	**2,197.19**	**23.33**	**493.50**	**2.53**	**90.00**	**0.01**	**2,122.90**	**42.36**	**-**	**4,793.68**

Consolidated Statement of Changes in Equity

for the year ended 31 March 2020

(All amounts are in ₹ crore, unless otherwise stated)

Other equity (Contd..)

Particulars	Reserves and Surplus**										Equity share pending allotment	Equity component of compound financial instrument	Total
	Capital reserve	Capital reserve on amalgamation	Capital reserve on merger	Securities premium	Capital redemption reserve	Debenture redemption reserve	Amalgamation Reserves	General reserve	Statutory Reserve Under Section 45IC of RBI Act	Retained earnings			
Profit for the year	-	-	-	-	-	-	-	-	-	249.25	-	-	249.25
Other comprehensive loss for the year	-	-	-	-	-	-	-	-	-	(3.03)	-	-	(3.03)
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**246.22**	**-**	**-**	**246.22**
Transfer to Debenture redemption reserve from retained earning*	-	-	-	-	-	73.07	-	-	-	(73.07)	-	-	-
Contribution from erstwhile owners of demerged undertaking	-	-	39.91	-	-	-	-	-	-	-	-	-	39.91
Transfer to retained earning from Debenture redemption reserve*	-	-	-	-	-	(303.96)	-	-	-	303.96	-	-	-
Issue of shares on account of business combination (Refer note 52)	-	-	-	-	-	-	-	-	-	-	(42.36)	-	(42.36)
Share issue expenses (net of tax)***	-	-	-	(0.57)	-	-	-	-	-	-	-	-	(0.57)
Balance at 31 March 2020	**37.33**	**(1,053.75)**	**878.19**	**2,196.62**	**23.33**	**262.61**	**2.53**	**90.00**	**0.01**	**2,600.01**	**-**	**-**	**5,036.88**

Notes:

** As per notification GSR 574(E) in reference to amendmend in rule 18, for sub rule 7 of the Companies (Share Capital and Debentures) Rules, 2014, Company has discontinued creating Debenture Redemption Resserve w.e.f. 16th August 2019

** Refer note 18 for description of the nature and purpose of each reserve within other equity

*** Share issue expense is related to stamp duty charge on new equity shares on business combination in financial year 2019-20 (Refer note 52)

The accompanying notes are an integral part of these financial statements

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

For **MSKA & Associates**
Chartered Accountants
Firm Registration No. 105047W

Amrish Vaidya
Partner
Membership No. 101739

Place : Mumbai
Date : 24 June 2020

For and on behalf of the Board of Directors of Nuvoco Vistas Corporation Limited

CIN: U26940MH1999PLC118229

Jayakumar Krishnaswamy
Managing Director
DIN: 02099219

Suketu Nareshbhai Shah
Director
DIN: 07211283

Maneesh Agrawal
Chief Financial Officer

Shruta Sanghavi
Company Secretary

Place : Mumbai
Date : 24 June 2020

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

1A. Company Information

Nuvoco Vistas Corporation Limited ("the Company") is a limited company domiciled and headquartered in India and incorporated under the provisions of the Companies Act, 1956. The registered office is located at Equinox Business Park, Tower-3, 4th Floor, LBS Marg, Off BKC, Kurla (West), Mumbai – 400070. The Company is principally engaged in the business of manufacturing and sale of Cement and Ready Mix along with trading and manufacturing of Aggregates. The Company caters mainly to the domestic market.

1B. Summary of significant accounting policies

a) Basis of preparation

The consolidated financial statements of the Company and its jointly controlled entity have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 (the Act) and other relevant provisions of the Act.

During the year, the National Company Law Tribunal (NCLT) Mumbai vide its order dated January 9, 2020 sanctioned the Scheme of Arrangement for transfer of cement division of Nirma Limited (Demerge undertaking) into the Company. The appointed date as per the scheme is June 1, 2019. The Scheme has become effective upon filing of certified copy of said order of NCLT with the Office of Registrar of Companies, Mumbai MCA on February 1, 2020 ("Effective Date") and accordingly has been given effect in the books of account and restate the prior years' financial information as required under Ind AS-103: Business Combination, Appendix C : Business combinations of entities under common control.

The company has applied Ind AS 116- Leases using the modified retrospective approach for the first time for their annual reporting period commencing 1 April 2019 and therefore the comparative information has not been restated and continues to be reported under Ind AS 17.

The financial statements have been prepared on the historical cost except for certain financial instruments and defined benefit plans which are measured at fair value or amortized cost.

b) Principles of Consolidation

i) The Consolidated Financial Statement comprises the financial statements of the Company and its joint venture.

ii) The list of companies which are included in consolidation and the company's holdings therein are as under:

Name of the Company	Percentage Holding March 31, 2020
a) Joint Venture	
1) Wardha Valley Coal Field Private Limited	19.14%

The above company is incorporated in India and financial statements are drawn upto the same reporting date as that of the Company i.e. 31st March, 2020.

iii) The consolidated financial statements of the Company and its subsidiary company are prepared in accordance with the Ind AS 110 "Consolidated Financial Statements". The intra-group balances, intra-group transactions and unrealised profits/ losses if any are fully eliminated.

iv) The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's separate financial statements.

v) The excess cost of the Company of its investment in the subsidiary, on the acquisition dates over and above the Company's share of fair value of net identifiable assets acquired and liability assumed in the subsidiary, is recognised in the Consolidated Financial Statements as Goodwill. On the other hand, where the share of fair value of net identifiable assets acquired and liability assumed as on the date of investment is in excess of cost of investments of the Company, it is recognised as "Capital Reserve".

The Company's investments in the joint venture are accounted for using the equity method. Under the

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

equity method, the investment in the joint venture is initially recognised at cost. The carrying amount is adjusted to recognise changes in the Company's share of net assets of the joint venture since the acquisition date. Goodwill relating to the joint venture is included in the carrying amount of the investment and is not tested for impairment individually. If the Company's share of losses of a joint venture equals or exceeds its interest in joint venture, the Company discontinues recognising further losses. Additional losses are recognised only to the extent the Company has a legal or constructive obligation or made payments on behalf of other joint ventures. If the joint venture subsequently reports profit, the Company resumes recognising its share of those profits only after its share of the profit equals the share of losses not recognised.

c) Property, plant and equipment (PPE)

Property, plant and equipment are stated at cost comprising of purchase price and any initial directly attributable cost of bringing the asset to its working condition for its intended use, less accumulated depreciation (other than freehold land) and impairment loss, if any.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably.

An item of spare parts that meets the definition of 'PPE' is recognised as "PPE". The depreciation on such an item of spare part will begin when the asset is available for use i.e. when it is in the location and condition necessary for it to be capable of operating in the manner intended by management. In case of a spare part, as it may be readily available for use, it may be depreciated from the date of purchase of the spare part.

All other repairs and maintenance are charged to the statement of profit and loss during the reporting period in which they are incurred.

Capital work in progress ('CWIP') is stated at cost, net of accumulated impairment losses, if any. All the direct expenditure related to implementation including incidental expenditure incurred during the period of implementation of a project, till it is commissioned, is accounted as CWIP and after commissioning the same is transferred / allocated to the respective item of property, plant and equipment.

Pre-operating costs, being indirect in nature, are expensed to the statement of profit and loss as and when incurred.

The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

Property, plant and equipment are eliminated from financial statement, either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment are recognised in the statement of profit and loss in the period of occurrence.

Depreciation methods, estimated useful lives and residual value

Depreciation (other than on mining land) is calculated on a straight-line basis to allocate the cost of assets, net of their residual values, over their estimated useful lives. Components having value significant to the total cost of the asset and life different from that of the main asset are depreciated over its useful life. The useful lives have been determined based on technical evaluation which are higher than those specified by Schedule II to the Companies Act; 2013, in order to reflect the actual usage of the assets. The useful lives so determined are as follows:

Asset Type	Useful life (in years)
Buildings and roads	1 to 60
Plant and machinery	1 to 50
Railway sidings and locomotives	30
Office equipment	1 to 20
Vehicles	5 to 10
Furniture and fixtures	1 to 15
Mining land	Amortised on the unit of production method based on extraction of limestone from mines

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

Cost of mineral reserve embedded in the cost of freehold mining land is depreciated in proportion of actual quantity of minerals extracted to the estimated quantity of extractable mineral reserves.

Depreciation on items of property, plant and equipment acquired / disposed off during the period is provided on pro-rata basis with reference to the date of addition / disposal.

Residual values, useful life of assets and methods of depreciation of property, plant and equipment are reviewed at the end of each financial period.

d) Investment property

A property that is held for long term rental yields or for capital appreciation or both and that is not occupied by the company is classified as "Investment properties".

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The Company depreciates building component of investment property over 30 years from the date of original purchase.

The Company, based on management estimate, depreciates the building over estimated useful lives which are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

e) Intangible Assets

Intangible assets are recognised when it is probable that the future economic benefits that are attributable to the assets will flow to the Company and the cost of the asset can be measured reliably.

Intangible assets acquired separately are measured at cost on initial recognition. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

Amortisation methods, estimated useful lives and residual value

Intangible assets are amortised on a straight line basis over their estimated useful lives based on underlying contracts where applicable, except for mining rights

The useful lives of intangible assets are assessed as either finite or indefinite. The useful lives so determined are as follows:

Asset Type	Useful life/ Basis of amortisation
Mining Rights	Amortised on the unit of production method based on extraction of limestone from mines but restricted upto the lease period (in case of Leasehold and Freehold Land)
Supplier agreement	(Finite) Upto the validity of the Contract
Trademark	(Finite) 10 years
Software	(Finite) 4 to 15 years

The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period.

Intangible assets with indefinite useful lives are not amortised, but are tested for impairment annually, either individually or at the cash-generating unit level. The assessment of indefinite life is reviewed annually and change if any in useful life from indefinite to finite is made on a prospective basis.

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

f) Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Recoverable amount is determined:

1. In case of individual asset, at higher of the fair value less cost to sell and value in use; and

2. In case of cash-generating unit (a group of assets that generates identified, independent cash flows), at the higher of the cash-generating unit's fair value less cost to sell and the value in use.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. In any case the growth rate does not exceed the long term average growth rate for the products/industries in which the entity operates.

Impairment losses, including impairment on inventories, are recognised in the statement of profit and loss, except for properties previously revalued with the revaluation surplus taken to OCI. For such properties, the impairment is recognised in OCI up to the amount of any previous revaluation surplus.

Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognised. Impairment losses relating to goodwill cannot be reversed in future periods.

g) Leases:

The Company evaluates each contract or arrangement, whether it qualifies as lease as defined under Ind AS 116.

The Company as a lessee:

The Company assesses, whether the contract is, or contains, a lease at the inception of the contract or upon the modification 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.

The Company at the commencement of the lease contract recognizes a Right-of-Use (RoU) asset at cost and corresponding lease liability, except for leases with a term of twelve months or less (short-term leases) and leases for which the underlying asset is of low value (low-value leases). 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 cost of the right-of-use assets comprises the amount of the initial measurement of the lease liability, adjusted for any lease payments made at or prior to the commencement date of the lease, any initial direct costs incurred by the Company, any lease incentives received and expected costs for obligations to dismantle and remove right-of-use assets when they are no longer used.

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

Subsequently, the right-of-use assets is measured at cost less any accumulated depreciation and accumulated impairment losses, if any. The right-of-use assets are depreciated on a straight-line basis from the commencement date of the lease over the shorter of the end of the lease term or useful life of the right-of-use asset.

Right-of-use assets are assessed for impairment whenever there is an indication that the balance sheet carrying amount may not be recoverable using cash flow projections for the useful life.

For lease liabilities at commencement date, the Company measures the lease liability at the present value of the future lease payments as from the commencement date of the lease to end of the lease term. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, the Company's incremental borrowing rate for the asset subject to the lease in the respective markets.

Subsequently, the Company measures the lease liability by adjusting carrying amount to reflect interest on the lease liability and lease payments made.

The Company remeasures the lease liability (and makes a corresponding adjustment to the related right-of-use asset) whenever there is a change to the lease terms or expected payments under the lease, or a modification that is not accounted for as a separate lease

The portion of the lease payments attributable to the repayment of lease liabilities is recognized in cash flows used in financing activities. Also, the portion attributable to the payment of interest is included in cash flows from financing activities. Further, Short-term lease payments, payments for leases for which the underlying asset is of low-value and variable lease payments not included in the measurement of the lease liability is also included in cash flows from operating activities.

The Company as a lessor:

In arrangements where the Company is the lessor, it determines at lease inception whether the lease is a finance lease or an operating lease. Leases that transfer substantially all of the entire risk and rewards incidental to ownership of the underlying asset to the counterparty (the lessee) are accounted for as finance leases. Leases that do not transfer substantially all of the risks and rewards of ownership are accounted for as operating leases. Lease payments received under operating leases are recognized as income in the statement of profit and loss on a straight-line basis over the lease term or another systematic basis. The Company applies another systematic basis if that basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished.

h) Financial instruments

A. Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transaction costs that are attributable to the acquisition of the financial asset.

Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in two broad categories:

1. Financial assets at amortised cost
2. Financial assets at fair value

Where assets are measured at fair value, gains and losses are either recognized in the statement of profit and loss (i.e. fair value through profit and loss) (FVTPL), or recognized in other comprehensive income (i.e. fair value through other comprehensive income) (FVTOCI)

Financial asset at amortised cost

A financial asset is measured at amortised cost if following two conditions are met:

1. The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and
2. The contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Financial assets at fair value

Debt instruments

A debt instrument is classified as at FVTOCI if following two conditions are met:

1. The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
2. The asset's contractual cash flows represent SPPI

Debt instrument included within the fair value through other comprehensive income are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI).

All other investment in debt instruments not measured at amortised cost or at FVTOCI as described above is measured at fair value through profit and loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration, recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at fair value through profit or loss. 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.

If the company decides to classify an equity instrument as at fair value through other comprehensive income, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Profit and loss, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

Equity instruments included within the fair value through profit or loss category are measured at fair value with all changes recognised in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when:

1. The rights to receive cash flows from the asset have expired, or
2. The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either
   a) the Company has transferred substantially all the risks and rewards of the asset, or
   b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

   When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

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(All amounts are in ₹ crore, unless otherwise stated)

Impairment of financial assets

The company assesses impairment based on expected credit loss (ECL) model to the following:

1. Financial assets measured at amortised cost;
2. Financial assets measured at fair value through other comprehensive income (FVTOCI);

Expected credit losses are measured through a loss allowance at an amount equal to:

1. The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
2. Full life time expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument).

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables.

Under the simplified approach, the company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For recognition of impairment loss on other financial assets and risk exposure, the company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

B. Financial liabilities

Initial recognition and measurement

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The company's financial liabilities include trade and other payables, loans and borrowings.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

1. Financial liabilities at fair value through profit or loss
2. Loans and borrowings
3. Financial guarantee contracts

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

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(All amounts are in ₹ crore, unless otherwise stated)

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

C. Off-setting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

D. Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts to hedge its foreign currency risks and interest rate risks, respectively. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to profit or loss, except for the effective portion of cash flow hedges, which is recognised in OCI and later reclassified to profit or loss when the hedge item affects profit or loss.

For the purpose of hedge accounting, hedges are classified as:

i. Fair value hedges when hedging the exposure to changes in the fair value of a recognised asset or liability or an unrecognised firm commitment

ii. Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognised asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognised firm commitment

iii. Hedges of a net investment in a foreign operation

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognised in OCI in the cash flow hedge reserve, while any ineffective portion is recognised immediately in the statement of profit and loss.

The Company uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments. The ineffective portion relating to foreign currency contracts is recognised in finance costs and the ineffective portion relating to commodity contracts is recognised in other income or expenses.

Amounts recognised as OCI are transferred to profit or loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognised or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognised as OCI are transferred to the initial carrying amount of the non-financial asset or liability.

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(All amounts are in ₹ crore, unless otherwise stated)

If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognised in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

i) Compulsorily Convertible Debentures:

Compulsorily Convertible Debentures are separated into liability and equity components based on the terms of the contract.

On issuance of the convertible debentures, the fair value of the liability component is determined using a market rate for an equivalent non-convertible instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption.

The remainder of the proceeds is allocated to the conversion option that is recognised and included in equity since conversion option meets Ind AS 32 Financial Instruments: Presentation criteria for fixed to fixed classification. Transaction costs are deducted from equity, net of associated income tax. The carrying amount of the conversion option is not remeasured in subsequent years.

Transaction costs are apportioned between the liability and equity components of the convertible debentures shares based on the allocation of proceeds to the liability and equity components when the instruments are initially recognised

j) Investment in subsidiaries and joint ventures

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control. The Company accounts for investment in Joint venture using the equity method of accounting in the consolidated financial statement.

k) Business combination of entities under common control

Business combinations involving entities that are controlled by the company or ultimately controlled by the same party or parties both before and after the business combination, and that control is not transitory, are accounted for using the pooling of interests method as follows:

- The assets and liabilities of the combining entities are reflected at their carrying amounts
- No adjustments are made to reflect fair values, or recognise any new assets or liabilities. Adjustments are only made to harmonise accounting policies.
- The financial information in the financial statements in respect of prior periods is restated as if the business combination had occurred from the beginning of the preceding period in the financial statements, irrespective of the actual date of the combination, however, where the business combination had occurred after that date, the prior period information is restated only from that date.
- The balance of the retained earnings appearing in the financial statements of the transferor is aggregated with the corresponding balance appearing in the financial statements of the transferee or is adjusted against general reserve.
- The identity of the reserves is preserved and the reserves of the transferor become the reserves of the transferee

l) Inventories

Inventories are valued at the lower of cost and Net Realisable Value (NRV).

Raw materials: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

Finished goods and work in progress: cost includes cost of direct materials and labour and a proportion of manufacturing overheads based on the actual level of production which approximates normal operating capacity, but excluding borrowing costs.

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

Stores, spares and other supplies: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis. An item of stores and spares that does not meet the definition of 'property, plant and equipment' is recognised as a part of inventories.

Traded goods: cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis.

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

m) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

n) Cash dividend to equity holders of the Company

The Company recognises a liability to make cash distributions to equity holders of the company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

o) Revenue Recognition

Sale of goods:

Revenue is measured at the fair value of the consideration received or receivable, on the basis of approved contracts for the transfer of goods or services with the customer which the entity expects to be entitled in exchange for those goods or services. Revenue is recognized net of returns and allowances, related discounts, incentives and volume rebates after the control over the goods sold are transferred to the customer which is generally on dispatch/delivery of goods.

Returns, allowances, incentives, volume rebates, discounts etc. are estimated at contract inception considering the terms of various schemes with customers using expected value method and revenue is only recognized to the extent that it is highly probable that significant reversal will not occur.

Significant financing component - Generally, the Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

Interest income

For all interest bearing financial assets interest income is recorded using the effective interest rate (EIR), which 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. Interest income is included in other income in the statement of profit and loss.

p) Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. All the grants related to an expense item are recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When grants relates to an assets it is recognized as income in equal amounts over the expected useful life of the related asset and disclosed under financial assets in accordance with Ind AS -109- Financial Instruments.

q) Borrowing costs

Borrowing costs that are attributable to the acquisition, construction or production of a

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(All amounts are in ₹ crore, unless otherwise stated)

qualifying asset are capitalised as part of the cost of the asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset that necessarily requires a substantial period of time (generally over twelve months) to get ready for its intended use or sale.

All other borrowing costs are expensed in the period in which they occur.

Borrowing costs consist of interest and other costs that a company incurs in connection with the borrowing of funds.

r) Income tax

The Income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences.

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on the rates and tax laws enacted or substantively enacted, at the reporting date in the country where the entity operates and generates taxable income.

Current income tax relating to items recognized directly in equity is recognised in equity and not in the statement of profit and loss.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred Tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their corresponding carrying amounts for the financial reporting purposes at the reporting date.

Deferred tax assets are the amounts of income taxes recoverable in future periods in respect of:

1. deductible temporary differences;
2. the carry forward of unused tax losses; and
3. The carry forward of unused tax credits.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit and loss is recognised outside profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum alternate tax (MAT) paid in a period is charged to the Statement of Profit and Loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal income tax during the specified period.

s) Employee benefits

All employee benefits payable wholly within twelve months of rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., and the expected cost of bonus, ex-gratia are recognised during the period in which the employee renders related service.

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service.

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The Company also has additional death benefit scheme for specific set of employees. This death benefit scheme is unfunded.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Other Long-term employee benefits

Other long term employee benefits are recognised as an expense in the statement of profit and loss for the period in which the employee has rendered services. The expenses are recognised at the present value of the amount payable determined using actuarial valuation technique. Actuarial gains and loss in respect of other long term benefits are charged to the statement of profit and loss.

t) Foreign currency translation

Items included in the financial statements of the entity are measured using the currency of the primary economic environment in which the entity operates (‘the functional currency’). The financial statements are presented in Indian rupee (INR), which is company’s functional and presentation currency.

Transactions and balances

Transactions in foreign currencies are initially recorded at functional currency, using the foreign exchange rate at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

At each balance sheet date, foreign currency monetary assets and liabilities are translated at the functional currency using the foreign exchange rate at the reporting date. Foreign exchange gains and losses resulting from the settlement of such transactions and from translation of monetary assets and liabilities denominated at foreign currencies at year end exchange rates are generally recognized in profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transaction.

Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in other comprehensive income or the statement of profit and loss are also recognised in

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

other comprehensive income or the statement of profit and loss, respectively).

u) Provisions, Contingent liabilities, Contingent assets and Commitments:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, 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.

When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability is disclosed in the case of:

1. A present obligation arising from the past events, when it is not probable that an outflow of resources will be required to settle the obligation;
2. A present obligation arising from the past events, when no reliable estimate is possible;
3. A possible obligation arising from the past events, unless the probability of outflow of resources is remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.

Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

v) Earnings per share

Basic earnings per share are calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share is the net profit for the period after deducting preference dividends and any attributable tax thereto for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

w) Operating Segment

The Chief Operational Decision Maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

The Operating segments have been identified on the basis of the nature of products/services.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Inter Segment revenue is accounted on the basis of transactions which are primarily determined based on market/fair value factors. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocated to segments on a reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

x) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

1. In the principal market for the asset or liability,

Or

2. 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.

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 lowest level input that is significant to the fair value measurement as a whole:

1. Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or Liabilities.
2. Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
3. Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

y) Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

1. Expected to be realised or intended to be sold or consumed in normal operating cycle;
2. Held primarily for the purpose of trading;
3. Expected to be realised within twelve months after the reporting period,

   Or

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

All other assets are classified as non-current.

A liability is current when:

1. It is expected to be settled in normal operating cycle;
2. It is held primarily for the purpose of trading;
3. It is due to be settled within twelve months after the reporting period,

   Or

4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

and cash equivalents. The company has identified twelve months as its operating cycle.

z) Exceptional items

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

aa) Rounding off

All amounts disclosed in the financial statements and notes have been rounded off to the nearest cores as per the requirements of Schedule III, unless otherwise stated. Any amount appearing as ₹ 0.00 represents amount less than ₹ 1,00,000.

bb) Significant estimates and judgments

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The estimates and assumptions that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial period are described below:

a. Useful life of property, plant and equipment

Property, Plant and Equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by the management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technical or commercial obsolescence arising from changes or improvements in production or from a change in market demand of the product or service output of the asset.

b. Impairment of Goodwill

Determining whether goodwill is impaired requires an estimation of the value in use of the cash generating units to which goodwill has been allocated. The value in use calculation requires the management to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than the carrying amount, a material impairment loss may arise.

c. Defined benefit obligation

The cost of defined benefit gratuity plans, Leave encashment and death benefit, is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, mortality rates and future salary increments. Due to the long-term nature of these plans, such estimates are subject to significant uncertainty

d. Measurement of site restoration provisions

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

e. Legal & Tax matters and contingent liabilities

Various litigations and claims related to Company are assessed primarily by the management and also in certain cases by with the support of the relevant external advice. Disclosures related to such provision for legal cases, as well as contingent liabilities, require judgment and estimations.

f. Revenue recognition

Company provides various discounts to the customers. The methodology and assumptions used

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

to estimate the same are monitored and adjusted regularly in the light of contractual and legal obligations, historical trends, past experience and projected market conditions.

g. Provision for doubtful trade receivables

Trade receivables are stated at their transaction value as reduced by appropriate allowances for estimated irrecoverable amounts. Individual trade receivables are written off / provide for basis management estimate, historical trend and existing market condition as well as forward looking estimates at the end of each reporting period

h. Leases

Ind AS 116 defines a lease term as the non-cancellable period for which the lessee has the right to use an underlying asset including optional periods, when an entity is reasonably certain to exercise an option to extend (or not to terminate) a lease. The Company considers all relevant facts and circumstances that create an economic incentive for the lessee to exercise the option when determining the lease term. The options to extend the lease term are included in the lease term, if it is reasonably certain that the lessee will exercise the option. The Company re-assess the option when significant events or changes in circumstances occur that are within the control of the lessee

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

2. Property, plant and equipment

Description	Land - Freehold (a)	Land - Leasehold	Quarry Development	Building and Roads	Plant and Machinery	Railway Sidings & Locomotives	Furniture & Fixtures	Office Equipment	Vehicles	Total
Cost as at 1 April 2018	**624.81**	**102.07**	**3.82**	**1,334.38**	**5,228.51**	**655.03**	**8.42**	**32.38**	**3.65**	**7,993.07**
Adjustment due to Business Combination (Refer note 52)	98.03	0.56	-	194.23	1,311.71	-	8.95	3.45	15.90	1,632.83
Additions	15.54	-	0.57	22.26	172.23	2.73	1.39	1.03	0.10	215.85
Disposals	-	-	-	(1.23)	(3.76)	-	-	(0.06)	(0.35)	(5.40)
Adjustments	32.08	(32.08)	-	-	-	-	-	-	-	-
Cost as at 31 March 2019 (A)	**770.46**	**70.55**	**4.39**	**1,549.64**	**6,708.69**	**657.76**	**18.76**	**36.80**	**19.30**	**9,836.35**
Additions	6.47	-	3.90	64.57	505.69	3.40	2.19	2.58	0.98	589.78
Disposals	-	-	-	(14.93)	(15.97)	-	0.00	(4.27)	(0.07)	(35.24)
Reclassified on adoption of Ind AS 116 (Refer note 5)	-	(70.55)	-	-	-	-	-	-	-	(70.55)
Cost as at 31 March 2020 (C)	**776.93**	**-**	**8.29**	**1,599.28**	**7,198.41**	**661.16**	**20.95**	**35.11**	**20.21**	**10,320.34**
Accumulated depreciation as at 1 April 2018	**19.89**	**11.07**	**2.99**	**490.14**	**2,300.99**	**224.71**	**5.16**	**26.34**	**2.63**	**3,083.92**
Adjustment due to Business Combination (Refer note 52)	0.22	0.02	-	25.12	189.19	-	2.21	1.46	6.79	225.01
Depreciation for the year	8.05	2.08	0.20	60.05	307.16	23.07	1.83	3.03	2.73	408.20
Disposals/adjustments	-	-	-	(0.36)	(2.06)	-	-	(0.06)	(0.20)	(2.68)
Accumulated depreciation as at 31 March 2019 (B)	**28.16**	**13.17**	**3.19**	**574.95**	**2,795.28**	**247.78**	**9.20**	**30.77**	**11.95**	**3,714.45**
Depreciation for the year	7.42	-	0.22	54.26	336.52	23.61	2.30	2.60	2.52	429.45
Disposals/adjustments	-	-	-	(14.90)	(11.96)	-	(0.00)	(4.26)	(0.07)	(31.19)
Reclassified on adoption of Ind AS 116 (Refer note 5)	-	(13.17)	-	-	-	-	-	-	-	(13.17)
Accumulated depreciation as at 31 March 2020 (D)	**35.58**	**-**	**3.41**	**614.31**	**3,119.84**	**271.39**	**11.50**	**29.11**	**14.40**	**4,099.54**
Net carrying amount as at 31 March 2019 (A)- (B)	**742.30**	**57.38**	**1.20**	**974.69**	**3,913.41**	**409.98**	**9.56**	**6.03**	**7.35**	**6,121.90**
Net carrying amount as at 31 March 2020 (C)- (D)	**741.35**	**-**	**4.88**	**984.97**	**4,078.57**	**389.77**	**9.45**	**6.00**	**5.81**	**6,220.80**

Notes:

a. Freehold land includes ₹ 2.11 Crores (31 March 2019 : ₹ 2.11 Crores) being used by third party

b. Refer note 19 for property, plant and equipment provided as collateral against borrowings

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

3. Investment property

Description	Amount
Cost as at 1 April 2018	**1.59**
Additions	-
Disposals/transfer	-
Cost as at 31 March 2019 (A)	**1.59**
Additions	-
Disposals/transfer	-
Cost as at 31 March 2020 (C)	**1.59**
Accumulated depreciation as at 1 April 2018	**0.24**
Depreciation for the year	0.08
Disposals/transfer	-
Accumulated depreciation as at 31 March 2019 (B)	**0.32**
Depreciation for the year	0.08
Disposals/transfer	-
Accumulated depreciation as at 31 March 2020 (D)	**0.40**
Net carrying amount as at 31 March 2019 (A)- (B)	**1.27**
Net carrying amount as at 31 March 2020 (C)- (D)	**1.19**

In March 2020, the Company has received quotation from one of the customer for sale of said investment property at ₹ 1.60 crores. The fair value, as on 31 March 2019, was also ₹ 1.60 crores.

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

4. Goodwill and Other intangible assets

Description	Other Intangible Assets						Goodwill
	Software	Mining rights	Trade Mark	Non Compete Agreement	Suppliers Agreement	Total	
Cost as at 1 April 2018	**56.46**	**924.60**	**506.66**	**71.90**	**17.78**	**1,577.40**	**2,443.86**
Adjustment due to Business Combination (Refer note 52)	-	14.90	-	-	-	14.90	-
Additions	4.40	0.42	-	-	-	4.82	-
Cost as at 31 March 2019 (A)	**60.86**	**939.92**	**506.66**	**71.90**	**17.78**	**1,597.12**	**2,443.86**
Additions	0.49	3.18	-	-	-	3.67	-
Cost as at 31 March 2020 (C)	**61.35**	**943.10**	**506.66**	**71.90**	**17.78**	**1,600.79**	**2,443.86**
Adjustment due to Business Combination (Refer note 52)	-	1.32	-	-	-	1.32	-
Amortisation for the year	4.46	18.82	49.62	-	4.43	77.33	-
Accumulated amortisation as at 31 March 2019 (B)	**47.31**	**56.54**	**134.07**	**71.90**	**11.08**	**320.90**	**-**
Amortisation for the year	4.66	18.54	49.62	-	4.43	77.25	-
Accumulated amortisation as at 31 March 2020 (D)	**51.97**	**75.08**	**183.69**	**71.90**	**15.51**	**398.15**	**-**
Net carrying amount as at 31 March 2019 (A)- (B)	**13.55**	**883.38**	**372.59**	**-**	**6.70**	**1,276.22**	**2,443.86**
Net carrying amount as at 31 March 2020 (C)- (D)	**9.38**	**868.02**	**322.97**	**-**	**2.27**	**1,202.64**	**2,443.86**

Note : Refer note 19 for other intangible assets provided as collateral against borrowings

Impairment testing of goodwill

Goodwill pertains to the two CGUs below, which are also operating and reportable segments, for impairment testing:

- Cement CGU
- Ready Mix CGU

Carrying amount of goodwill pertains to each of the CGUs:

Particulars	Cement		RMX	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
Goodwill	2,017.85	2,017.85	426.01	426.01

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(All amounts are in ₹ crore, unless otherwise stated)

The Company performed its annual impairment test for years ended 31 March 2020 and 31 March 2019 respectively and no Goodwill impairment was deemed necessary.

i. Cement CGU

The recoverable amount of the Cement CGU has been determined based on a value in use calculation using cash flow projections covering a five-year period. The projected cash flows have been updated to reflect the demand for Cement. The pre-tax discount rate applied to cash flow projections for impairment testing during the current year is 13% and cash flows beyond the five-year period are extrapolated using a 2.0% growth rate that is the same as the long-term average growth rate for the industry. It was concluded that the recoverable amount exceeded the carrying value of cash generating unit hence there is no impairment.

ii. Ready Mix CGU

The recoverable amount of the Ready mix CGU has been determined based on a value in use calculation using cash flow projections covering a five-year period. The projected cash flows have been updated to reflect the demand for Ready mix. The pre-tax discount rate applied to cash flow projections for impairment testing during the current year is 13% and cash flows beyond the five-year period are extrapolated using a 2.0% growth rate that is the same as the long-term average growth rate for the industry. It was concluded that the recoverable amount exceeded the carrying value of cash generating unit hence there is no impairment.

Key assumptions used for value in use calculations

The calculation of value in use for both units is most sensitive to the following assumptions:

(1) Sales Growth rate

(2) Raw Material price inflation

(3) Market growth rate

Sales Growth Rate - Management expects a stable sales growth rate over the forecast period, the management further expects the Company position in relative to its competitors to strengthen following sales aggressive targets taken by the Company.

Raw Material Price inflation - Past material price movements are used as indicators of future price movements.

Market growth rate - Management expects the Company position in Cement & RMX business to be stable over the forecast period, the management further expects the Company position in relative to its competitors to strengthen following sales aggressive targets taken by the Company.

Sensitivity to changes in assumptions

The implications of the key assumptions for the recoverable amount are discussed below:

Sales Growth Rate - Management recognises the effect of new entrant and additional capacity expansion of existing competitors as not to have material adverse impact on the forecasts.

Raw Material Price inflation - The management has considered the possibility of greater than forecast increases in raw material price inflation. This may occur if anticipated regulatory changes result in an increase in demand that cannot be met by suppliers. If prices of raw materials increase greater than the forecast price inflation, then the RMX CGU will have to pass on such increase to the customer. For Cement CGU raw material prices do not vary significantly.

Market growth rate - Based on industrial data and infrastructure growth action taken by the government, the Company is of the view that the growth rate will be higher than the forecast estimated by the Company.

While it is unlikely for all the above assumptions to move adversely together, it would require a significant increase/ decrease to result in an impairment charge.

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(All amounts are in ₹ crore, unless otherwise stated)

5. Right of use asset

Description	Land - Leasehold	Office Premises*	Plant & Machinery	Vehicles	Total
Cost as at 1 April 2019	**11.77**	**33.97**	**10.14**	**1.24**	**57.12**
Additions	2.56	2.44	3.11	-	8.11
Reclassified on adoption	70.55	-	-	-	70.55
Disposals/ Adjustment	-	-	(1.59)	-	(1.59)
Cost as at 31 March 2020 (A)	**84.88**	**36.41**	**11.66**	**1.24**	**134.19**
Accumulated amortisation as at 1 April 2019	-	-	-	-	-
Amortisation for the period	5.82	8.67	6.22	0.39	21.10
Reclassified on adoption	13.17	-	-	-	13.17
Disposals/ Adjustment	(0.67)	-	(1.09)	-	(1.76)
Accumulated amortisation as at 31 March 2020 (B)	**18.32**	**8.67**	**5.13**	**0.39**	**32.51**
Net carrying amount as at 31 March 2020 (A)- (B)	**66.56**	**27.74**	**6.53**	**0.85**	**101.68**

*including furniture

Note: The Company has adopted Ind AS 116 "Leases" effective 1 April 2019 and applied the same to lease contracts existing on 1 April 2019, classified as lease under Ind AS 17, using the modified retrospective approach. This has resulted in recognising a "Right of Use" asset of an amount equal to the lease liability of ₹ 57.12 Cr on transition date. (Refer note 40)

6. Non current investments

Particulars	As at 31 March 2020	As at 31 March 2019
Unquoted, valued at cost unless stated otherwise		
a. Investment in joint venture		
861,300 (31 March 2019 - 861,300) equity shares of ₹ 10/- each fully paid up in Wardha Vaalley Coal Field Private Limited	0.86	0.86
Less: Provision for impairment	(0.86)	(0.86)
	-	-

Note :

The Ministry of coal had allotted a coal block in the state of Maharashtra to a consortium in which the Company is a member. The Company plans to carry out mining activities through Wardha Vaalley Coal Field Private Limited, a joint venture company incorporated in India as a special purpose vehicle. The Company's ownership in the jointly controlled entity is 19.14%. The other owners in the joint venture being IST Steel & Power Limited (53.59%) and Ambuja Cements Limited (27.27%).

In prior years, the allotment of the coal block has been cancelled and the Joint Venture (JV) company has been show caused for allegedly not achieving the progress milestones in the development of the mine. Deallocation of the coal block has been challenged before the Hon'ble Delhi High Court and the matter is sub-judice. The guarantees given by the JV has also been sought to be invoked but the same has been stayed by the Hon'ble Delhi High Court subject to the guarantee being kept alive. Subsequently such guarantee furnished by the company has been cancelled.

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(All amounts are in ₹ crore, unless otherwise stated)

b. Investment in others

Particulars	As at 31 March 2020	As at 31 March 2019
i. Equity investment (at FVTOCI)		
1,925,924 (31 March 2019 - 1,925,924) Class A equity shares of ₹ 10/- each fully paid-up in VS Lignite Power Private Ltd.	1.93	1.93
ii. Debt investment (at FVTPL)		
4,828,298 (31 March 2019 - 4,828,298) 0.01% cumulative class A redeemable preference shares of ₹ 10/- each fully paid-up in VS Lignite Power Private Ltd.	4.83	4.83
Less: Provision for impairment	(6.76)	(6.76)
iii) Un-quoted government securities at amortised cost		
National savings certificates lodged with various authorities	0.05	0.05
	0.05	**0.05**

7. Loans

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good		
Loans/advances to employees	0.17	0.20
Sub total (a)	**0.17**	**0.20**
Doubtful		
Loans to related party (Refer note 43) #	1.17	1.11
Less: Provision for doubtful loans	(1.17)	(1.11)
Sub total (b)	**-**	**-**
Total (a+b)	**0.17**	**0.20**

#Represents intercorporate loan given to Wardha Vaalley Coal Field Private Limited for working capital requirements.

8. Other non-current financial assets

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good		
Industrial promotional assistance (Refer note below)	427.14	427.14
Deposits with govt. authorities and others	151.95	153.42
Sub total (a)	**579.09**	**580.56**
Doubtful		
Deposits with govt. authorities and others	4.90	4.90
Less: Provision for doubtful deposits	(4.90)	(4.90)
Sub total (b)	**-**	**-**
Total (a+b)	**579.09**	**580.56**

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

The Company is entitled to Industrial Promotional Assistance related to the Mejia Cement Plant (MCP) of 75% of the VAT and CST paid by it, for a period of 12 years, from the Government of West Bengal under the West Bengal Incentive Scheme 2004 with effect from 23 April 2008. Accordingly, the Company has accrued such fiscal incentive in its books up to 31 March 2019 (outstanding claim balance as of balance sheet date is ₹ 427.14 crore). The authorities disputed the claim of the Company, pursuant to which, the Company filed a writ petition against the Industry, Commerce & Enterprise department, Government of West Bengal during the year 2017-18 in the Honourable High Court of Kolkata (High Court). The High Court passed an order on 27 June 2018 directing Principal Secretary of the State of West Bengal to re-consider the claim and contention lodged by the Company. The Additional Chief Secretary to the Government of West Bengal had rejected the Company's claim for incentive vide order dated 18 March 2019, following which the Company has filed a writ petition against said Order in the High Court of Kolkata on 25 July 2019. While the Company, based on advice of legal counsel, is confident of the ultimate recovery of balances accrued till date, the Company on a conservative basis on account of ongoing litigation as stated above, has discontinued the accrual of such incentive in the books from 1 April 2019. (Refer note 28)

9. Other non current assets

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good		
Capital advances	105.25	61.14
Prepaid expenses	1.81	2.29
Sub total (a)	**107.06**	**63.43**
Doubtful		
Capital advances	1.26	1.26
Less: Provision for doubtful advances	(1.26)	(1.26)
Sub total (b)	**-**	**-**
Total (a+b)	**107.06**	**63.43**

10. Inventories

Particulars	As at 31 March 2020	As at 31 March 2019
(Valued at cost or NRV whichever is lower)		
Raw materials	52.90	61.27
(includes in transit and stock with third party ₹ 7.82 crores (31 March 2019 : ₹ 0.55 crores))		
Work-in-progress	112.27	140.16
(includes in transit ₹ Nil (31 March 2019 : ₹ 7.13 crores))		
Finished goods	143.33	55.32
(includes in transit ₹ 32.21 crores (31 March 2019 : ₹ 11.34 crores))		
Stock-in-Trade	1.79	0.55
Stores and Spare Parts, Packing Material and Fuel*	292.74	327.38
(includes in transit and stock with third parties ₹ 72.34 crores (31 March 2019 : ₹ 48.03 crores))		
Total	**603.03**	**584.68**

*The Company has provided for write down to the value of stores and spare parts in the statement of profit and loss of ₹ 0.03 crores (previous year - ₹ 0.28 crores.)

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

11. Investments

Particulars	As at 31 March 2020	As at 31 March 2019
Quoted, valued at fair value through profit or loss		
SBI Liquid Fund (NIL, 31 March 2019-391,165.81 Units)	-	114.56
HDFC Liquid Fund (NIL, 31 March 2019-312,275.94 Units)	-	114.86
Kotak Liqud Fund (NIL, 31 March 2019-67,597.23 Units)	-	25.58
Reliance Liquid Fund (NIL, 31 March 2019-123,500.31 Units)	-	56.34
DHFL Pramerica Insta Cash Fund (NIL, 31 March 2019-629,632.04 Units)	-	15.30
DSP Blackrock Liquidity Fund (NIL, 31 March 2019-147,910.37 Units)	-	39.54
Axis Liquid Fund (NIL, 31 March 2019- 112,327.52 Units)	-	23.29
ICICI Prudential Liquid Plan (NIL, 31 March 2019- 2,209,294.42 Units)	-	61.07
Invesco India Medium Term Bond Fund (NIL, 31 March 2019- 19,667.81 Units)	-	5.06
Total	**-**	**455.60**
Aggregate book value of quoted investments	-	455.60
Aggregate market value of quoted investments	-	455.60

12 Trade receivables

Particulars	As at 31 March 2020	As at 31 March 2019
- Secured, considered good	153.38	162.14
- Unsecured, considered good	349.95	330.14
- Which have significant increase in credit risk	7.71	7.58
- Credit impaired	89.02	75.87
	600.06	**575.73**
Provision for doubtful trade receivables	(89.02)	(75.87)
Total	**511.04**	**499.86**

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. Also no trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

13. Cash and cash equivalents

Particulars	As at 31 March 2020	As at 31 March 2019
Balances with bank		
- On current accounts	23.71	41.77
- Deposits with original maturity of less than three months	230.00	50.00
Cheques/drafts on hand	0.07	6.44
Cash on hand	0.08	0.06
Total	**253.86**	**98.27**

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

14. Bank balances other than Cash and cash equivalents

Particulars	As at 31 March 2020	As at 31 March 2019
Earmarked deposit with bank	230.00	-
Balances with various statutory authorities	21.82	21.25
Collateral for disputed indirect tax cases	5.18	5.18
Total	**257.00**	**26.43**

15. Loans

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good		
Loans/advances to employees	2.26	1.48
Total	**2.26**	**1.48**

16. Other current financial assets

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good		
Industrial promotional assistance	60.43	43.70
Interest accrued	1.48	0.82
Deposits with govt. authorities and others	129.59	120.48
Other receivables (Refer note 43)	66.34	18.77
Sub total (a)	**257.84**	**183.77**
Doubtful		
Interest accrued on loan to related party (Refer note 43)	0.83	0.66
Provision for doubtful loan	(0.83)	(0.66)
Sub total (b)	**-**	**-**
Total	**257.84**	**183.77**

17. Other current assets

Particulars	As at 31 March 2020	As at 31 March 2019
Unsecured, considered good		
Balances with indirect tax authorities	29.24	33.46
Advances to Suppliers#	70.60	85.52
Other receivables	5.22	4.26
Prepaid expenses	15.40	18.76
Total	**120.46**	**142.00**

#For advances given to related parties (Refer note no. 43)

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

18. Equity share capital

Particulars	As at 31 March 2020	As at 31 March 2019
Authorized		
7,801,110,000 (31 March 2019 - 7,801,110,000) equity shares of ₹ 10/- each	7,801.11	7,801.11
1,000,000,000 (31 March 2019 - 1,000,000,000) preference shares of ₹ 10/- each	1,000.00	1,000.00
	8,801.11	**8,801.11**
Issued, subscribed and fully paid-up		
242,361,787 (31 March 2019 - 200,000,000) equity shares of ₹ 10/- each	242.36	200.00
	242.36	**200.00**

(a) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The shareholders are entitled to dividends in Indian Rupees, proposed by the Board of Directors and subject to the approval of the shareholders in the Annual General Meetings.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(b) Shares held by shareholders holding more than 5% in the Company

Particulars	As at 31 March 2020	As at 31 March 2019
Niyogi Enterprise Private Limited (Holding Company) and its nominees		
No of Shares	200,000,000	-
Shareholding %	83%	-
Nirma Limited (Erstwhile Holding Company) and its nominees		
No of Shares	-	200,000,000
Shareholding %	-	100%
Shri. Karsanbhai Khodidas Patel Jt. Shantaben Karsanbhai Patel		
No of Shares	24,984,351	-
Shareholding %	10%	-

As per records of the Company, including its register of shareholder/members and other declarations received from shareholder regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.

(c) Aggregate number of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

i) Equity shares issued pursuant to merger scheme in financial year 2016-17 - 150,000,000 shares of ₹ 10/- each

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

ii) On 19th February 2019, the Company has converted Compulsory Convertible Debentures (CCD) of ₹ 1000 crores into 50,000,000 numbers of equity shares of ₹ 10/- each. Difference between the equity component of CCD and face value of the equity shares issued on conversion has been credited to security premium account. Difference between the outstanding debt component related to CC (including accrued interest till the date of conversion accounted as per Ind As) and interest payable @ 2% till the date of conversion, has been credited to retained earnings. Remaining portion of the debt component has been treated as Inter Corporate Deposit from Nirma Limited to the Company bearing interest @ 8% p.a.

iii) Pursuant to the Scheme of arrangement between the Company and Nirma Limited in February, 2020, 4,23,61,787 equity shares were allotted as fully paid up to the equity shareholders of Nirma Limited, without payment being received in cash. (Refer note 52)

Nature and purpose of reserve

A - Capital Reserve, Capital Reserve on Amalgamation, Capital Reserve on Merger and Amalgamation Reserve

Capital reserve is used to record excess of net assets taken over pursuant to amalgamation.

B - Debenture Redemption Reserve

The Company has issued redeemable non-convertible debentures. Accordingly, the Companies (Share capital and Debentures) Rules, 2014 (as amended), requires the Company to create Debenture Redemption Reserve (DRR) out of profits of the Company available for payment of dividend. DRR was required to be created for an amount which is equal to 25% of the value of debentures issued. As per notification GSR 574(E) in reference to amendmend in rule 18, for sub rule 7 of the Companies (Share Capital and Debentures) Rules, 2014, Company has discontinued creating Debenture Redemption Resserve w.e.f. 16th August 2019

C - Securities premium

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilized in accordance with the provisions of the Companies Act, 2013.

D - Capital Redemption Reserve

Capital redemption reserve was created by transferring from retained earnings. The balance will be utilised in accordance with the provision of the Companies Act, 2013.

E - General Reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.

F - Statutory Reserve Under Section 45IC of RBI Act

Statutory Reserve under section 45IC of RBI Act was created by transfering profits as per the rules stated therein when the company was registered as a Non Banking Financial Company (NBFC).

G - Retained earning

Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, debenture redemption reserve. Retained Earnings is a free reserve available to the Company.

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

19. Borrowings

Particulars	As at 31 March 2020	As at 31 March 2019
i) Non convertible debentures		
8.66% Secured listed non convertible debenture redeemable at par on 14.09.2021 (8000 nos.) (Refer note a)	790.19	784.22
8.57% Secured listed non convertible debenture redeemable at par on 14.09.2020 (8000 nos.) (Refer note a)	-	790.64
9.15% Secured listed non convertible debenture redeemable at par on 30.08.2022 (3500 nos.) (Refer note b)	349.12	-
9.65 % Unsecured listed non convertible debenture redeemable at par on 05.07.2024 (3000 nos.) (Refer note c(i))	297.50	297.13
10.15% Unsecured listed non convertible debenture redeemable at par on 05.07.2027 (3000 nos.) (Refer note c(ii))	296.00	295.69
ii) Term loan from bank in local currency (Refer note d)		
Secured term loans	1,198.44	748.45
iii) Unsecured borrowings (Refer note e)		
Inter corporate deposit	-	402.21
	2,931.25	**3,318.34**

Note :

a. The Company has issued Non convertible debentures (NCD) of ₹ 1,600.00 crores which are secured by first ranking exclusive charge in favour of the debenture trustee over all rights, title, interest and benefit of the Company in respect of and over the fixed assets including plant and machinery, equipments, land, immovable properties, mining leases (to the extent permitted under the applicable law), investments, its intellectual properties (other than the excluded intellectual properties) and a second pari passu charge over the current assets including cash, receivables, stocks, bank accounts of the Company. The interest is payable half yearly at the applicable rates as specified for each series.

b. The Company has issued Non convertible debentures (NCD) of ₹ 350.00 crores which are secured by first ranking charge in favour of the debenture trustee over all rights, title, interest and benefit of the Company in respect of and over the fixed assets of the Company. The interest is payable yearly at the applicable rate and principle is payable at the end of the tenure.

c. (i). On merger of the cement undertaking of Nirma Ltd with the Company, proportionate liability in form of Unsecured, Subordinated, Rated, Listed Non Convertible Debentures redeemable at par on 6th July 2077 was also transferred. These debentures have a call option which can be exercised by the Company at the end of 7 years from 6th July 2017 and annualy every year thereafter with the maximum additional interest of 2% p.a. (Refer note 52)

c (ii). On merger of the cement undertaking of Nirma Ltd with the Company, proportionate liability in form of Unsecured, Subordinated, Rated, Listed Non Convertible Debentures redeemable at par on 6th July 2077 was also transferred. These debentures have a call option which can be exercised by the Company at the end of 10 years from 6th July 2017 and annualy every year thereafter with the maximum additional interest of 2% p.a. (Refer note 52)

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

19. Borrowings (Contd..)

d. The Company has taken term loan of ₹ 375.00 crores from Kotak Mahindra Bank Ltd and ₹ 375.00 crores from State Bank of India, carrying average interest rate of 8.54% respectively, which is secured by first pari passu charge to be shared with other term lenders and debenture holders on all rights, title, interest and benefits of the borrower pertaining to all existing and future moveable fixed assets and immovable properties. Loan shall be repaid in 20 equal quarterly installments starting from the quarter following the expiry of moratorium period of 24 month from the date of first disbursement. The interest is payable on monthly basis at the applicable rates.

The Company has taken term loan of ₹ 150.00 crores from The Hongkong and Shanghai Banking Corporation Ltd, carrying interest of 8.25%, which is secured by first pari passu charge to be shared with other term lenders and debenture holders on all rights, title, interest and benefits of the borrower pertaining to entire fixed assets to the extent of 1.25x at all times and second pari passu charge over current assets. 10% of Loan to be repaid in equal quarterly installment during 2nd year following the expiry of moratorium of 1year from the date of disbursement and rest 90% in following 3years in equal quaterly installment. The interest is payable on monthly basis at the applicable rates.

The Company has taken term loan of ₹ 150.00 crores from Axis Bank Ltd , carrying interest of 7.90%, which is secured by first pari passu charge to be shared with other term lenders and debenture holders on all rights, title, interest and benefits of the borrower pertaining to all existing and future moveable fixed assets and immovable properties. Loan shall be repaid in 16 equal quarterly installments starting from the quarter following the expiry of moratorium period of 24 month from the date of first disbursement. The interest is payable on monthly basis at the applicable rates.

The Company has taken term loan of ₹ 150.00 crores from First Abu Dhabi Bank PJSC , carrying interest of 8.35%, which is secured by first pari passu charge to be shared with other term lenders and debenture holders on all rights, title, interest and benefits of the borrower pertaining to all existing and future moveable fixed assets and immovable properties and second pari passu charge over current assets. Loan shall be repaid in 5 equal quarterly installments starting from 36th month after the date of first disbursement. The interest is payable on monthly basis at the applicable rates.

e. The inter corporate deposit of ₹ 573.87Cr (Previous year 343.87Cr) and carries interest rate of 8%.

Particulars	As at 31 March 2020	As at 31 March 2019
Repayment Schedule of non convertible debentures:		
Not later than one year	800.00	1,250.00
Later than one year and not later than two years	800.00	800.00
Later than two years and not later than five years	650.00	800.00
More than five years	300.00	600.00

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

20. Other non-current financial liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
Other liabilities	52.76	52.76
Total	**52.76**	**52.76**

21. Provisions (non-current)

Particulars	As at 31 March 2020	As at 31 March 2019
Provision for death benefit (Refer note 42)	3.33	3.41
Provision for gratuity (Refer note 42)	6.84	2.23
Provision for site restoration (Refer note 53)	31.96	29.61
Provision for contractors' charges (Refer note 53)	28.18	25.75
Total	**70.31**	**61.00**

22. Deferred tax liabilities (net)

Particulars	As at 31 March 2020	As at 31 March 2019
Deferred tax liability (Refer note 39)	**1,714.15**	**1,719.62**
- Depreciation and amortisation	1,714.15	1,718.50
- Others	0.00	1.12
Deferred tax asset (Refer note 39)	**272.31**	**326.58**
- Disallowance under section 43B of the Income Tax Act	45.28	42.81
- Provision for doubtful debts and advances	36.62	31.27
- Others	17.34	19.78
- MAT credit entitlement	173.07	232.72
Total	**1,441.84**	**1,393.04**

23. Borrowings

Particulars	As at 31 March 2020	As at 31 March 2019
Secured		
Current maturities of long term debt	870.71	1,307.56
Unsecured :		
Inter corporate deposit (Refer note 19(e))	661.31	-
	1,532.02	**1,307.56**

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

24. Trade payables

Particulars	As at 31 March 2020	As at 31 March 2019
Due to micro and small enterprises	8.80	5.33
Due to creditors other than micro and small enterprises	778.48	759.40
Total	**787.28**	**764.73**

This information on Micro and Small Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company and the same has been relied upon by the auditors.

25. Other current financial liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
Creditors for capital expenditure	162.88	82.91
Liability for employee related expenses	30.02	63.73
Security deposits from dealers, transporters and others	453.06	429.91
Total	**645.96**	**576.55**

26. Other current liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
Advance from customers	79.75	58.11
Liability towards discount to dealers	174.73	209.74
Others (including statutory dues and liabilities for expenses)	79.36	158.66
Total	**333.84**	**426.51**

27. Provisions (current)

Particulars	As at 31 March 2020	As at 31 March 2019
Provision for leave benefits	25.57	23.22
Provision for death benefit (Refer note 42)	0.54	0.52
Provision for indirect taxes/litigations (Refer note 53)	180.50	180.81
Provision for dealers' discounts (Refer note 53)	112.07	106.61
Provision for contractors' charges (Refer note 53)	-	2.42
Provision for site restoration (Refer note 53)	1.58	2.24
Total	**320.26**	**315.82**

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

28. Revenue from operations

Particulars	2019-20	2018-19
Sale of products		
Finished goods	6,682.98	6,857.81
Traded goods	26.43	20.20
Other operating revenue		
Industrial promotional assistance - fiscal incentive*	47.46	81.28
Provision/liabilities no longer required, written back	6.29	47.72
Scrap sales	17.92	10.49
Recoveries of shortages & damages	10.14	2.78
Sale of power and service	2.02	31.86
Gain on disposal of Property, Plant & Equipment	-	0.48
Total revenue from operations	**6,793.24**	**7,052.62**

Note

*The Company has recognized as other operating revenue Industrial Promotional Assistance (IPA) of ₹ Nil (Previous Year ₹ 46.39 Cr) related to Mejia Cement Plant, from the Government of West Bengal under the West Bengal Incentive Scheme 2004. Similarly, IPA of ₹ 47.46 Cr (Previous Year ₹ 34.89 Cr) has been recognised related to Chittorgarh Cement Plant and Nimbol Cement Plant, from the Government of Rajasthan under the Rajasthan Investment Promotion Scheme 2010.

29. Other income

Particulars	2019-20	2018-19
Gain on sale of current investments	19.90	26.27
Fair value gain on financial instruments at fair value through profit or loss	-	3.20
Interest income on bank deposits	2.81	1.65
Interest income on others	8.25	17.26
Net gain on foreign currency transaction and translation	0.51	0.77
Other non-operating income	5.23	4.12
	36.70	**53.27**

30. Cost of materials consumed

Particulars	2019-20	2018-19
Inventory at the beginning of the year	61.27	65.13
Add: Purchases	1,265.45	1,393.55
	1,326.72	**1,458.68**
Less: Inventory at the end of the year	(52.90)	(61.27)
	1,273.82	**1,397.41**

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

31. Purchase of stock in trade

Particulars	2019-20	2018-19
Construction chemicals and Others	17.56	12.55
	17.56	**12.55**

32. Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	2019-20	2018-19
Inventories at the end of the year		
Finished goods	143.33	55.32
Work-in-progress	112.27	140.16
Stock-in-Trade	1.79	0.55
	257.39	**196.03**
Inventories at the beginning of the year		
Finished goods	55.32	62.70
Work-in-progress	140.16	167.53
Stock-in-Trade	0.55	0.51
	196.03	**230.74**
Changes in inventories of finished goods	(88.01)	7.38
Changes in inventories of work-in-progress	27.89	27.37
Changes in inventories of Stock-in-trade	(1.25)	(0.04)
	(61.37)	**34.71**

33. Employee benefits expense

Particulars	2019-20	2018-19
Salaries, bonus and wages	339.46	326.03
Contribution to provident fund and other retirement benefits (Refer note 42)	40.81	32.82
Staff welfare expenses	24.34	22.28
	404.61	**381.13**

34. Finance costs

Particulars	2019-20	2018-19
Interest on :		
Non convertible debentures	281.13	372.12
Term loans	84.93	25.84
Inter corporate deposits	32.33	26.70
Compulsory convertible debentures	-	6.45
Security deposits from dealers, transporters and others	26.80	25.99
Others	24.75	9.60
	449.94	**466.70**
Less: Borrowing cost capitalised	(30.73)	(14.53)
	419.21	**452.17**

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

35. Depreciation and amortisation expense

Particulars	2019-20	2018-19
Depreciation on tangible assets	429.45	407.70
Amortisation of intangible assets	77.25	77.33
Amortisation of Right of use assets	21.10	-
Depreciation on investment property	0.08	0.08
	527.88	**485.11**

36. Other expenses

Particulars	2019-20	2018-19
Consumption of stores & spares	141.82	180.51
Consumption of packing materials	199.81	228.41
Lease rent (Refer note 40)	23.23	38.22
Rates & taxes	14.82	12.79
Insurance	6.96	6.55
Repairs and maintenance to plant and machinery, building and others	78.80	83.53
CSR expenditure (Refer note 56)	4.17	3.01
Advertisement and sales promotions	72.07	90.50
Travelling and conveyance expenses	36.00	35.18
Legal and professional charges	35.33	38.25
Payment to auditors (Refer note below)	0.96	0.86
Donations	0.04	0.23
Provision for bad/doubtful debts and advances	13.13	12.30
Loss on disposal of Property, Plant & Equipment	3.40	-
Equipment hire, labour and subcontract charges	192.37	189.93
Security service charges	16.61	16.44
Miscellaneous expenses	23.95	33.91
Less : Captive Consumption (Cement & Concrete)	(3.76)	(4.44)
	859.71	**966.18**
Payment to auditor (excluding taxes)		
Statutory Auditors :		
Audit fee (including half year limited review)	0.72	0.64
Tax audit fee	0.13	0.11
Other services	0.10	0.10
Reimbursement of expenses	0.01	0.01
Total	**0.96**	**0.86**

37. Earnings per equity share

Particulars	2019-20	2018-19
Profit attributable to equity shareholders	249.25	(23.80)
Weighted average number of equity shares for basic & dilutive EPS (Nos.)	24,23,61,787	24,23,61,787
Basic earnings per share (in ₹)	10.28	(0.98)
Diluted earning per share (in ₹)	10.28	(0.98)
Face value per equity Share (in ₹)	10.00	10.00

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

38. Tax expense

(a) Amounts recognised in profit and loss

Particulars	2019-20	2018-19
Current income tax	89.62	64.21
Tax expense relating to earlier years*	0.23	(19.98)
	89.85	**44.23**
Deferred tax liability (net)		
Origination and reversal of temporary differences	3.66	8.26
Minimum Alternate Tax credit	43.99	(9.40)
Deferred tax expense	**47.65**	**(1.14)**
Tax expense for the year	**137.50**	**43.09**

*Tax expenses relating to earlier years include adjustment related to MAT credit utilisation of ₹ 15.66Cr (Previous year Mat credit entitlement of ₹ 18.65Cr), deferred tax credit of ₹ 12.62Cr (Previous year debit of ₹ 0.84) and current tax credit of ₹ 2.81Cr (Previous year credit of ₹ 2.17Cr).

(b) Reconciliation of effective tax rate

Particulars	2019-20	2018-19
Tax Rate*	**34.944%**	**34.944%**
Profit before tax (A)	**386.75**	**19.29**
Loss for the period before appointed date (Refer note 52) (B)	(6.90)	(144.30)
Profit before tax (A-B)	**393.65**	**163.59**
Tax using the applicable tax rate	137.56	57.16
Tax effect of:		
Expenses inadmissible under Income Tax Act, 1961	1.44	1.03
Adjustment related to earlier years	0.23	(19.98)
Adjustment on account of business combination	-	5.04
Others	(1.73)	(0.16)
Tax expense as per statement of profit and loss	137.50	43.09
Effective tax rate	**34.93%**	**26.34%**

*On 20th September, 2019, vide the Taxation Laws (Amendment) Ordinance 2019, the Government of India inserted Section 115BAA in the Income Tax Act, 1961 which provides domestic companies with an option to opt for lower tax rates effective 1st April, 2019 subject to certain conditions. The Company is currently in the process of evaluating this option and has considered the rate existing prior to the Ordinance for the purpose of these financial statements.

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

39. Deferred Tax Liability (Net)

Particulars	As at 1 April 2018	2018-19				As at 31 March 2019	2019-20			As at 31 March 2020
		Acquired in Business combination	Recognised in statement of profit and loss	Recognised in OCI	Recognised in other equity		Recognised in statement of profit and loss	Recognised in OCI	Recognised in other equity	
Deferred tax liability										
Depreciation and amortisation difference	1,497.16	221.85	(0.51)	-	-	1,718.50	(4.35)	-	-	1,714.15
Others	4.86	-	(3.74)	-	-	1.12	(1.12)	-	-	0.00
Total (a)	**1,502.02**	**221.85**	**(4.25)**	**-**	**-**	**1,719.62**	**(5.47)**	**-**	**-**	**1,714.15**
Deferred tax Asset										
Disallowance under section 43B of Income Tax Act, 1961	56.82	1.84	(16.73)	0.88	-	42.81	0.83	1.64	-	45.28
Provision for doubtful debts and advances	28.14	-	3.13	-	-	31.27	5.35	-	-	36.62
Others	30.84	-	0.25	-	(11.31)	19.78	(2.69)	-	0.25	17.34
MAT credit entitlement	204.67	-	28.05	-	-	232.72	(59.65)	-	-	173.07
Total (b)	**320.47**	**1.84**	**14.70**	**0.88**	**(11.31)**	**326.58**	**(56.16)**	**1.64**	**0.25**	**272.31**
Net deferred tax liability (a-b)	**1,181.55**	**220.01**	**(18.95)**	**(0.88)**	**11.31**	**1,393.04**	**50.69**	**(1.64)**	**(0.25)**	**1,441.84**

40. Disclosures required by Indian Accounting Standard (Ind AS) 116 - Leases

The following table summarizes the movement of lease liabilities during the year:

Particulars	Land - Leasehold	Office Premises*	Plant & Machinery	Vehicles	Total
Liability as at 01 April 2019	11.77	33.97	10.14	1.24	57.12
Additions	2.56	2.44	3.11	0.00	8.11
Interest Expense (included in finance costs)	1.10	2.90	0.91	0.09	5.00
Lease Payments	(3.45)	(9.59)	(6.63)	(0.45)	(20.12)
Reversal	-	-	(0.59)	-	(0.59)
Liability as at 31 March 2020	**11.98**	**29.72**	**6.94**	**0.88**	**49.52**

*Including Furniture

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

The lease liabilities of continuing operations at 31 March 2020 by maturity are as follows:

Particulars	Lease Liabilities - Undiscounted
Less than one year	19.50
Between one and five years	35.81
After five years	2.65

The following table provides additional disclosures related to right-of-use assets and lease liabilities:

Particulars	Note Ref	2019-20
Expense relating to short-term leases (included in other expenses)	36	23.23

41. Transition Disclosure

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees

Lessor accounting under Ind AS116 is substantially unchanged as compair to Ind AS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in Ind AS 17. Therefore, Ind AS 116 did not have an impact for leases where the Company is the lessor.

The Company adopted Ind AS 116 using the modified retrospective method of adoption with the date of initial application of 1 April 2019 and has not restated comparative for the year ended March 31, 2019, as permitted under the specific transition provisions in the standard. The Company elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying Ind AS 17 at the date of initial application. The Company also elected to use the recognition exemptions for lease contracts that, at the commencement date, have a lease term of 12 months or less and do not contain a purchase option ('short-term leases'), and lease contracts for which the underlying asset is of low value ('low-value assets')

Nature of the effect of adoption of Ind AS116

The Company has lease contracts for various items of plant and machinery, vehicles, land and office premises. Before the adoption of Ind AS116, the Company classified each of its leases (as lessee) at the inception date as either a finance lease or an operating lease. A lease was classified as a finance lease if it transferred substantially all of the risks and rewards incidental to ownership of the leased asset to the Company; otherwise it was classified as an operating lease. Finance leases were capitalised at the commencement of the lease at the inception date at fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments were apportioned between interest (recognised as finance costs) and reduction of the lease liability. In an operating lease, the leased property was not capitalised and the lease payments were recognised as rent expense in profit or loss on a straight-line basis over the lease term. Any prepaid rent and accrued rent were recognised under other current assets and trade payables respectively.

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

Upon adoption of Ind AS116, the Company applied a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The standard provides specific transition requirements and practical expedients, which has been applied by the Company

Leases previously classified as finance leases

The Company did not change the initial carrying amounts of recognised assets and liabilities at the date of initial application for leases previously classified as finance leases (i.e., the right-of-use assets and lease liabilities equal the lease assets and liabilities recognised Ind AS 17). The requirements of Ind AS116 was applied to these leases from 1 April 2019.

Leases previously accounted for as operating leases

The Company recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases and leases of low-value assets. The right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.

The Company also applied the available practical expedients wherein it:

a) Used a single discount rate to a portfolio of leases with reasonably similar characteristics

b) Applied the short-term leases exemptions to leases with lease term that ends within 12 months at thedate of initial application

c) Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application

d) Used hindsight in determining the lease term where the contract contains options to extend or terminate the lease

Based on the foregoing, as at 1 April 2019:

a) Right-of -use assets of ₹ 127.67 Cr were recognised and presented separately in the Balance Sheet. This includes the lease assets recognised previously under finance leases of ₹ 70.55 Cr that were reclassified from Property, plant and equipment.

b) Lease liabilities of ₹ 57.12 Cr were recognised and presented separately in the Balance Sheet.

The lease liabilities as at 1 April 2019 can be reconciled to the operating lease commitments as of 31 March 2019 as follows:

Particulars	Amounts
Operating lease commitment as on March 31, 2019*	**23.25**
Recognition exemption for short-term leases	(7.63)
Payments in optional extension periods not recognised as at 31 Mach 2019	53.81
Undiscounted future lease payments as of April 01, 2019	**69.43**
Effect of discounting	(12.31)
Lease liabilities recognised as of April 01, 2019**	**57.12**

*As reported under previous years' financial statement FY 2018-19 note 41

**The weighted average incremental borrowing rate at April 01, 2019, the date of implementation of Ind AS 116 Leases, was 8.60%.

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

42. Employee benefit

The Company contributes to the following post-employment defined benefit plans in India.

(i) Defined Contribution Plans:

The Company makes contributions towards provident fund, superannuation fund and other retirement benefits to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits.

The Company recognised ₹ 14.73 crores (Previous year ₹ 12.39 crores) for superannuation contribution in the statement of Profit and Loss. The Company recognised ₹ 11.80 crores (previous year ₹ 10.71 crores) for provident fund contributions in the Statement of Profit and Loss.

The contributions payable to these plans by the Company are at rates specified in the rules of the schemes.

(ii) Defined Benefit Plan:

A. The Company makes annual contributions to the Group Gratuity cum Life Assurance Schemes administered by HDFC Life, a funded defined benefit plan for qualifying employees. The scheme provides for payment as under:

i) On normal retirement / early retirement / withdrawal / resignation:

As per the provisions of the Payment of Gratuity Act, 1972 with vesting period of 5 years of service.

ii) On death in service:

As per the provisions of the Payment of Gratuity Act, 1972 without any vesting period.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at March 31, 2020. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statement as at balance sheet date:

Particulars	31 March 2020	31 March 2019	31 March 2020	31 March 2019
	Gratuity (Funded)		Death Benefit	
Defined benefit obligation	(72.27)	(65.89)	(3.87)	(3.93)
Fair value of plan assets	65.43	63.66	-	-
Net defined benefit (obligation)/assets	(6.84)	(2.23)	(3.87)	(3.93)
Non-current	(6.84)	(2.23)	(3.33)	(3.41)
Current	-	-	(0.54)	(0.52)

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

B. Movement in net defined benefit (asset) / liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit liability/(asset) and its components.

Particulars	31 March 2020	31 March 2019	31 March 2020	31 March 2019
	Gratuity (Funded)		Death Benefit	
Defined benefit obligation				
Opening balance	65.89	60.28	3.93	3.97
Included in statement of profit and loss				
Current service cost	4.48	4.03	0.07	0.09
Past service cost	0.07	-	0.22	-
Adjustment due to Business Combination	2.67	0.70	-	-
Interest cost	4.44	4.36	0.27	0.28
	11.66	**9.09**	**0.55**	**0.37**
Included in OCI				
Actuarial loss / (gain) - experience adjustments	1.78	1.14	(0.20)	(0.02)
Actuarial loss / (gain) - financial assumptions	0.24	1.37	0.05	0.06
	2.02	**2.51**	**(0.15)**	**0.04**
Other				
Benefits paid	(7.30)	(5.99)	(0.46)	(0.45)
Closing balance (a)	**72.27**	**65.89**	**3.87**	**3.93**
Fair value of plan asset				
Opening balance	63.66	59.01	-	-
Interest income	4.58	4.49	-	-
	68.24	**63.50**	**-**	**-**
Included in OCI				
Actuarial gain /(loss)	(2.81)	0.16	-	-
	65.43	**63.66**	**-**	**-**
Other				
Contributions paid by the employer	7.30	5.99	-	-
Benefits paid	(7.30)	(5.99)	-	-
Closing balance (b)	**65.43**	**63.66**	**-**	**-**
Represented by				
Net defined benefit asset (b-a)	-	-	-	-
Net defined benefit liability (a-b)	6.84	2.23	3.87	3.93

C. Plan assets

Plan assets comprises the following :

Particulars	31 March 2020	31 March 2019
	Gratuity (Funded)	
Investment in scheme of insurance	100%	100%

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

D. Defined benefit obligations

i. Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

Particulars	2019-20	2018-19
Discount rate	6.70%	7.20%
Expected rate of return on plan assets	8.00%	8.00%
Salary escalation	7.50%	8.00%
Mortality pre and post retirement	Indian Assured Lives Mortality (2006-08) (modified) Ult	Indian Assured Lives Mortality (2006-08) (modified) Ult
Employee turnover rate (for different age groups)	5%-10%	5%-10%

The estimate of future salary increase, considered in actuarial valuation takes into consideration inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

The overall expected rate of return on assets is determined based on the market prices prevailing on that date, applicable to the period over which the obligation is to be settled.

E. Sensitivity analysis

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	31 March 2020				31 March 2019			
	Increase	Decrease	Increase	Decrease	Increase	Decrease	Increase	Decrease
	Gratuity (Funded)		Death Benefit		Gratuity		Death Benefit	
Discount rate (1% movement)	(3.72)	4.14	(0.15)	0.16	(3.31)	3.67	(0.15)	0.16
Future salary growth (1% movement)	3.56	(3.35)	0.05	(0.05)	3.10	(2.95)	0.06	(0.06)
Employee turnover rate (1% movement)	(0.14)	0.14	(0.06)	0.06	0.08	(0.08)	(0.06)	0.07
Mortality pre-retirement	-	-	0.17	(0.16)	-	-	0.17	(0.18)

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.

G. Maturity profile of defined benefit obligation

Particulars	31 March 2020	31 March 2019
Within the next 12 months	9.14	7.31
Between 1 and 5 years	40.74	37.01
Between 5 and 10 years	54.07	47.93

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

H. Other information

Particulars	2019-20	2018-19
Expected employer contribution for the next annual reporting period	6.84	2.23
Weighted average duration of defined benefit obligation	6 years	6 years

43. Related party relationships, transactions and balances

Related parties and nature of relationship

(i) Holding Company

Niyogi Enterprise Private Limited (w.e.f. 30 April 2019)

Nirma Limited (Ceased to be holding company w.e.f. 30 April 2019)

(ii) Joint Venture Company

Wardha Vaalley Coal Field Private Limited

(iii) Entities over which Promoters exercise control

Nirma Credit and Capital Pvt. Ltd.

Nirma Limited

Nirma Chemical Works Pvt. Ltd.

Navin Overseas FZC, UAE

Constera Realty Pvt. Ltd.

Aculife Healthcare Pvt. Ltd.

(iv) Entities over which Promoters has significant influence

Nirma University

Nirma Education and Research Foundation

(v) Key Management Personnel

Managing Director & Chief Executive Officer - Mr. Ujjwal Batria (Ceased to be MD & CEO w.e.f. 19 June 2018)

Managing Director - Mr. Jayakumar Krishnaswamy (Appointed w.e.f. 17 September 2018)

Director - Mr. Hiren Patel

Director - Mr. Kaushik Patel

Director - Mr. Suketu Nareshkumar Shah

Independent Director - Mr. Berjis Minoo Desai

Independent Director - Mrs. Bhavna Doshi

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

Particulars	As at and for the year ended 31st March 2020						As at and for the year ended 31st March 2019				
	Holding Company	Entities over which Promoters exercise control	Entities over which Promoters has significant influence	KMP and relatives of KMP	Joint Venture Company	Total	Holding Company	Entities over which Promoters exercise control	Entities over which Promoters has significant influence	Joint Venture Company	Total
Details of Related Party Transactions carried out during the year											
Sales	-	-	-	-	-	-	-	0.00	0.46	-	0.46
Finance Cost*	2.57	29.77	-	-	-	32.34	33.15	-	-	-	33.15
Interest Income	-	-	-	-	0.19	0.19	-	-	-	0.19	0.19
Training & Development	-	-	0.14	-	-	0.14	-	-	-	-	-
Sales promotion	-	-	0.03	-	-	0.03	-	-	-	-	-
Issue of Equity shares (Refer note 52)	-	-	-	42.36	-	42.36	-	-	-	-	-
Advances against properties	-	1.70	-	-	-	1.70	-	-	-	-	-
Loan taken	-	230.00	-	-	-	230.00	-	-	-	-	-
Loans given	-	-	-	-	0.06	0.06	-	-	-	-	-
Details of Related Party balances											
Interest Payable and outstanding	-	87.43	-	-	-	87.43	58.34	-	-	-	58.34
Outstanding Inter Corporate Deposits	-	573.88	-	-	-	573.88	343.87	-	-	-	343.87
Outstanding amount receivable	-	66.34	-	-	-	66.34	-	-	-	-	-
Loans and Advances	-	1.70	-	-	2.00	3.70	-	-	0.01	1.76	1.77
Provision against Loans and Advances	-	-	-	-	2.00	2.00	-	-	-	1.76	1.76

*To Nirma Limited

1. All transactions listed above are at arms length price and all the outstanding balances are unsecured.
2. Key Managerial Compensation breakup is as follow:

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

Compensation paid to Key Management Personal

Particulars	2019-20	2018-19
· Short term	4.34	9.09
· Post retirement	0.35	0.43
· Sitting Fees & Commission	8.27	0.31
Total	**12.96**	**9.83**
Professional services availed from relative of Key Management Personnel	0.18	0.18

44. Revenue

The Company is primarily in the Business of manufacture and sale of cement and cement related products. All sales are made at a point in time and revenue recognised upon satisfaction of the performance obligations which is typically upon dispatch/delivery. The Company has a credit evaluation policy based on which the credit limits for the trade receivables are established. The amounts receivable from customers become due after expiry of credit period. There is no significant financing component in any transaction with the customers. The Company does not provide performance warranty for products, therefore there is no liability towards performance warranty.

In compliance with Ind AS 115, certain sales promotion schemes treated as variable components of consideration and have been recognised as revenue deductions instead of other expenses.

Revenue recognised from Contract liability (Advances from Customers):

Particulars	2019-20	2018-19
Closing Contract liability	79.75	58.11

The Contract liability outstanding at the beginning of the year has been recognised as revenue during the year ended March 31, 2020

Reconciliation of revenue as per contract price and as recognised in statement of profit and loss:

Particulars	31 March 2020	31 March 2019
Revenue as per Contract price	7,409.80	7,455.32
Less: Discounts and incentives	(700.39)	(577.31)
Revenue as per statement of profit and loss	**6,709.41**	**6,878.01**

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

45. Financial instruments – Fair values and risk management

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities if the carrying amount is a reasonable approximation of fair value.

31 March 2020	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investment	-	-	0.05	0.05	-	-	-	-
Trade receivables	-	-	511.04	511.04	-	-	-	-
Cash and cash equivalents	-	-	253.86	253.86	-	-	-	-
Bank balances other than Cash and cash equivalents	-	-	257.00	257.00	-	-	-	-
Loans	-	-	2.43	2.43	-	-	-	-
Others	-	-	836.93	836.93	-	-	-	-
	-	**-**	**1,861.31**	**1,861.31**	**-**	**-**	**-**	**-**
Financial liabilities								
Borrowings	-	-	4,463.27	4,463.27	-	4,463.27	-	4,463.27
Trade payables	-	-	787.28	787.28	-	-	-	-
Lease Liability	-	-	49.52	49.52	-	-	-	-
Others	-	-	698.72	698.72	-	-	-	-
	-	**-**	**5,998.79**	**5,998.79**	**-**	**4,463.27**	**-**	**4,463.27**

31 March 2019	Carrying amount				Fair value			
	FVTPL	FVTOCI	Amortized Cost	Total	Level 1	Level 2	Level 3	Total
Financial assets								
Investment	455.60	-	0.05	455.65	455.60	-	-	455.60
Trade receivables	-	-	499.86	499.86	-	-	-	-
Cash and cash equivalents	-	-	98.27	98.27	-	-	-	-
Bank balances other than Cash and cash equivalents	-	-	26.43	26.43	-	-	-	-
Loans	-	-	1.68	1.68	-	-	-	-
Others	-	-	764.33	764.33	-	-	-	-
	455.60	**-**	**1,390.62**	**1,846.22**	**455.60**	**-**	**-**	**455.60**
Financial liabilities								
Borrowings	-	-	4,625.90	4,625.90	-	4,625.90	-	4,625.90
Trade payables	-	-	764.73	764.73	-	-	-	-
Others	-	-	629.31	629.31	-	-	-	-
	-	**-**	**6,019.94**	**6,019.94**	**-**	**4,625.90**	**-**	**4,625.90**

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

B. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk
- Liquidity risk, and
- Market risk

i. Risk management framework

The Company's activities expose it to a variety of financial risks, including market risk, credit risk and liquidity risk. The Company's primary risk management focus is to minimize potential adverse effects of market risk on its financial performance. The Company's risk management assessment and policies and processes are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls, and to monitor such risks and compliance with same. Risk assessment and management policies and processes are reviewed regularly to reflect changes in market conditions and the Company's activities. The Board of Directors and the Audit Committee is responsible for overseeing the Company's risk assessment and management policies and processes.

ii. Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business.

The Company has disclosed the cases where legal case has been filed against the customer and Company believes that the likelihood of the court proceedings will take longer time. Company has shown these cases net of provisions.

Trade receivables

The Company's exposure to credit risk is determined by the individual characteristics and specifications of each customer. The profile of the customer, including the market risk of the industry has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business.

Summary of the Company's exposure to credit risk by age of the outstanding from various customers is as follows:

Particulars	31 March 2020	31 March 2019
Neither past due nor impaired	258.62	291.99
Past due but not impaired		
Past due 1–180 days	187.87	165.40
Past due 181–365 days	36.68	18.31
Past due 1 to 2 years	17.49	14.97
More than 2 years	10.38	9.19
Total	**511.04**	**499.86**

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

Expected credit loss assessment for customers as at 31 March 2019 and 31 March 2020

Exposures to customers outstanding at the end of each reporting period are reviewed by the Company to determine credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macro economic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue. Further, management believes that the unimpaired amounts that are past due are still collectable in full, based on historical payment behaviour and extensive analysis of customer credit risk. The allowance at 31 March, 2019 and 31 March, 2020 related to several customers that may default on their payments to the Company and may not pay their outstanding balances, mainly due to economic circumstances.

The movement in the allowance for impairment in respect of trade receivables during the year was as follow :

Particulars	31 March 2020	31 March 2019
Balance as at beginning of the year	75.87	65.64
Impairment loss recognised net of reversal	13.15	10.23
Balance at the end of the year	**89.02**	**75.87**

Cash and cash equivalents

The Company held cash and cash equivalents with credit worthy banks and financial institutions. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.

iii. Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, that it always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Company's reputation.

The Company has obtained both fund based and non-fund based working capital loans from various banks. The Company also constantly monitors, as and when required, funding options available in the debt and capital markets with a view to maintain financial liquidity. The Company also enjoys A1+ ratings from CRISIL on short term facilities from banks indicating very strong degree of safety regarding timely payment of financial obligations and carries lowest credit risk.

Exposure to liquidity risk

"The table below analyses the Company's financial liabilities into relevant maturity groupings based on their contractual maturities for all non derivative financial liabilities

31 March 2020	Contractual cash flows				
	Total	1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities					
Borrowings	5,350.00	1,797.69	1,213.41	1,812.20	526.70
Other non-current financial liabilities	52.76	-	52.76	-	-
Trade payables	787.28	787.28	-	-	-
Lease Liability	57.96	19.50	15.73	20.08	2.65
Other current financial liabilities	645.96	645.96	-	-	-

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

Exposure to liquidity risk (Contd..)

31 March 2019	Contractual cash flows				
	Total	1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities					
Borrowings*	5,252.26	1,565.28	1,083.60	1,589.07	1,014.31
Other non-current financial liabilities	52.76	-	52.76	-	-
Trade payables	764.73	764.73	-	-	-
Other current financial liabilities	576.55	576.55	-	-	-

*No repayment schedule has been specified for Inter Corporate Deposits, hence not included above

iv. Market risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from adverse changes in market rates and prices (such as interest rates and foreign currency exchange rates) or in the price of market risk-sensitive instruments as a result of such adverse changes in market rates and prices. Market risk is attributable to all market risk-sensitive financial instruments, all foreign currency receivables and payables and all short term and long-term debt. The Company is exposed to market risk primarily related to foreign exchange rate risk and interest rate risk.

a. Currency risk

The fluctuation in foreign currency exchange rates may have potential impact on the profit before tax account and equity, where any transaction references more than one currency or where assets/liabilities are denominated in a currency other than the functional currency of the entity.

Considering economic environment in which the Company operates, its operations are subject to risks arising from fluctuation in exchange rates in those countries. The risks primarily relate to fluctuations in the foreign exchange rates of USD & EURO, on account of payables to foreign suppliers, for import of petcoke, gypsum and spares.

The Company, as per its risk management policy, uses foreign exchange forward contracts to hedge foreign exchange exposure. The Company does not use derivative financial instruments for trading or speculative purposes.

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows:

Particulars	31 March 2020		31 March 2019	
	EUR	USD	EUR	USD
Accounts Receivable	-	-	-	-
Accounts Payable	2.61	1.69	2.52	1.21
Net exposure	**2.61**	**1.69**	**2.52**	**1.21**

Sensitivity analysis

A 10% strengthening / weakening of the respective foreign currencies with respect to functional currency of Company would result in increase or decrease in profit before tax and equity as shown in table below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases. The following analysis has been worked out based on the exposures as of the date of statements of financial position.

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

Effect in ₹ Crores

31 March 2020	Strengthening	Weakening
EUR	(0.26)	0.26
USD	(0.17)	0.17

Effect in ₹ Crores

31 March 2019	Strengthening	Weakening
EUR	(0.25)	0.25
USD	(0.12)	0.12

b. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to market risk for changes in interest rates relates to fixed deposits and borrowings from financial institutions. For details of the Company's short-term and long term loans and borrowings, including interest rate profiles, Refer to Note 19 and 23 of these financial statements.

Particulars	31 March 2020			31 March 2019		
	Total Borrowings	Floating rate borrowing	Fixed rate borrowing	Total Borrowings	Floating rate borrowing	Fixed rate borrowing
Borrowings	4,463.27	1,052.11	3,411.16	4,625.90	748.45	3,877.45
Total	**4,463.27**	**1,052.11**	**3,411.16**	**4,625.90**	**748.45**	**3,877.45**

Sensitivity analysis

Interest rate sensitivity for floating rate borrowings (impact of increase in 100 bps)

Particulars	31 March 2020	31 March 2019
Impact in profit before tax	(5.88)	(3.00)

Interest rate sensitivity for floating rate borrowings (impact of decrease in 100 bps)

Particulars	31 March 2020	31 March 2019
Impact in profit before tax	5.88	3.00

46. Netting off disclosure

The Company engages the services of CFA agents for selling the cement. As per the terms of the agreement, Company has a right to offset balances with CFA against debtors balances if debtor has not paid for a period of 90 days. Hence such amounts have been offset in the balance sheet. The amount of CFA assignment, as on reporting date, is not material.

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

47. Capital management

The Company's policy is to maintain a strong capital base so as to maintain investors, creditors and to sustain future development of the business. The Company carefully monitors cash and bank balances, deployment of surplus funds and regularly assesses any debt requirements.

The Company's adjusted net debt to equity ratio is as follows.

Particulars	As at 31 March 2020	As at 31 March 2019
Total borrowings along with accrued interest	4,463.27	4,625.90
Less : Cash and bank balances & Current Investments	(510.86)	(580.30)
Adjusted net debt	3,952.41	4,045.60
Equity	242.36	200.00
Other equity	5,036.88	4,793.68
Total equity	**5,279.24**	**4,993.68**
Adjusted net debt to equity ratio	0.75	0.81

48. Segment Reporting

A. General Information

For management purposes, the Company is organised into business units based on its products and has two reportable segments, as follows:

- Segment-1 Cement Division
- Segment-2 Concrete Division

Others - All the segments other than segments identified above are collectively included in this segment.

The Chief Operating Decision Maker ("CODM") evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by operating segments.

Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements.

Transfer prices between operating segments are on arm's length basis in a manner similar to transaction with third parties.

B. Information about reportable segments

Particulars	Reportable segments				Others		Total	
	Cement		RMX					
	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2020	For the year ended 31 March 2019
Revenue								
External sales	5,685.14	5,828.48	1,105.11	1,214.49	2.99	9.65	6,793.24	7,052.62
Inter segment sales	103.87	18.04		-	0.51	9.34	104.38	27.38
Total	**5,789.01**	**5,846.52**	**1,105.11**	**1,214.49**	**3.50**	**18.99**	**6,897.62**	**7,080.00**

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

B. Information about reportable segments (Condt..)

Particulars	Reportable segments				Others		Total	
	Cement		RMX					
	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2020	For the year ended 31 March 2019	For the year ended 31 March 2020	For the year ended 31 March 2019
Less : Eliminations	(103.87)	(18.04)	-	-	(0.51)	(9.34)	(104.38)	(27.38)
Net Revenue	**5,685.14**	**5,828.48**	**1,105.11**	**1,214.49**	**2.99**	**9.65**	**6,793.24**	**7,052.62**
Segment Results	792.86	406.04	(16.81)	25.19	(6.79)	(13.04)	769.26	418.19
Financial expense							(419.21)	(452.17)
Financial income							36.70	53.27
Profit before tax							**386.75**	**19.29**
Tax expenses							(137.50)	(43.09)
Profit after tax							**249.25**	**(23.80)**
OTHER INFORMATION								
Segment assets	12,300.83	12,130.52	960.30	891.00	18.58	29.48	13,279.71	13,051.00
Un-allocated assets	-	-	-	-	-	-	164.57	158.99
Total Assets	**12,300.83**	**12,130.52**	**960.30**	**891.00**	**18.58**	**29.48**	**13,444.28**	**13,209.99**
Segment liabilities	1,755.40	1,742.56	369.37	315.71	135.17	139.11	2,259.94	2,197.38
Un-allocated liabilities	-	-	-	-	-	-	5,905.10	6,018.93
Total Liabilities	**1,755.40**	**1,742.56**	**369.37**	**315.71**	**135.17**	**139.11**	**8,165.04**	**8,216.31**
Capital Expenditure								
Tangible assets	629.30	667.82	2.52	11.48	-	-	631.82	679.30
Intangible assets	3.67	1.54	-	0.13	-	-	3.67	1.67
Depreciation / Amortization	495.59	453.41	27.86	23.30	4.43	8.40	527.88	485.11
Other non cash expense/ (income)	0.25	(56.67)	9.95	12.36	(0.80)	0.85	9.40	(43.46)

C. Geographic information

All assets of the Company are domiciled in India. Further the Company does not have any single customer contributing more than 10 % of revenue. The breakup of total revenue into domestic revenue and exports is as follows :

Particulars	For the year ended 31 March 2020	For the year ended 31 March 2019
Domestic	6,793.24	7,052.62
Export	-	-
Total	**6,793.24**	**7,052.62**

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

49. Contingent Liabilities

Particulars	As at 31 March 2020	As at 31 March 2019
Contingent Liabilities not provided for in respect of:		
i. a. Disputed demands in respect of Sales Tax/VAT/GST by various tax authorities	61.82	59.73
b. Disputed demand in respect of Entry Tax by various tax authorities	38.47	54.50
c. Disputed demand in respect of Excise Duty*	27.81	192.95
d. Disputed demand in respect of Service Tax	2.74	3.34
e. Stamp Duty paid under protest for change of name from GKW to LRCL	1.80	1.80
f. Disputed demands in respect of Custom duties	14.44	14.44
g. In respect of Income Tax	315.18	278.42
h. Other claims	23.88	27.23
Against these, payments under protest/adjustments made by the Company	134.88	137.74

*The Supreme Court in its judgement dated November 27, 2019 in case of Civil appeal no.10193 of 2017 Commissioner of central Excise Vs M/s Madras Cements Ltd. along with the Company, dismissed the appeal filed by the Commissioner of Central Excise. Accordingly, the Company is now entitled to concession rate of excise duty for sales made to Institutional consumer or industrial consumer. The Company believes that identical matters amount to ₹ 161.70Cr pending before various forums are squarely covered by the aforesaid judgment of the Hon'ble Supreme Court and treated as remote.

ii. The State of Chhattisgarh has filed a Revision Application challenging the adjudication order of the District Registrar and Collector of Stamps; Janjgir -Champa for alleged under-valuation of the properties, which the Company acquired from Raymond Ltd. Against this, Raymond Ltd. has filed a Special Leave Petition before the Hon'ble Supreme Court, which has stayed the proceedings before the Board of Revenue.	Amount not determinable	Amount not determinable
The Collector of Stamps, Raipur has commenced enquiry proceedings under Section 47 (A)(3) of the Indian Stamp Act, 1899 questioning the amount of stamp duty paid by The Tata Iron and Steel Company Limited (TISCO) on transfer of the immovable properties at Sonadih from TISCO to the Company. The Company has filed a Writ Petition in the Hon'ble High Court of Bilaspur, Chhattisgarh challenging the enquiry commenced by the Collector of Stamps. The matter is pending before the High Court.	Amount not determinable	Amount not determinable
The Company's liability, if at all arises, in both the above cases, is restricted to 50% by virtue of business transfer agreement between Lafarge and Raymond Ltd/TISCO.	Amount not determinable	Amount not determinable

iii. In June 2012, the Competition Commission of India (CCI) passed an Order levying a penalty of ₹ 490 crores on the Company in connection with a complaint filed by the Builders Association of India against leading cement companies (including the Company) for alleged violation of certain provisions of the Competition Act, 2002. The Company filed an appeal before the Competition Appellate Tribunal (COMPAT) for setting aside the said Order of CCI. The COMPAT granted stay on levying the penalty imposed on the Company by CCI against deposit of 10% of the penalty amount. In December 2015, the COMPAT finally set aside the said Order of CCI and remanded back to CCI for fresh adjudication of the issues and passing of fresh Order. However, in August 2016 the case was reheard by CCI and it passed an Order levying a penalty of ₹ 490 crores on the Company. The Company had filed an appeal against the Order before

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

49. Contingent Liabilities (Contd..)

the COMPAT. The COMPAT has granted a stay with a condition to deposit 10% of the penalty amount, which was deposited and levy of interest of 12% p.a. in case the appeal is decided against the appellant (the “Interim order”). COMPAT was replaced by the National Company Law Appellate Tribunal (NCLAT) effective May 26, 2017, who vide its judgment dated July 25, 2018, dismissed the Company’s appeal and upheld the CCI’s order. Against the above judgment of NCLAT, the Company appealed before the Hon’ble Supreme Court, which by its order dated October 5, 2018 had admitted the appeal of the Company and directed that the interim order passed by the tribunal in this case will continue in the meantime. Based on the reimbursable rights available with the Company backed by legal opinion, no provision is considered necessary.

50. Capital and other commitments

Particulars	As at 31 March 2020	As at 31 March 2019
Estimate amount of contracts remaining to be executed on capital account and not provided for (net of advances)	482.00	276.58

51. Details of dues to micro and small enterprises as defined under the MSMED Act, 2006

Particulars	As at 31 March 2020	As at 31 March 2019
i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year (including capex vendors)		
Principal amount due to micro and small enterprises		
Interest due on above	9.55	6.11
	0.23	0.13
ii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year		
Principal	65.16	60.76
Interest on above	-	-
iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	1.06	0.86
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	1.29	0.99
v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006, 2006	-	-

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

52. Business combination

The Scheme of Arrangement ("Scheme") for transfer of cement division of Nirma Limited with the Company with effect from 1 June 2019, the appointed date has been approved by the National Company Law Tribunal, Mumbai Bench vide Order dated 9 January 2020.

The following accounting treatment, inter-alia, has been given effect to the Scheme as approved by the NCLT :

(i) The merger has been accounted as prescribed under Appendix C of Indian Accounting Standard (Ind AS) 103 – Business Combinations.

(ii) As required by Ind AS-103 "Business Combination", this arrangement has been accounted under the pooling of interest method. As the transaction was between two entities under "common control" the said Ind AS requires that the figures of the cement division of Nirma Ltd. be incorporated in the comparative statements for the previous Financial Year 2018-19 as also for the current Financial Year including for the period prior to the Appointed Date. Consequently, the financial statements include loss before tax of ₹ 144.30 Cr. for FY 2018-19 and loss before tax of ₹ 6.90 Cr. for April to May 2019 in respect of the cement division of Nirma Ltd. These losses have not been suffered by the Company

(iii) All assets, liabilities, income and expenditure of Demerged undertaking have been recorded in the books at their respective carrying amounts after eliminating intercompany balances and transactions. Necessary adjustments have been made to ensure proper allocation of common assets and liabilities and common bank account between demerge undertaking and Nirma Limited through which receipt and payment have been routed.

(iv) The excess of assets over liabilities taken over on 1 April 2018 amounting to ₹ 727.76Cr has been credited to Capital Reserve. In consideration of merger of cement business, the Company has issued 4,23,61,787 fully paid up equity shares of ₹ 10/- each to the equity shareholders of the Nirma Limited in proportion of their holding in the Nirma Limited and the same has been adjusted against Capital Reserve as of 1 April 2018.

Calculation of Capital Reserve

Particulars	Amount	Note
Issue of new equity shares of NVCL as per merger scheme	(42.36)	Refer SOCIE
Ind AS 103 carrying values derived from carve out financial statements of Nirma Limited (Cement unit):		
Tangible assets	1,407.82	Refer Note 2
Intangible assets	13.58	Refer Note 4
Capital work-in-progress	0.80	
Investment	0.05	
Cash and Bank	20.20	
Working Capital	141.75	
Borrowing	(636.43)	
Deferred tax liability	(220.01)	Refer Note 39
Capital Reserve on Merger	42.36	Refer SOCIE
Capital reserve on Merger	727.76	Refer SOCIE

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

53. Disclosures required by Indian Accounting Standard (Ind AS) 37 - Provisions

Particulars	Site Restotation expense		Dealer discount provisions		Indirect taxes and litigations		Provision for contractors' charges		Total	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Carrying amount at the beginning of the year	31.86	30.91	106.61	91.21	180.81	185.82	28.17	25.84	347.45	333.78
Additional provision made during the year	2.93	2.84	80.44	81.73	13.29	14.36	0.97	2.33	97.63	101.26
Amounts used during the year	(1.25)	(1.89)	(69.20)	(66.33)	(13.60)	(19.37)	(0.96)	-	(85.01)	(87.59)
Amounts written back during the year	-	-	(5.78)	-	-	-	-	-	(5.78)	-
Carrying amount at the end of the year#	**33.54**	**31.86**	**112.07**	**106.61**	**180.50**	**180.81**	**28.18**	**28.17**	**354.29**	**347.45**

#This includes current and non current portion.

i. Site Restoration expense

The Company provides for the expenses to reclaim the quarries used for mining. The total estimate of reclamation expenses is apportioned over the estimate of mineral reserves and a provision is made based on the minerals extracted during the year. Mines reclamation expenses are incurred on an ongoing basis and until the closure of the mine. The actual expenses may vary based on the nature of reclamation and the estimate of reclamation expenditure.

ii. Dealer discount provisions

The provision for discounts is on account of various promotion and incentive schemes proposed to be announced to dealers on products sold by the Company. The provision is based on the historic data/ estimated figures of discounts passed on. The timing and amount of the cash flows that will arise will be determined as and when these schemes are formalised and pay-offs approved by management, which is generally 12 to 18 months.

iii. Indirect taxes and legal cases

Provision for indirect tax and legal cases includes disputed cases of excise tax, value added tax, sales tax, entry tax and other disputed legal cases.

iv. Provision for contractor charges

Provision for contractors' charges pertains to gratuity amount payable by contractor to its employees which as per the terms of the contract shall be reimbursed by the Company.

Note - 54

The Company had installed a Fly Ash classifier at its Mejia Cement Plant in earlier years and has a claim of ₹ 12.22 Crores (Previous year ₹ 12.22 Crores) on Damodar Valley Corporation (DVC) towards their share of the capital expenditure on such Fly Ash classifier in terms of the agreement, which along with certain operational settlements are currently under discussion with DVC. Pending resolution on the matters, the Company has not recognized the above claims in its books. Further, the management is confident that the use of the Fly Ash classifier and operational settlements shall be amicably resolved with the party.

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

Note - 55

Company's operations were impacted in the month of March 2020, due to shutdown of all plants following nationwide lockdown by the Government of India in view of COVID-19. The Company expects to recover the carrying amount of all its assets including inventories and receivables in the ordinary course of business based on information available on current economic conditions. The Company will continue to monitor any material changes in future economic conditions. Operations have been resumed in phased manner in line with the directives of the Government of India.

Note - 56

As per the limit specified under Section 135 of the Companies Act, 2013, the Company was required to spend ₹ 3.48 crores (Previous year ₹ 5.04 crores) during the year on account of Corporate Social Responsibility (CSR). However, the actual amount spent during the year amounts to ₹ 4.17 crores (Previous year ₹ 2.95 crores).

Note - 57

Company has entered into a share purchase agreement on 6 February 2020 with Emami Group for the acquisition of 100% shareholding of Emami Cement Limited (ECL) for an enterprise value of ₹ 5,500 Cr. The transaction has been approved by the Competition Commission of India (CCI) on 21 May 2020, however the order from CCI is still awaited. ECL operates an integrated cement plant in Risdah, Chhattisgarh, and grinding units in Bihar, West Bengal and Odisha, with a total installed capacity of 8.3 million tonnes per annum.

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

58. Additonal information as required by Paragraph 2 of the general instructions for the preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013.

Particulars	Net Assets, i.e. total assets minus total liabilities		Share of Profit/(Loss)		Share of Other comprehensive Income		Net Assets, i.e. total assets minus total liabilities		Share of Profit/(Loss)		Share of Other comprehensive Income	
	As a % of consolidated net assets	As at 31 March 2020	As a % of consolidated Profit/(Loss)	As at 31 March 2020	As a % of consolidated Profit/(Loss)	As at 31 March 2020	As a % of consolidated net assets	As at 31 March 2019	As a % of consolidated Profit/(Loss)	As at 31 March 2019	As a % of consolidated Profit/(Loss)	As at 31 March 2019
Parent												
Nuvoco Vistas Corporation Limited	100%	5,279.24	100%	249.25	100%	(3.03)	100%	4,993.68	100%	(23.80)	100%	(1.58)
Joint Ventures												
Wardha Vaalley India Private Limited	0%	(0.59)	0%	(0.07)	0%	-	0%	(0.51)	0%	(0.07)	0%	-
Total	**100%**	**5,278.66**	**100%**	**249.18**	**100%**	**(3.03)**	**100%**	**4,993.17**	**100%**	**(23.87)**	**100%**	**(1.58)**

Note: The above figures are before eliminating intra group transactions. The loss of Joint venture not recognised for in books is ₹ 0.07 crores (Previous year ₹ 0.07 crores). The group's interest in joint venture has been reduced to zero and the group does not have any legal or constructive obligations or made payments on behalf of joint venture.

Notes to Consolidated Financial Statements

(All amounts are in ₹ crore, unless otherwise stated)

Significant Judgment : Existence of joint control and classification of joint arrangement

The joint venture agreement in relation to Wardha Vaalley India Private Limited require unanimous consent from all parties for all relevant activities, hence there is a joint control. Further the parties having joint control have the rights to the net assets of the joint arrangement. Hence it has been classified as joint venture.

Note - 59

The figures of the previous year have been regrouped wherever necessary to conform to current year's classification.

As per our report of even date attached

For **MSKA & Associates**
Chartered Accountants
Firm Registration No. 105047W

Amrish Vaidya
Partner
Membership No. 101739

Place : Mumbai
Date : 24 June 2020

For and on behalf of the Board of Directors of Nuvoco Vistas Corporation Limited

CIN: U26940MH1999PLC118229

Jayakumar Krishnaswamy
Managing Director
DIN: 02099219

Suketu Nareshbhai Shah
Director
DIN: 07211283

Maneesh Agrawal
Chief Financial Officer

Shruta Sanghavi
Company Secretary

Place : Mumbai
Date : 24 June 2020

Notice

NOTICE is hereby given that the Twenty First Annual General Meeting of the Members of **Nuvoco Vistas Corporation Limited** will be held on Friday, August 14, 2020 at 1:00 p.m. through Video Conferencing (VC) or 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 March 31, 2020 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 March 31, 2020 together with the Report of Auditors thereon.

2. To appoint a Director in place of Mr. Hiren Patel (DIN: 00145149), who retires by rotation and being eligible, offers himself for re-appointment.

By order of the Board of Directors

Shruta Sanghavi
Vice President and Company Secretary

Place: Mumbai
Date: June 24, 2020

Registered office:
Equinox Business Park, Tower 3, East Wing,
4th Floor, Bandra - Kurla Complex, LBS Marg,
Kurla (West), Mumbai – 400070
E-mail Id: investor.relations@nuvoco.in
Website: www.nuvoco.in
Phone No: +91 22 6630 6511
CIN: U26940MH1999PLC118229

NOTES:

1. Considering the present COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read together with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted convening the Annual General Meeting ("AGM") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without the physical presence of the Members at a common venue. In accordance with the MCA Circulars, provisions of the Companies Act, 2013 (the "Act"), the 21st AGM of the Company is being held through VC / OAVM Facility. The deemed venue for the 21st AGM shall be the Registered Office of the Company.

2. In terms of the MCA Circulars, since the physical attendance of Members has been dispensed with, there is no requirement of appointment of proxies. Accordingly, the facility of appointment of proxies by Members under Section 105 of the Act will not be available for the 21st AGM and hence the Proxy Form and Attendance Slip are not annexed hereto. However, in pursuance of Section 113 of the Act, representative of the Body Corporate Member can be appointed for the purpose of participation and voting in the 21st AGM through VC/OAVM Facility.

3. In case if the Members is a Body Corporate, it is requested to send to the Company, a certified copy of the board or governing body resolution/authorization, authorizing its representative(s) to attend and vote on its behalf at the 21st AGM through VC/OAVM Facility.

4. In line with the MCA Circulars, the Notice of the 21st AGM will be available on the website of the Company at www.nuvoco.in.

5. Since the 21st AGM will be held through VC/ OAVM Facility, the Route Map is not annexed in this Notice.

6. Attendance of the Members participating in the 21st AGM through VC/OAVM Facility shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote at the 21st AGM.

8. The relevant details of the Director retiring by rotation/ seeking re-appointment as per the Item No. 2 of this Notice as required under Secretarial Standard-2 on General Meetings ("SS-2") are given in annexure forming part of this Notice.

9. Members are requested to write on secretarial.desk@nuvoco.in for inspection of all related documents referred to in the accompanying Notice up to and including the date of the 21st AGM of the Company.

10. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the Directors are interested maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the Members during the 21st AGM.

11. The Notice of the 21st AGM along with the Annual Report is being sent to all the Members through permitted modes.

12. Members will be able to attend the 21st AGM through VC/ OAVM Facility by clicking on the below link: https://call.lifesizecloud.com/4817206.

13. Facility to join the 21st AGM through VC/OAVM Facility shall open 15 minutes before the time scheduled for the 21st AGM. Further, an opportunity will be provided by the Chairman to the Members attending the 21st AGM through VC/OAVM Facility whereby they may ask their questions.

14. Members who need assistance before or during the 21st AGM, can contact Ms. Shruta Sanghavi, the Company Secretary through e-mail at secretarial.desk@nuvoco.in

Annexure to Notice

DETAILS OF DIRECTOR RETIRING BY ROTATION/SEEKING RE-APPOINTMENT AT THE 21ST ANNUAL GENERAL MEETING UNDER SECRETARIAL STANDARD - 2 ON GENERAL MEETINGS ARE AS UNDER:

I	**Name of the Director**	Mr. Hiren Patel (DIN: 00145149)
II	**Age**	46 years
III	**Date of first appointment**	November 11, 2017
IV	**Qualification**	Bachelor's degree in Chemical Engineering and M.B.A with specialization in Finance & Marketing from USA
V	**Brief resume including profile, experience and expertise in specific functional areas**	Mr. Hiren Patel joined Nirma Limited in 1998 as a Director and took over as its Managing Director in 2006. He has spearheaded the growth of the privately held Nirma Group from being primarily in the Consumer Goods business to becoming a diversified conglomerate encompassing Consumer Goods, Chemicals, Cement, Real Estate and Healthcare. With his rich and varied experience, Mr. Patel has also led all the inorganic growth opportunities of the Group since 2005; when the Group made its first acquisition. At the Company, he plays the role of mentor to the executive management.
VI	**Shareholding in the Company as on March 31, 2020**	3.49% (84,52,227 equity shares having face value of ₹10/- each)
VII	**Number of Board Meetings attended during the year**	Mr. Hiren Patel attended all 7 (seven) Board Meetings held during the FY 2019-20
VIII	**Directorships held in other companies (including the Company) as on March 31, 2020**	- Nuvoco Vistas Corporation Limited - Nirma Limited - Nirma Chemical Works Private Limited - Nirma Credit and Capital Private Limited - Niyogi Enterprise Private Limited - Karnavati Holdings Inc., USA
IX	**Companies in which Director is member of the Committee of the Board as on March 31, 2020**	**Nirma Limited** - Corporate Social Responsibility Committee **Nirma Chemical Works Pvt. Ltd.** - Corporate Social Responsibility Committee **Nirma Credit and Capital Pvt. Ltd.** - Corporate Social Responsibility Committee
X	**Companies in which Director is Chairman of Committees of the Board as on March 31, 2020**	None
XI	**Terms and Conditions of re-appointment along with details of remuneration sought to be paid and remuneration last drawn**	Please refer to the Board's Report and Corporate Governance Report
XII	**Relationship with other Directors, Manager and other Key Managerial Personnel of the Company**	None

By order of the Board of Directors

Shruta Sanghavi
Vice President and Company Secretary

Place: Mumbai
Date: June 24, 2020

Registered office:
Equinox Business Park, Tower 3, East Wing,
4th Floor, Bandra - Kurla Complex, LBS Marg,
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Shaping a new world

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