KESORAM
www.kesocorp.com

KIL/SE/Reg. 34/2023-2024 **Dated: May 19, 2023**

BSE Ltd. First Floor, New Trading Ring, Rotunda Building, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400001	National Stock Exchange of India Ltd. "Exchange Plaza", Plot no. C/1, G. Block Bandra-Kurla Complex, Bandra (E) Mumbai – 400051	The Calcutta Stock Exchange Ltd. 7, Lyons Range, Kolkata – 700001
(BSE Scrip Code – 502937) (BSE NCD Scrip Code – 973060)	(NSE Symbol – KESORAMIND)	(CSE Scrip code – 10000020)

Sub: Notice of the 104th Annual General Meeting and Annual Report 2022-23

Ref.: Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")

Please find enclosed herewith Notice of 104th Annual General Meeting (AGM) and the Annual Report of the Company for the financial year 2022-23. The AGM is scheduled on Wednesday, June 14, 2023 at 11.30 a.m. through the hybrid mode (that is to say both Physical and Video Conferencing ('VC')/ Other Audio Visual Means ('OAVM')). The Notice of AGM along with Annual Report for the financial year 2022-23 is also available on the website of the Company www.kesocorp.com.

The cut-off date for reckoning voting of the members is June 7, 2023. The remote e-voting will be available from Saturday, June 10, 2023, (9:00 a.m. IST) and ends on Tuesday, June 13, 2023 (5:00 p.m. IST).

Kindly note that soft copies of the Notice and Annual Report 2022-23 are being despatched by e-mail only to members of the Company whose e-mail addresses are registered with either the Company or the Depositories.

This is for your information and record.

Yours faithfully,

For Kesoram Industries Limited

KESORAM INDUSTRIES LTD. Kol-1

GAUTAM GANGULI Digitally signed by GAUTAM GANGULI Date: 2023.05.19 14:41:18 +05'30'

Gautam Ganguli
Company Secretary & Compliance Officer

Encl: as above.

KESORAM

104th Annual Report & Accounts 2023

IN FOND REMEMBRANCE OF OUR GUIDING LIGHT

BASANT KUMAR BIRLA

(OUR PAST CHAIRMAN)

A LEGEND FOREVER

B.K. BIRLA GROUP OF COMPANIES

KESORAM

BIRLA SHAKTI CEMENT

Trusted Technology - Solid Strength

KESORAM RAYON

Discover the tapestry of life

CHAIRMAN'S MESSAGE

Your Company had the highest ever sale of blended cement this year. However, high energy costs continued to depress the margins throughout the year.

We will continue our focus on alternate fuels and scaling up blended cement production. This will reduce our carbon foot print. Our efforts to refinance the high cost debt should fructify in the ensuing financial year.

I thank our esteemed Directors on the Board, employees and all the other stakeholders for providing support throughout the year

MANJUSHREE KHAITAN

BOARD OF DIRECTORS
&
KEY MANAGERIAL PERSONNEL

Manjushree Khaitan, Chairman
DIN: 00055898

Kashi Prasad Khandelwal
DIN: 00748523

Sudip Banerjee
DIN: 05245757

Lee Seow Chuan
DIN: 02696217

Jikyeong Kang
DIN: 08045661

Mangala Radhakrishna Prabhu
DIN: 06450659

Satish Narain Jajoo
DIN: 07524333

P. Radhakrishnan
Whole-time Director & CEO
DIN: 08284551

Rohit Shah
Chief Financial Officer

Gautam Ganguli
Company Secretary

Registered Office

Birla Building
9/1, R.N. Mukherjee Road
Kolkata – 700 001
Phone No.: +91 33 22435453 / 22429454 / 22135121
CIN: L17119WB1919PLC003429
Website: www.kesocorp.com; E-mail: corporate@kesoram.com

Bankers

IndusInd Bank Ltd

State Bank of India

IDFC First Bank Ltd

Auditors

Walker Chandiok & Co. LLP
Chartered Accountants

Share Transfer Agent

MCS Share Transfer Agent Limited,
(Unit: Kesoram Industries Ltd.)
383 Lake Gardens, 1st Floor,
Kolkata – 700045
Phone No.: 033-40724051-52
Website: www.mcsregistrars.com
E-mail: mcssta@rediffmail.com

Plant Locations

Sedam Plant

Sedam, Dist. Gulbarga
Karnataka-585222

Basantnagar Plant

Basantnagar, Dist. Karimnagar
Telangana-505187

Solapur Packing Plant

T-3 MIDC Chincholi, Taluk :
Mohal Solapur-413255,
Maharashtra

Members seeking any information on the Annual Report & Accounts are requested to send their queries to the Company on or before 5:00 p.m. (IST) on Friday, 9th June, 2023

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NOTICE

TO THE MEMBERS

NOTICE is hereby given that the **One Hundred and Fourth Annual General Meeting ("AGM")** of **KESORAM INDUSTRIES LIMITED** will be held at 11.30 A.M. on Wednesday, 14th day of June, 2023 at Kala Mandir, 48, Shakespeare Sarani, Kolkata - 700017, through the hybrid mode (that is to say both physical and Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")), to transact the following businessess:

General Business:

1. To consider and adopt (a) the Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2023 together with the Reports of the Board of Directors and Auditors thereon; and (b) the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2023 as well as the Report of Auditors thereon.
2. To appoint a Director in place of Manjushree Khaitan (DIN: 00055898), who retires by rotation and being eligible, offers herself for re-appointment.

Special Business:

3. **Ratification of Remuneration of Cost Auditor**

   To consider and, if thought fit, to pass with or without modification(s), the following as an Ordinary Resolution:

   "**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with the Companies (Audit and Auditors) Rules, 2014, the Company be and does hereby ratify a remuneration of ₹ 5.47 lakhs (Rupees Five lakhs Forty Seven Thousand only) plus applicable taxes, travel and actual out-of-pocket expenses incurred in connection with the audit, payable to Mani & Co., Cost Accountants (Firm Registration No. 000004), who have been appointed by the Board of Directors as the Cost Auditors for conducting the audit of the Company's Cost Accounting records in accordance with the Act, in respect of the financial year ending March 31, 2024."

4. **Transfer or otherwise dispose of land comprised in the Company's Hindusthan Heavy Chemicals ("HHC unit")**

   To consider and, if thought fit, to pass, with or without modification(s), the following as a Special Resolution:

   "RESOLVED THAT in continuation of the earlier Resolution passed under, inter-alia, Section 180(1)(a) of the Companies Act, 2013 ("Act"), consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include any Committee constituted by the Board or any person(s) authorised by the Board of the Company to exercise the powers conferred on the Board of the Company by this Resolution) to transfer and/ or otherwise dispose of the HHC Land at a total consideration of ₹ 60 crores (Rupees Sixty Crores only) subject always to the receipt of the requisite approval from the West Bengal Government;

   RESOLVED FURTHER THAT the Board be and is hereby authorised to undertake and do all such acts, deeds and things as are or may be deemed expedient for disposal of the HHC Land."

Registered Office:
9/1, R. N. Mukherjee Road,
Kolkata - 700 001
28th April, 2023

By Order of the Board
Gautam Ganguli
Company Secretary

Notes:

1. The Explanatory Statement pursuant to Section 102(1) of the Act setting out material facts concerning the business under Item Nos 3 and 4 of the Notice is annexed hereto and forms part of this Notice. The relevant details pursuant to Regulations 26(4) and 36(3) of the SEBI LODR and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/ re-appointment at this AGM are given in the Corporate Governance sections of this Annual Report.
2. A Member entitled to attend and vote at the Annual General Meeting ("AGM") is entitled to appoint one or more proxies to attend and vote at the AGM instead of himself/ herself. Such proxy need not be a Member of the Company. The Instrument of Proxy, in order to be effective, should be deposited at the Registered Office of the Company not less than 48 hours prior to the commencement of the AGM. A person can act as a Proxy on behalf of not exceeding 50 Members holding in the aggregate and constituting not more than 10 per cent of the total issued Share Capital of the Company carrying voting rights. Proxies submitted on behalf of Companies/ Limited Liability Partnerships ("LLP"), Association of Persons (AoP) must be supported by an appropriate Resolution/Authority, as applicable.
3. The Company's Register of Members shall remain closed from 8th June, 2023 to 14th June, 2023 (both days inclusive).
4. Members can join the AGM through the VC/ OAVM mode 30 minutes before and within 15 minutes after the scheduled time of commencement of Meeting by following the procedure detailed in this Notice. Members will be able to view the proceedings on the National Securities Depository Limited's ('NSDL') e-Voting website at www.evoting.nsdl.com. The facility of participation at the AGM through VC/ OAVM will be made available to at least 1,000 Members on a First come First served (FIFO) basis as per extant Ministry of Corporate Affairs ("MCA") directions. Detailed instructions for joining the Meeting through VC/ OAVM forms part of the Notes to this Notice.
5. No restrictions on account of FIFO entry into AGM will apply in respect of large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, Auditors, etc.
6. Corporate Members intending to appoint their authorised representatives pursuant to Sections 112 and 113 of the Act, as the case may be, to attend the AGM through VC/ OAVM or to vote through remote e-Voting are required to send a scanned copy of a certified copy of the Board Resolution/ Power of Attorney/ Authority letter etc with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote by e-mail to the Scrutinizer at rbajaj@ rpaonline.in with a copy marked to evoting@nsdl.co.in. Alternatively, they can also upload their Board Resolution/ Power of Attorney/ Authority Letter etc. by clicking on "Upload Board Resolution/ Power of Attorney/ Authority Letter" displayed under "e-Voting" tab in their login.
7. As per the provisions of Clause 3.A.III. of the General Circular No. 20/2020 dated 5th May, 2020 and subsequent Circulars, the matters of Special Business as appearing at Item Nos. 3 and 4 of the accompanying Notice, are considered to be unavoidable by the Board and hence, forming part of this Notice.
8. The physical attendance of Members at the AGM in person or through VC/ OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Act.
9. In case of Joint-holders, a Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote for the purposes of the AGM.
10. The Notice of the AGM along with the Annual Report 2022-23 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/ Depositories. Members may note that the Notice along with the Annual Report 2022-23 will also be available on the website of the company at www.kesocorp.com and may also be accessed from the relevant section of the websites of the stock exchanges i.e. BSE Limited and the National Stock Exchange of India Limited at *www.bseindia.com* and *www.nseindia.com* respectively. These will also be available on the website of NSDL at *www.evoting.nsdl.com*. Interested Members may download the Notice and Annual Report from the website of the Company and Exchanges as stated above. The physical copy of the Notice along with Annual Report shall be made available to Member(s) who may request for the same in writing to the Company.
11. **Instructions for attending the AGM through VC/ OAVM are given below:**

    Members will be able to attend the AGM in person or through VC/ OAVM or view the live webcast of AGM provided by NSDL at *https://www.evoting. nsdl.com* by using their remote e-Voting login credentials and selecting the EVEN for the AGM.

    i. Members will be provided with the facility to attend the AGM through VC/ OAVM through the NSDL e-Voting system. They may access the same at *https://www.evoting.nsdl.com* under the Shareholders/ Members login by using the remote e-Voting credentials, where the EVEN of the Company will be displayed. On clicking this link, Members will be able to attend and participate in the proceedings of the AGM. Please note that Members who do not have a User ID and Password for e-Voting or have forgotten the User ID / Password may retrieve the same by following the remote e-Voting instructions mentioned below to avoid a last-minute rush. Further, Members may also use the OTP-based login for logging into the e-Voting system of NSDL.

ii. Members may join the Meeting through Laptops, Smartphones, Tablets, and iPads for a better experience. Further, Members will be required to use the Internet with good speed to avoid any disturbance during the Meeting. Members will need the latest version of Chrome, Safari, Internet Explorer 11, MS Edge, or Firefox. Please note that participants connecting from Mobile Devices or Tablets or through Laptops connecting via mobile hotspot may experience Audio/ Video loss due to fluctuations in their respective networks. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate such glitches.

iii. Members who face any technical difficulty in accessing and participating in the Meeting may contact toll free no. 022-4886-7000. After login, the Members who face any technical difficulty in accessing the VC link may contact said toll free no.

12. Procedure to Raise Questions/ Seek Clarifications:

i. Members are encouraged to submit their questions in advance with regard to the financial statements or any other matter to be placed at the AGM, from their registered e-mail address, mentioning their name, DP ID and Client ID number/ folio number and mobile number, to reach the Company's e-mail address at *sharedepartment@ kesoram.com* on or before 5.00 p.m. (IST) on Friday, 9th June, 2023. Such questions by Members shall be suitably responded to by the Company.

ii. Only those Members who have registered themselves as speaker will be allowed to express their views/ ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.

13. As per Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI LODR, the Company will provide the facility of casting votes through the electronic voting system from a place other than the venue of the Meeting ("remote e-Voting") under an arrangement with The National Securities Depository Limited ("NSDL") more fully specified in the instructions below.

i) The items of business set out in the attached Notice may, however, be transacted also through the electronic voting system as an alternative mode of voting provided that once a vote on a Resolution is cast, a Member shall not be allowed to change it subsequently or cast the vote again.

ii) The facility for voting through Ballot Paper shall also be made available at the Meeting venue and Members attending the Meeting who have not already cast their vote by remote e-Voting, shall be permitted to exercise their rights at the Meeting.

iii) Members who have cast their votes by remote e-voting prior to the Meeting may attend the Meeting but shall not be entitled to cast their vote again. A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the **"cut-off date" i.e. Wednesday, 7th June**, **2023**, shall be entitled to avail the facility of remote e-Voting at the Annual General Meeting ("AGM"). The procedure for remote e-Voting and e-Voting during the AGM is the same. A person who is not a Member on the cut-off date should treat this Notice for information purposes only.

14. Instructions for Members for Remote e-Voting (before and during the AGM) are as under:

The process and manner of remote e-Voting will be as follows:

The **remote e-voting** period begins from **9.00 A.M. (IST) on Saturday, 10th June, 2023 and ends at 5.00 P.M. (IST) on Tuesday, 13th June, 2023**. During this period, Members of the Company, holding Shares either in physical form or in dematerialised form, as on the **cut-off date ("record date") i.e. Wednesday, 7th June, 2023**, may cast their votes electronically. The e-Voting module shall be disabled by NSDL for voting thereafter. The facility for voting through Ballot Paper is also available as the Meeting is being held physically. Members holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Members are advised to update their mobile number and e-mail Id in their demat accounts in order to access the e-Voting facility.

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

Step 1: Access to NSDL e-Voting system

A. Login method for Individual Shareholders holding securities in demat mode is given below:

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL.	1. If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following *URL: https://eservices.nsdl.com/* either on a personal computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under “IDeAS” section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on “Access to e-Voting” under e-Voting services and you will be able to see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be re-directed to NSDL e-Voting website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the Meeting. 2. If the user is not registered for IDeAS e-Services, option to register is available at *https://eservices.nsdl.com*. Select “Register Online for IDeAS” Portal or click at *https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp*. 3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a personal computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number held with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on options available against company name or e-Voting service provider - NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the Meeting. 4. Shareholders/ Members can also download NSDL Mobile App “NSDL Speede” facility by scanning the QR code mentioned below for seamless voting experience. NSDL Mobile App is available on App Store Google Play

Type of Shareholders	Login Method
Individual Shareholders holding securities in demat mode with CDSL	1. Existing users who have opted for Easi/ Easiest, an login through their User ID and Password. Option will be made available to reach the e-Voting page without any further authentication. The URL for users to login to Easi/ Easiest are *https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com* and click on New System Myeasi. 2. After successful login of Easi/ Easiest the user will be also able to see the e-Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL. Click on NSDL to cast your vote. 3. If the user is not registered for Easi/ Easiest, the option to register is available at *https://web.cdslindia.com/myeasi/Registration/EasiRegistration*. 4. Alternatively, the user can directly access e-Voting page by providing Demat account number and PAN No. from a link in *www.cdslindia.com* home page. The system will authenticate the user by sending OTP on registered Mobile & E-mail as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP i.e. NSDL where the e-Voting is in progress.
Individual Shareholders (holding securities in demat mode) login through their depository participants	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. Once achieving login, you will be able to seen e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on options available against company name or e-Voting service provider-NSDL and you will be redirected to e-Voting website of NSDL for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the Meeting.

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

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

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at *evoting@nsdl.co.in* or call at toll free no.: call at 022 - 4886 7000 and 022 - 2499 7000
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at *helpdesk.evoting@cdslindia*.com or contact at toll free no. 1800 22 55 33

B. Login Method for e-Voting and joining virtual meeting for Shareholders other than Individual Shareholders holding securities in demat mode and Shareholders holding securities in physical mode

i) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: *https://www.evoting.nsdl.com/* either on a personal computer or on a mobile.

ii) Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.

iii) A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen. Alternatively, if you are registered for NSDL e-services i.e. IDEAS, you can log-in at https://eservices.nsdl.com/ with your existing IDEAS login. Once you log-in to NSDL e-services after using your log-in credentials, click on e-Voting and you can proceed.

iv) Your User ID details are given below :

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

v) Your password details are given below:

a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.

b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.

c) How to retrieve your 'initial password'?

i. If your e-mail ID is registered in your demat account or with the Company, your 'initial password' is communicated to you on your e-mail ID. Trace the e-mail sent to you from NSDL from your mailbox. Open the e-mail and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.

ii. If your e-mail ID is not registered, please follow steps mentioned below in process for those Shareholders whose e-mail IDs are not registered.

vi) You are unable to retrieve or have not received the "Initial password" or have forgotten your password:

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

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

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

vii) After entering your password, tick on agree to "Terms and Conditions" by selecting on the check box.

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

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

Step 2: Cast your vote electronically on NSDL e-Voting system

i) After successful login at Step 1, you will be able to see the home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.

ii) After clicking on Active Voting Cycles, you will be able to see all companie's "EVEN" in which you are holding shares and whose voting cycle is in active status.

iii) Select "EVEN" of company for which you wish to cast your vote.

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

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

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

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

viii) Once you confirm your vote on the Resolution, you will not be allowed to modify your vote.

General Guidelines for Shareholders for e-voting

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

2 In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-Voting user manual for Shareholders available under the download section of NSDL's e-Voting website or contact Mr. Amit Vishal, Senior Manager/ Ms. Pallavi Mhatre, Manager, NSDL, Trade World, "A" Wing, 4th Floor, Kamala Mills Compound, Lower Parel, Mumbai 400 013 at telephone no. 022-48867000 and 022-2499 7000 or at E-mail ID: *evoting@nsdl.co.in*

15. The facility for voting through e-Voting at the AGM shall also be made available to the Members attending the Meeting, who have not already cast their vote by remote e-Voting, shall be permitted to exercise their rights at the Meeting through e-Voting. The procedure for remote e-Voting and e-Voting during the AGM is the same.

16. Members who have cast their vote by remote e-Voting prior to the Meeting may attend the Meeting but shall not be entitled to cast their vote again.

17. **Instructions for Members for Attending the AGM through VC/OAVM are as under:**

i. Member will be provided with a facility to attend the AGM through VC/OAVM through the NSDL e-Voting system. Members may access by following the steps mentioned above for access to NSDL e-Voting system. After successful login, you can see link of "VC/OAVM link" placed under "Join General meeting" menu against company name. You are requested to click on VC/OAVM link placed under Join General Meeting menu. The link for VC/OAVM will be available in Shareholder/Member login where the EVEN of Company will be displayed. Please note that the Members who do not have the User ID and Password for e-Voting or have forgotten the User ID and Password may retrieve the same by following the remote e-Voting instructions mentioned in the notice to avoid last minute rush.

ii. Members are encouraged to join the Meeting through Laptops for better experience.

iii. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

iv. Members may please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

v. Members who would like to express their views/have questions may send their questions in advance mentioning their name demat account number/folio number, e-mail ID, mobile number at sharedepartment@kesoram.com. The same will be replied by the company suitably.

18. To prevent fraudulent transactions, Members are advised to exercise due diligence and notify the Company of any change in address or demise of any Member as soon as possible. Members are also advised to not leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant ('DP') and holdings should be verified from time to time.

19. The Company has sent individual letters to all the Members holding shares of the Company in physical form for furnishing their PAN, KYC details and Nomination pursuant to SEBI Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2021/655 dated November 3, 2021. The aforesaid communication is also available on the website of the Company.

20. Members may please note that SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated January 25, 2022 has mandated the Listed Companies to issue securities in demat form only while processing service requests viz. Issue of duplicate securities certificate; claim from Unclaimed Suspense Account; Renewal/ Exchange of securities certificate; Endorsement; Sub-division/ Splitting of securities certificate; Consolidation of securities certificates/ folios; Transmission and Transposition. Accordingly, Shareholders are requested to make service requests by submitting a duly filled and signed Form ISR – 4, the format of which is available on the Company's website. Members holding equity shares of the Company in physical form are requested to kindly get their equity shares converted into demat/electronic form to get inherent benefits of dematerialisation and also considering that physical transfer of equity shares/ issuance of equity shares in physical form have been disallowed by SEBI. ***Vide latest SEBI Circular No. SEBI/HO/MIRSD/MIRSD-P-Od-1/P/CIR/2023/37 dated 16th March, 2023, the shares held in physical mode and for which anyone documents of shareholders viz PAN, KYC, Bank account particulars, Specimen Signature update & Nomination form etc. is not available with RTA on or after October 01, 2023, shall be frozen***.

21. Members are requested to intimate changes, if any, pertaining to their name, postal address, e-mail address, telephone/ mobile numbers, PAN, mandates, nominations, power of attorney, bank details such as name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to Registrar & Share Transfer Agent having address at MCS Share Transfer Agent Ltd., 383, Lake Gardens, 1st Floor, Kolkata – 700045, Phone: 033-40724051-52, Email: *mcssta@rediffmail.com*, in case the shares are held by them in physical form.

22. **Procedure for registering e-mail addresses to receive this Notice electronically and cast votes electronically:**

    i) Members who have not registered their e-mail address are requested to register the same in respect of shares held in electronic form with the Depository through their Depository Participant(s) and in respect of shares held in physical form by writing to the Company's Registrar and Share Transfer Agent, MCS Share Transfer Agent Limited at *mcssta@rediffmail.com*.

    ii) E-mail addresses of Members as advised to Registrar and Share Transfer Agent where shares are held in physical mode or registered with Depositories where shares are held in the electronic mode will be deemed to be the Member's registered e-mail address for serving Company documents/ notices as per provisions of the Act and the instructions of the Ministry of Corporate Affairs until and unless otherwise informed. Members intending to refresh/ update their e-mail addresses should do so as soon as possible.

    iii) Alternatively, Members may also send an e-mail request to *evoting@nsdl.co.in* along with the following documents for procuring User Id and Password and registration of e-mail addresses for e-Voting for the Resolutions set out in this Notice:

    - In case shares are held in physical form, please provide Folio No., Name of the shareholder, scanned copy of the share certificate (front and back), self- attested scanned copy of PAN card, self-attested scanned copy of Aadhaar Card.
    - In case shares are held in Demat form, please provide DP ID-Client ID (8 digit DP ID + 8 digit Client ID or 16 digit Beneficiary ID), Name, client master or copy of Consolidated Account statement, self-attested scanned copy of PAN card, self-attested scanned copy of Aadhaar Card.

23. Members holding Shares, in physical form, in identical order of names in more than one Folio, are requested to write to the **Registrar and Share Transfer Agent** enclosing the relevant Share Certificates requesting consolidation of such Folios into one Folio for their own convenience.

24. As per the provisions of the Act, the facility for making/ varying/ cancelling nominations is available to individuals holding shares in the Company. Nominations can be made in Form SH-13 and any variation/ cancellation thereof can be made by giving notice in Form SH-14, prescribed under the Companies (Share Capital and Debentures) Rules, 2014 for the purpose. The Forms can be obtained from the Registrar and Share Transfer Agent or from the Website of the Company at *www.kesocorp.com*.

25. i) Pursuant to the provisions of the Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded details of unpaid and unclaimed amounts lying with the Company on the website of the Company *www.kesocorp.com* and also on the website of the Ministry of Corporate Affairs.

    ii) Members/ claimants whose shares, unclaimed dividend etc. have been transferred to the Fund may claim the shares or apply for refund by making an application to IEPF Authority in Form IEPF-5 (available on iepf.gov.in) along with requisite fees. The Member/ claimant can file only one consolidated claim in a Financial Year as per IEPF Rules.

    iii) Members are requested to claim their unclaimed shares lying with the Company by sending proper documentary evidence to establish their bona fides. Till such claim, as per Para E in Schedule VI of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, voting rights on such shares shall remain frozen.

26. Persons, who have acquired Shares and become Members of the Company after dispatch of the Notice for the AGM, but before the cut-off date, may obtain the Login ID and Password by sending a request at *evoting@nsdl.co.in* or sharedepartment@kesoram.com. However, Members already registered with NSDL for remote e-Voting can use their existing User ID and Passwords for casting their votes. If a Member has forgotten her/ his password, s/ he can reset her/ his password by using "Forgot User Details/ Password" option available on *www.evoting.nsdl.com* or contact NSDL at the following toll free No.: 022-4886-7000.

27. Voting rights of Members shall be in proportion to their share in the Company's Paid-up Equity Share Capital as on the cut-off date.

28. Ms. Ritu Bajaj, (CP Registration No. 11933), Practising Company Secretary, has been appointed as the Scrutinizer to enable the voting at venue of AGM and remote e-Voting processes to be conducted in a fair and transparent manner.

29. The Chairman/ person shall, at the end of discussion on the Resolutions on which voting are to be held, allow e-Voting for those Members present at the AGM but have not cast their votes through the remote e-Voting facility.

30. The Scrutinizer shall after the conclusion of voting at the AGM, first count the votes cast at the Meeting and thereafter unblock the votes cast through remote e-Voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two working days of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman/ person of the Meeting or a person authorised by him/ her in writing, who shall countersign the same and declare the results of the voting forthwith.

31. The Results declared along with the Report of the Scrutinizer shall be placed on the website of the Company *www.kesocorp.com* and on the website of NSDL *www.evoting.nsdl.com* immediately after the declaration of result by the Chairman/ person of the Meeting or the person authorised by him/ her in writing. The results shall also be simultaneously communicated to the Stock Exchanges and displayed on the Notice Board of the Company at the Registered Office at 9/1, R. N. Mukherjee Road, Kolkata – 700 001.

32. On receipt of the requisite number of votes, the Resolutions shall be deemed to have been passed on the date of the Annual General Meeting.

33. The Landmark and Route Map of the venue of the AGM are given on the reverse of the Attendance Slip cum Proxy Form annexed with the Annual Report 2022-23.

34. Attendance slip shall also be available for the members at the venue of the Meeting.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item Number 3

Pursuant to Section 148 of the Companies Act, 2013 ("the Act"), the Company is required to get its Cost Accounting records audited by a Cost Accountant in Practice. On the recommendation of the Audit Committee, the Board has appointed Mani & Co. Cost Accountants (Firm Registration No. 000004) to conduct audit of the Company's Cost Accounting records for the year ending 31st March, 2024, at a remuneration of ₹ 5.47 lakhs (Rupees Five Lakhs Forty Seven Thousand only) plus applicable taxes, travel and actual out-of pocket expenses.

As required under Section 148(3) of the Act, the remuneration payable to Mani & Co, Cost Accountants require ratification by Shareholders.

Item No. 3 of the Notice convening the Company's One Hundred and Fourth Annual General Meeting ("AGM") has accordingly been proposed and the Board commends this Ordinary Resolution for approval.

No Director or Key Managerial Personnel or any of their relatives have any personal concern or interest in the Resolution.

Item Number 4

Members had approved of an enabling Special Resolution passed under Section 180(1)(a) of the Companies Act, 2013 approving a possible disposition of land comprised in the Company's Hindusthan Heavy Chemicals ("HHC") unit. Such approval was accorded on 23rd February, 2023 through postal ballot.

The Company has been negotiating a possible transfer of the HHC Land with potential transferee(s). In course thereof, it has transpired that any such disposition of HHC Land can be implemented only upon prior approval being accorded by the West Bengal Government ("the State Government").

Prior approval from the State Government represents an essential pre-requisite to a possible disposition as above. This is because by reason of amendments made to the West Bengal Land Reforms Act, 1955, a holder of factory land in West Bengal permitted to retain such land for purposes of running a factory under Section 6(1)(g) read with Section 6(3) of the West Bengal Estates Acquisition Act, 1953 ("Estate Acquisition Act") is deemed to be a lessee of such land under the State Government with retrospective effect from 10th April, 1956 being the date on which the relevant provisions of the Estate Acquisition Act came into effect.

A possible grant of permission by the State Government for transfer of such land is subject, *inter alia*, to payment of *salami* by both the retainer as well as the transferee as per the rates provided in Rule 6B of the West Bengal Land Reforms Rules, 1955. The subsequent use of such land is restricted to those specified under Section 14Y of the West Bengal Land Reforms Act, 1955.

In view of the above, factory land in the State of West Bengal is not readily disposable/ transferable.

Within the above constraints, potential transferee(s) have expressed interest in a possible acquisition of the HHC Land. Given the formalities that will need to be complied with in approaching and securing approval of the State Government, including payment of applicable *salami*, no expressions of interest so far received by the Company have exceeded a gross transfer price of ₹60 crores (Rupees Sixty crores only) payable to the Company.

The value of investment on the HHC Land as appearing the Company's books of account, prior to its value re-measurement as on 31st December, 2022, arising out of the highest amount of expression of interest referred to in the preceding paragraph was in excess of twenty per cent of the Company's net worth as per its previous audited balance sheet as at March 31, 2022.

Hence, the proposition of the instant Resolution as a Special Resolution.

The Board commends this Special Resolution for final approval.

No Director or Key Managerial Personnel or any of their relatives have any personal concern or interest in the Resolution.

Details of Directors seeking re-appointment at the forthcoming Annual General Meeting (in pursuance of Regulation 36(3) of the Listing Regulations and Secretarial Standard - 2 on General Meetings)

Name of the Director	**Manjushree Khaitan**
DIN	00055898
Designation/ Category of Directorship	Chairman & Non-Executive Non-Independent Director
Date of Birth (Age)	24.12.1955
Date of appointment	30.10.1998
Expertise in specific functional areas	A post graduate in English Literature from the Calcutta University, she has attended several Executive Development Programmes both at the London Business School and IMD, Switzerland. Moreover, as a noted industrialist, she has been associated with the businesses of chemicals, plantations, and information technology for over three decades. She is the Chairperson of Manjushree Plantations Limited. She is also a Member of the Board of Governors of Birla Institute of Technology and Science, Pilani. In addition, she is closely associated with several educational and cultural trusts, including Birla Education Trust.
Qualification	Post Graduate in English Literature
Directorships held in other companies (excluding foreign companies)	1. Manjushree Plantations Limited 2. Usinara Trading and Services Private Limited 3. Arbela Trading and Services Private Limited 4. Birla Tyres Limited 5. BTRL Limited
Committee position held in other companies	Manjushree Plantations Limited – Member of Audit Committee & Stakeholder Relationship Committee
Remuneration (Excluding Sitting fees)	Nil
No of Board Meetings attended during the year	9
No of shares held in the Company	1069723

Registered Office:
9/1, R. N. Mukherjee Road,
Kolkata - 700 001
28th April, 2023

By Order of the Board
Gautam Ganguli
Company Secretary

Care for society

Hands that care

REPORT OF THE DIRECTORS

FOR THE YEAR ENDED 31ST MARCH, 2023

The Board presents its One Hundred and Fourth Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2023.

FINANCIAL RESULTS (STANDALONE)

₹/ Crores

Particulars	31st March, 2023	31st March, 2022
Total Income	3,603.93	3,577.71
Profit before Interest, Depreciation, Tax and other Amortizations **("EBIDTA")**	371.22	586.80
Less: Depreciation and Amortization Expenses	81.57	90.73
Finance Costs	422.78	481.70
Profit/ (Loss) before Exceptional Items and Tax	**(133.13)**	**14.37**
Exceptional Items	(173.07)	(154.25)
Profit/ (Loss) before Tax	**(306.20)**	**(139.88)**
Tax Expenses	190.53	9.87
Total Profit/ (Loss) for the year	**(115.67)**	**(130.01)**
Other Comprehensive Income (net of tax expense)		
Re-measurement of Post-employment Benefit Obligations	(1.43)	4.55
Fair valuation of Equity Investments	6.22	(3.58)
Total Comprehensive Income/ (Loss) for the year	**(110.48)**	**(129.04)**

GENERAL REVIEW OF COMPANY'S OPERATIONAL AND FINANCIAL PERFORMANCE

The year saw a steep rise in input costs for the Industry that resulted in lower EBIDTA as compared to the previous year.

During the second half of the financial year, costs moderated and EBIDTA per quarter crossed ₹ 100 crore plus mark. Finance Cost continued to be elevated, Net worth improved with substantial portion of the Optionally Convertible Reedemeble Preference Shares ("OCRPS") getting converted into equity. Improved performance and moderating costs are likely to pave the way for expeditious refinancing of the current debt which in turn will reduce finance cost going forward.

- Standalone Income, comprising Revenue from Operations and Other Income, for the year was ₹ 3,603.93 crore, 0.73 % higher compared to ₹ 3,577.71 crore in 2022.
- Standalone Loss before Tax for the year was ₹ 306.20 crore, 118.90 % higher compared to ₹ 139.88 crore in 2022.
- Standalone Loss after Tax for the year was ₹ 115.67 crore, 11.02 % lower compared to ₹ 130.01 crore in 2022.
- Cement production reduced by 5.26% from 7.42 million tonnes in 2022 to 7.03 million tonnes in 2023.
- Cement Sales Volume reduced by 5.39% from 7.42 million tonnes in 2022 to 7.02 million tonnes in 2023.
- No material changes or commitments have occurred between the end of the financial year and the date of this Report, which affect the Financial Statements of the Company with respect to the reporting year.

DIVIDEND

No dividend is proposed in view of the loss during the year and the non-availability of any carry forward surplus.

The web-link for accessing the Company's Dividend Distribution Policy is: https://www.kesocorp.com/DOCS/pdf/mgc/dividend-distribution-policy-final.pdf

TRANSFER TO RESERVE

In view of the loss during the year, no amount is being transferred to General Reserve.

INCREASE IN SHARE CAPITAL

During the year, the Company converted 5,19,626 partly paid Equity Shares into fully paid Equity Shares pursuant to receipt of call money of the Rights Issue made during the year 2021.

Moreover, further 6,61,19,874 Equity Shares were issued and allotted during the year @ ₹ 65 per share, inclusive of a premium @ ₹ 55 per share. These were issued on preferential basis to identified entities, consisting primarily of scheduled banks upon conversion of 4,29,77,918 numbers Optionally Convertible Redeemable Preference Shares of face value ₹ 100 each originally issued as part of the debt resolution plan in March 2021.

Both issues were listed on the Stock Exchanges and are eligible for trading.

In addition, 90,00,000 unlisted 5% Non-Convertible Cumulative Redeemable Preference Shares were issued and allotted to a promoter entity on private placement basis. The required general body approval was duly obtained for such an issue.

Accordingly, the Company's paid- up Equity Share Capital as on 31st March, 2023 stood enhanced to ₹ 310.66 crores and Preference Share Capital stood at ₹ 109.19 crores.

STATUS OF NON-CONVERTIBLE DEBENTURES

During the year Secured Non-Convertible Debentures aggregating to ₹ 10 crore (Principal) were prepaid.

The face value of total Secured Listed Non-Convertible Debentures outstanding as on 31st March, 2023 is ₹ 1538.50 crores.

PUBLIC/ FIXED DEPOSITS

The Company accepted public fixed deposits (both from public and members of the Company) during the year within the parameters set out in Chapter V of the Companies Act, 2013. Deposits accepted are for a fixed term of three years only. No deposit matured for re-payment during the year. The requisite details relating to deposits, covered under Chapter V of the Act are as under:

a) Accepted during the year: ₹ 119.97 crores

b) Remained unpaid or unclaimed as at the end of the year: NIL

c) Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved: NIL

d) Premature requests received and paid: ₹ 24.56 crores

The Company has not accepted any deposits which are not in compliance with the requirements of Chapter V of the Act.

POSSIBLE DISPOSAL/ TRANSFER OF THE HINDUSTHAN HEAVY CHEMICALS LAND

Shareholders had assented to an enabling Resolution proposed under Section 180 of the Companies Act, 2013 ("the Act") for disposal/ transfer of its Hindusthan Heavy Chemicals land in the State of West Bengal. A final Resolution to this effect is being proposed at the forthcoming Annual General Meeting for Shareholder approval.

Efforts for disposal transfer within the extant legal framework are under examination.

MANAGEMENT DISCUSSION & ANALYSIS, BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT AND CORPORATE GOVERNANCE

The Management Discussion & Analysis, Business Responsibility & Sustainability Report and the Report on Corporate Governance are attached as **Annexures I, II & III** respectively to this Report.

CREDIT RATING

Credit Rating related details are disclosed in the Report on Corporate Governance Section.

RISK MANAGEMENT FRAMEWORK

The Company has in place a well-defined risk management framework ("the framework") together with a defined structure to manage and report risks.

The framework established across the Company and its wholly-owned Subsidiary is so designed as to identify, assess and respond to risks and threats that affect the realisation of business objectives.

The Risk Management Committee of the Board meets periodically to oversee the functioning of the framework.

The approach of Risk Management is defined across the Company at various levels with a periodical review to maintain its contemporariness so as to effectively address the emerging challenges in a dynamic business environment.

SIGNIFICANT AND MATERIAL ORDERS

No significant or material orders were passed by Regulators or Courts or Tribunals which impact or influence the Company's going concern status and/ or its future operations.

INTERNAL FINANCIAL CONTROLS AND ITS ADEQUACY

The Company's Internal Financial Control Systems are commensurate with its size, nature and complexity of business operations.

Internal Audit, a key feature of the Company's internal control system, is conducted by a dedicated team of professionals. The Audit Committee of the Board monitors feedback by Internal Audit periodically to ensure its smooth functioning and appropriate oversight of the control systems instituted by the Company.

CORPORATE GOVERNANCE

Number of Meetings of the Board

During the year, ten (10) Board Meetings were held. Meeting particulars are disclosed in the Report on Corporate Governance section.

Policy on Director Appointment and Remuneration

The present Company Policy on Director Appointment and Remuneration, including criteria for determining qualifications, positive attributes, independence and other related matters as contemplated in Section 178(1) of the Companies Act, 2013 ("the Act"), is available on the web-link *https://www.kesocorp.com/DOCS/pdf/mgc/nomination-and-remuneration-policy.pdf*

It is affirmed that the remuneration paid to the Company Directors during the year has been as per the terms set out in the Company's Nomination & Remuneration Policy.

Declaration by Independent Directors

The Company has received the requisite declarations from each Independent Director under Section 149(7) of the Act, affirming that each of them duly met the criteria of independence as prescribed in Section 149(6) of the Act and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR").

Board Evaluation

This year too the Board went through an elaborate process of evaluating its own effectiveness, that of its Committees as also of individual Board Members. The process included an appraisal of the functioning of the Chairman and the Whole-time Director separately by Independent Directors at the annual Independent Directors Meeting.

Familiarisation programme for Independent Directors

There were no Directorial appointments during the year. The procedure followed for familiarising Independent Directors with corporate operations appears in the Report on Corporate Governance.

DIRECTORATE

Manjushree Khaitan (DIN: 00055898), Non-Executive Non Independent Director and Chairman of the Board, retires by rotation at the forthcoming Annual General Meeting and, being eligible, offers herself for re-appointment. Her brief particulars are annexed to the Notice of Annual General Meeting.

KEY MANAGERIAL PERSONNEL

The following persons functioned as Key Managerial Personnel ("KMP") during the year:

P. Radhakrishnan	Whole time Director & Chief Executive Officer
Suresh Sharma	Chief Financial Officer (till 11th April,2022)
Rohit Shah	Chief Financial Officer (effective 12th April, 2022)
Raghuram Nath	Company Secretary (till 15th May, 2022)
Gautam Ganguli	Company Secretary (effective 13th May, 2022)

COMMITTEES OF THE BOARD

As on 31st March, 2023, the Board had five Statutory Committees being the Audit Committee, the Nomination and Remuneration Committee, the Stakeholder Relationship Committee, the Risk Management Committee and the Corporate Social Responsibility Committee.

During the year, all recommendations made by designated Committees were noted and approved by the Board. There were no instances of any disagreement between any of the Committees and the Board.

A detailed note on the composition of the Board and its Committees appears in the Report on Corporate Governance.

CORPORATE SOCIAL RESPONSIBILITY (“CSR”)

No mandatory expenditure during the year on Corporate Social Responsibility was envisaged as per Section 135 of the Act.

Nonetheless, the Company has never been found wanting in making dedicated spends that seek to desirably benefit those living in the vicinity of its two cement plants. No exceptions were made this year either.

The Board’s CSR Committee consisted of Manjushree Khaitan, Jikyeong Kang and P. Radhakrishnan.

The Company’s CSR Policy is available on the web link *www.kesocorp.com/DOCS/pdf/mgc/corporate-social-responsibility-policy.pdf*.

A Report on CSR activities during the year is annexed to this Report and marked **Annexure IV**.

CONTRACTS/ ARRANGEMENTS MADE WITH RELATED PARTIES

The Board affirms that all related party transactions/ arrangements/ contracts entered into by the Company during the year were approved by the Audit Committee and were at arm’s length basis and in the ordinary course of business.

No contract/ arrangement with any related party that could be considered material in accordance with the Company Policy on “Materiality of Related Party Transactions” or which required reporting in Form No. AOC-2 as per Section 134(3) (h) read with Section 188(1) of the Act was entered into during the year.

There were no materially significant related party transactions entered into by the Company that could have potential conflict with the interest of the Company at large.

The Company’s Related Party Transaction Policy appears on the web- link *www.kesocorp.com/DOCS/pdf/mgc/related-party-transactions-policy.pdf*.

Related party transactions during the year as per the provisions of Indian Accounting Standard (“Ind AS”) 24 have been disclosed in the Notes to the Financial Statements.

SUBSIDIARY, ASSOCIATE AND JOINT VENTURE COMPANY

Cygnet Industries Limited (“Cygnet”) and Gondkhari Coal Mining Limited (“Gondkhari”), continued as a Wholly Owned Subsidiary (“WOS”) and Joint Venture Company respectively.

The Financial Statements of Cygnet as at 31st March, 2023 have been consolidated with the Financial Statements of the Company. The Consolidated Financial Statements forms part of this Annual Report.

The turnover of Cygnet for the year stood at ₹ 244.30 Crore as against ₹ 71.85 crore during the previous year. The turnover improved considerably as the year 2021-22 was affected both by lockdowns and a prolonged suspension of work.

Several measures to restructure operations of Cygnet are being actioned upon. Transparent paper operations will be further upgraded going forward. The marketing activity too will come under more co-ordinated streamlining. Sourced from wood pulp, transparent paper is bio-degradable and can therefore be a substitute for polythene film.

Gondkhari, the Special Purpose Vehicle (“SPV”), was incorporated in 2009 as a Joint Venture between the Company and two other corporate entities for developing and working a coal block in the State of Maharashtra. Gondkhari forfeited its sub-structure once the Supreme Court de-allocated the coal block that was originally allocated to it in 2014. As a result, the SPV became defunct leading to full provision by the Company against its portion of investment in Gondkhari.

A Statement containing salient features of the financial statements of Cygnet and Gondkhari in the statutory Form AOC-1 appears in **Annexure V** of this Annual Report.

The financial statements of Cygnet, a Material Subsidiary, is available on the website of the Company *www.kesorcorp.com*.

The Policy on material subsidiaries is also available on the Company’s website *www.kesocorp.com.*

The Board has proposed a “Spin off” of the business activities being undertaken by converting Cygnet from a WOS into a Standalone listed Company. The Scheme of Arrangement to effecuate such “Spin off”, contemplated under section 230 - 232 of the Act, is pending with the Stock Exchange from their No Objections.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Inter corporate financial exposures as at the end of the year appears under Note No. 8 to the Financial Statements.

The Company has not given any loan and guarantee or made any investment within the meaning of Section 186 of the Act during the year.

VIGIL MECHANISM/ WHISTLE BLOWER POLICY

The Company has in place a Vigil Mechanism/ Whistle Blower Policy as detailed in the Report on Corporate Governance. The Policy is available on the web-link (*www.kesocorp.com/DOCS/pdf/mgc/whistle-blower.pdf.*)

REPORTING OF FRAUD BY THE AUDITORS

No fraud has been reported by the Auditors under Section 143(12) of the Act. Therefore, no further disclosures are required under Section 134(3)(ca) of the Act.

STATUTORY AUDITORS

Shareholders at the Company's 103rd Annual General Meeting held on 17th June, 2022 appointed Walker Chandiok & Co LLP, Chartered Accountants, Auditors of the Company for a period of five consecutive years from the conclusion of that Annual General Meeting.

The Auditor's Report forming part of this Annual Report is free from any qualifications, reservations or disclaimers.

COST AUDITORS

Mani & Co., Cost Accountants, has been appointed by the Board to conduct the audit of the Company's cost accounting records for the year at a remuneration of ₹ 5.47 lakh, excluding tax and reimbursement of out of pockets.

A Resolution to this effect is being proposed at the forthcoming Annual General Meeting for ratification of their remuneration.

SECRETARIAL AUDITORS & SECRETARIAL STANDARDS

Ritu Bajaj, Practising Company Secretary was appointed as Secretarial Auditor to conduct audit of the Company's secretarial records for the year. Her Report is annexed to this Report and marked **Annexure VI**. The Report does not contain any qualification, reservation or adverse remark.

The Secretarial Audit Report of the WOS is also annexed in **Annexure VI**. The Company has complied with all applicable Secretarial Standards.

PARTICULARS OF EMPLOYEES

Disclosures pertaining to remuneration and other particulars as prescribed under the provisions of Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are set out in **Annexure VII** of this Report. No employee listed in the Annexure is related to any Director.

However in line with the provisions of the second proviso to Section 136(1) of the Act and as per extant Ministry of Corporate Affairs Circulars, this Annual Report is being sent to Members excluding the above information. Any Member interested in obtaining this information, is welcome to request the Company through email at *corporate@kesoram.com* for the statement.

POLICY ON SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE

The Company has a laid down Policy on prevention, prohibition and redressal of sexual harassment of women at the workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Policy is available on the weblink *www.kesocorp.com/DOCS/pdf/mgc/policy-on-prevention-of-sexual-harassment-at-workplace.pdf*.

The requisite Internal Committee(s) in accordance with Company Policy are in place.

No complaint on any issue covered by the above law was received during the year.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134(5) the Act and, based upon representations from the Management, the Directors, to the best of its knowledge and belief, states that:

(a) in the preparation of the Annual Accounts, applicable accounting standards has been followed along with proper explanation relating to material departures;

(b) such accounting policies have been selected and applied consistently and such judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended 31st March, 2023 and of the profit/ (loss) of the Company for that period;

(c) proper and sufficient care was taken 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) the Annual Accounts have been prepared on a going concern basis;

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

(f) proper systems have been devised to ensure compliance by the Company with the provisions of applicable laws and that such systems were adequate and working effectively.

CODE OF CONDUCT

The Company has a laid down Code of Business Conduct and Ethics for Directors and Employees based on the principles of ethics, integrity and transparency.

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

Particulars relating to conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Act read with the relevant Rules appears in **Annexure VIII** to this Report.

MATERIAL CHANGES BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT

There has been no material change that have occurred between the end of the Financial Year and the date of this Report.

OPENING OF SUSPENSE ESCROW DEMAT ACCOUNT

In accordance with recent SEBI directions circular, a separate Suspense Escrow Demat Account has been opened with a Depository Participant for crediting unclaimed shares in dematerialised form lying in the Company's Demat Suspense Account at present.

ANNUAL RETURN

The Company's Annual Return in Form MGT-7 can be viewed on the Company website*(www.kesocorp.com)*.

CHANGE IN THE NATURE OF BUSINESS

There has been no change in the nature of business of the Company during the year.

PROCEEDINGS UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016

There are no pending proceedings under the Insolvency and Bankruptcy Code, 2016.

ONE-TIME SETTLEMENT WITH THE BANKS OR FINANCIAL INSTITUTIONS

No one-time settlement with Banks or Financial Institutions were entered into during the year.

ANNEXURES FORMING PART OF THIS REPORT

Annexure	Particulars
I	Management Discussion & Analysis
II	Business Responsibility and Sustainability Report
III	Report on Corporate Governance
IV	Report on Corporate Social Responsibility (CSR) activities
V	AOC – 1
VI	Secretarial Audit Report
VII	Disclosures pertaining to remuneration and other particulars as prescribed under the provisions of Section 197 of the Companies Act, 2013
VIII	Conservation of energy, technology absorption, foreign exchange earnings and outgo

APPRECIATION

The Board takes this opportunity to express its deep sense of gratitude to investors, lenders, Central and State Governments, the local authorities and all other stakeholders for their consistent co-operation and support during the year.

It would further like to place on record its sincere appreciation of the commitment, dedication and high engagement level of each of its employees. The year was indeed a challenging one but employees were never found wanting to take these challenges head on.

Manjushree Khaitan
Chairman
DIN: 00055898

P Radhakrishnan
Whole-time Director and Chief Executive Officer
DIN: 08284551

Kashi Prasad Khandelwal
Director
DIN: 00748523

Sudip Banerjee
Director
DIN: 05245757

Jikyeong Kang
Director
DIN: 08045661

Mangala Radhakrishna Prabhu
Director
DIN: 06450659

Lee Seow Chuan
Director
DIN: 02696217

Satish Narain Jajoo
Director
DIN: 07524333

Place: Kolkata
Date: 28 April 2023

ANNEXURE I

MANAGEMENT DISCUSSION AND ANALYSIS

Performance Overview

The Company's Business-wise performance during the year is shown below:

₹/ Crores

S.No.	Particulars	31st March, 2023	31st March, 2022
1	Earnings Before Interest Depreciation & Tax (EBIDTA)	371.22	586.80
2	Finance Cost including interest	422.78	481.70
3	Cash Profit/ (Loss)	(51.56)	105.10
4	Depreciation	81.57	90.73
5	Profit/ (Loss) (Before Exceptional item &Tax)	(133.13)	14.37
6	Provision for Tax expenses (Deferred Tax credit)	190.53	9.87
7	**Profit/ (Loss) for the year (before exceptional item)**	**57.40**	**24.24**
8	Exceptional Item	(173.07)	(154.25)
9	**Total Profit/ (Loss) for the year**	**(115.67)**	**(130.01)**

Business

Cement Industry Overview

India is the second largest producer of cement in the world accounting for 7% of the global installed capacity. The cement industry is mainly driven by the consequential number of construction activities with the growing demand and a surging need for residential complexes of urbanised population. Furthermore, the construction of various infrastructure projects such as airports and roads, undertaken by the government in recent times, propels the growth of the market.

The demand growth forecast for the Industry is closer to 10%. Cement production in the country is expected to steadily grow and achieve 550-600 million tonnes per annum by 2025.

For the cement industry in India, the next few years affords it an opportunity of scalability. An upturn in the economy would amount to a further increase in infrastructural spends thereby boosting cement demand. That would enhance the adage of Building More, Building Well and Building Right.

The concomitant upgradation in investment on cement will favourably impact employment, the country's resource base and therefore domestic GDP.

Risks and Concerns

The interest rates rising globally to tame inflation may impinge on the consumption in the near term. The cost of energy inputs are at elevated levels for some time and this has contracted margins considerably.

The transformation from "fossil fuels" to fuels that are more "green" in content for purposes of cement manufacture is strewn with difficulties. Such conversion will certainly happen going forward but is unlikely to take place over the medium term. Availability of fossil fuels at prices that would be economical for the industry to produce cement at competitive prices will remain a key factor for the industry.

The progressive depletion of reserves of limestone and other flux minerals required for cement manufacture is yet another concern. This is a clear signal for the industry to further gear up identification of fresh reserves. Side by side, there is the imminent need to expand production of blended cement and increase mixing of higher grade limestone with lower grade limestone for use in clinker production. The Industry has taken strident steps to propagate blended cement, the availability of fly ash or alternate blends in the proximity to the rapidly expanding capacity may prove to be a challenge.

Growth Drivers

The Cement business in India ranks second only to China in production of cement. Hence, as infrastructure building in the country is promoted and diligently fostered so will the consumption of cement.

The Company is focused on rural market penetration and brand positioning on a consistent basis and this approach resulted in the volume growth of blended cement.

There is a considerable allocation for infrastructure in the budget. Increased capital investment outlay by 33.4% to ₹ 10 lakh crore, ₹ 0.75 lakh crores investment for one hundred critical transport infrastructure projects for first and last mile connectivity for various sectors, capital outlay of ₹ 2.4 lakh crore for Railways and 50-year interest free loan to State Governments to incentivize infrastructure investment. These are going to be a big boost to cement demand.

Company's Cement Business going forward

The Business's brand, **Birla Shakti**, is an approved brand in several Government projects for supply of cement, including the Military Engineering Services and the Ministry of Defence. The confidence reflects in the initiatives taken for brand positioning and brand extension, intensification of its efforts at further refining its brand in its niche markets. Brand extension to blended cement is gaining distinct ground and augurs well for the future.

The focus is on reduction of cost of production & distribution to boost the Business's Earnings Before Interest, Depreciation Taxation and other Amortisations ("EBIDTA"). To reduce cost, the Company will be focusing on its Operations Research Model.

The Company's premium Blended Cement Brand "Birla Shakti ConQUerete" is well received in the market and would be a key driver to grow blended cement share in years to come.

Sale volumes are expected to rise as the Business expands its dealer network and escalates marketing efforts through influencers and market makers. The focus on adding value and educating the customer of using blending cement have started giving encouraging signals. The clear strategy is to be a niche player in focused markets, foray deeper into blended cement markets, consolidate the brand presence, prioritise the use of alternate fuels, blends in manufacture and deliver growth.

Financial Performance

The "General Review" incorporated in the Directors' Report sets out a brief resume of performance of the Company's Cement Business.

The following critical ratios have changed beyond the 25% indicative threshold specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Sl. No.	Particulars	2022-23	2021-22	Explanation
i)	Debtors Turnover Ratio	10.42	11.93	-
ii)	Inventory Turnover Ratio	21.84	29.06	-
iii)	Interest Coverage Ratio	0.88	1.22	Due to lower EBIDTA
iv)	Debt Service Coverage Ratio	1.29	0.97	Due to lower EBIDTA and repayment of Optionally Convertible Debentures during the year
v)	Current Ratio	0.95	0.86	-
vi)	Operating Profit (%)	8.52	15.50	Due to lower EBIDTA
vii)	Debt Equity Ratio	2.68	2.81	-
viii)	Net Profit Turnover (%)	-3.27	-3.67	-
ix)	Return on Equity	-0.18	-0.27	On account of loss and increase in Equity Share Capital

Internal Control Systems and their adequacy

This has been covered in the Directors' Report.

Material Developments in Human Resources

Employees constitute the Company's most important assets. This belief has instilled in the Company the imperative to further amplify its people practices especially in the area of talent management.

The number of people employed as on March 31, 2023 is separately covered under Annexure VII to the Directors Report.

Manjushree Khaitan
Chairman
DIN: 00055898

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Whole-time Director and Chief Executive Officer
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Director
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Satish Narain Jajoo
Director
DIN: 07524333

Place: Kolkata
Date: 28 April 2023

ANNEXURE II

BUSINESS RESPONSIBILITY & SUSTAINABILITY REPORTING (BRSR)

SECTION A: GENERAL DISCLOSURES

I. Details of the listed entity

S. No.	Particulars	Details
1	Corporate Identity Number (CIN) of the Listed Entity	L17119WB1919PLC003429
2	Name of the Listed Entity	Kesoram Industries Limited
3	Year of incorporation	1919
4	Registered office address	Birla Building, 9/1, R N Mukherjee Road, Kolkata, West Bengal- 700001
5	Corporate address	Birla Building, 9/1, R N Mukherjee Road, Kolkata, West Bengal- 700001
6	E-mail	corporate@kesoram.com
7	Telephone	033-22435453
8	Website	www.kesocorp.com
9	Financial year for which reporting is being done	1st April 2022 to 31st March 2023
10	Name of the Stock Exchange(s) where shares are listed	• BSE Limited • National Stock Exchange of India Limited • The Calcutta Stock Exchange Limited • Societe de la Bourse de Luxembourg, Societe Anonyme (for GDRs)
11	Paid-up Capital (Both Equity and Preference Shares)	₹ 419,85,64,330
12	Name and contact details (telephone, email address) of the person who may be contacted in case of any queries on the BRSR report	Gautam Ganguli, Company Secretary 033-22435453 gg@kesoram.com
13	Reporting boundary- Are the disclosures under this report made on a standalone basis (i.e., only for the entity) or on a consolidated basis (i.e., for the entity and all the entities which form a part of its consolidated financial statements, taken together)	The reporting boundary covers the disclosures of the Company's 3 plants and 33 offices covering corporate office as well as branch offices on a standalone basis.

II. Products/ services

14. Details of business activities *(accounting for 90% of the turnover)*:

S. No.	Description of Main Activity	Description of Business Activity	% of Turnover of the entity
1	Clinker and Cement manufacturing	Manufacturing and Sale of cement	100%

15. Products/Services sold by the entity (accounting for 90% of the entity's Turnover):

S. No.	Product/Service	NIC Code	% of total Turnover contributed
1	Cement	23941 23942	100%

III. Operations

16. Number of locations where plants and/ or operations/ offices of the entity are situated:

Location	Number of plants	Number of offices	Total
National	3	33	36
International	NIL	NIL	NIL

17. Markets served by the entity:

a. Number of locations

Location	Number
National (No. of States / Union Territories)	14
International (No. of Countries)	NIL

b. What is the contribution of exports as a percentage of the total turnover of the entity?

Nil. The products are sold only in India.

c. A brief on types of customers

Individual Home Builders, Dealers, Real Estate Developers and Infrastructure Companies.

IV. Employees

18. Details as at the end of Financial Year:

a. Employees and workers (including differently abled):

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	EMPLOYEES					
1	Permanent (D)	843	829	98.34	14	**1.66**
2	Other than Permanent (E)	46	39	84.78	7	**15.22**
3	**Total employees (D+E)**	**889**	**868**	97.64	**21**	**2.36**
	WORKERS					
4	Permanent (F)	682	682	100	-	**-**
5	Other than Permanent (G)	3,263	3,083	94.48	180	**5.52**
6	**Total workers (F + G)**	**3,945**	**3,765**	95.44	**180**	**4.56**

b. Differently abled Employees and workers:

S. No	Particulars	Total (A)	Male		Female	
			No. (B)	% (B/A)	No. (C)	% (C/A)
	DIFFERENTLY ABLED EMPLOYEES					
1	Permanent (D)	-	-	-	-	-
2	Other than Permanent (E)	-	-	-	-	-
3	**Total employees (D+E)**	-	-	-	-	-
	DIFFERENTLY ABLED WORKERS					
4	Permanent (F)	-	-	-	-	-
5	Other than Permanent (G)	-	-	-	-	-
6	**Total differently abled workers (F + G)**	-	-	-	-	-

19. Participation/ Inclusion/ Representation of women

	Total(A)	No. and percentage of Females	
		No. (B)	% (B/A)
Board of Directors	8	3	37.50
Key Management Personnel	3	-	-

Join the Green side

Go Green...
Keep our Planet clean

20. Turnover rate for permanent employees and workers

	FY 2022-23			FY 2021-22			FY 2020-21		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent Employees	14.91%	33.33%	**15.23%**	9.63%	37.50%	**10.15%**	17.99%	31.58%	**18.29%**
Permanent Workers	6.66%	-	**6.66%**	4.24%	100%	**4.38%**	2.88%	-	**2.88%**

V. <u>Holding, Subsidiary and Associate Companies (including joint ventures)</u>

21. (a) Names of holding/ subsidiary/ associate companies/ joint ventures

S. No.	Name of the holding/ subsidiary/ associate companies/ joint ventures (A)	Indicate whether holding/ Subsidiary/ Associate/ Joint Venture	% of shares held by listed entity	Does the entity indicated at column A, participate in the Business Responsibility initiatives of the listed Entity? (Yes/ No)
1	Cygnet Industries Limited	Wholly Owned Subsidiary	100.00	Yes
2	Gondkhari Coal Mining Ltd	Joint Venture	45.46	Yes

VI. <u>CSR Details</u>

22. (i) Whether CSR is applicable as per section 135 of Companies Act, 2013: **(Yes/ No): Yes**
(ii) Turnover (in Rs.): ₹ 3,533.75 crores
(iii) Net worth (in Rs.): ₹ 645.22 crores

VII. <u>Transparency and Disclosures Compliances</u>

23. Complaints/Grievances on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct:

Stakeholder group from whom complaint is received*	Grievance Redressal Mechanism in Place (Yes/ No) *(If Yes, then provide web-link for grievance redress policy)*	FY 2022-23			FY 2021-22		
		Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks	Number of complaints filed during the year	Number of complaints pending resolution at close of the year	Remarks
Communities	Yes, www.kesocorp.com	-	-	-	-	-	-
Investors (other than shareholders)		-	-	-	-	-	-
Shareholders		11	0	-	18	0	-
Employees and workers		-	-	-	-	-	-
Customers		-	-	-	-	-	-
Value Chain Partners		-	-	-	-	-	-
Other (please specify)		-	-	-	-	-	-

*Complaints/ Grievances received from stakeholders, other than shareholders, are not significant in nature and are resolved in a timely manner.

24. Overview of the entity's material responsible business conduct issues:

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications, as per the following format:

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
1	Environment & Sustainability	Risk	Relates largely to issues on pollution control and discharge of emissions. Not critical at the present stage but could become so as Regulations become stricter requiring much closer monitoring.	-This comprises risks associated with environmental pollution through the discharge of waste and hazardous emissions, which may cause damage to the local ecology and environment. -Various initiatives such as a) Water management b) Waste management c) Emission management and d) Energy management are taken up by the company by implanting sewage treatment plants, recycling of industrial waste water, and extensive plantation and creation of green belts to de-risk and protect the environment. Apart from a targeted reduction of CO2 emissions, company's risk mitigation strategy includes use of green energy, change in product mix, energy efficiency, use of alternative fuels and raw materials.	Negative
2	Local community involvement and social development	Opportunity	Maintaining healthy relationships with local communities has enabled the company to effectively contribute to social development and thus create foundation for a sustainable business.	- The Company continues to engage in CSR and social activities at all plants to create deeper bonds with the community at large. - At plant level, apprenticeship programmes are in practice with an objective to provide local villagers with vocational skills to improve employability. - Both plants provide primary and secondary schooling facilities to the local community.	Positive
3	Labour/ industrial relations	Risk	Maintaining stable relations with Labour Unions and addressing labour issues.	- The Company has recognised the role of Labour Unions and has fostered harmonious relations with the Union. - The Company is also taking proactive and timely steps to resolve issues that crop up from time to time.	Negative

S. No.	Material issue identified	Indicate whether risk or opportunity (R/O)	Rationale for identifying the risk/ opportunity	In case of risk, approach to adapt or mitigate	Financial implications of the risk or opportunity (Indicate positive or negative implications)
4	Mining	Risk	Limestone mining	-The Company has state-of-the-art environment-friendly and safe mining techniques, ensuring minimal disturbance to the people, land and environment. -Using Overland Belt Conveyor (OLBC) systems for transportation of limestone from the mines to the cement plant. -Ensuring mine rehabilitation and biodiversity protection post-mining is key aspects in company's mines planning and operations.	Negative
5	Health & Safety (Occupational Hazards)	Risk	Occupational hazards related to the Company's activities are biological hazards, psychosocial hazards and physical hazards.	The Company follows 'Zero tolerance' policy for safety breaches. The Company conducts business with only those vendors who qualify across all of our stringent safety parameters	Negative
6	Global regulations on curbing Green House Gas Emissions	Risk	Consumption of limestone and fossil fuels as part of the manufacturing process leads to release of carbon emissions.	Some of the initiatives identified by the company include: - Switching to waste heat recovery. - Optimizing energy consumption. - Carbon sequestration. - Optimizing clinker use.	Negative
7	Climate Change and Global Warming	Opportunity	Climate Change and global warming related risks includes risks pertaining to environmental norms and natural calamities triggered by climate change, as well as local and global level sustainability pressures.	Although this is a risk at present, it provides the Company a unique opportunity to shift to sustainable practices like exploring renewable energy, resource and fuel sources.	Positive

SECTION B: MANAGEMENT AND PROCESS DISCLOSURES

This section is aimed at helping businesses demonstrate the structures, policies and processes put in place towards adopting the NGRBC Principles and Core Elements.

P1 - Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.

P2 - Businesses should provide goods and services in a manner that is sustainable and safe.

P3 - Businesses should respect and promote the well-being of all employees, including those in their value chains.

P4 - Businesses should respect the interests of and be responsive to all its stakeholders.

P5 - Businesses should respect and promote human rights.

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

P7 - Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.

P8 - Businesses should promote inclusive growth and equitable development.

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

Disclosure Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
Policy and management processes									
1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
b. Has the policy been approved by the Board? (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
c. Web Link of the Policies, if available	Kesoram - Policies (kesocorp.com) Birla Shakti (birlashakticement.com)								
2. Whether the entity has translated the policy into procedures. (Yes/No)	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
3. Do the enlisted policies extend to your value chain partners? (Yes/No)	Yes	No	No	Yes	No	No	No	Yes	Yes
4. Name of the national and international codes/certifications/labels/ standards (e.g., Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g., SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle.	IS/ISO 9001, 14001, 18001, 45001 & 50001								
5. Specific commitments, goals and targets set by the entity with defined timelines, if any.	Commitments include reducing consumption of non-renewable power, Fuel and Green House Gas emissions by increasing usage of alternate fuels like plastic waste, carbon black etc., and also increasing the percentage of production of Portland Pozzolana Cement (PPC). The company is in the process of setting up time bound targets for achievement.								
6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met.	N.A.								
Governance, leadership and oversight									
7. Statement by Director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements (listed entity has flexibility regarding the placement of this disclosure). Sustainability remains our key focus area and we are continuously working towards addressing challenges around issues of climate and energy, environment, circular economy and community. We are diligently working towards the goals set for reducing carbon emissions, replacing traditional fuel sources with renewable energy, mindful management of water and waste and conservation of biodiversity.									

8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).	P. Radhakrishnan Whole-time Director & CEO DIN: 08284551
9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on sustainability related issues? (Yes/ No). If yes, provide details.	Yes, the business responsibility performance of the Company is assessed on a regular basis by the Senior Leadership Team comprising the Whole-time Director & CEO, Chief Financial Officer, Plant Heads, HR Head, Sales and Marketing Head and Procurement Head. Overall performance is assessed at least once a year by the Board.

10. Details of Review of NGRBCs by the Company:

<table>
<tr><th rowspan="2">Subject for Review</th><th colspan="9">Indicate whether review was undertaken by Director/ Committee of the Board/ Any other Committee</th><th colspan="9">Frequency
(Annually/ Half yearly/ Quarterly/ Any other – please specify)</th></tr>
<tr><td>P1</td><td>P2</td><td>P3</td><td>P4</td><td>P5</td><td>P6</td><td>P7</td><td>P8</td><td>P9</td><td>P1</td><td>P2</td><td>P3</td><td>P4</td><td>P5</td><td>P6</td><td>P7</td><td>P8</td><td>P9</td></tr>
<tr><td>Performance against above policies and follow up action.</td><td colspan="9">Whole-time Director & CEO</td><td colspan="9">Quarterly</td></tr>
<tr><td>Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliance.</td><td colspan="9">Whole-time Director & CEO</td><td colspan="9">Quarterly</td></tr>
</table>

<table>
<tr><td rowspan="2">11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency? (Yes/ No). If yes, provide name of the agency.</td><td>P1</td><td>P2</td><td>P3</td><td>P4</td><td>P5</td><td>P6</td><td>P7</td><td>P8</td><td>P9</td></tr>
<tr><td colspan="9">No</td></tr>
<tr><td colspan="10">12. If answer to question (1) above is “No” i.e., not all Principles are covered by a policy, reasons to be stated:</td></tr>
<tr><th>Questions</th><th>P1</th><th>P2</th><th>P3</th><th>P4</th><th>P5</th><th>P6</th><th>P7</th><th>P8</th><th>P9</th></tr>
<tr><td>The entity does not consider the Principles material to its business (Yes/No)</td><td colspan="9" rowspan="5">N.A.</td></tr>
<tr><td>The entity is not at a stage where it is in a position to formulate and implement the policies on specified principles (Yes/No)</td></tr>
<tr><td>The entity does not have the financial or/human and technical resources available for the task (Yes/No)</td></tr>
<tr><td>It is planned to be done in the next financial year (Yes/ No)</td></tr>
<tr><td>Any other reason (please specify)</td></tr>
</table>

SECTION C: PRINCIPLE WISE PERFORMANCE DISCLOSURE

Principle 1 - Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable

The Company has put in place a strong and transparent governance framework to instill and enforce ethical values in the Company's and its Subsidiary's overall culture and protect the interests of all stakeholders. To prevent unlawful practices, the Company Code of Conduct specifies objectives, duties and guidelines for employees as well as the senior management, which needs to be adhered to by all.

Essential Indicators

1. Percentage coverage by training and awareness programs on any of the principles during the financial year:

Segment	Total number of training and awareness programmes held	Topics/ principles covered under the training and its impact	Percentage of persons in respective category covered by the awareness programmes
Board of Directors	The Board of Directors and KMPs attended 10 Board Meetings and 14 Committee Meetings.	Material topics included but not limited to compliance and governance parameters, Business Growth and Strategy, Environment and Sustainability, Regulatory changes and Corporate Governance etc.,	**100.00**
Key Managerial Personnel			
Employees other than BoD and KMPs	137	Material topics include POSH, Health & Safety, Cleanliness, Career and Skill development, Environment related & Life cycle assessment.	**58.96**
Workers	183		**72.58**

2. Details of fines/ penalties/ punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors/ KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year, in the following format (Note: the entity shall make disclosures on the basis of materiality as specified in Regulation 30 of SEBI (Listing Obligations and Disclosure Obligations) Regulations, 2015 and as disclosed on the entity's website):

Monetary					
	NGRBC Principle	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Amount (INR)**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Penalty/ Fine	**N.A.**				
Settlement					
Compounding Fee					

Non-Monetary				
	NGRBC Principle	**Name of the regulatory/ enforcement agencies/ judicial institutions**	**Brief of the Case**	**Has an appeal been preferred? (Yes/No)**
Imprisonment	**N.A.**			
Punishment				

3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.

S. No.	Case details	Name of the regulatory/ enforcement agencies/ judicial institutions
N.A.		

4. Does the entity have an anti-corruption or anti-bribery policy? If yes, provide details in brief and if available, provide a web-link to the policy.

   This is covered in Company's Code of conduct for Directors and Senior Management and the same can be Viewed at – www.kesocorp.com/DOCS/pdf/mgc/code-of-conduct-for-directors-and-senior-management.pdf

5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption:

	FY 2022-23	FY 2021-22
Directors	**N.A.**	
KMPs		
Employees		
Workers		

6. Details of complaints with regard to conflict of interest

	FY 2022-23		FY 2021-22	
	Number	Remarks	Number	Remarks
Number of complaints received in relation to issues of Conflict of interest of the Directors	**Nil**		**Nil**	
Number of complaints received in relation to issues of Conflict of interest of the KMPs				

7. Provide details of any corrective action taken or underway on issues related to fines/ penalties/ action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest. **N.A.**

Principle 2 - Businesses should provide goods and services in manner that is sustainable and safe

Essential Indicators

1. Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.

	FY 2022-23	FY 2021-22	Details of improvements in environmental and social impacts
R & D	-	-	Investment in Pollution Control equipment & Energy saving technologies
Capex	18.88%	1.47%	

2. a. Does the entity have procedures in place for sustainable sourcing? (Yes/ No) - Yes

   b. If yes, what percentages of inputs were sourced sustainably?

   - The criteria for procurement of equipment are based upon resource efficiency, mainly comprising of but not limited to energy efficiency, fuel efficiency, emission control etc., The impact of the product/ services being procured is considered over its whole life cycle i.e., from cradle to grave, including giving due weightage to the disposal aspect also, e.g., e-waste/ hazardous waste is disposed off in an environmental friendly manner and no compromise, whatsoever, is made on the same.

- Procurement practices and selection criteria by the Company are focused on protection of environment, societal interest and cost-effective procurement seeking resources' efficiency, improving the quality of products and services and ultimately optimizing the cost.
- The Company believes that sustainability in logistics may be achieved by using less polluting and less fuel consuming transport options or selecting vendors who are close to the manufacturing locations. We fulfill our fuel requirement majorly by domestic fuel reducing import and saving on foreign currency.
- Around 38% of raw material used for production of cement is recycled from industrial waste (Fly Ash) which is sourced sustainably.

3. Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life, for (a) Plastics (including packaging) (b) E-waste (c) Hazardous waste and (d) other waste.

   The Company is committed to reducing waste and ensuring responsible disposal practices throughout its operations. To achieve this, it follows circularity principles at every stage of the product lifecycle, from manufacturing to end use. Some of the practices include:

   - Fly Ash (Other Waste) generated in the captive power plants is repurposed as an additive for blending with cement.
   - The Company has achieved plastic negativity by using Plastic Waste (plastic waste) from its manufacturing units as fuel in the kilns and sourcing additional plastic waste from local municipal corporations and industries for use as alternative fuel. These initiatives have resulted in lower consumption of natural resources, reduced environmental footprints, and curtailed emissions.
   - The hazardous waste (Oil Sludge) generated in the cement production process is sold to the registered recyclers or disposers.
   - The Company's products do not produce any E-waste. However, the E-waste produced during the office operations is sold to the registered recyclers.
   - By adopting these sustainable practices, the Company is contributing to the preservation of the environment and the promotion of a circular economy.

4. Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes/ No). If yes, whether the waste collection plan is in line with the Extended Producer Responsibility (EPR) plan submitted to Pollution Control Boards? If not, provide steps taken to address the same.

   Yes, Company Units have submitted Extended Producer Responsibility (EPR) action plans to Pollution Control Boards in line with the EPR guidelines.

Principle 3 - Businesses should respect and promote the well-being of all employees, including those in their value chains

Essential Indicators

1. a. Details of measures for the well-being of employees:

Category	% of employees covered by										
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent employees											
Male	829	824	**99.39**	829	**100.00**	-	-	824	**99.39**	-	-
Female	14	14	**100.00**	14	**100.00**	14	**100.00**	-	**-**	-	-
Total	**843**	**838**	**99.40**	**843**	**100.00**	**14**	**1.66**	**824**	**97.75**	**-**	**-**
Other than Permanent employees											
Male	39	17	**43.59**	39	**100.00**	-	-	17	**43.59**	-	-
Female	7	2	**28.57**	7	**100.00**	2	**28.57**	-	**-**	-	-
Total	**46**	**19**	**41.30**	**46**	**100.00**	**2**	**4.35**	**17**	**36.96**	**-**	**-**

b. Details of measures for the well-being of workers:

Category	% of workers covered by											
	Total (A)	Health insurance		Accident insurance		Maternity benefits		Paternity Benefits		Day Care facilities	
		Number (B)	% (B/A)	Number (C)	% (C/A)	Number (D)	% (D/A)	Number (E)	% (E/A)	Number (F)	% (F/A)
Permanent workers											
Male	682	682	**100.00**	682	**100.00**	-	-	682	**100.00**	-	-
Female	-	-	**-**	-	**-**	-	-	-	**-**	-	-
Total	**682**	**682**	**100.00**	**682**	**100.00**	**-**	**-**	**682**	**100.00**	**-**	**-**
Other than Permanent workers											
Male	3,083	131	**4.24**	2,418	**78.43**	-	-	-	-	-	-
Female	180	-	**-**	171	**95.00**	-	-	-	-	-	-
Total	**3,263**	**131**	**4.01**	**2,589**	**79.34**	**-**	**-**	**-**	**-**	**-**	**-**

The Company also provides various forms of medical assistance to employees, their families, and those living in surrounding villages. Each factory has a medical center with full-fledged doctors and the latest basic equipment.

2. Details of retirement benefits for Current FY 2022-23 and Previous FY 2021-22.

Benefits	FY 2022-23			FY 2021-22		
	No. of employees covered as a % of total employees	No. of workers covered as a % of total Workers	Deducted and deposited with the authority (Y/N/N.A.)	No. of employees covered as a % of total employees	No. of workers covered as a % of total workers	Deducted and deposited with the authority (Y/N/N.A.)
PF	100.00	100.00	Y	100.00	100.00	Y
Gratuity	100.00	100.00	Y	100.00	100.00	Y
ESI	1.07	15.39	Y	0.57	15.61	Y

3. Are the premises/ offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

   Yes. However, the Company had no differently abled employees and workers during the year.

4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016? If so, provide a web-link to the policy.

   Yes,3 Kesoram-equal-opportunity-policy.pdf (kesocorp.com)

5. Return to work and Retention rates of permanent employees and workers that took parental leave.

	Permanent employees		Permanent workers	
Gender	Return to work rate	Retention rate	Return to work rate	Retention rate
Male	Not Applicable			
Female				
Total				

6. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker? If yes, give details of the mechanism in brief. Is it identical for all categories?

	(If Yes, then give details of the mechanism in brief)
Permanent Workers	• There is a grievance resolution mechanism for employees and workers. • The mechanism involves receiving and addressing grievances raised by employees on various matters. • The personnel of HR department work towards finding amicable solutions by intervening and discussing the issues with the concerned parties.
Other than Permanent Workers	
Employees	
Other than Permanent Employees	

7. Membership of employees and workers in association(s) or Unions recognized by the listed entity:

	FY 2022-23			FY 2021-22		
Category	**Total employees/ workers in respective category(A)**	**No. of employees/ Workers in respective category, who are part of association(s) or Union (B)**	**% (B/A)**	**Total employees/ workers in respective category (C)**	**No. of employees/ Workers in respective category, who are part of association(s) or Union (D)**	**% (D/C)**
Total Permanent Employees	**843**	**-**	**-**	**877**	**-**	**-**
- Male	829	-	-	861	-	-
- Female	14	-	-	16	-	-
Total Permanent Workers	**682**	**682**	**100.00**	**730**	**730**	**100.00**
- Male	682	682	**100.00**	730	730	**100.00**
- Female	-	-	-	-	-	-

8. Details of training given to employees and workers:

Training is an important aspect of talent and skill development and the Company conducts various programmes to meet these requirements throughout the year. The Details are provided below:

Category	FY 2022-23					FY 2021-22				
	Total (A)	**On Health and safety measures**		**On Skill upgradation**		**Total (D)**	**On Health and safety measures**		**On Skill upgradation**	
		No. (B)	**% (B/A)**	**No. (C)**	**% (C/A)**		**No. (E)**	**% (E/D)**	**No. (F)**	**% (F/D)**
Employees										
Male	829	421	**50.78**	535	**64.54**	861	300	**34.84**	234	**27.17**
Female	14	3	**21.42**	3	**21.43**	16	1	**6.25**	1	**6.25**
Total	**843**	**424**	**50.30**	**538**	**63.82**	**877**	**301**	**34.32**	**235**	**26.80**
Workers										
Male	682	582	**85.34**	495	**72.58**	730	514	**70.41**	214	**29.31**
Female	-	-	**-**	-	**-**	-	-	**-**	-	**-**
Total	**682**	**582**	**85.34**	**495**	**72.58**	**730**	**514**	**70.41**	**214**	**29.31**

9. Details of performance and career developments reviews of employees and workers:

Performance reviews are conducted twice a year, along with yearly career development reviews. For workmen, performance and development reviews are conducted yearly and rewards are linked to skills and performance. The details are provided below:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. (B)	% (B/A)	Total (C)	No. (D)	% (D/C)
Employees						
Male	829	798	96.26	861	734	85.25
Female	14	12	85.71	16	14	87.50
Total	**843**	**810**	**96.09**	**877**	**748**	**85.29**
Workers						
Male	682	486	71.26	730	501	68.63
Female	-	-	-	-	-	-
Total	**682**	**486**	**71.26**	**730**	**501**	**68.63**

10. Health and safety management system:

a. Whether an occupational health and safety management system has been implemented by the entity? (Yes/ No). If yes, the coverage such system?

Yes, IS/ISO 45001:2018 Occupational Health & Safety Management system has been implemented. A safety and health management system is part of the Organization's management system which covers:

- Health and safety work organization and policy in a company
- Planning process for accident and ill health prevention
- Line management responsibilities and
- Practices, procedures and resources for developing and implementing, reviewing and maintaining the occupational safety and health policy.

Also, Occupational Health & safety management system is integrated with ISO 45001:2018

b. What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?

- To enhance safety management system and to assess the risk of the activities to be executed, the Company follows the Group Risk assessment procedures for each and every activity accordingly to reduce the risk level by risk assessment matrix, and identify the control measures so as to bring the risk level to ALARP. (As Low as Reasonably Practicable)
- Hazard Identification & Risk Assessment (HIRA) has been done in various activities in the plants and hazards are identified and Safe operating procedures are prepared section wise and implemented.

c. Whether you have processes for workers to report the work-related hazards and to remove themselves from such risks. **(Y/N)**

Yes, safety suggestion boxes are kept at convenient location with reporting formats. A single form is developed which includes Near Miss, Safety Suggestion, Unsafe Act & Unsafe Condition and are segregated in above four categories and also rewards for reporting near miss, safety suggestion and at least five unsafe conditions during monthly safety gate meeting.

d. Do the employees/ workers of the entity have access to non-occupational medical and health care services? ***(Yes/ No)***

Yes, the Company has ensured access to non-occupational medical and health care services by insuring different categories of employees under variety of medical insurances (Mediclaim Coverages, ESI & GPA etc) and schemes run by Government and other agencies.

11. Details of safety related incidents, in the following format:

Safety Incident/ Number	Category	FY 2022-23	FY 2021-22
Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked)	Employees	0.74	0.86
	Workers	0.75	1.10
Total recordable work related injuries	Employees	1	-
	Workers	-	2
No. of fatalities	Employees	-	-
	Workers	2	-
High consequence work-related injury or ill-health (excluding fatalities)	Employees	-	-
	Workers	-	-

12. Describe the measures taken by the entity to ensure a safe and healthy work place.

    The Company has implemented the following steps to ensure a safe and healthy workplace:

    - Organizing various safety trainings and awareness programmes across operations like mock drills for fire safety, maintenance of safety data sheet, work at confined spaces and mining safety, etc. Trainings on lifting tools and tackles, power tools, electrical safety, road safety, railway safety and behavior-based safety, work at height safety are provided by the Company.
    - The Company has safety team to monitor the activities to ensure all safety protocols are followed.
    - Comprehensive safety audit conducted by a third party agency M/s National Safety council Mumbai, M/s National Safety council Karnataka Chapter & M/s Green Circle Inc Gujarat for cement & power plants and as per the observations made by agencies all corrective measures are taken.
    - Risk assessment for all identified tasks are done and based on the risk score rating, 'SOP's are prepared for respective task/ operation. It is being ensured by regular audit and inspection that all control measures are in place and SOP's are adhered to strictly by individuals concerned.
    - Training and Education- 18 job specific training modules are developed to educate workers and in addition to this safety DVD from M/s-DuPont Safety Solution is procured for audio video training program.
    - SCAR-Safety Corrective Action Request system is implemented to ensure that all plant sections are being inspected to identify unsafe conditions. After inspection in a prescribed time frame corrective actions are taken by concerned section in-charges.

13. Number of Complaints on the following made by employees and workers:

	FY 2022-23			FY 2021-22		
	Filed during the year	Pending resolution at the end of year	Remarks	Filed during the year	Pending resolution at the end of year	Remarks
Working Conditions	-	-	-	-	-	-
Health & Safety	-	-	-	-	-	-

14. Assessment for the year:

	% of your plants and offices that were assessed (by entity or statutory authorities or third parties)
Health and safety practices	100% of the plants are under ISO 45001 Management System where working conditions and safety are constantly assessed by third parties.
Working Conditions	

15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks/ concerns arising from assessments of health & safety practices and working conditions.

Description of issues	Modification/ Improvement/ Corrective action taken
Gypsum belt was installed at unit-4 to transfer gypsum from coal yard to gypsum shed. During belt operation huge ambient dust emitted.	Modification done at transfer tower, chute and inside cladding done at tail end. Also curtain provided inside the gypsum shed.
Pedestrians are entering the main road ways as no barrier between the pedestrians' path ways and main road and also violation of traffic rules	MS Pipe Hand railing at outer face of Pedestrians' path way so that no one can cross the barrier between the pedestrians' path ways and main road
Difficulty in moving the HEME (Heavy Earth Moving Equipment)/Crane/ Dumpers/ Trucks Etc. due to less gap around the crossing road / median (<11 Mtrs) near ADM building crossing.	We have widened the divider span from 11 Mtrs. to 14 Mtrs. to facilitate easy vehicular movement.

Principle 4 - Businesses should respect the interests of and be responsive to all its stakeholders

Essential Indicators

1. Describe the processes for identifying key stakeholder groups of the entity.

   Any individual or group of individuals or institution that adds value to the business chain of the cCompany is identified as a stakeholder. This inter alia includes communities, employees & workers, shareholders & lenders, investors (other than shareholders), customers, suppliers & contractors, government & regulatory authorities and others.

2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group

Stakeholder Group	Whether identified as vulnerable & marginalised group (Yes/ No)	Channels of communication (E-mails, SMS, Newspapers, Pamphlets, advertisements, Community Meetings, Notice Board, Website, Others)	Frequency of engagement (Annually, Half yearly, Quarterly/ Others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Communities	No	Community Visits, meetings & Surveys	Periodic	To help benefit communities in the areas surrounding the Company's operations by livelihood opportunities through various CSR initiatives by the Company.
Investors (other than shareholders)	No	Written and Verbal Communication by way of Phone call, Email, Letter, Notice of Board Meeting, Earning calls on financials from time to time, Newspaper Advertisements & Websites of Company & Stock Exchanges.	Annually and Quarterly on Financial Results and others from time to time	Business updates, financial performances and Compliances on financial covenants.
Shareholders & lenders	No	Written and Verbal Communication by way of Phone call, Email, Letter, Notice of Board Meeting, Earning calls on financials from time to time, Newspaper Advertisements & Websites of Company & Stock Exchanges.	Annually and Quarterly on Financial Results and others from time to time	Business updates, financial performance and compliances with norms

Stakeholder Group	Whether identified as vulnerable & marginalised group (Yes/ No)	Channels of communication (E-mails, SMS, Newspapers, Pamphlets, advertisements, Community Meetings, Notice Board, Website, Others)	Frequency of engagement (Annually, Half yearly, Quarterly/ Others- please specify)	Purpose and scope of engagement including key topics and concerns raised during such engagement
Employees and workers	No	Written and Verbal Communication by way of E-mail and phone call	Daily	Employee engagement is an on-going exercise conducted throughout the year.
Customers	No	Company website, Phone call & Email, Surveys & Grievance Redressal.	Periodic	Business updates & Engagement of dealers.
Suppliers & contractors	No	Review Meetings & Vendor Interactions	Periodic	Engagement with the suppliers and contractors for developing long term business relationships.
Government & regulatory authorities	No	Annual/ Quarterly reports, Monthly and as when regulatory filings.	Annually/ Quarterly/ Monthly and as and when required.	Good governance practice, Regulatory compliance, Environmental compliances.

Principle 5 - Businesses should respect and promote human rights

Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy (ies) of the entity in the following format:

Category	FY 2022-23			FY 2021-22		
	Total (A)	No. of employees/ workers covered (B)	% (B/A)	Total (C)	No. of employees/ workers covered (D)	% (D/C)
Employees						
Permanent	843	71	8.42	877	95	10.83
Other than permanent	46	19	41.30	36	18	50.00
Total Employees	**889**	**90**	**10.12**	**913**	**113**	**12.38**
Workers						
Permanent	682	88	12.90	730	-	-
Other than permanent	3,263	-	-	3,118	-	-
Total Workers	**3,945**	**88**	**2.23**	**3,848**	**-**	**-**

2. Details of minimum wages paid to employees and workers in the following format:

Category	FY 2022-23						FY 2021-22			
	Total (A)	Equal to Minimum Wage		More than Minimum Wage		Total (D)	Equal to Minimum Wage		More than Minimum Wage	
		No. (B)	% (B/A)	No. (C)	% (C/A)		No. (E)	% (E/D)	No. (F)	% (F/D)
Employees										
Permanent										
Male	829	1	0.12	828	99.88	861	1	0.12	860	99.88
Female	14	-	-	14	100.00	16	-	-	16	100.00
Other Than Permanent										
Male	39	-	-	39	100.00	16	-	-	16	100.00
Female	7	-	-	7	100.00	2	-	-	2	100.00
Workers										
Permanent										
Male	682	5	0.73	677	99.27	730	9	1.23	721	98.77
Female	-	-	-	-	-	-	-	-	-	-
Other Than Permanent										
Male	3,083	1,679	54.46	1,404	45.54	2,934	1,611	54.91	1,323	45.09
Female	180	172	95.56	8	4.44	184	173	94.02	11	5.98

3. Details of remuneration/ Salary/ wages, in the following format: The employees and workers are as per Payroll record as on March 31 2023

Particulars	Male		Female	
	Number	Median remuneration/ Avg salary/ wages of respective category (₹)	Number	Median remuneration/ Avg salary/ wages of respective category (₹)
Board of Directors (BOD)	5	1,16,80,000	3	12,13,333
Key Managerial Personnel	2	2,08,45,000	-	-
Employees other than BoD and KMP	826	12,77,935	14	12,89,072
Workers	682	5,24,129		

4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business? **(Yes/ No)**.

   Yes, HR heads of the respective units are responsible for addressing the issues.

5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

   All grievances are addressed as and when received by the respective Unit Heads/ Departmental Heads in coordination with personnel of HR department. All the grievances received are duly investigated and appropriate actions are taken to resolve the issue/complaint.

6. Number of Complaints on the following made by employees and workers:

	2022-23			2021-22		
	Filed during the year	Pending resolution at the end of the year	Remarks	Filed during the year	Pending resolution at the end of the year	Remarks
Sexual Harassment	-	-	-	-	-	-
Discrimination at workplace	-	-	-	-	-	-
Child Labour	-	-	-	-	-	-
Forced Labour/ Involuntary Labour	-	-	-	-	-	-
Wages	-	-	-	-	-	-
Other Human rights related Issues	-	-	-	-	-	-

7. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

   The Company aims to provide a safe working environment and prohibits any form of discrimination/ harassment or related retaliation against or by any employee and worker. We have policies which intend to prohibit such occurrences and ensure that there are no adverse consequences when an employee/ worker reports a complaint on discrimination or harassment.

8. Do human rights requirements form part of your business agreements and contracts? **(Yes/No)**

   Yes, in certain business agreements and contracts where relevant.

9. Assessment for the year:

Particulars	% of the Company's plants and offices that were assessed (by the Company or statutory authorities or third parties)
Sexual Harassment	**100%.** The Company undertook internal assessment through its Health & Safety, HR and Internal Audit functions.
Discrimination at workplace	
Child Labour	
Forced Labour/Involuntary Labour	
Wages	
Other issues	

10. Provide details of any corrective actions taken or under way to address significant risks/ concerns arising from the assessments at Question 9 above.

    No significant risks/ concerns.

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

Essential Indicators

1. Details of total energy consumption (in Joules or multiples) and energy intensity, in the following format:

Parameter	FY 2022-23	FY 2021-22
Total electricity consumption (A)	1,777.78 (TJ)	1,847.88 (TJ)
Total fuel consumption (B)	19.75 (TJ)	20.96 (TJ)
Energy consumption through other sources (C)	-	-
Total energy consumption (A+B+C)	**1,797.53 (TJ)**	**1,867.84 (TJ)**
Energy intensity per rupee of turnover. (Total energy consumption/ turnover in rupees) energy in TJ/ Turnover in Crores INR	0.51	0.53
Energy intensity (optional)– the relevant metric may be selected by the entity	-	-

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency - No

2. Does the entity have any sites/ facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India? (Y/N) If yes, disclose whether targets set under the PAT scheme have been achieved. In case targets have not been achieved, provide the remedial action taken, if any.

   Yes, 2 DCs under PAT Cycle - I and 2 DCs under PAT Cycle- II have been identified as Designated Consumers (DC's) under Performance, Achieve and Trade (PAT) Scheme of the Government of India. Bureau of Energy Efficiency (BEE) and Ministry of Power have confirmed E-certificates for the integrated unit covered under each of the PAT Cycle and the DCs have achieved the targets.

3. Provide details of the following disclosures related to water in the following format:

Parameter	FY 2022-23	FY 2021-22
Water withdrawal by source (in kiloliters)		
(i) Surface water	**28,33,291**	**31,27,479**
(ii) Groundwater	**-**	**-**
(iii) Third party water	-	-
(iv) Seawater / desalinated water	**-**	**-**
(v) Others	**-**	**-**
Total volume of water withdrawal (In kiloliters) (i + ii + iii + iv + v)	**28,33,291**	**31,27,479**
Total volume of water consumption (In kiloliters)*	**28,33,291**	**31,27,479**
Water intensity per rupee of turnover (Water consumed / turnover)	**0.000080**	**0.000088**
Water intensity (optional) – the relevant metric may be selected by the entity	**-**	**-**

*Water consumption is at gross level, without adjusting water recycled and reused in dust suppression and horticulture.

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency - No.

4. Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.
   - Yes, the Company's manufacturing units are compliant with Zero Liquid Discharge.
   - Company units have been provided full-fledged sewage treatment plant (STP) for treatment of plant & colony sewage water, Treated water is being utilized for green belt development/ plantation.
   - Waste water generated at power plant is treated and reused for cooling purposes in cement plants and gardening. The sludge drying bed is connected by a pipe line to sump house for recirculation. The treated effluent from clarifier is collected in a tank led by pressure sand filter and chlorinator where the traces of suspended solids are removed and then chlorinated. The treated sewage is being used on gardening and meeting the standards specified by Karnataka State Pollution Control Board.
   - The Company utilises the sump developed in the mine pit for storage of rainwater for later use in the process during the lean period.
5. Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:*

Plant Location: Sedam unit

Parameter	Please specify unit	FY 2022-23	FY 2021-22
NOX Cement Plant Power Plant	Avg Mg/Nm3	516.30 232.10	356.80 195.00
SOX Cement Plant Power Plant	Avg Mg/Nm3	20.80 243.60	22.80 402.60
Particulate matter (PM) Cement Plant Power Plant	Avg Mg/Nm3	22.40 11.60	20.50 23.60
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others– please Specify	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency - Yes, Confederation of Indian Industry – Hyderabad.

Plant Location: Basant Nagar

Parameter	Please specify unit	FY 2022-23	FY 2021-22
NOX Cement Plant Power Plant	Avg Mg/Nm3	193.84 138.53	188.54 151.42
SOX Cement Plant Power Plant	Avg Mg/Nm3	28.43 149.60	27.55 147.43
Particulate matter (PM) Cement Plant Power Plant	Avg Mg/Nm3	20.39 42.56	18.98 38.48
Persistent organic pollutants (POP)	-	-	-
Volatile organic compounds (VOC)	-	-	-
Hazardous air pollutants (HAP)	-	-	-
Others– please Specify	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency - Yes, Confederation of Indian Industry, Hyderabad.

*Note: As the manufacturing processes at both the plants are different, combining parameters for presentation of data on air emissions at the entity level will not represent a true picture. Hence, the data is presented individually for each of the manufacturing units.

6. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	Unit	FY 2022-23	FY 2021-22
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 Equivalent	49,05,796	52,71,866
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs, SF6, NF3, if available)	Metric tonnes of CO2 Equivalent	57,911	8,850
Total Scope 1 and Scope 2 emissions per rupee of Turnover	-	0.14	0.15
Total Scope 1 and Scope 2 emission intensity (optional) – the relevant metric may be selected by the entity	-	-	-

Note: Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency - Yes, Confederation of Indian Industry, Hyderabad.

7. Does the entity have any project related to reducing Green House Gas emission? If yes, then provide details.

   Yes. The Company is committed to reducing its carbon footprint. In order to reduce Greenhouse gas emissions, the Company has taken major initiatives such as Installation of Multichannel Burner for Kilns and Proposal for Installation of Solar Power plant. It has also adopted processes such as replacing traditional fuel with alternative fuel, improving energy efficiency and using industrial waste as raw material. The Company has designated a green belt development site for afforestation and has planted & harvested 14,91,807 samplings. The afforestation activities are taken up within the plant, mine, and colony premises.

8. Provide details related to waste management by the entity, in the following format:

Parameter	FY 2022-23	FY 2021-22
Total Waste generated (in metric tonnes)		
Plastic waste ***(A)***	6,316.07	7,212.12
E-waste ***(B)***	2.42	8.30
Bio-medical waste ***(C)***	0.44	0.45
Construction and demolition waste ***(D)***	-	-
Battery waste ***(E)***	7.52	7.37
Radioactive waste ***(F)***	-	-
Other Hazardous waste. Please specify, if any.***(G)***	1,17,953.24	1,79,783.43
Other Non-hazardous waste generated ***(H)***. Please specify, if any. (Break-up by composition i.e. by materials relevant to the sector)	-	-
Total (A+B + C + D + E + F + G + H)	**1,24,279.69**	**1,87,011.67**
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	-	-
(ii) Re-used	1,05,603.64	1,77,250.05
(iii) Other recovery operations	-	-
Total	**1,05,603.64**	**1,77,250.05**

Parameter	FY 2022-23	FY 2021-22
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	-	-
(ii) Land filling	-	-
(iii) Other disposal operations	41.87	47.70
Total	**41.87**	**47.70**

Note: Indicate if any independent assessment/ evaluation/ assurance has been carried out by an external agency? (Y/N) If yes, name of the external agency - No.

9. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

   The Company always strives to replace hazardous and toxic chemicals in its products with eco-friendly alternatives. As such, our products do not use any hazardous and toxic chemicals. Some solid waste gets generated from utilities and offices as well as colonies, the management of which is undertaken as detailed below:

   - There is not much process waste generated from cement manufacturing operations, the Company re-uses the fly ash and bottom ash generated from its captive power plants.
   - Cement manufacturing processes do not use any kind of hazardous or toxic chemicals, whereas it co-processes various hazardous as well as toxic materials of other industries (i.e., Plastic waste) in the cement kilns which is a best proven and scientific method to dispose of such materials without harming the environment. The Company has a tie-up with the government of Goa to procure waste for this purpose. Sedam plant is the first in India to install Hot Disc technology to help utilise and manage waste.
   - Trained personnel from Stores Department routinely collect electronic waste from various user departments and stores it in separate containers as part of their standard processes. Subsequently, this waste is sold to third-party buyers through electronic auctions based on standard accumulation practices.

10. If the entity has operations/ offices in/ around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals/ clearances are required, please specify details in the following format:

S. No.	Location of operations/ offices	Type of operations	Whether the conditions of environmental approval / clearance are being complied with? (Y/N) If no, the reasons there of and corrective action taken, if any.
N.A.			

11. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes / No)	Relevant Web link
N.A.					

12. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection Act and Rules thereunder (Y/N). If not, provide details of all such non-compliances, in the following format: Yes

Principle 7 - Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent

Essential Indicators

1. a. Number of affiliations with trade and industry chambers/ associations.

   The Company is affiliated with many trade and industry chambers/ associations to ensure a collaborative environment that helps us to access knowledge, build a network, improve our reputation, advertise, educate, market, and lobby the government for policy changes that helps business and the society.

   b. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

S. No.	Name of the trade and industry chambers/ associations	Reach of trade and industry chambers/ associations (State/National)
1	Indian Chamber of Commerce	National
2	Merchants Chamber of Commerce and Industry	National
3	Bharat Chamber of Commerce	National
4	The Associates Chambers of Commerce Industry of India	National
5	Federation of Indian Chambers of Commerce & Industry	National
6	Confederation of Indian Industry	National

2. Provide details of corrective action taken or underway on any issues related to anti- competitive conduct by the entity, based on adverse orders from regulatory authorities.

Name of authority	Brief of the case	Corrective action taken
	NIL	

Principle 8 - Businesses should promote inclusive growth and equitable development

Essential Indicators

1. Details of Social Impact Assessments (SIA) of projects undertaken by the entity based on applicable laws, in the current financial year.

Name and brief details of project	SIA Notification No.	Date of notification	Whether conducted by independent external agency (Yes / No)	Results communicated in public domain (Yes/ No)	Relevant Web link
		N.A.			

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity, in the following format:

S. No.	Name of Project for which R&R is ongoing	State	District	No. of Project Affected Families (PAFs)	% of PAFs covered by R&R	Amounts paid to PAFs in the FY (in INR)
			N.A.			

3. Describe the mechanism to receive and redress grievances of the community.

   The Company has a policy on grievance redressal mechanism covering all its stakeholder, which interalia includes communication channels for raising grievance, response times, escalation mechanism etc.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers:

	FY 2022-23	FY 2021-22
Directly sourced from MSMEs/ small producers	10.28	17.03
Sourced directly from within the district and neighboring districts	22.86	18.36

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

Essential Indicators

1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

   The Company has a dedicated technical services team which interacts directly with the customers, educating them about the technical services. Any customer complaint related to Quality issues are addressed by the technical team at field level only and escalated to PQC department if required.

2. Turnover of products and/ services as a percentage of turnover from all products/service that carry information about:

	As a percentage to total turnover
Environmental and social parameters relevant to the product	The Company's products confirm 100% to all applicable statutory parameters.
Safe and responsible usage	
Recycling and/or safe disposal	

3. Number of consumer complaints in respect of the following:

	FY 2022-23			FY 2021-22		
	Received during the year	Pending resolution at end of year	Remarks	Received during the year	Pending resolution at end of year	Remarks
Data privacy	-	-	-	-	-	-
Advertising	-	-	-	-	-	-
Cyber- security	-	-	-	-	-	-
Delivery of essential services	-	-	-	-	-	-
Restrictive Trade Practices	-	-	-	-	-	-
Unfair Trade Practices	-	-	-	-	-	-
Other (product related)	-	-	-	-	-	-

4. Details of instances of product recalls on account of safety issues:

	Number	Reasons for Recall
Voluntary recalls	-	-
Forced recalls	-	-

5. Does the entity have a framework/ policy on cyber security and risks related to data privacy? (Yes/ No) If available, Provide a web-link of the policy - Yes, *www.birlashakticement.com*.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty/ action taken by regulatory authorities on safety of products/ services.

   Since there were no complaints, there was no need for any corrective action. We always strive to ensure that the best quality products are delivered to our customers and ensure that all feedback from our stakeholders is considered in our business processes. All communications have necessary disclaimer as per Advertising Standard Council of India (ASCI) and Bureau of Indian Standard (BIS) guidelines.

Leadership Indicators

1. Channels/ platforms where information on products and services of the entity can be accessed (provide web link, if available).

   The Company's business offerings can be found on the websites:

   Birla Shakti (birlashakticement.com) & Kesoram Cement (kesocorp.com)

2. Steps taken to inform and educate consumers about safe and responsible usage of products and/or services.

   All businesses of the Company comply with the regulations and relevant voluntary codes concerning marketing communications, including advertising and promotion. The Company's communications are aimed at enabling consumers to make informed purchase decisions.

3. Mechanisms in place to inform consumers of any risk of disruption/ discontinuation of essential services.

   We do not fall under Essential Services Maintenance.

4. Does the entity display product information on the product over and above what is mandated as per local laws? **(Yes/ No/ Not Applicable)** If yes, provide details in brief.

   The Company displays product information as mandated by Bureau of Indian Standards.

   Did your entity carry out any survey with regard to consumer satisfaction relating to the major products/ services of the entity, significant locations of operation of the entity or the entity as a whole? **(Yes/No)**.

   Yes. Sales force does this on a regular basis during their market visits, to serve customers better.

5. Provide the following information relating to data breaches:

   a. Number of instances of data breaches along-with impact.

      NIL

   b. Percentage of data breaches involving personally identifiable information of customers.

      NIL

Manjushree Khaitan
Chairman
DIN: 00055898

P Radhakrishnan
Whole-time Director and Chief Executive Officer
DIN: 08284551

Kashi Prasad Khandelwal
Director
DIN: 00748523

Sudip Banerjee
Director
DIN: 05245757

Jikyeong Kang
Director
DIN: 08045661

Mangala Radhakrishna Prabhu
Director
DIN: 06450659

Lee Seow Chuan
Director
DIN: 02696217

Satish Narain Jajoo
Director
DIN: 07524333

Place: Kolkata
Date: 28 April 2023

ANNEXURE III

REPORT ON CORPORATE GOVERNANCE

FOR THE YEAR ENDED 31ST MARCH, 2023

1. **GOVERNANCE PHILOSOPHY**

   The Company's philosophy on governance is structured on principles and practices that seek to impart fairness, transparency and ethical conduct in dealings with stakeholders.

2. **BOARD OF DIRECTORS**

   i) **Composition of the Board as on 31st March, 2023 together with Directorships, Committee positions held in other Companies and Company's shares held as on that date:**

   As on 31st March, 2023, the Company had eight Directors, five Non-Executive Independent Directors, two Non-Executive Non-Independent Directors and one Whole-time Director. The composition of the Board complies with the provisions of the Companies Act, 2013 ("the Act") and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations").

   Details of Board composition are as follows:

Directors	Designation	Category	No. of other Directorships*	No. of Independent Directorships held in Listed Companies *	No. of other Board Committees # (of Companies*)		Number of Equity Shares held in the Company
					As Member	As Chairman	
Manjushree Khaitan	Chairman	Non-executive Non-Independent	3	0	2	0	10,69,723
Kashi Prasad Khandelwal	Director	Non-executive Independent	5	3	3	4	Nil
Sudip Banerjee	Director	Non-executive Independent	2	1	0	0	Nil
Lee Seow Chuan	Director	Non-executive Independent	0	0	0	0	Nil
Jikyeong Kang	Director	Non-executive Non Independent	0	0	0	0	Nil
Mangala Radhakrishna Prabhu	Director	Non-executive Independent	7	4	2	4	Nil
Satish Narain Jajoo	Director	Non-executive Independent	0	0	0	0	507
P. Radhakrishnan	Whole-time Director & CEO	Executive	0	0	0	0	615

** Excludes Kesoram Industries Limited, Private Companies, Companies registered under Section 8 of the Act and foreign companies.*

 # Only two Committees viz. the Audit Committee and the Stakeholders' Relationship Committee have been considered for this purpose in terms of Regulation 26(1)(b) of the LODR Regulations.

None of the Directors of the Company were related to one another as per the provisions of the Act.

Engagement of Dealers beyond sales

Engagement of Dealers beyond sales

ii) Directorships in other listed entities held by Directors as at 31st March, 2023:

Name of the Directors	Name of Listed Entities	Category
Manjushree Khaitan	Birla Tyres Ltd @	Non Executive Non Independent Director
Kashi Prasad Khandelwal	GPT Infraprojects Ltd.	Non Executive Independent Director
	LIC Housing Finance Ltd.	Non Executive Independent Director
	Birla Tyres Ltd@	Non Executive Independent Director
Sudip Banerjee	IFB Industries Ltd.	Non Executive Non Independent Director
	L&T Technology Services Ltd.	Non Executive Independent Director
Lee Seow Chuan	Nil	N.A.
Jikyeong Kang	Nil	N.A.
Mangala Radhakrishna Prabhu	Siyaram Silk Mills Limited	Non Executive Independent Director
	Ladderup Finance Limited	Non Executive Independent Director
	Aspira Pathlab & Diagnostics Ltd.	Non Executive Independent Director
Satish Narain Jajoo	Nil	N.A.
P. Radhakrishnan	Nil	N.A.

@ Birla Tyres Limited being under the purview of the Insolvency & Bankruptcy Code, 2016, the powers of its Board stand suspended under Section 17 of the Code.

iii) List of core skills/ expertise/ competencies required in the Company's Board to enable effective functioning and those actually available with individual Board Members:

The Board identifies the following core skills/ expertise/ competencies that it perceives it ought to have in the process of governance of the Company. It is further of the view that as a whole it possesses these skills/ expertise/ competencies and applying them in governance

Skill Sets / Directors	Manjushree Khaitan	Kashi Prasad Khandelwal	Sudip Banerjee	Lee Seow Chuan	Jikyeong Kang	P. Radhakrishnan	Mangala Radhakrishna Prabhu	Satish Narain Jajoo
Strategizing capability	✓	✓	✓	✓	✓	✓	✓	✓
Capacity to identify risks and macro level concerns in the Company.	✓	✓	✓	✓	✓	✓	✓	✓
Aptitude in the arenas of finance, control, information technology and governance mechanisms so as to be able to examine and analyse these areas in the context of the Company's requirements and be in a position to determine gaps in the Management thought process or the approach to it.	✓	✓	✓	✓	✓	✓	✓	✓
Ability to judge the degree of adroitness and clear thinking that go into taking business decisions taken by the Management, identify discontinuities and anomalies, critique such decisions where necessary and thereafter direct initiation of the required action as deemed best under the circumstances.	✓	✓	✓	✓	✓	✓	✓	✓

Skill Sets \ Directors	Manjushree Khaitan	Kashi Prasad Khandelwal	Sudip Banerjee	Lee Seow Chuan	Jikyeong Kang	P. Radhakrishnan	Mangala Radhakrishna Prabhu	Satish Narain Jajoo
Encouraging diversity in methodologies of governing the Company, looking at operational and related constraints and suggesting ways forward.	✓	✓	✓	✓	✓	✓	✓	✓
Ability to engage in a healthy and cogent debate within itself (including in Board Committees) on various governance processes with the objective of finding solutions to issues affecting the Company.	✓	✓	✓	✓	✓	✓	✓	✓

iv) Attendance of Directors at Meetings held during the Year:

Ten Board Meetings were held during the Financial Year ended 31st March, 2023 on 11th April, 2022, 12th May, 2022, 13th May, 2022, 17th June, 2022, 15th July, 2022, 11th August, 2022, 25th August, 2022, 15th October, 2022, 8th November, 2022 and 16th January, 2023. The attendance of each Director at these Meetings and at the 103rd Annual General Meeting ("AGM") held on 17th June, 2022 were as follows:

Members	Attendance	
	No. of Board Meetings	AGM
Manjushree Khaitan	9	Yes
Kashi Prasad Khandelwal	10	Yes
Sudip Banerjee	10	Yes
Lee Seow Chuan	9	Yes
Jikyeong Kang	10	Yes
Mangala Radhakrishna Prabhu	9	Yes
Satish Narain Jajoo	10	Yes
P. Radhakrishnan	10	Yes

v) Remuneration and Sitting Fees paid to Directors during the year:

S. No.	Name of the Directors	Sitting fees paid for (₹ in lakhs)	
		Board Meetings	Committee Meetings*
1	Manjushree Khaitan @	9.00	-
2	Kashi Prasad Khandelwal	10.00	8.00
3	Sudip Banerjee	10.00	7.60
4	Lee Seow Chuan #	9.00	8.00
5	Jikyeong Kang #	10.00	7.20
6	Mangala Radhakrishna Prabhu	9.00	1.60
7	Satish Narain Jajoo	10.00	0.80
8	P. Radhakrishnan ^	-	-
	Total	**67.00**	**33.20**

@ Relinquished her fees for the FY 2021-22.

** Includes non-statutory Committees of the Company as well as Meeting of Independent Directors.*

^ Sitting fee is not payable to Whole-Time Directors.

 # Exclusive of Income Tax borne on the fees paid by the Company.

No Commission was paid to the Directors during the Financial Year 2022-23.

P. Radhakrishnan was re-appointed a Whole-time Director, for a further term of three years effective 8th August, 2022 at the Annual General Meeting held on 17th June, 2022. The total remuneration paid to him during the Financial Year 2022-23 is as under:

Particulars	**Amount paid** ₹ / Lakhs
Gross Salary:	
(a) Salary [Section 17(1) of Income Tax Act, 1961]	498.10
(b) Value of perquisites	12.34
(c) Others : Contribution to Provident Fund and Superannuation Fund	10.80
Total	**521.24**

Apart from the above, no other pecuniary relationships (including stock options) or transactions vis-a-vis the Company existed with any Director during the year.

vi) **Code of Conduct:**

The Company has a Code of Conduct applicable to all Board Members and Senior Management Staff for avoidance of conflict of interest between each of these individuals and the Company. Each Board Member and Senior Management staff have declared his/her compliance with the Code of Conduct as at 31st March, 2023.

There were no materially significant transactions during the year with Board Members and Senior Management, including their relatives that had or could have had a potential conflict of interest with the Company.

The Code of Conduct is accessible on the web link *https://www.kesocorp.com/DOCS/pdf/mgc/code-of-conduct-for-directors-and-senior-management.pdf*.

3. **AUDIT COMMITTEE**

i) **Terms of Reference**

The Audit Committee has been mandated with the same terms of reference as envisaged in Section 177 of the Act and in Regulation 18 of the LODR Regulations.

ii) **Composition**

Members of the Audit Committee as on March 31, 2023 comprised of three Non-Executive Independent Directors and one Non-Executive Non-Independent Director. Kashi Prasad Khandelwal is the Chairman of the Committee.

Six Meetings were held during the financial year ended 31st March, 2023 on 11th April, 2022, 12th May, 2022, 15th July, 2022, 25th August, 2022, 15th October, 2022 and 16th January, 2023.

The composition of the Committee and attendance of each Member at Meetings were as follows:

Members	**No. of Meetings attended**
Kashi Prasad Khandelwal, Chairman	6
Sudip Banerjee, Member	6
Lee Seow Chuan, Member	6
Jikyeong Kang, Member	6

The quorum for an Audit Committee Meeting is two Members personally present. The Company Secretary acts as the Secretary to the Audit Committee.

The Statutory Auditors, Internal Auditors and the Trustee for the Debenture Holders are permanent invitees to Audit Committee Meetings held to recommend the Company's periodical financial statements to the Board. The Whole-time Director, Business Heads and Members of the Company's Senior Management also attend these Meetings as invitees. The Cost Auditors attend when their Report (s) are discussed.

All Members of the Committee are financially literate and possess accounting and financial management related expertise.

The Chairman of the Audit Committee was present at the last Annual General Meeting ("AGM") of the Company held on 17th June, 2022.

4. NOMINATION AND REMUNERATION COMMITTEE

i) Terms of reference

The terms of reference of the Committee are to guide the Board in relation to the appointment, removal, review and recommendation of remuneration of Board Members, Key Managerial Personnel and other Senior Management Personnel to whom Regulation 19 of the LODR Regulations and Section 178 of the Act are applicable.

ii) Composition

The Committee was re-constituted during the year and consists of two Non-Executive Independent Directors and one Non-Executive Non-Independent Director as Members. Mangala Radhakrishna Prabhu was appointed as Chairman of the Committee in place of Kashi Prasad Khandelwal effective 15th July, 2022. The Company Secretary acts as the Secretary to the Committee.

The Committee met twice during the Financial Year 2022-23 on 7th April, 2022 and 13th May, 2022.

The composition of the Committee and the attendance of each Member at Meetings were as follows:

Members	No. of Meetings attended
Mangala Radhakrishna Prabhu, Chairman (effective 15th July, 2022)	-
Lee Seow Chuan, Member	2
Jikyeong Kang, Member	2
Kashi Prasad Khandelwal (till 14th July, 2022)	2

Kashi Prasad Khandelwal, the then Committee Chairman was present at the last AGM held on 17th June, 2022.

iii) Nomination and Remuneration Policy:

The Company's Nomination & Remuneration Policy can be accessed through the web-link *https://www.kesocorp.com/DOCS/pdf/mgc/nomination-and-remuneration-policy.pdf*

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

i) Composition:

The Committee was reconstituted during the year and consists of three Directors, out of whom two were Non-Executive Independent with the Whole-time Director constituting the third Member.

Sudip Banerjee chairs Meetings of the Committee. Mangala Radhakrishna Prabhu was appointed as a Member during the year. P. Radhakrishnan, Whole-time Director continues as the third Member.

Kashi Prasad Khandelwal ceased to be a Member during the year.

The Committee met once on 8th November, 2022.

Kashi Prasad Khandelwal, the then Committee Chairman was present at the last AGM held on 17th June,2022.

The composition of the Committee and the attendance of each Member at Meeting was as follows:

Members	No. of Meetings attended
Sudip Banerjee, Chairman, Chairman (effective 12th May, 2022)	1
Mangala Radhakrishna Prabhu, Member	1
P. Radhakrishnan, Member	1
Kashi Prasad Khandelwal, Chairman (till 12th May, 2022)	-

The Company Secretary is the Compliance Officer.

The terms of reference of the Committee cover all areas as mentioned under Regulation 20 of the LODR Regulations and Section 178 of the Act.

ii) Shareholder complaints received and redressed during the Financial Year 2022-23:

Nature of Grievances	Complaints received from				Total complaints received during 2022-23	Total complaints redressed	No. of complaints outstanding as on 31st March, 2023
	Investors directly	Stock Exchanges	SEBI "SCORES"	ROC			
Non-receipt of Dividend/ Interest/ Redemption Warrants/ NECs/ Refund	-	4	-	-	4	4	-
Non-receipt of Share / Debenture Certificate(s)	-	-	-	-	-	-	-
Non-receipt of Duplicate Share/ Debenture Certificate(s)	-	-	1	-	1	1	-
Demat related grievances	-	-	-	-	-	-	-
Non-receipt of Annual Report(s)	-	2	-	-	2	2	-
Status of Application lodged for Rights Issue	-	-	-	-	-	-	-
Reason for Non- Allotment of Shares in Rights Issue	-	2	2	-	4	4	-
Change of Name on Securities	-	-	-	-	-	-	-
TOTAL	**-**	**8**	**3**	**-**	**11**	**11**	**-**

iii) Outstanding Equity Shares in the Unclaimed Share Suspense Account opened with Depository

Particulars	Total No. of Shareholders	No. of Outstanding Shares lying in Unclaimed Share Suspense Account
As on 1st April, 2022	1	5
Shareholders, who approached the Company for transfer/delivery during the year 2022-23	Nil	Nil
Shares transferred/delivered during the year 2022-23	Nil	Nil
Shareholders, who approached the Company for transfer/ delivery pending compliance of verification process	Nil	Nil
Shares transferred to Investor Education and Protection Fund (IEPF) u/s 124(6) of the Act read with Rule 6 of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.	Nil	Nil
Balance as on 31st March, 2023	1	5

Voting rights on these shares in the Unclaimed Share Suspense Account and transferred to IEPF remain frozen till formally claimed by the shareholder concerned.

6. RISK MANAGEMENT COMMITTEE

i) Terms of reference, Composition, Name of Members and Chairman:

The terms of reference of the Risk Management Committee cover all areas set out under Regulation 21 of the LODR Regulations.

The Committee was reconstituted during the year and consists of three Members, out of whom one is a Non-Executive Independent Director, the other a Whole-time Director and the third Member Deputy Chief Financial officer Rajiv Agarwal, the Deputy Chief Financial Officer of the Company was appointed.

Satish Narain Jajoo is the Chairman of the Committee. Rajiv Agarwal was appointed a Member to replace Suresh Sharma effective 15th July, 2022.

The Committee met twice during the year on 18th August, 2022 and 9th January, 2023.

The composition of the Committee and the attendance of each Member at Meetings were as follows:

Members	No. of Meetings attended
Satish Narain Jajoo, Chairman (effective 15th July, 2022)	2
P. Radhakrishnan, Member	2
Rajiv Agarwal, Member (effective 15th July, 2022)	2
Suresh Kumar Sharma, Member (till 15th July, 2022)	-

7. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee comprises of Manjushree Khaitan, Chairman, Jikyeong Kang and P. Radhakrishnan as Members.

The terms of reference of the Committee are aligned with the requirements of Section 135 of the Act.

The Company Secretary acts as Secretary to the Committee.

8. MEETING OF INDEPENDENT DIRECTORS

As per stipulations under Section VII of the Code for Independent Directors set out in Schedule IV of the Act and Regulation 25 of the LODR Regulations, three separate Meetings of the Board's Independent Directors were held on 12th May, 2022, 15th July, 2022 & 16th January 2023. All Independent Directors attended these Meetings.

In one of these three Meetings, the Independent Directors evaluated the performance of the Board Chairman as well as the Whole-time Director during the year. The exercise was so structured as to permit each Member taking turns in unambiguously assessing the functioning of the Board Chairman and the Whole-time Director during the year. As part of the Board evaluation process, Independent Directors also evaluated each Board Member apart from self- assessing their own performance.

All Independent Directors have furnished to the Company the requisite declarations that they meet the relevant independence criteria as laid down in Section 149(6) of the Act read with Regulation 16 (b) of LODR Regulations.

9. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The text of the familiarisation programme set for Independent Directors is available on the weblink *https://www.kesocorp.com/DOCS/pdf/mgc/KIL-familiarization-programme.pdf*.

10. ANNUAL EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL BOARD MEMBERS

Pursuant to the provisions of the Act and the LODR Regulations, the Board carried out an annual appraisal of its own performance; of each Board Member individually; as well as an assessment on the functioning of Board Committees.

The evaluation process consistently followed over the years in the Company is in many ways unique. Each Board Member unambiguously delineates what has been his/ her contribution to his/her own functioning during the year as Member of both the Board as well as the Committee(s) in which she/he is or has been a Member. No person was expected to be overly judgmental in this exercise. Other Board Members are permitted to question this self-evaluation. Such "open forum discussions" tend to promote a much sharper understanding as between Board Members in their functioning. In the opinion of the Board, this process results in a much deeper bonding between Board Members. Such bonding ultimately ensures to the benefit of the Company.

11. GENERAL BODY MEETINGS

(A) AGMs over the preceding three years were held as follows:

AGMs	Date of AGM	Location	Time
103rd AGM	17th June,2022	"Kala-Mandir", 48, Shakespeare Sarani, Kolkata-700017 (hybrid method). Shareholders were permitted to join on the video as well.	11.30 A.M.
102nd AGM	23th July, 2021	Through video conference/ other audio visual means. Deemed venue was "Kala-Kunj", 48, Shakespeare Sarani, Kolkata-700017	03:00 P.M.
101st AGM	29th Sept, 2020	Held through video conference/ other audio visual means. Deemed venue was "Kala-Kunj", 48, Shakespeare Sarani, Kolkata-700017	10:00 A.M.

(B) Extra-Ordinary General Meetings ("EGM") over the three preceding three years were as follows:

Date of EGM	Location	Time
13th April, 2021	Held through video conference / other audio visual means. Deemed venue was "Kala-Kunj", 48, Shakespeare Sarani, Kolkata-700017	03:00 P.M.
12th February, 2021	Held through video conference / other audio visual means. Deemed venue was "Kala-Kunj", 48, Shakespeare Sarani, Kolkata-700017	03:00 P.M.

(C) Special Resolutions passed:

Date of AGM/EGM	Particulars
103rd AGM dated 17th June, 2022	i) Re-appointment of Radhakrishnan Padmalochanan as a Whole-time Director and Chief Executive Officer of the Company for a period of three years effective 8th August, 2022 ii) Enhancement of borrowing powers of the Company iii) Creation of mortgage and/ or charge on all or any of the moveable and/ or immoveable properties of the Company iv) Appointment of Satish Narain Jajoo as Independent Director of the Company v) Change in the designation of Jikyeong Kang Independent Director into a Non-Executive Non-Independent Director
102nd AGM dated 23rd July, 2021	To amend certain Articles of the Company's Articles of Association.
101st AGM dated 29th September, 2020	i) Re-appointment of Lee Seow Chuan as an Independent Director for a second term. ii) Appointment of P. Radhakrishnan as a Whole-time Director for a period of three years effective 8th August, 2019. iii) Approval under Section 186(3) of the Act for granting of inter corporate loans, corporate guarantees and making of investments beyond Section 186 parameters. iv) To effect re-classification of the Company's Authorised Share Capital.
EGM dated 13th April, 2021	i) Ratification of further /other disclosures in relation to conversion of loan(s) into Equity shares and Zero Coupon Optionally Convertible Redeemable Preference Shares (OCRPS) as per Resolution Plan. ii) Ratification of further/other disclosures for issuance of Optionally Convertible Debentures (OCDs) through Private Placement:
EGM dated 12th February, 2021	i) Modification of approvals already accorded as per the approved Resolution Plan. ii) *De Novo* approval for issuance of OCDs under the approved Resolution Plan. iii) *De Novo* approval for conversion of OCDs into Equity Shares as per the approved Resolution Plan.
EGM dated 28th December, 2020	i) Approval for conversion of loan into Equity Shares and Zero Coupon OCRPS as per approved Resolution Plan. ii) Approval for issuance of OCDs as per approved Resolution Plan. iii) Approval for conversion of OCDs into Equity Shares as per Resolution Plan. iv) Approval under Section 186(3) of the Act for granting of inter-corporate loans, corporate guarantees and making of investments beyond Section 186 parameters.

(D) Postal Ballot:

During the year, two Special Resolutions were passed through Postal Ballot as follows:

i) For issuance of unlisted 5% Non-Convertible Cumulative Redeemable Preference Shares to a Promoter-Member on private placement:

Ritu Bajaj (Membership No: FCS: 9913) of RP & Associates, Practising Company Secretaries, acted as the Board approved Scrutiniser to conduct both Postal Ballots effected through remote e-voting..

The remote e-voting period was from Tuesday, 15th November, 2022 to Wednesday, 14th December, 2022 with the Scrutiniser submitting her Report the very next day. The Resolution was declared passed with the required majority.

E-voting details were as follows:

Particulars	Physical Voting		Remote e-voting		Total		Percentage
	Numbers	Votes	Numbers	Votes	Numbers	Votes	(%)
Assent	NA	NA	472	109866338	472	109866338	99.97
Dissent	NA	NA	86	37081	86	37081	0.03
Invalid	NA	NA	11	72234413	0*	0*	0.00
Total	**NA**	**NA**	**569**	**182137832**	**558**	**109903419**	**100.00**

*excludes invalid votes.

ii) To transfer or otherwise dispose of the Company's Hindustan Heavy Chemicals unit:

The remote e-voting period in this case commenced on Tuesday, 24th January, 2023 and ended on Wednesday, 22nd February, 2023. With the Scrutiniser submitting her Report the very next day, the Resolution was declared passed by the required majority.

E-voting details were as follows:

Particulars	Physical Voting		Remote e-voting		Total		Percentage
	Numbers	Votes	Numbers	Votes	Numbers	Votes	(%)
Assent	NA	NA	465	179958741	465	179958741	99.96
Dissent	NA	NA	45	76988	45	76988	0.04
Invalid	NA	NA	7	489773	0*	0*	0.00
Total	**NA**	**NA**	**517**	**180525502**	**510**	**180035729**	**100.00**

*excludes invalid votes.

Procedure for Postal Ballot:

The Postal Ballot process was carried out as per the provisions of Sections 108 and 110 of the Act and Regulation 44 of the LODR Regulations.

No business proposed to be transacted at the forthcoming AGM will require passing of a special resolution through postal ballot.

12. UTILISATION OF FUNDS RAISED THROUGH PREFERENTIAL ALLOTMENT(S) OR QUALIFIED INSTITUTIONS PLACEMENT(S)

Funds by way of Preferential Allotment of 90 lakhs unlisted 5% Cumulative Non-Convertible Cumulative Redeemable Preference shares of ₹ 100 each for an amount of ₹ 90 crores were raised during the year. Such issue was made in accordance with Sections 42, and 55 of the Act and the Rules framed thereunder. Proceeds have been utilised as per the Objects stated in the Offer document dated 8th November, 2022.

The mandatory disclosure under Regulation 32 (7A) of the LODR Regulations are as under:

Particulars	Amount utilized ₹ in Crore)	Amount not utilized ₹ in Crore)
Issue and allotment of 90,00,000 unlisted 5% Cumulative Non-Convertible Cumulative Redeemable Preference shares to promoter at face value of ₹ 100/- per share aggregating to ₹ 90,00,00,000	90.00	Nil
First & Final call money against partly paid up Rights Shares	0.91	Nil
Total	**90.91**	**Nil**

13. DISCLOSURE WITH RESPECT TO PAYMENTS MADE TO THE STATUTORY AUDITORS IN MATERIAL SUBSIDIARY(IES).

a) Payment (s) made by the Company's Material Subsidiary, Cygnet Industries Limited to its Statutory Auditors appears under Note No. 32 to the Consolidated Financial Statements.

b) Material Subsidiary

Name:	Cygnet Industries Limited
Date of Incorporation:	15th June, 2015
Place of Incorporation:	Kolkata, West Bengal
Statutory Auditors:	Neha Bothra & Company, Chartered Accountants, Kolkata
Date of Appointment of Auditors:	28th June, 2021

14. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT THE WORKPLACE

The Company has in place the requisite Internal Committees as envisaged in the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013.

No complaint on any issues covered by the above law were received during the year:

a.	Number of complaints filed during the financial year 2022-23	Nil
b.	Number of complaints disposed off during the financial year 2022-23	Nil
c.	Number of complaints pending as on end of the financial year 2022-23	Nil

The required Returns to the appropriate authorities were duly filed within the year.

15. MEANS OF COMMUNICATION

Financial Results and other related information:

The quarterly limited reviewed Unaudited Financial Results and the Annual Audited Financial Results once approved by the Board are sent to/ filed with the Stock Exchanges where the Company's Shares are listed and then published in the national press, being all English editions of the Business Standard and Ek Din in Bengali. The Results are also uploaded on the Company's website *www.kesocorp.com*.

Whenever deemed expedient, earnings calls on financials/ quarterly results are held with investors and their transcripts published on the Company website. All official releases and other related information are also uploaded on this website.

16. GENERAL SHAREHOLDER INFORMATION

a) Next AGM

Time	11:30 A.M. (IST)
Day	Wednesday
Date	14th June, 2023
Venue	To be physically held at the Kala Mandir, 48, Shakespeare Sarani, Kolkata-700017 with simultaneous arrangements for Video Conferencing (VC)/ Other Audio Visual Means (OAVM) depending upon the convenience of shareholders.

b) The Company's Financial Year

The Financial Year of the Company is from 1st April to 31st March.

c) Financial Calendar (Tentative) Results for the quarter ending

June 30, 2023	2nd week of July, 2023
September 30, 2023	2nd week of October, 2023
December 31, 2023	2nd week of January, 2024
March 31, 2024	2nd week of April, 2024

d) Date of Book Closure

The Register of Members shall remain closed from 8th June, 2023 to 14th June, 2023 (both days inclusive) for the purpose of the AGM.

e) Stock Exchange related information

i. Listing on Stock Exchanges :

Equity Shares	BSE Limited ("BSE"), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 001
	National Stock Exchange of India Limited("NSE"), Exchange Plaza, Bandra- Kurla Complex, Bandra (E), Mumbai-400 051
	The Calcutta Stock Exchange Ltd.("CSE"), 7, Lyons Range, Kolkata-700 001
GDR	Societe de la Bourse de Luxembourg, Societe Anonyme/R.C.B. 6222, B.P. 165, L-2013 Luxembourg
NCDs	BSE Limited ("BSE"), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001 in the wholesale debt segment.

Annual listing fees for the financial year 2023-24 have been paid.

ii. Codes:

i) Equity Shares	
BSE	502937
NSE	KESORAMIND
CSE	10000020
Luxembourg Stock Exchange	US4925322053
ii) NCDs	
BSE	973060

f) ISIN No. for the Company's Listed Securities:

Equity Shares in Demat Form	INE087A01019
Global Depository Receipts	US4925322053
NCDs in Demat Form	INE087A07651

g) Depository Connectivity: National Securities Depository Limited and Central Depository Services (India) Limited.

h) Stock Market Price Data:

₹/ Share

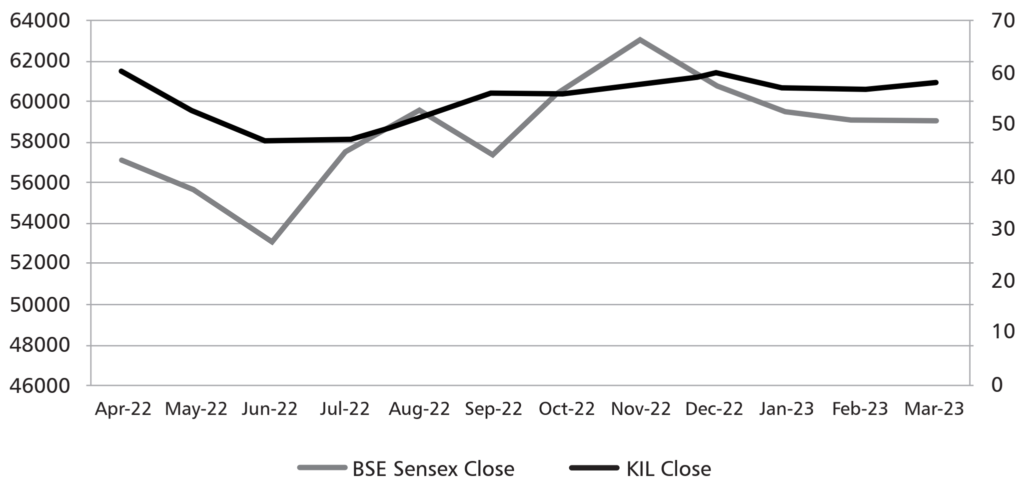
Month	BSE Sensex	Share Price		
	Close	High	Low	Close
April, 22	57060.87	64.85	52.75	60.60
May, 22	55566.41	60.45	49.00	52.80
June, 22	53018.94	55.20	44.80	47.00
July, 22	57570.25	49.50	45.25	47.20
August, 22	59537.07	56.45	44.25	51.25
September, 22	57426.92	64.55	51.05	56.65
October, 22	60746.59	60.30	53.50	56.55
November, 22	63099.65	59.40	53.90	57.75
December, 22	60840.74	64.50	53.70	60.00
January, 23	59549.9	66.65	55.65	57.15
February, 23	58962.12	60.50	55.20	57.10
March, 23	58991.52	60.30	54.75	58.57

Month	NSE Nifty	Share Price		
	Close	High	Low	Close
April, 22	17102.55	64.95	52.60	60.50
May, 22	16584.55	60.50	49.00	52.95
June, 22	15780.25	55.30	44.80	47.10
July, 22	17158.25	49.50	45.10	47.15
August, 22	17759.30	56.45	44.20	51.25
September, 22	17094.35	64.50	50.95	56.65
October, 22	18012.20	60.30	53.50	56.65
November, 22	18758.35	59.40	53.80	57.80
December, 22	18105.30	64.65	53.10	59.90
January, 23	17662.15	66.70	55.50	57.25
February, 23	17303.95	60.70	55.15	57.20
March, 23	17359.75	60.40	54.65	58.60

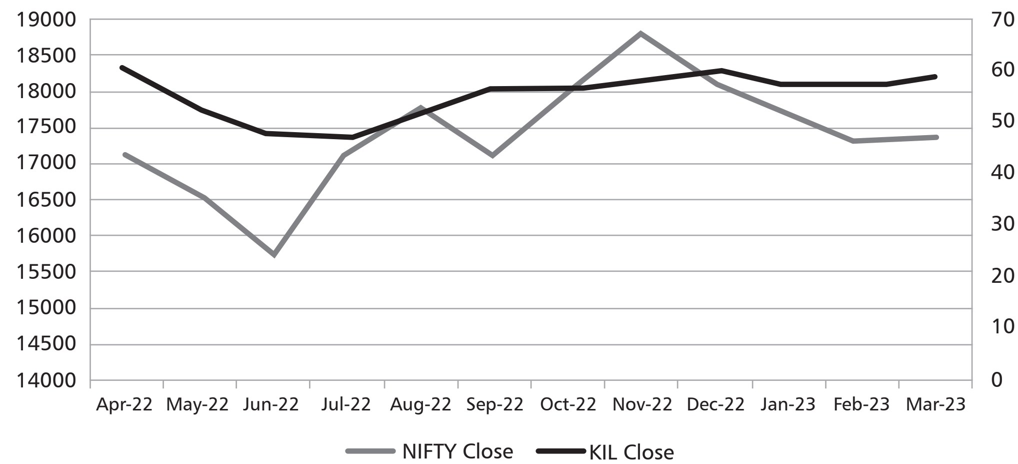
During the year there was no trading of shares on The Calcutta Stock Exchange Ltd. There was also no trading of GDRs Societe de la Bourse de Luxembourg.

i) Performance in comparison to broad based indices such as BSE SENSEX and NSE NIFTY

Kesoram Industries Limited (KIL) Share Price on BSE vis-a-vis BSE Sensex 2022-23



Kesoram Industries Limited (KIL) Share Price on NSE vis-a-vis NIFTY 2022-23



j) Registrar and Share Transfer Agents:

MCS Share Transfer Agent Limited (Unit: Kesoram Industries Ltd.)
383, Lake Gardens, 1st Floor, Kolkata -700 045
Phone Nos.: 033-40724051-52
E-mail: *mcssta@rediffmail.com*

k) Share Transfer System:

The Company's listed securities can be transferred only in dematerialised form. Further, SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD_RTAMB/P/CIR/2022/8 dated 25th January, 2022, has mandated all listed companies to issue securities only in dematerialised form, while processing requests for issue of duplicate security certificate, claim against Unclaimed Suspense Account, renewal/ exchange of security certificate, endorsement, sub-division/splitting of securities certificate, consolidation of securities certificates/ folios, transmission and transposition. Transfer of equity shares in electronic form is effected through the Depositories with no involvement of the Company.

l) SEBI vide its Circular No. SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16th March, 2023 mandated all holders of physical securities in listed companies to update their KYC by furnishing the following documents/details to the RTA

- Register the PAN through form ISR – 1
- Compulsory linking of PAN and Aadhaar
- Nomination in form SH-13 or cancellation or variation in nomination through Form SH-14
- Declaration to Opt-out Nomination through Form ISR – 3 after cancelling his existing nomination, if any, through Form SH-14
- Bank account particulars through form ISR-2
- Specimen signature update
- All the above forms are available on the website of the Company *www.kesorm.com* and with RTA

The folios wherein any one of the cited document/ details as above are not available on or after October 01, 2023, shall be frozen by the RTA

m) Distribution of shareholding as on 31st March, 2023

(i) According to category of holding:

Category	No. of Share Holders	% of Share Holders	No. of Shares	% of Shares
Promoters & Promoter Group	15	0.02	134822064	43.40
Mutual Funds / UTI	10	0.01	12240	0.00
Financial Institutions & Banks	41	0.04	35415918	11.40
Foreign Portfolio Investors	24	0.02	9706007	3.12
Insurance Companies	1	0.00	200	0.00
NRI/OCB's	806	0.84	5540635	1.78
Private Body Corporates/Trust	585	0.61	51888502	16.70
Individuals	94557	98.46	65648557	21.13
Unclaimed Suspense A/c	1	0.00	5	0.00
GDRs	1	0.00	7041875	2.27
IEPF Authority	1	0.00	340241	0.11
NBFC Registered with RBI	3	0.00	247419	0.09
Total	**96045**	**100.00**	**310663663**	**100.00**

(ii) According to number of Equity Shares held:

No. of Equity Shares held	No. of Share Holders	% of Share Holders	No. of Shares	% of Shares
1-100	59071	61.50	2207201	0.71
101-200	10738	11.18	1847090	0.59
201-500	11937	12.43	4475525	1.44
501-1000	6408	6.67	5327700	1.71
1001-5000	6153	6.41	14563059	4.69
5001-10000	874	0.91	6680920	2.15
10001 and above	864	0.90	275562168	88.71
Total:	**96045**	**100.00**	**310663663**	**100.00**

n) Dematerialisation and Rematerialisation

Requests for Dematerialisation and Rematerialisation should be sent either to the Company's Registrar and Share Transfer Agents or to the Company's Share Department at 8th Floor, Birla Building, 9/1 R. N. Mukherjee Road, Kolkata -700 001.

o) Dematerialisation of shareholding

The Company's Equity Shares are compulsorily traded in the dematerialised form. 30,98,24,599 Equity Shares of the Company representing 99.73% of the total Equity Shares issued were held in dematerialised form as on 31st March, 2023. Investors have an option to dematerialise their Equity Shares either with National Securities Depository Limited or Central Depository Services (India) Limited.

p) Outstanding GDRs

70,41,875 Equity shares of the Company were held as Global Depository Receipts as on 31st March, 2023.

q) Outstanding shares in Suspense Escrow Demat Account as on 31st March, 2023

The Company has opened a Suspense Escrow Demat Account with a Depository Participant for the purpose. There are 5 shares lying in the account.

r) Insider Trading & Structured Digital Database

The Company has implemented the Code of Internal Procedure & Conduct as required under the extant SEBI (Prohibition of Insider Trading) Regulations, 2015. The Company has also in existence a Structured Digital Database as mandated under the above Regulations.

s) Plant Locations

Plant Location	City Office
Sedam Plant Sedam, Dist. Gulbarga Karnataka-585222 Phone: +91-8441-76005/ 276391/ 277403 E-mail: *communication@vasavadattacement.com*	1. Ground floor, Bharath Apartment, Fair field Layout, Race course Road, Bangalore Karnataka-560001
Basantnagar Plant Basantnagar, Dist. Karimnagar Telangana - 505187 Phone : +91-8728 -228152/228121 E-mail: *communication@ kesoramcement.com*	2. Unit 12th (1201) of T19-TOWERS, Indira Nagar, Ginwala compound, M.G. Road, Secunderabad-500003
Packing Unit T-3 MIDC Chincholi, Taluk : Mohal Solapur-413255, Maharastra	

t) Address for Correspondence

(i) For routine matters:

For any assistance on security transmission(s), change of address, non-receipt of dividend, duplicate/ missing Security Certificate(s), and on de-mataterialisation and related matters, investors are welcome to get in touch with the Share Department of the Company at the address given below:

Share Department
Kesoram Industries Limited
8th Floor, Birla Building, 9/1, R. N. Mukherjee Road, Kolkata-700 001
Phone No.: +91-33-22101545
E-mail: *sharedepartment@kesoram.com*

Or

Registrar and Share Transfer Agents:
MCS Share Transfer Agent Limited
(Unit: Kesoram Industries Ltd.)
383, Lake Gardens, 1st Floor, Kolkata -700 045
Phone Nos.: 033-40724051-52
E-mail: *mcssta@rediffmail.com*

(ii) For Redressal of Complaints and Grievances:

The Company Secretary
Kesoram Industries Limited
8th Floor, Birla Building, 9/1 R. N. Mukherjee Road, Kolkata-700001
Telephone Nos. : +91 33 22435453/ 22109455/ 22303744
E-mail: *corporate@kesoram.com*

17. CREDIT RATINGS

Particulars pertaining to credit rating are as follows: (inter-change the “Present Rating” with “original rating”.)

Rating Agency	Limit	Type	Rating	Date of Rating	Earlier Rating
ICRA	₹ 1549.00 crores	Non-Convertible Debentures	[ICRA]BB+ (Stable)	3rd March, 2023	ICRA BBB- (Negative)
ICRA	₹ 190.00 crores	Fixed Deposit	[ICRA]BB+ (Stable)	3rd March, 2023	[ICRABBB- (Negative)
ICRA	-	Issuer Long Term Rating	[ICRA]BB+ (Stable)	3rd March, 2023	ICRABBB- (Negative)
ICRA	₹ 167.00 crores	Optionally Convertible Debentures	[ICRA]BBB- (Negative)	22nd November, 2022	Fully Repaid. Rating Withdrawn

18. Awards and Recognition during the accounting year

Month & Year	Award / Recognition
Mar’22	“Certificate of Appreciation” in recognition of dedication to Quality and wonderful association with BIS for more than 25 years from Bureau of Indian Standards, Southern Regional Office celebration of Iconic Week under Azadi Ka Amrit Mahotsav.
Apr’22	Award for “Mines Safety Week Celebrations 2021-22” under the aegis of Directorate General of Mines Safety.
Apr’22	“Platinum Award” under Healthwire Occupational Health & Safety Award 2022 in Cement Sector hosted by M/s Healthwire Media LLP New Delhi.
Apr’22	“Runner-Up Award” under “Fly ash utilisation Award 2022” from Green building materials - Cement Southern Region.
May’22	Award for “1st Prize in Overall Performance” in Mines Environment and Mineral Conservation week FY 2021-22 along with 4 awards in various categories.
Aug’22	Award for “Greentech Environment Award 2022” in Innovative Environment Technology Adoption by Greentech Foundation New Delhi.
Sep’22	Award for “GreenCo Platinum” award and certificate from M/s CII - Sohrabji Godrej Green Business Centre in 11th edition of the GreenCo Summit 2022 at HICC, Hyderabad.
Sep’22	Award for “Energy Efficient Unit” in cement sector from M/s CII - Sohrabji Godrej Green Business Centre in “23rd National Award for Excellence in Energy Management 2022” at New Delhi.

19. Debenture Trustee:

Vistra ITCL (India) Limited (formerly known as IL&FS Trust Company Limited), The IL&FS Financial Center Plot No. C–22, G Block, 7th Floor, Bandra Kurla Complex Bandra (East), Mumbai - 400051 Tel: +91 22 2659 3535, Fax: +91 22 2653 3297 Email: mumbai@vistra.com, Website: www.vistraitcl.com continued as Debenture Trustees during the year.

20. Management Discussion and Analysis:

The Management Discussion and Analysis, as reviewed by the Audit Committee, is part of this Annual Report.

21. Other Disclosures:

i) The policy on Related Party Transactions as approved by the Board and amended from time to time is uploaded on the Company’s website at *https://www.kesocorp.com/DOCS/pdf/mgc/related-party-transactions-policy.pdf*.

ii) Transactions with Related Parties, as per the requirements of Indian Accounting Standard 24 (IND-AS 24) in the prescribed format of Para A of Schedule V of LODR Regulations have been disclosed in the Notes annexed to the Financial Statements. There were no materially significant transactions with Related Parties viz. Promoters, Directors or the Management or their relatives or Subsidiaries that had or could have potential conflict with the Company’s interest. There were no Related Party Transactions in terms of Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, that calls for disclosure in Form AOC-2.

iii) The Company, while preparing its financial statements has complied with prescriptions of the Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015,

iv) There are/were no pecuniary relationships or transactions by Non-Executive Directors vis-à-vis the Company which have or could have potential conflict with the interest of the Company at large.

v) The Company has complied with all applicable requirements of the LODR Regulations as well as other Regulations and guidelines mandated by SEBI for the financial year ended 31st March, 2023. No penalties or strictures of material nature have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

vi) The Company has adopted a Whistle Blower Policy that has been placed on the website of the Company at https://www.kesocorp.com/DOCS/pdf/mgc/whistle-blower.pdf. The Policy contains guidelines to be followed by a potential whistle blower. No potential whistle blower has been denied access either to the Company or the Board's Audit Committee.

vii) The Company has a Risk Management Committee to evaluate business risks and suggest appropriate mitigation measures.

viii) Cygnet Industries Limited ("Cygnet") continued as a wholly owned subsidiary during the year. The Policy on Material Subsidiaries is available on the Company's website at *https://www.kesocorp.com/DOCS/pdf/mgc/Policy%20on%20Material%20Subsidiaries%20KIL%20Final.pdf*

ix) Independent Directors have confirmed that they met the criteria of 'Independence' as stipulated under the LODR Regulations.

x) Commodity price risks and foreign exchange risks are hedged from time to time in accordance with a Board approved Hedging Policy.

xi) The Company has complied with Corporate Governance Requirements specified in Regulations 17 to 27 and Regulation 46(2)(b) to (i) of the LODR Regulations.

xii) All recommendations of Board Committees made during the year were accepted by the Board. There was no instance of any disagreement between any of the Committees and the Board.

xiii) The status of compliance with non-mandatory recommendations of the Part E of Schedule II of LODR Regulations are provided below:

   a) Non-Executive Chairman's Office: The Non-Executive Chairman maintains an office at the Company's Registered Office in Kolkata.

   b) Shareholders' Rights: As the quarterly and half yearly financial performance are submitted to the Stock Exchanges, published in the Press and posted on the Company's website, these are not sent to Shareholders separately.

   c) Audit Qualifications: The Company's financial statements for the year 2022-23 are free of any audit qualifications.

   d) Separate posts of Chairperson and the Managing Director or the Chief Executive Officer: The Chairman and the Whole-time Director & Chief Executive Officer are separate persons. One is not related to the other.

   e) Reporting of Internal Auditor: The Internal Auditors report directly to the Audit Committee.

22. CERTIFICATE FROM WHOLE-TIME DIRECTOR &CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER ("CFO")

Appropriate Certificates prescribed under the LODR Regulations have been issued by Whole-time Director & Chief Executive Officer and CFO forms part of this Annual Report.

23. RECONCILIATION OF SHARE CAPITAL AUDIT

As stipulated by SEBI, a Practising Company Secretary carries out the audit of reconciliation of Share Capital on a quarterly basis to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and paid up capital. The Audit report is submitted to the Stock Exchanges and is placed before the Board at its meetings.

24. CERTIFICATE FROM A PRACTISING COMPANY SECRETARY

a) The Company has obtained from a Practicing Company Secretary a Certificate confirming that it is in compliance with the conditions of Corporate Governance as stipulated in Para C of the Schedule V of the LODR Regulations.

b) The Company has also obtained a Certificate from a Practising Company Secretary confirming that no Director of the Company has been debarred or disqualified from being appointed or continuing as a director of a company either by SEBI or any other authority.

Manjushree Khaitan
Chairman
DIN: 00055898

P Radhakrishnan
Whole-time Director and Chief Executive Officer
DIN: 08284551

Kashi Prasad Khandelwal
Director
DIN: 00748523

Sudip Banerjee
Director
DIN: 05245757

Jikyeong Kang
Director
DIN: 08045661

Mangala Radhakrishna Prabhu
Director
DIN: 06450659

Lee Seow Chuan
Director
DIN: 02696217

Satish Narain Jajoo
Director
DIN: 07524333

Place: Kolkata
Date: 28 April 2023

DECLARATION

All Board Members as on 31st March, 2023 and Senior Management Personnel have affirmed their compliance with the "Code of Conduct for Members of the Board and Senior Management" for the period from 1st April, 2022 to 31st March, 2023 in terms of Para D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For **Kesoram Industries Limited**

Place: Kolkata
Date: 28th April, 2023

P. Radhakrishnan
Whole-time Director & CEO

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

CIN : L17119WB1919PLC003429
Nominal Capital : ₹12,00,00,00,000/-

To,
The Members,
Kesoram Industries Limited

We have examined all the relevant records of **M/s. Kesoram Industries Limited ("the Company")** for the purpose of certifying compliance of conditions of Corporate Governance under Para C & D of Schedule V read with Regulation 34(3) of Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the Financial Year ended on **31st March, 2023**. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of certification.

The compliance of the conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was limited to the procedure and implementation thereof and was carried out in accordance with the guidance note on Corporate Governance Certificate issued by the Institute of Company Secretaries of India. It is neither an audit nor an expression of opinion on the financial statement of the Company. This certificate 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.

On the basis of our examination of the records produced, explanation and information furnished, we certify that the Company has complied with all the mandatory conditions as stipulated under Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and Para C & D of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Place: Kolkata
Date: 26th April, 2023

For, RP & Associates

Ritu Bajaj
(Proprietor)
M.No.: FCS 9913
C.P. No.: 11933
UDIN: F009913E000194944
Peer Review No. 1635/2021

CERTIFICATE FROM THE COMPANY SECRETARY IN PRACTICE AS PER PARA C CLAUSE 10 (i) OF SCHEDULE V OF SEBI (LODR) REGULATIONS, 2015

To,
The Members,
M/s. Kesoram Industries Limited

We have examined all relevant records including the annual declarations from the directors in Form DIR-8 of **M/s. Kesoram Industries Limited ("the Company")** having CIN L17119WB1919PLC003429 and having registered office at 9/1, R.N. Mukherjee Road, Kolkata – 700001 (hereinafter referred to as 'the Company'), for the purpose of certifying that none of the Directors on the board have been debarred or disqualified from being appointed or continuing as Directors of Companies by the SEBI/ Ministry of Corporate Affairs or any such statutory authority as per "Para C Clause 10(i) of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015" for the Financial Year ended on 31st March, 2023.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	DIN	Date of appointment in Company
1	Manjushree Khaitan	00055898	30.10.1998
2	Kashi Prasad Khandelwal	00748523	10.04.2012
3	Sudip Banerjee	05245757	29.04.2014
4	Lee Seow Chuan	02696217	08.08.2014
5	Jikyeong Kang	08045661	10.01.2018
6	Radhakrishnan Padmalochanan	08284551	08.08.2019
7	Mangala Radhakrishna Prabhu	06450659	14.05.2021
8	Satish Narain Jajoo	07524333	12.08.2021

Ensuring the eligibility of for the appointment/ continuity of every Director on the Board is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For RP & Associates

Place: Kolkata
Date: 26th April, 2023

RITU BAJAJ
(Proprietor)
M.No.: FCS 9913
C.P. No.: 11933
UDIN: F009913E000195221F00991
Peer Review No. 1635/2021

ANNEXURE IV

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. Brief outline on CSR Policy of the Company:

   The Company fully recognises its commitment to the fulfilment of its social responsibilities. Programmes to benefit society in general and those living in the vicinity of its facilities in particular have been consistently implemented over the years. In so doing, the Company has been faithfully following and implementing the vision of its former Chairman, Late Basant Kumar Birla, who instilled in the Company the consciousness of being responsive to the needs of the less privileged. Such observance has been Company Policy for decades much before statutory mandates were even thought of. Although, under the provisions of Section 135(5) of the Companies Act, 2013, the Company need not statutorily spend on CSR activities since the average net profit of the last three years is negative, the Company's CSR schemes primarily focusses on activities that benefit the less privileged in the society.

2. Composition of CSR Committee:

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Manjushree Khaitan	Chairman	-	-
2.	P. Radhakrishnan	Whole time Director	-	-
3.	Jikyeong Kang	Non- Executive Director	-	-

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company: *https://www.kesocorp.com/DOCS/pdf/mgc/corporate-social-responsibility-policy.pdf*.

4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014, if applicable (attach the report).: **Not Applicable**

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

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
Not Applicable			

6. Average net profit of the company as per section 135(5):

Particulars	Last three financial years (₹/ Crores)			Average Net Profit/(Loss) for calculating CSR expenditure (₹/Crores)
	2021-22	2020-21	2019-20	
Net Profit (Loss)*	(139.90)	(140.13)	(485.52)	(255.19)

**Dividend income of ₹ 0.02 crore, ₹ 0.02 crore and ₹ 0.02 crore for the financial years 2021-22, 2020-21 & 2019-20 have been deducted from the net profits of the respective financial years in terms of the proviso to Clause (ii) to Rule 2(f) of the Companies (Corporate Social Responsibility Policy) Rules, 2014.*

7. (a) Two percent of average net profit of the company as per section 135(5): As will be evident from the above that the Company has made losses during the financial years 2021-22, 2020-21 & 2019-20. **And the average net profit for the last three financial years is negative. In view of the above, no CSR expenditure during the Financial Year 2022-23 is mandated.**

   (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: **Not Applicable**

   (c) Amount required to be set off for the financial year, if any: **Not Applicable**

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

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

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

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project.	Item from the list of activities in Schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Project duration.	Amount allocated for the project (in ₹).	Amount spent in the current financial Year (in ₹).	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹).	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State.	District.						Name	CSR Registration number.
Not Applicable												

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project.	Item from the list of activities in schedule VII to the Act.	Local area (Yes/ No).	Location of the project.		Amount spent for the project (in ₹).	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State.	District.			Name.	CSR registration number.
Not Applicable									

(d) Amount spent in Administrative Overheads: **Not Applicable**

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

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): **Nil**

(g) Excess amount for set off, if any

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

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

Sl. No.	Preceding Financial Year.	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹).	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years. (in ₹)
				Name of the Fund	Amount (in ₹).	Date of transfer.	
Not Applicable							

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	**Project ID.**	**Name of the Project.**	**Financial Year in which the project was commenced.**	**Project duration.**	**Total amount allocated for the project (in ₹).**	**Amount spent on the project in the reporting Financial Year (in ₹).**	**Cumulative amount spent at the end of reporting Financial Year. (in ₹)**	**Status of the project - Completed / Ongoing.**
Not Applicable								

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year: **Not Applicable**

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

Manjushree Khaitan
Chairman
DIN: 00055898

P Radhakrishnan
Whole-time Director and Chief Executive Officer
DIN: 08284551

Kashi Prasad Khandelwal
Director
DIN: 00748523

Sudip Banerjee
Director
DIN: 05245757

Jikyeong Kang
Director
DIN: 08045661

Mangala Radhakrishna Prabhu
Director
DIN: 06450659

Place: Kolkata
Date: 28 April 2023

Lee Seow Chuan
Director
DIN: 02696217

Satish Narain Jajoo
Director
DIN: 07524333

ANNEXURE V

Form AOC-1

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

Statement containing salient features of the financial statements of Subsidiary / Associate Company / Joint Venture

Part "A": Subsidiary

(₹/ Crores)

S. No.	Particulars	Details
1.	Name of the subsidiary	Cygnet Industries Limited
2.	Date since when the subsidiary was acquired/ incorporated	7th May, 2016
3.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31st March, 2023
4.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR
5.	Share Capital	926.54
6.	Reserves & Surplus	(795.32)
7.	Total Assets	609.69
8.	Total Liabilities	478.47
9.	Investments	0.01
10.	Turnover	244.30
11.	Profit before taxation	(78.62)
12.	Provision for taxation	Nil
13.	Profit after taxation	(78.62)
14.	Proposed Dividend	Nil
15.	% of Shareholding	100.00

Part "B": Associate and Joint Venture

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

(₹/ Crores)

S. No	Name of Associates/ Joint Ventures	Gondkhari Coal Mining Limited
1	Latest audited Balance Sheet Date	31st March, 2023
2	Shares of Associates/ Joint Ventures held by the Company on the year end	
	a) Number	22,730
	b) Amount of Investment in Associates/ Joint Venture	0.02
	c) Extent of Holding %	45.46
3	Description of how there is significant influence	Joint Venture
4	Reason why the associate/ joint venture is not consolidated	Consolidation is done using the Equity Method as per IND AS 28 para 16.
5	Net worth attributable to shareholding as per latest audited Balance Sheet	(1.79)
6	Profit/ Loss for the year	(1.21)
	a) Considered in Consolidation	-
	b) Not Considered in Consolidation	(1.21)

Manjushree Khaitan
Chairman
DIN: 00055898

Kashi Prasad Khandelwal
Director
DIN: 00748523

Jikyeong Kang
Director
DIN: 08045661

Lee Seow Chuan
Director
DIN: 02696217

P Radhakrishnan
Whole-time Director and Chief Executive Officer
DIN: 08284551

Sudip Banerjee
Director
DIN: 05245757

Mangala Radhakrishna Prabhu
Director
DIN: 06450659

Satish Narain Jajoo
Director
DIN: 07524333

Place: Kolkata
Date: 28 April 2023

ANNEXURE VI

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

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

To,
The Members,
Kesoram Industries Limited
CIN: L17119WB1919PLC003429
9/1, R. N. Mukherjee Road,
Kolkata-700001, West Bengal.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Kesoram Industries Limited (hereinafter called "the Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

On the basis of verification of the secretarial compliance and on the basis of Secretarial Audit of Company's books, papers, minute books, forms and returns filed and other records maintained and as shown to us during the said audit and also based on the information and explanation provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion and to the best of our understanding, the Company has, during the audit period, that is to say, from April 01, 2022 to March 31, 2023, (hereinafter referred to as "Audit Period"), complied with the statutory provisions listed hereunder and also that the Company has adequate Board-processes and compliance - mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We further report that compliance with applicable laws is the responsibility of the Company and our report constitutes an independent opinion. Our report is neither an assurance for future viability of the Company nor a confirmation of efficient management by the Company.

We have examined the secretarial compliance based on the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2023 and as shown to us during our audit, according to the provisions of the following laws:

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

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

(iii) The SEBI (Depositories and Participants) Regulations, 2018 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 Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-

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

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

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

   (d) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI LODR");

   (e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time; (Not Applicable to the Company during period under review);

   (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2015;

(g) 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;

(h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable to the Company for the period under review);

(i) The Securities and Exchange Board of India (Buy – Back of Securities) Regulations, 1998; (Not Applicable to the Company for the period under review);

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

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

(ii) Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

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

We further report that:-

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act, wherever applicable.
- Adequate notices were given to all Directors to schedule the Board Meetings/ Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance,
- A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All the decisions of the Board and Committees were carried with requisite majority and recorded as part of the minutes.

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

We further report that during the audit period there have been enlisted some actions or events undertaken by the Company which may have a major bearing on the Company's affairs in pursuance of the above referred laws, rules, guidelines, standards etc:-

- On 17th June, 2022 the Board of Directors after getting all the required approvals invited Unsecured Fixed Deposit from Members and Public upto ₹ 187.40 crores.
- On 17th June, 2022, the Board at its meeting ratified the decision of the Board's Fund Raising Committee for forfeiture of 2,65,307 partly paid-up equity shares amounting to ₹ 66,32,675/- (including premium of ₹ 53,06,140/-).
- The Board of Directors at its meeting held on 25th August, 2022 has converted 4,29,77,918 Zero Coupon Optionally Convertible Redeemable Preference Shares (OCRPS) of face value ₹ 100/- each to 6,61,19,871 Equity Shares at ₹ 65/- each, face value being ₹ 10/- each to the OCRPS holders who have opted for it.
- There has been complete redemption of 4599 Unlisted Secured Redeemable Optionally Convertible Debentures of face value of INR 10,00,000 each totalling to ₹ 459,90,00,000. The redemptions were being done in part on several occasions during the audit period.
- On 15th December, 2022, an allotment of 90,00,000 unlisted 5% Non-Convertible Cumulative Redeemable Preference Shares of face value of Rs. 100/- each on private placement basis was made to M/s. Manav Investment and Trading Company Limited, a Promoter shareholder.
- On 23rd February, 2023, the company has passed a special resolution embodied in the Postal Ballot Notice dated January 16, 2023 to seek approval of shareholders for sell/ transfer or otherwise dispose off an undertaking comprised in its Hindusthan Heavy Chemicals Unit situated in the state of West Bengal.

In respect of other Acts, Laws and Regulations (given in Annexure I) specifically applicable to the industry to which the Company belongs, as identified by the Management, we have relied on the information/ records produced by the Company in electronic mode as well as on the documents provided to us during our visits during the course of our audit and the reporting is limited to that extent. The Company has further confirmed that during the Audit period, they have not contravened any of the provisions of the given specific laws and had obtained all the requisites registrations, permits and licenses.

We further report that compliance of applicable financial laws including Direct and Indirect Tax Laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors, Internal Auditors and other designated professionals.

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

Place: Kolkata
Date: 26th April, 2023

For RP & Associates

Ritu Bajaj
(Proprietor)
M. No.: FCS 9913
C.P. No.: 11933
UDIN: F009913E000194757
Peer Review No. 1635/2021

'ANNEXURE I'

The List of Various Applicable Laws to the Company

1. Employees' Provident Fund Act, 1952 and Rules,
2. Payment of Gratuity Act, 1972,
3. Apprentices Act, 1961,
4. Contract Labour (R&A) Act, 1970,
5. Employees State Insurance Act, 1948,
6. Employees Provident Fund & Misc Provision Act, 1952,
7. Minimum Wages Act, 1948,
8. Payment of Bonus Act, 1965,
9. West Bengal Shops and Establishments Act and Rules,
10. The West Bengal State Tax on Professions, Trades, Callings and Employments Act & Rules,
11. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act and Rules, 2013,
12. Water (Prevention & Control of Pollution) Cess Act and Rules,
13. Payment of Wages Act, 1936,
14. The Industrial Employment (Standing Orders) Act, 1946,
15. Finance Act, 1994,
16. The Factories Act, 1948,
17. Mines Act, 1952 & its allied Acts and Rules
18. The Equal Remuneration Act, 1976,
19. Workmen's Compensation Act, 1923 & Rules,
20. The Maternity Benefit Act, 1961
21. The Negotiable Instrument Act, 1881; and
22. Goods and Services Tax Act, 2017

'ANNEXURE II'

MANAGEMENT RESPONSIBILITY

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

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

iii. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company or verified compliances of laws other than those mentioned above;

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

v. 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;

vi. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Kolkata
Date: 26th April, 2023

For, RP & Associates

Ritu Bajaj
(Proprietor)
M.No.: FCS 9913
C.P. No.: 11933
UDIN: F009913E000194757
Peer Review No. 1635/2021

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2023

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

To,
The Members,
Cygnet Industries Limited
CIN: U74900WB2015PLC206720
Birla Building, 8th Floor,
9/1, R. N. Mukherjee Road,
Kolkata-700001, West Bengal.

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

On the basis of verification of the secretarial compliance and on the basis of Secretarial Audit of Company's books, papers, minute books, forms and returns filed and other records maintained and as shown to us during the said audit and also based on the information and explanation provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion and to the best of our understanding, the Company has, during the audit period, that is to say, from April 01, 2022 to March 31, 2023, (hereinafter referred to as "Audit Period"), complied with the statutory provisions listed hereunder and also that the Company has adequate Board-processes and compliance - mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We further report that compliance with applicable laws is the responsibility of the Company and our report constitutes an independent opinion. Our report is neither an assurance for future viability of the Company nor a confirmation of efficient management by the Company.

We have examined the secretarial compliance based on the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2023 and as shown to us during our audit, according to the provisions of the following laws:

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

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder (Not Applicable as the securities of the Company are not Listed);

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; (Not Applicable as the securities of the Company are not in the Dematerialized form)

(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') :-

   (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (*Not Applicable as the securities of the Company are not Listed*);

   (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (*Not Applicable as the securities of the Company are not Listed*);

   (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time; (*Not Applicable as the securities of the Company are not Listed*);

   (d) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI LODR"); (*Not Applicable as the securities of the Company are not Listed*)

(e) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, as amended from time to time; (*Not Applicable as the securities of the Company are not Listed*);

(f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2015; (*Not Applicable as the securities of the Company are not Listed*);

(g) 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 as the securities of the Company are not Listed*);

(h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (*Not Applicable as the securities of the Company are not Listed*);

(i) The Securities and Exchange Board of India (Buy – Back of Securities) Regulations, 1998; (*Not Applicable as the securities of the company are not Listed*);

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

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

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

We further report that:-

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act, wherever applicable.
- Adequate notices were given to all Directors to schedule the Board Meetings / Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance,
- A system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All the decisions of the Board and Committees were carried with requisite majority and recorded as part of the minutes.

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

In respect of other Acts, Laws and Regulations (given in Annexure I) specifically applicable to the industry to which the Company belongs, as identified by the Management, we have relied on the information / records produced by the Company in electronic mode as well as on the documents provided to us during our visits during the course of our audit and the reporting is limited to that extent. The Company has further confirmed that during the Audit period, they have not contravened any of the provisions of the given specific laws and had obtained all the requisites registrations, permits and licenses.

We further report that compliance of applicable financial laws including Direct and Indirect Tax Laws by the Company has not been reviewed in this Audit since the same has been subject to review by the Statutory Auditors, Internal Auditors and other designated professionals.

We further report that during the Audit Period, the Company has not incurred any specific event/ action that can have a bearing on the company's compliance responsibilities in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

This report is to be read with our letter of even date which is annexed as **Annexure II** and form an integral part of this report.

Place: Kolkata
Date: 26th April, 2023

For RP & Associates

Ritu Bajaj
(Proprietor)
M. No.: FCS 9913
C.P. No.: 11933
UDIN: F009913E000195331
Peer Review No. 1635/2021

ANNEXURE I

The List of Various Applicable Laws to the Company

1. Employees' Provident Fund Act, 1952 and Rules,
2. Payment of Gratuity Act, 1972,
3. Apprentices Act, 1961,
4. Contract Labour (R&A) Act, 1970,
5. Employees State Insurance Act, 1948,
6. Employees Provident Fund & Misc Provision Act, 1952,
7. Minimum Wages Act, 1948,
8. Payment of Bonus Act, 1965,
9. West Bengal Shops and Establishments Act and Rules,
10. The West Bengal State Tax on Professions, Trades, Callings and Employments Act & Rules,
11. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act and Rules, 2013,
12. Water (Prevention & Control of Pollution) Act, 1974,
13. Water (Prevention & Control of Pollution) Cess Act and Rules,
14. Payment of Wages Act, 1936,
15. The Industrial Employment (Standing Orders) Act, 1946,
16. Finance Act, 1994,
17. The Factories Act, 1948,
18. The Equal Remuneration Act, 1976,
19. Workmen's Compensation Act, 1923 & Rules,
20. The Maternity Benefit Act, 1961
21. The Negotiable Instrument Act, 1881; and
22. Goods and Service Tax Act, 2017

ANNEXURE II

MANAGEMENT RESPONSIBILITY

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

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

iii. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company or verified compliances of laws other than those mentioned above;

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

v. 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;

vi. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Kolkata
Date: 26th April, 2023

For RP & Associates

Ritu Bajaj
(Proprietor)
M. No.: FCS 9913
C.P. No.: 11933
UDIN: F009913E000195331
Peer Review No. 1635/2021

ANNEXURE VII

Details as required under Sections 134(3)(q) and 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, as amended, for the year ended 31st March, 2023.

S. No.	Requirement	Details
(i)	The ratio of the remuneration of each Director to the median of remuneration of employees of the Company for the Financial Year.	Manjushree Khaitan : 1.52 : 1
		Kashi Prasad Khandelwal : 3.04 : 1
		Sudip Banerjee : 2.97 : 1
		Lee Seow Chuan : 2.87 : 1
		Jikyeong Kang : 2.91 : 1
		P. Radhakrishnan : 88.10 : 1
		Mangala Radhakrishna Prabhu : 1.79 : 1
		Satish Narain Jajoo : 1.82 : 1
(ii)	The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in Financial Year.	**Directors :**
		Manjushree Khaitan : N.A ^
		Kashi Prasad Khandelwal : 50
		Sudip Banerjee : 62.96
		Lee Seow Chuan : 46.55
		Jikyeong Kang : 48.27
		P. Radhakrishnan : 26.78
		Mangala Radhakrishna Prabhu : 140.91
		Satish Narain Jajoo : 260
		Key Managerial Person :
		Suresh Kumar Sharma, CFO* - N.A.
		Rohit Shah, CFO ** - N.A.
		Raghuram Nath, CS*** - N.A.
		Gautam Ganguli, CS**** - N.A.
(iii)	The percentage increase in median remuneration of employees in the Financial Year.	14.00
(iv)	The number of permanent employees on the rolls of Company as on March 31, 2023.	1525
(v)	a) Average percentile increase already made in salaries of employees other than the managerial personnel in the last FY.	9.19
	b) Its comparison with the percentile increase in the managerial remuneration.	The increase in managerial remuneration compared with the other employees are in line with the industry practice and is within normal range.
	c) Justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	
(vi)	Affirmation that the remuneration is as per the remuneration policy of the Company.	Yes, it is confirmed.

^ *Had relinquished her sitting fees during FY 2021-22*

* *Resigned w.e.f. 11.04.2022*

** *Appointed w.e.f. 12.04.2022*

**** Resigned w.e.f. 15.05.2022*

***** Appointed w.e.f. 13.05.2022*

Median Remuneration is computed based on the total employees, workers and apprentices worked during the FY 2022-23.

For and on behalf of the Board

Manjushree Khaitan
Chairman

Place: Kolkata
Date: 28th April, 2023

P. Radhakrishnan
Whole-time Director & CEO

ANNEXURE VIII

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND EXCHANGE EARNINGS AND OUTGO

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

A. CONSERVATION OF ENERGY:

i) Steps taken or impact on conservation of energy:

The following measures were taken by the business in relation to conservation of energy.

- Gypsum integration belt provided to avoid manual shifting of gypsum from coal yard to gypsum shed, resulted in savings of HSD.
- Procurement of renewable energy from 3rd party generators and open access, to reduce power cost and to meet RPO Obligation.
- Installed gas cooling system in U-3 Pre-heater, resulted in reduction of Pre-heater fan specific power consumption.
- VFDs provided for power optimisation in Kiln-1 Main & PC firing conveying blowers, Unit-2 instrument air compressor-3, U-1 packing plant compressor, Silo extraction blower and Unit-4 Neutralization Pit Pump.
- Optimization of ash handling systems cycle gap timings in Power Plant for power optimisation.
- Provided Black carbon feeding system in preheater calciner to increase consumption.
- AFR feeding arrangement provided at unit-2 kiln to feed agriculture waste.
- Cement mill-3 HR separator fan modification done, fan efficiency improved and reduction in specific power consumption.
- Pipe conveyor capacity enhancement by installing VFD to feeding RAL, increased mill TPH and reduction in power consumption.
- Grit separator removed in cement mills to avoid high pressure drop in circuit which resulted in power savings.
- Capacity enhancing of re-claimer by discharge chute modification, output increased.
- Toggle switch provided in DCS for New coal re-claimer, for selection of harrow drive movement from short to long as per stock piles, resulted in reduction of running hours & power reduction.
- Installation of flash steam recovery system in Power Plant for savings in fuel consumption.
- Installed multi-channel burner in kiln-1for savings in fuel consumption.
- Conversion of DC Motor to AC Motor for coal mill weigh feeder, eliminating running of bag filter by vent line modification in cement mill-3.
- Kiln-3, Main and PC baby bin aeration on/off control given in DCS for air optimization.
- Cement Mill-3 and 4 bag house fan (3N47BH) purging taken in DP mode for air optimization.
- On /Off logic provided for RABH & Cooler ESP RALs for power optimization.
- Provided Automatic ON/OFF control logic for packing plant compressor and avoided idle running.

ii) Steps taken by the company for utilising alternate sources of energy

During FY 2022-23, Co-processed 32,929 MT of Black carbon, 13,535 MT of Plastic waste, 1123 MT of agriculture waste, 456.915 MT chrome sludge, 122.52 MT Hazardous waste liquid in Kiln and 548.8 MT of Rice husk and 203 MT of agriculture waste in CPP.

iii) Capital investment on energy consumption equipment

₹ 378.70 lakh was invested towards energy consumption equipment.

B. TECHNOLOGY ABSORPTION:

i) Efforts made towards technology absorption

Replaced old multiple rewound and inefficient motors with new Premium Energy efficient motors, replaced conventional light fittings with Energy Efficient LED lights, replaced conventional ceiling Fans with Energy Efficient BLDC super fans, installed VVVF drive to softener water pump for optimisation of pump speed. DCS system upgraded to improve plant efficiency. Replacement of old electric fuses with MCBs in Kiln HT Motors panel boards for better protection & easy trouble shooting..

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

- Water spray system provided at line-3 cooler to avoid coating formation in ESP take-up duct.
- Flap with proximity arrangement provided in packing plants for identifying bags jamming during loading of Wagons and Trucks.
- Unit-3 and 4 DCS system upgraded to improve plant efficiency.
- In-house modification of weigh bridge platform to accommodate Navkar wagon, TAT of bulk wagon loading reduced.
- Fine coal tanker loading arrangement provided for coal transfer.
- Raw mill polycom roller profiling done, improved grinding efficiency.
- Enhanced gypsum feeding conveyor belt speed by replacing gear box, resulted in increase of belt speed and capacity by 20%.
- Replacement of kiln burning zone bricks from imported basic bricks to TRL alumina bricks.
- Upgradation of GH55 power contactor with 3TF57 contactor in bag house fan GRR.
- Replaced normal bimetal over load relays with Electronic relays for better protection system and also avoided multiple joints in the feeder.
- Up-Gradation of Cement Truck Bulk loading operating System at Packing Plant by providing wireless pendent system.
- Proximity switch installed for raw coal weigh feeder tail end drum for identification of belt cut.
- Recirculation bucket elevator tripping logic modified with current high instead of KW high, avoided tripping of Recirculation BE.
- Ball mill fixed and floating bearing oil temperature sensor relocation done from bottom to top to avoid damage of sensor.
- Procured S8 tiger analyser vacuum pump from OPM instead of OEM for reduction in cost.
- Provided Power Junction boxes for motors for easy termination and also avoided cable failures.
- Replaced normal bimetal over load relays with Electronic relays for better protection system and also avoid multiple joints in the feeder.
- Conversion of DC Motor to AC Motor for coal mill weigh feeder.
- Provided energy meters for HT motor HT isolator for easy power monitoring.
- Cooler Water Spray System Interlock changed from Clinker temperature to Cooler ESP inlet temperature for energy saving, reduced in water consumption and avoided Cooler ESP Duct Coating.
- Air blaster Nozzle replaced from 90o to 180o to enhance the Nozzle life.
- Provided Hot Air duct from Kiln-2 Preheater exit to Raw mill 2 inlet and hence increased mill grinding efficiency and output.
- Installed booster fan for Coal mill-2 to increase mill inlet temperature and hence improved mill grinding efficiency and output.
- Installed Softener Water Plant to avoid scale formation in plant critical equipment bearing Housings, for better heat transfer and hence strengthened the life of critical equipments.
- Replaced coal mill-2 liners to improve mill grinding efficiency, increased mill output and avoided breakdowns and production loss.
- Replaced Secondary Limestone Crusher manganese steel hammers with ceramic insert type hammers and reduced maintenance cost.
- Configured PID loop to run kilns MFC roots blower in auto mode with respect to Pre-board draught and increased kilns operational efficiency.
- Provided Radar Level Transmitter to BS silo-1 for continuous monitoring of Fly ash.

- Replaced Primary Limestone crusher worn out Jaw Plates with toggle plates and increased crusher efficiency.
- Fabricated EOT Crane Master Controllers Gears and stoppers with MS material to avoid frequent failures of existing plastic gears and stoppers and hence inventory control.
- Provided limit switches for all three tyres of Kiln-1 and configured tyre slip parameter in DCS for continuous monitoring of tyre slippage.
- Secondary crusher-1 vibro feeder speed control provided in auto mode with No-3 belt conveyor KW to get optimum output from secondary and tertiary crushers.
- Relocated cement mills DCS operating system to Kiln CCR for monitoring the complete manufacturing process from one place.
- CPP Coal bunker inlet chute modified by providing Y Chute to fill the coal as per requirement.
- Provided interlock for coarse ash feeding system with boiler compartment bed ash damper position for increasing operational efficiency.

iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

(a) Details of technology imported

No technology was imported during the last three years

(b) Year of import

Not applicable.

(c) Whether the technology has been fully absorbed

Not applicable.

(d) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof

Not applicable.

iv) Expenditure incurred on Research & Development:

Nil

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

₹/ Crores

Particulars	FY 2022-23	FY 2021-22
Foreign Exchange earned	Nil	Nil
Foreign Exchange Outgo (CIF value)	34.80	2.70

Manjushree Khaitan
Chairman
DIN: 00055898

P Radhakrishnan
Whole-time Director and Chief Executive Officer
DIN: 08284551

Kashi Prasad Khandelwal
Director
DIN: 00748523

Sudip Banerjee
Director
DIN: 05245757

Jikyeong Kang
Director
DIN: 08045661

Mangala Radhakrishna Prabhu
Director
DIN: 06450659

Lee Seow Chuan
Director
DIN: 02696217

Satish Narain Jajoo
Director
DIN: 07524333

Place: Kolkata
Date: 28 April 2023

SUMMARISED BALANCE SHEET FOR THE LAST FIVE YEARS

(All amounts in ₹ Crores, except otherwise stated)

Particulars	31-03-2023	31-03-2022	31-03-2021	31-03-2020	31-03-2019
Net Fixed Assets	1,337.52	1,571.10	1,612.75	1,683.53	3,048.64
Investments	388.44	380.05	537.88	499.55	507.12
Other Assets/ (Liabilities)- Current & Non-current (net)	654.24	351.65	29.13	(302.72)	(236.18)
Capital Employed	**2,380.20**	**2,302.80**	**2,179.76**	**1,880.36**	**3,319.58**
Less: Loan Funds	1,731.97	1,696.52	1,832.60	1,853.00	2,789.39
Total Equity	**648.23**	**606.28**	**347.16**	**27.36**	**530.19**
Therefore, Company's Total Equity represented by					
a. Equity Share Capital	310.66	244.41	164.81	142.59	142.59
b. Reserve & Surplus *	337.57	361.87	182.35	(115.23)	387.60
	648.23	**606.28**	**347.16**	**27.36**	**530.19**

* Share application money pending allotment included in March 31, 2022.

Figures for previous year(s) have been regrouped/ rearranged where considered necessary

SUMMARISED STATEMENT OF PROFIT AND LOSS FOR THE LAST FIVE YEARS

(All amounts in ₹ Crores, except otherwise stated)

Particulars	2022-2023	2021-2022	2020-2021	2019-2020	2018-19*
Revenue from operations	3,533.75	3,539.56	2,415.21	2,329.95	3,878.66
Other income	70.18	38.15	102.22	79.35	109.65
Total Income	**3,603.93**	**3,577.71**	**2,517.43**	**2,409.30**	**3,988.31**
Operating Expenses	3,232.71	2,990.91	2,020.69	2,101.37	3,682.98
Profit/ (Loss) before Interest, Depreciation, Tax and other Amortizations ("EBIDTA")	**371.22**	**586.80**	**496.74**	**307.93**	**305.33**
Finance costs	422.78	481.70	245.81	315.05	438.45
Depreciation	81.57	90.73	96.21	91.26	133.08
Profit/ (Loss) Before Tax (before exceptional items)	**(133.13)**	**14.37**	**154.72**	**(98.38)**	**(266.20)**
Exceptional Items	(173.07)	(154.25)	(294.83)	(387.12)	-
Profit/ (Loss) Before Tax	**(306.20)**	**(139.88)**	**(140.11)**	**(485.50)**	**(266.20)**
Tax expense/ (credit)	(190.53)	(9.87)	(307.05)	-	(11.95)
Profit/(Loss) for the year	**(115.67)**	**(130.01)**	**166.94**	**(485.50)**	**(254.25)**
Other Comprehensive Income	5.19	0.97	8.42	(11.37)	1.55
Total comprehensive income/ (loss) for the year	**(110.48)**	**(129.04)**	**175.36**	**(496.87)**	**(252.70)**

* All figures are inclusive of Discontinuing Operation

Figures for previous year(s) have been regrouped/ rearranged where considered necessary

STANDALONE FINANCIAL STATEMENTS

Knowledge sharing

We love what we do






INDEPENDENT AUDITOR'S REPORT

To The Members of KESORAM INDUSTRIES LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of Kesoram Industries Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information.

2. 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 ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2023, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing 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 financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Assets held for sale

4. We draw attention to note 33(b) to the standalone financial statements, which describes that the Company has disclosed certain assets as 'Assets held for sale' as at year end pursuant to a Memorandum of Understanding with a potential buyer and measured these assets at the lower of their 'carrying value' and 'fair value less costs to sell' in accordance with the principles of Ind AS 105 'Non-current Assets Held for Sale and Discontinued Operations', which has resulted in a loss of ₹ 173.07 crores disclosed as 'Exceptional item' in the accompanying standalone financial statements. Our opinion is not modified in respect of this matter.

Key Audit Matters

5. 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.

6. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	**Recoverability of deferred tax assets recognized on brought-forward tax losses** Refer to Company's significant accounting policies in note 2.12 and the deferred tax related disclosure in Notes 10 and 34 of the standalone financial statements. The Company has recognised deferred taxes assets on unutilised business loss (including unabsorbed depreciation) (together hereinafter referred to as "tax losses") as at March 31, 2023 amounting to ₹ 334.08 crores. The deferred tax assets have been recognised on the basis of the Company's assessment of availability of sufficient future taxable profits to offset such tax losses, which is based on forecast of business operations. The assessment of meeting the recognition criteria as well as recoverability of the deferred tax assets within the time frame allowed under the Income tax Act, 1961, requires significant management judgement as it involves use of assumptions and estimates that are inherently subjective and depend on various factors including future market and economic conditions. Further, the industry that the Company/ Group operated in is a highly competitive and subject to frequent disruptions through changing technology. Any change in aforesaid assumptions could have a material impact on the carrying value of the deferred tax assets. Owing to the materiality of the balances, complexities and judgements involved as described above, we have identified the recoverability of deferred tax assets recognized on brought forward tax losses as a key audit matter for the current year audit.	Our audit procedures included, but were not limited to the following: • Evaluated the design and tested the operating effectiveness of Company's key controls implemented with respect to recognition of deferred tax assets. • Assessed the reasonableness of the period of projections used in the deferred tax asset recoverability assessment in accordance with the time period allowed under the Income Tax Act, 1961 with respect to utilisation of the said business losses against future taxable profits. • Compared the Company's projections of future taxable profit to approved business plans and assessed efficacy of management's process for financial projections basis past business performance. • Tested the assumptions used in the aforesaid future projections relating to the forecasts of future taxable profits and evaluated the reasonableness of the assumptions, including future growth rate underlying the preparation of these forecasts based on actual historical results, other relevant existing conditions, external data and market conditions. • Tested the arithmetical accuracy of projections including those related to sensitivity analysis performed by management. • Assessed the appropriateness and adequacy of the disclosures included in the accompanying standalone financial statements/ consolidated financial statements in accordance with the applicable standards.

<table>
<tr><th>Sr. No.</th><th>Key Audit Matter</th><th>Auditor’s Response</th></tr>
<tr><td>2</td><td>Impairment assessment of investments and loans in wholly-owned subsidiary

As detailed in note 6 of standalone financial statements, the carrying value of Company’s investments in Cygnet Industries Limited (‘the Subsidiary Company’) as at 31 March 2023 amounts to ₹ 306.22 crores. Further, as detailed in note 8 to the standalone financial statements, loans given to subsidiary as at 31 March 2023 amounts to ₹ 163.53 crores.

The recoverability of the above-mentioned amounts is dependent on the operational performance of the subsidiary. The subsidiary has incurred losses during the recent years, and the management has identified the aforesaid as possible impairment indicators as per the principles enunciated under Ind AS 36, Impairment of Assets (‘Ind AS 36’).

The Management has assessed the recoverability of the said investment and loans, by carrying out a valuation of the subsidiary with the help of an external valuation expert using discounted cash flow method, which requires management to make significant estimates and assumptions relating to forecast of future business performance, and selection of the discount rates to determine the recoverable value to be considered for impairment testing of the carrying value of above-mentioned balances.

Considering the materiality of the above matter to the standalone financial statements, complexities and judgement involved, and significant auditor attention required to test management’s assessment, we have identified this as a key audit matter for the current year audit.</td><td>Our audit procedures included, but were not limited to the following

• Obtained an understanding of process and controls implemented by the Company to identity possible impairment indicators and to determine recoverability of amounts from subsidiary company and tested the design and operating effectiveness of such controls.

• Assessed the competence and objectivity of management’s expert involved by the management in determining the enterprise value of the Subsidiary Company;

• Assessed the valuation methodology and assumptions used by management’s expert to estimate the recoverability of investment with the help of auditor’s valuation experts.

• Reconciled the projected cashflows used in the valuation to approved business plans of the Subsidiary Company;

• Evaluated the appropriateness of assumptions applied in determining key inputs such as discount rate and terminal growth rate which included assumptions based on our knowledge of the business and relevant external market conditions;

• Tested the mathematical accuracy of the projections and applied independent sensitivity tests to the key assumptions mentioned above to determine and focus on inputs with high estimation uncertainty.

• Assessed the appropriateness and adequacy of disclosures made by the management in note 8 to standalone financial statements in accordance with requirements of the accounting standards.</td></tr>
</table>

Sr. No.	Key Audit Matter	Auditor's Response
	Implementation of a new Information Technology ('IT') system for financial reporting and related migration of data The Company has implemented a new IT system, RAMCO ('new IT system') with effect from 1 January 2023, for supporting its operations and financial reporting, which required an extensive exercise of data migration from erstwhile IT systems, INDICE/ SAP ('erstwhile IT system'). Such significant IT system change increases the risks to internal financial controls environment of the Company/ Group. These changes create a financial reporting risk while migration takes place as processes and controls that have been established over a number of years are migrated and updated into a new IT environment. The significant data migration required for the above exercise also leads to risk of errors. Considering the significance of the activity and its pervasive impact on the standalone financial statements, this matter has been determined as a key audit matter for current year audit.	Our audit procedures included, but were not limited to the following: • Obtained the understanding of the process followed and controls implemented by the Company for implementing the new IT system and migration of standing data from erstwhile IT systems into new IT system, which includes understanding the overall project implementation plan, project roles and responsibilities, determination of new system requirements including customisations to off-shelf package, and the plan for go-live. • Evaluated the design and tested the operating effectiveness of key controls over the new system implementation and data migration, which includes controls over change management and system development. • Reviewed the reconciliations prepared by the management relating to the data migration and tested movement of a sample general / sub-ledger accounts and balances, including standing data masters, from erstwhile IT system to the new IT system. • Evaluated the design and operating effectiveness of the IT General Controls (ITGC), business process controls post migration (both automated and manual) of the new IT system and evaluated the impact of results in planning our audit procedures.

Information other than the Standalone Financial Statements and Auditor's Report thereon

7. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Director's Report but does not include the standalone financial statements and our auditor's report thereon.

   Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

   In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, 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

8. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

9. In preparing the financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intend to liquidate the Company or

to cease operations, or has no realistic alternative but to do so.

10. 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

11. Our objectives are to obtain reasonable assurance about whether the 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 Standards on Auditing 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.

12. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
    - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
    - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
    - Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

13. 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.

14. 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.

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

Other Matter

16. The standalone financial statements of the Company for the year ended 31 March 2022 were audited by the predecessor auditor, Deloitte Haskins & Sells, who have expressed an unmodified opinion on those standalone financial statements vide their audit report dated 11 April 2022.

Report on Other Legal and Regulatory Requirements

17. As required by section 197(16) of the Act based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

18. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

19. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, 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 purpose of our audit of the accompanying standalone financial statements;

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

c) The standalone financial statements dealt with by this report are in agreement with the books of account;

d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;

e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2023 from being appointed as a director in terms of section 164(2) of the Act;

f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2023 and the operating effectiveness of such controls, refer to our separate Report in Annexure B wherein we have expressed unmodified opinion; and

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 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

   i. The Company, as detailed in note 36 to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2023;

   ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023;

   iii. The following delays were noted in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2023:

Amount (₹ crores)	Due date	Date of payment
0.02	Multiple dates	Not yet paid

   iv. a. The management has represented that, to the best of its knowledge and belief, as disclosed in note 47 (iv) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

   b. The management has represented that, to the best of its knowledge and belief, as disclosed in note 47 (v) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

   c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

   v. The Company has not declared or paid any dividend during the year ended 31 March 2023;

   vi. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manoj Kumar Gupta
Partner
Membership No.: 083906
UDIN: 23083906BGXEKF2769

Place: Kolkata
Date: 28 April 2023

ANNEXURE "A"

referred to in Paragraph 18 of the Independent Auditor's Report of even date to the members of Kesoram Industries Limited on the financial statements for the year ended 31 March 2023

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we report that:

i. (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular programme of physical verification of its property, plant and equipment and right of use assets under which the assets are physically verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. However, no physical verification was carried out by the management of the Company during the year, and we are therefore unable to comment on the discrepancies, if any, which could have arisen on such verification.

(c) The title deeds of all the immovable properties held by the Company (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in note 3 to the standalone financial statements are held in the name of the Company. For title deeds of immovable properties in the nature of land and building situated at various locations with gross carrying values amounting to ₹ 453.93 crores as at 31 March 2023, which have been mortgaged as security for loans or borrowings taken by the Company, confirmations with respect to title of the Company have been directly obtained by us from the respective lenders.

(d) The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets during the year.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.

ii. (a) The management has conducted a physical verification of inventory at reasonable intervals during the year, except for goods-in-transit aggregating to ₹ 28.18 crores as at 31 March 2023, which have not been verified during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed as compared to book records.

(b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.

iii. (a) The Company has provided loans or advances in the nature of loans to Subsidiaries, Joint Ventures and Others during the year as per details given below:

Particulars	Loans (In ₹ crores)
Aggregate amount provided/ granted during the year:	
- Subsidiaries	-
- Joint Ventures	-
- Associates	-
- Others	-
Balance outstanding as at balance sheet date in respect of above cases:	
- Subsidiaries	163.53
- Joint Ventures	1.79
- Associates	-
- Others	516.39

(b) The Company has not made any investments, provided any guarantee or given any security during the year. Accordingly, reporting under clause 3(iii)(b) of the Order is not applicable to the Company.

(c) In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal and the payment of the interest has not been stipulated and accordingly, we are unable to comment as to whether the repayments/receipts of principal and interest are regular.

(d) In the absence of stipulated schedule of repayment of principal and payment of interest, we are unable to comment as to whether there is any amount which is overdue for more than 90 days.

(e) In respect of loans and advances in the nature of loans granted by the Company, the schedule of repayment of principal and interest has not been stipulated. According to the information and explanation given to us, such loans have not been demanded for repayment as on date.

(f) The Company has granted loans which are repayable on demand, as per details below:

(All amount in ₹ crores)			
Particulars	**All Parties-**	**Promoters**	**Related Parties**
Aggregate of loans/advances in nature of loan			
- Repayable on demand (A)	679.92	NIL	163.53
- Agreement does not specify any terms or period of repayment (B)	1.79	NIL	1.79
Total (A+B)	681.71	NIL	165.32
Percentage of loans/advances in nature of loan to the total loans	100%	0%	24.25%

iv. In our opinion, and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 and 186 of the Act in respect of loans and investments made, as applicable. Further, the Company has not entered into any transaction covered under section 185 and section 186 of the Act in respect of guarantees and security provided by it.

v. In our opinion, and according to the information and explanations given to us, the Company has complied with the directives issued by the Reserve Bank of India ('the RBI'), the provisions of sections 73 to 76 and other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) as applicable, with regard to the deposits accepted. According to the information and explanations given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or RBI or any Court or any other Tribunal, in this regard.

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

vii. (a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including goods and services tax, provident fund, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities, though goods and services tax have not generally been regularly deposited with the appropriate authorities and there have been significant delays in a large number of cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute, except for the following:

Name of the statute	**Nature of dues**	**Gross Amount (₹) in crores**	**Amount paid under Protest (₹) in crores**	**Period to which the amount relates**	**Forum where dispute is pending**
Andhra Pradesh General Sales Tax Act, 1957	Sales Tax	0.11	0.02	2003-04	Tribunal
Andhra Pradesh Tax on Entry of Goods into Local Areas Act, 2001	Entry tax	0.41	0.41	2007-2009	High Court
Bombay Sales Tax Act	Sales Tax	0.32	0.05	2003-04 and 2004-05	Deputy Commissioner of Sales Tax (Appeals)

Name of the statute	Nature of dues	Gross Amount (₹) in crores	Amount paid under Protest (₹) in crores	Period to which the amount relates	Forum where dispute is pending
Central Excise Act, 1944	Central Excise	10.40	0.85	1974-75 to 1997-98, 1998-2004, 2005-06 to 2011-12	CESTAT
Central Excise Act, 1944	Central Excise	0.28	0.04	2002-03	Commissioner
Central Excise Act, 1944	Central Excise	1.24	0.04	2002-03, 2003-07, 2007-11	Commissioner (Appeals)
Central Excise Act, 1944	Central Excise	0.03	-	2002-03	Superintendent of Central Excise
Central Excise Act, 1944	Central Excise	0.38	-	2005-2007	Additional Commissioner of Central Excise
Central Excise Act, 1944	Central Excise	0.10	-	1994-95 and 2010	High Court
Central Sales Tax Act, 1956	Sales Tax	0.18	0.47	2001-02	High Court
CENVAT Credit Rules, 2004	Service Tax	0.06	0.01	2016-17	CESTAT
Central Sales Tax Act, 1956	Sales Tax	6.17	-	2004-05 to 2007-08, 2009-10, 2010-11	WB Appellate & Revisional Board
Customs Act, 1962	Custom Duty	-	1.06	2012-13	Hon’ble Supreme court
Central Excise Act, 1944	Central Excise	0.11	-	2005-06 to 2009-10	Additional Commissioner of Central Excise
Central Excise Act, 1944	Central Excise	0.16	-	2005	Assistant Commissioner of Central Excise
Central Excise Act, 1944	Central Excise	0.03	-	2004-05	Deputy Commissioner of Central Excise
Finance Act, 1994	Service Tax	45.67	3.70	2005-06 to 2016-17	CESTAT
The CGST Act, 2017	Interest on unpaid amount of goods and service tax and penalty	64.44	19.09	October 2018 to November 2018, March 2019 to September 2019, July 2020 to September 2020	Commissioner (Appeals)
West Bengal Sales Tax, 1994	Sales Tax	0.99	0.06	1998-99	WB Taxation Tribunal
Tamil Nadu General Sales Tax Act, 1959	Sales Tax	0.18	-	1999-00	High Court
The CGST Act, 2017	Education Cess and Secondary & Higher Education Cess	0.10	-	2017-18	High Court
West Bengal VAT Act, 2003	Sales Tax	1.95	-	2004-05, 2006-07 to 2009-10	WB Appellate and Revisional Board
West Bengal VAT Act, 2003	Sales Tax	0.17	-	2006-07 & 2010-11	WB Taxation Tribunal
West Bengal Tax on Entry of Goods into Local Areas Act, 2012	Entry tax	2.40	-	2013-14 to 2015-16	High Court
Electricity Duty Act, 1939	Electricity Duty	23.11	14.03	2003 – 2013	Supreme Court
Motor Vehicle Act, 1988	Motor Vehicle	0.64	-	2012	High Court
Andhra Pradesh Forest Act, 1967	Permit Fees	8.51	-	2009 – 2010 to 2018 - 2019 and 2020 - 2021	High Court

Name of the statute	Nature of dues	Gross Amount (₹) in crores	Amount paid under Protest (₹) in crores	Period to which the amount relates	Forum where dispute is pending
Employee State Insurance Act, 1948	Employee State Insurance	0.22	-	1995-98	Deputy Director, ESI Corporation, Gulbarga
The Karnataka Electricity Act, 1999	Power	6.25	-	2015-16	Karnataka Electricity Regulatory Commission (KERC)
Indian Forest Act, 1927	Permit Tax	3.57	-	2009-10 and 2011-12	High Court
Environment (Protection) Act, 1986	Environment protection fee	4.03	4.03	2009-10 and 2010-11	High Court
The Karnataka Municipalities Act, 1964	Municipal Corporation Tax	10.97	3.62	2009-10 and 2020-21	District Court
Investor Education and Protection Fund	Unpaid Dividend	0.02	-	1995 to 2013	IEPF Authority
Karnataka Stamp Act, 1957	Stamp Duty	6.33	-	2003-04	High Court
Mines and Minerals (Development and Regulation) Act, 1957	District mineral fund	17.53	-	2015-16	High Court
Karnataka Land Revenue Act, 1964	Compounding Fee	23.17	-	2009-10	High Court

viii. According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.

ix. (a) According to the information and explanations given to us, the Company has not defaulted in repayment of its loans or borrowings or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us including confirmations received from banks/financial institution and other lenders and representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or other lender.

(c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year and did not have any term loans outstanding at the beginning of the current year. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short-term basis have, prima facie, not been utilised for long-term purposes.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.

(f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiary.

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) During the year, the Company has made preferential allotment of shares and private placement of non-convertible cumulative redeemable preference shares. In our opinion and according to the information and explanations given to us, the Company has complied with the requirements of section 42 and section 62 of the Act and the Rules framed thereunder with respect to the same. Further, the amounts so raised have been utilized by the Company for the purposes for which these funds were raised.

xi. (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the period covered by our audit.

(b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

xii. The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3 (xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

xiv. (a) In our opinion and according to the information and explanations given to us, the Company has an internal audit system as per the provisions of section 138 of the Act which is commensurate with the size and nature of its business.

(b) We have considered the reports issued by the Internal Auditors of the Company till date for the period under audit.

xv. According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are not applicable to the Company.

xvi. (a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, reporting under clauses 3(xvi) (a), (b) and (c) of the Order are not applicable to the Company.

(b) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

xvii. The Company has not incurred any cash loss in the current financial year as well as the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under clause 3(xviii) of the Order is not applicable to the Company.

xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

xx. According to the information and explanations given to us, the Company has met the criteria as specified under sub-section (1) of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, however, in the absence of average net profits in the immediately three preceding years, there is no requirement for the Company to spend any amount under sub-section (5) of section 135 of the Act. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manoj Kumar Gupta
Partner
Membership No.: 083906
UDIN: 23083906BGXEKF2769

Place: Kolkata
Date: 28 April 2023

ANNEXURE B

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of Kesoram Industries Limited ('the Company') as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Manoj Kumar Gupta
Partner
Membership No.: 083906
UDIN: 23083906BGXEKF2769

Place: Kolkata
Date: 28 April 2023

Balance Sheet as at 31 March, 2023

(Amount in ₹crores, except otherwise stated)

Particulars	Notes	31 March, 2023	31 March, 2022
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	3	1,231.98	1,511.77
(b) Right-of-use Assets	4	53.04	31.12
(c) Capital work-in-progress	5	47.83	28.21
(d) Intangible assets	5A	4.67	-
(e) Investments in subsidiary and joint venture	6	306.22	306.22
(f) Financial assets			
(i) Investments in others	7	82.22	73.83
(ii) Loans	8	163.53	154.46
(iii) Other financial assets	9	21.84	10.13
(g) Income-tax asset (net)		5.86	4.91
(h) Deferred tax assets (net)	10	461.68	272.45
(i) Other non-current assets	11	7.04	13.80
Total non-current assets		**2,385.91**	**2,406.90**
(2) Current assets			
(a) Inventories	12	180.69	141.44
(b) Financial assets			
(i) Trade receivables	13	358.66	316.71
(ii) Cash and cash equivalents	14	52.56	118.97
(iii) Other bank balances	15	56.28	57.21
(iv) Loans	8	0.45	6.80
(v) Other financial assets	9	82.77	74.75
(c) Other current assets	11	117.76	103.03
Total current assets		**849.17**	**818.91**
(3) Assets Held for Sale	33 (b)	**60.00**	**-**
TOTAL ASSETS		**3,295.08**	**3,225.81**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	16	310.66	244.41
(b) Other equity	17	337.57	361.87
Total equity		**648.23**	**606.28**
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	1,666.21	1,554.23
(ii) Lease liabilities	39	1.65	1.48
(iii) Other financial liabilities	19	82.39	87.21
(b) Provisions	20	25.63	24.46
(c) Other non-current liabilities	21	0.18	0.41
Total non-current liabilities		**1,776.06**	**1,667.79**
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	65.76	142.29
(ii) Lease liabilities	39	1.84	5.18
(iii) Trade payables	22		
(a) total outstanding dues of micro enterprises and small enterprises		6.05	19.86
(b) total outstanding dues of creditors other than micro enterprises and small enterprises		511.78	510.10
(iv) Other financial liabilities	19	42.62	56.00
(b) Provisions	20	14.67	17.12
(c) Income tax liabilities (net)		0.20	0.20
(d) Other current liabilities	21	227.87	200.99
Total current liabilities		**870.79**	**951.74**
Total liabilities		**2,646.85**	**2,619.53**
TOTAL EQUITY AND LIABILITIES		**3,295.08**	**3,225.81**

The accompanying summary of significant accounting policies and other explanatory information forms an integral part of these Standalone Financial Statements.

This is the Balance Sheet referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration Number: 001076N/N500013

Manoj Kumar Gupta
Partner
Membership No.: 083906

Place: Kolkata
Date: 28 April 2023

For and on behalf of the Board of Directors

Manjushree Khaitan
Chairman
DIN: 00055898

P Radhakrishnan
Whole-time Director and Chief Executive Officer
DIN: 08284551

Kashi Prasad Khandelwal
Independent Director
DIN: 00748523

Sudip Banerjee
Independent Director
DIN: 05245757

Lee Seow Chuan
Independent Director
DIN: 02696217

Jikyeong Kang
Non-Independent Director
DIN: 08045661

Mangala Radhakrishna Prabhu
Independent Director
DIN: 06450659

Satish Narain Jajoo
Independent Director
DIN: 07524333

Gautam Ganguli
Company Secretary

Rohit Shah
Chief Financial Officer

Statement of Profit and Loss for the year ended 31 March, 2023

(Amount in ₹crores, except otherwise stated)

Particulars		Notes	Year ended 31 March 2023	Year ended 31 March 2022
I.	Revenue from operations	23	3,533.75	3,539.56
II.	Other income	24	70.18	38.15
III.	**Total Income (I+II)**		**3,603.93**	**3,577.71**
IV.	**Expenses**			
	Cost of materials consumed	25	373.18	361.06
	Changes in inventories of finished goods and work-in-progress	26	(40.57)	(19.18)
	Power and fuel	27	1,382.86	1,125.64
	Packing, carriage and shipping	28	1,030.68	1,062.74
	Employee benefit expense	29	159.32	148.32
	Depreciation and amortisation expense	30	81.57	90.73
	Finance costs	31	422.78	481.70
	Other expenses	32	327.24	312.33
	Total Expenses (IV)		**3,737.06**	**3,563.34**
V.	**Profit/(Loss) before exceptional items and tax (III-IV)**		**(133.13)**	**14.37**
VI.	**Exceptional items**	33	(173.07)	(154.25)
VII.	**Loss before tax (V+VI)**		**(306.20)**	**(139.88)**
VIII.	**Tax expenses**			
	Current tax		-	-
	Deferred tax credit		(190.53)	(9.87)
	Total tax expense (VIII)		**(190.53)**	**(9.87)**
IX.	**Loss for the year (VII-VIII)**		**(115.67)**	**(130.01)**
X.	**Other Comprehensive Income**			
	Items that will not be reclassified to profit or loss:			
	(a) Remeasurement of post-employment benefit plans		(1.91)	3.59
	(b) Fair value changes of investments in equity shares		8.40	(3.58)
	Less: Income-tax relating to items that will not be reclassified to profit or loss		1.30	(0.96)
	Other comprehensive income for the year (X)		**5.19**	**0.97**
XI.	**Total comprehensive loss for the year (IX+X)**		**(110.48)**	**(129.04)**
XII.	**Earnings per share**			
	(a) Basic (₹)		(4.07)	(6.50)
	(b) Diluted (₹)		(4.07)	(6.50)

The accompanying summary of significant accounting policies and other explanatory information forms an integral part of these Standalone Financial Statements.

This is the Statement of Profit and Loss referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration Number: 001076N/N500013

Manoj Kumar Gupta
Partner
Membership No.: 083906

Place: Kolkata
Date: 28 April 2023

For and on behalf of the Board of Directors

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Independent Director
DIN: 07524333

Gautam Ganguli
Company Secretary

Rohit Shah
Chief Financial Officer

Statement of Cash Flows for the year ended 31 March, 2023

(Amount in ₹crores, except otherwise stated)

	Particulars	Year ended 31 March 2023	Year ended 31 March 2022
A	**Cash flows from Operating Activities**		
	Loss before tax	(306.20)	(139.88)
	Adjustments for:		
	Depreciation and amortisation expense	81.57	90.73
	Advances/deposits written off	0.81	-
	Provision for bad and doubtful debts (written back)/ charged	(1.99)	2.47
	Capital work-in-progress written off	0.38	0.31
	Provision for doubtful advances	0.35	1.63
	Finance costs	422.78	481.70
	Unrealised exchange gain on foreign currency fluctuation	-	(0.09)
	Loss on assets held for sale (refer note 33)	173.07	-
	Impairment loss on subsidiary investment	-	154.25
	(Profit)/ Loss on sale of property, plant and equipment (net)	(0.33)	0.13
	Profit on lease modification/ cancellation (net)	(0.51)	-
	Liabilities/ provisions no longer required written back	(42.82)	(12.79)
	Interest income	(18.36)	(18.21)
	Dividend income from non-current investment (other than trade)	(0.02)	(0.02)
	Operating profit before working capital changes and other adjustments	**308.73**	**560.23**
	Changes in working capital:		
	(Increase)/ decrease in assets:		
	Trade receivable, financial and other assets	(80.33)	(121.90)
	Inventories	(39.25)	(39.93)
	Increase/ (decrease) in liabilities:		
	Trade payables, financial and other liabilities/ provisions	(10.60)	(63.97)
	Cash generated from/ (used in) operating activities	**178.55**	**334.43**
	Income-tax refund	1.74	2.00
	Net cash generated from operating activities - Total	**180.29**	**336.43**
B.	**Cash flow from Investing Activities:**		
	Purchase of property, plant and equipment/ capital advance given	(70.68)	(33.18)
	Proceeds from sale of property, plant and equipment	7.78	0.69
	Advance received for assets held for sale	31.00	-
	Loan given to subsidiary	-	(8.15)
	Repayment of loans given to subsidiary	7.60	0.55
	Repayment of loans by body corporate	6.30	-
	Interest received	2.64	3.94
	Deposit made with bank	(0.89)	(42.99)
	Dividend income from non-current investment (other than trade)	0.02	0.02
	Net cash used in investing activities - Total	**(16.23)**	**(79.12)**
C.	**Cash flow from Financing Activities**		
	Proceeds from Issue of Equity Shares	0.23	334.05
	Finance cost paid	(246.04)	(235.54)
	Payment of Lease obligations	(5.44)	(13.45)

Statement of Cash Flows for the year ended 31 March, 2023

(Amount in ₹crores, except otherwise stated)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Proceeds from		
- Long term borrowings	205.91	-
- Short term borrowings	60.00	50.00
Repayment of		
- Long term borrowings	(185.13)	(364.33)
- Short term borrowings	(60.00)	-
Net cash used in financing activities - Total	**(230.47)**	**(229.27)**
Net increase/ (decrease) in cash and cash equivalents	(66.41)	28.04
Cash and cash equivalents at the beginning of the year	118.97	90.95
Less: Cash credits at the beginning of the year	-	(0.02)
Cash and cash equivalents at the beginning of the year	**118.97**	**90.93**
Cash and cash equivalents at the end of the year	**52.56**	**118.97**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Cash and Cash Equivalents comprise:		
Cash on hand	0.06	0.06
Balances with banks on current account	52.50	103.20
Deposit with original maturity for less than three months	-	15.71
	52.56	**118.97**

(a) The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in the Ind-AS 7 'Statements of Cash Flows'.

(b) Disclosure for non-cash transactions

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Issue of equity shares to Manav Investment & Trading Co Ltd against loan received	-	54.13
Conversion of Optionally Convertible Preference Shares into Equity [Refer Note 16 (a)(i)]	94.30	-
Forfeiture of Rights Shares issued in previous year [Refer Note 16 (a)(ii)]	0.66	-
Total	**94.96**	**54.13**

The accompanying summary of significant accounting policies and other explanatory information forms an integral part of these Standalone Financial Statements.

This is the Cash Flow Statement referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration Number: 001076N/N500013

Manoj Kumar Gupta
Partner
Membership No.: 083906

For and on behalf of the Board of Directors

Manjushree Khaitan
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DIN: 00055898

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Non-Independent Director
DIN: 08045661

Place: Kolkata
Date: 28 April 2023

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Independent Director
DIN: 06450659

Satish Narain Jajoo
Independent Director
DIN: 07524333

Gautam Ganguli
Company Secretary

Rohit Shah
Chief Financial Officer

Statement of Changes in Equity for the year ended 31 March, 2023

(Amount in ₹crores, except otherwise stated)

A. Equity share capital (*)

As on 31 March, 2023

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
244.41	-	244.41	66.25	**310.66**

As on 31 March, 2022

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
164.81	-	164.81	79.60	**244.41**

***Refer note 16(a)**

B. Other equity

Particulars	Reserves and surplus							Equity component of compound financial instruments	Share application money pending allotment	FVOCI - equity instruments	Total other equity
	Securities Premium	Capital reserve - Development grant/ subsidy	Capital reserve -Amalgamation reserve	Capital Redemption Reserve	General reserve	Others	Retained earnings				
Balance at 01 April 2021	923.49	0.15	2.91	3.59	224.00	7.31	(1,037.56)	-	-	58.46	182.35
Changes in accounting policy or prior period item	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period	**923.49**	**0.15**	**2.91**	**3.59**	**224.00**	**7.31**	**(1,037.56)**	**-**	**-**	**58.46**	**182.35**
Loss for the year	-	-	-	-	-	-	(130.01)	-	-	-	(130.01)
Other comprehensive income/ (expense) [net of tax]	-	-	-	-	-	-	3.59	-	-	(2.62)	0.97
Total comprehensive income for the year	-	-	-	-	-	-	(126.42)	-	-	(2.62)	(129.04)
Issue of equity shares	307.50	-	-	-	-	-	-	-	1.06	-	308.56
Balance as at 31 March 2022	**1,230.99**	**0.15**	**2.91**	**3.59**	**224.00**	**7.31**	**(1,163.98)**	**-**	**1.06**	**55.84**	**361.87**

Statement of Changes in Equity for the year ended 31 March, 2023

(Amount in ₹crores, except otherwise stated)

Particulars		Reserves and surplus							Equity component of compound financial instruments	Share application money pending allotment	FVOCI - equity instruments	Total other equity
		Securities Premium	Capital reserve - Development grant/ subsidy	Capital reserve -Amalgamation reserve	Capital Redemption Reserve	General reserve	Others	Retained earnings				
Changes in accounting policy or prior period item		-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period		**1,230.99**	**0.15**	**2.91**	**3.59**	**224.00**	**7.31**	**(1,163.98)**	**-**	**1.06**	**55.84**	**361.87**
Loss for the year		-	-	-	-	-	-	(115.67)	-	-	-	(115.67)
Other comprehensive income/ (expense) [net of tax]		-	-	-	-	-	-	(1.43)	-	-	6.62	5.19
Total comprehensive income for the year		-	-	-	-	-	-	(117.10)	-	-	6.62	(110.48)
Issue of equity shares	16	28.69	-	-	-	-	-	-	-	(1.06)	-	27.63
Shares forfeited	16	-	-	-	-	-	0.66	-	-	-	-	0.66
Deemed equity on fair value of Non-Convertible Cumulative Re-deemable Preference Shares	16	-	-	-	-	-	-	-	57.89	-	-	57.89
Balance as at 31 March 2023		**1,259.68**	**0.15**	**2.91**	**3.59**	**224.00**	**7.97**	**(1,281.08)**	**57.89**	**-**	**62.46**	**337.57**

The accompanying summary of significant accounting policies and other explanatory information forms an integral part of these Standalone Financial Statements.

This is the Statement of Changes in Equity referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration Number: 001076N/N500013

Manoj Kumar Gupta
Partner
Membership No.: 083906

Place: Kolkata
Date: 28 April 2023

For and on behalf of the Board of Directors

Manjushree Khaitan
Chairman
DIN: 00055898

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Whole-time Director and Chief Executive Officer
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Gautam Ganguli
Company Secretary

Rohit Shah
Chief Financial Officer

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

1 Corporate information

Kesoram Industries Limited (the Company) is a public company domiciled and incorporated under the provisions of the Indian Companies Act, 1913. The Company is a flagship company of B. K. Birla group of companies. Its shares are listed on three stock exchanges in India (Bombay Stock Exchange, National Stock Exchange and Calcutta Stock Exchange) and its Global Depositary Receipts (GDR) are listed on Luxembourg Stock Exchange. The Company is engaged in the business of manufacture and sale of Cement and it markets its product under the brand name "Birla Shakti".

The financial statements as at 31 March 2023 present the financial position of the Company.

The financial statements for the year ended 31 March 2023 were approved by the Board of Directors and authorised for issue on 28 April 2023.

2 Summary of significant accounting policies

2.01 Basis of preparation

Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013 and presentation requirements of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable.

Up to the year ended 31 March 2017, the Company prepared its financial statements in accordance with the requirements of previous Generally Accepted Accounting Principles (GAAP), which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. The date of transition to Ind AS is 1 April 2016.

Historical cost convention

The financial statements have been prepared under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values by Ind AS, except for the following:

- certain financial assets and liabilities, which are measured at its fair values;

- assets held for sale – measured at fair values less cost to sell; and

- defined benefit plans – plan assets measured at fair value."

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

2.02 Property, plant and equipment and capital work-in-progress

Property, plant and equipment are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises of purchase cost, borrowing costs if capitalisation criteria are met and other directly attributable cost of bringing the assets to its working condition for intended use. The cost also comprises of exchange differences arising on translation/ settlement of long term foreign currency monetary items pertaining to acquisition of such depreciable assets. Any trade discounts and rebates are deducted in arriving at the purchase price.

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. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Capital work in progress is stated at cost, [including borrowing cost, where applicable and adjustment for exchange difference referred to in Note 2.15 below] incurred during construction/installation period relating to items or projects in progress.

Losses arising from the retirement of and gains or losses arising from disposal of property, plant and equipment which are carried at cost are recognised in the Statement of Profit and Loss.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Class of assets	Estimated useful life (in years)
Buildings	5-60 years
Plant and Equipment	1-40 years
Furniture and Fixtures	1-16 years
Office Equipment	1-20 years
Vehicles	8-10 years
Railway Siding	15 years

The useful lives have been determined based on technical evaluation done by the management's expert which are different than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The residual values are not considered more than 5% of the original cost of the asset. The residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Mining assets are amortised over the useful life of the mine or lease period whichever is lower.

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Company will obtain ownership at the end of the lease term.

2.03 Intangible assets

Intangible property, plant and equipment are capitalised where it is expected to provide future enduring economic benefits and amortised on a straight line basis. Capitalisation costs include license fees and the cost of implementation/ system integration services. The Costs are capitalised in the year in which the relevant intangible asset is implemented for use.

Class of assets	Estimated useful life (in years)
Software	3 years

2.04 Impairment

Property, plant and equipment and intangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.05 Leases

Company as a lessee – Right of use assets and lease liabilities

A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

Classification of leases

The Company enters into leasing arrangements for various assets. The assessment of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/purchase etc.

Recognition and initial measurement of right of use assets

At lease commencement date, the Company recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Company, an estimate of any costs to dismantle and remove the asset at the end of

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

Subsequent measurement of right of use assets

The Company depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company also assesses the right-of-use asset for impairment when such indicators exist.

Lease liabilities

At lease commencement date, the Company measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Company's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Company has elected to account for short-term leases using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these short-term leases are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

Company as a lessor

Lease income from operating leases where the group is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

2.06 Inventories

Inventories consists of raw materials, work-in-progress, finished goods and stores and spares. These are stated at lower of cost and net realisable value. Cost is determined on weighted average/ first-in, first-out (FIFO) basis, as considered appropriate by the Company. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale. Provision is made for obsolete/slow moving/ defective stocks, wherever necessary.

2.07 Financial Instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

(i) Financial assets

Classification

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss)
- those to be measured at amortised cost.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

Initial recognition and measurement

All financial assets are recognized initially at fair value, plus, in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Financial assets are measured at 'Fair value through other comprehensive income' (FVOCI) if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amounts are taken through OCI, except for the recognition of impairment gains or losses and interest income and foreign exchange gains and losses, which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

The Company in respect of equity investments (other than in subsidiaries, associates and joint ventures) which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of such equity instruments. Such an election is made by the Company on an instrument by instrument basis at the time of initial recognition of such equity investments.

Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at 'Fair value through the statement of profit and loss' (FVPL).

Impairment of financial assets

The Company assesses on a forward looking basis the 'Expected credit losses' (ECL) associated with its assets carried at amortised cost and FVOCI debt instruments. The Company recognises loss allowance for expected credit losses on financial asset.

For trade receivables only, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

De-recognition of financial assets

A financial asset is derecognised only when:

- the Company has transferred the rights to receive cash flows from the financial asset or
- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(ii) Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities, debts and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs. Dividends from such investments are recognised in profit or loss as other income when the group's right to receive payments is established.

Financial Liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at FVTPL

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative, except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration of an acquirer in a business combination may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL.

Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on changes in fair value recognised in profit or loss to the extent that they are not part of a designated hedging relationship (see hedge accounting policy). The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'finance cost" line item (note 31) in profit or loss.

However, for financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. The remaining amount of change in the fair value of liability is recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are recognised in retained earnings.

Financial liabilities at amortised cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination,

(ii) held- for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

De-recognition of financial liabilities

The Company de-recognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

Derivative financial instruments

In the ordinary course of business, the Company uses certain derivative financial instruments to reduce business risks which arise from its exposure to foreign exchange and interest rate fluctuations. The instruments are confined principally to forward foreign exchange contracts

Derivatives are initially accounted for and measured at fair value from the date the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.08 Employee Benefits

Defined contribution plans

Payments to defined contribution plans are charged as an expense as they fall due. Payments made to state managed retirement benefit schemes are dealt with as payments to defined contribution schemes where the Company's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit scheme.

Defined benefit plans

For defined benefit retirement schemes the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date. Re-measurement gains and losses of the net defined benefit liability/ (asset) are recognised immediately in other comprehensive income. The service cost and net interest on the net defined benefit liability/ (asset) is treated as a net expense within employment costs.

Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised, whichever is earlier.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined-benefit obligation as reduced by the fair value plan assets.

Compensated absences

Accumulated compensated absences which are expected to be availed or encashed within twelve months from the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlements as at the year end.

Accumulated compensated absences which are expected to be availed or encashed beyond twelve months from the year end are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial loss/gains are recognised in the Statement of Profit and Loss in the year in which they arise.

Short-term Employee Benefits (i.e. benefits payable within one year) are recognised in the period in which employee services are rendered.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

2.09 Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions.

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

2.10 Provision and Contingent Liabilities

Provisions

Provisions are recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Provision for mines restoration and related environmental costs:

An obligation for restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the development or ongoing extraction from mines. Costs arising from restoration at closure of the mines and other site preparation work are provided for based on their discounted net present value, with a corresponding amount being capitalised at the start of each project. The amount provided for is recognised, as soon as the obligation to incur such costs arises. These costs are charged to the Statement of Profit and Loss over the life of the operation through the depreciation of the asset and the unwinding of the discount on the provision. The cost are reviewed periodically and are adjusted to reflect known developments which may have an impact on the cost or life of operations. The cost of the related asset is adjusted for changes in the provision due to factors such as updated cost estimates, new disturbance and revisions to discount rates. The adjusted cost of the asset is depreciated prospectively over the lives of the assets to which they relate. The unwinding of the discount is shown as a finance cost in the Statement of Profit and Loss.

Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

2.11 Non-current assets (or disposal groups) held for sale

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

2.12 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 and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the company and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period. Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

2.13 Cash and bank balances

- Cash and cash equivalents

Cash and cash equivalents includes cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

- Other bank balances

Other bank balances include deposits with maturity less than twelve months but greater than three months and balances and deposits with banks that are restricted for withdrawal and usage.

2.14 Revenue Recognition

Revenue shall be recognised to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services.

Sales of goods

Revenue from contract with customers is recognised when the Company satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations may be satisfied at a point of time or over a period of time. Performance obligations satisfied over a period of time are recognised as per the term of relevant contractual agreements/ arrangements. Performance obligations are said to be satisfied at a point of time when the customer obtains controls of the asset.

Revenue is recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A contract liability is recognised for expected volume discounts payable to customers in relation to sales made until the end of the reporting period.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due, which are otherwise recorded as contract assets.

Interest income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.

Dividend income

Dividend income from investments is recognised when the shareholder's rights to receive payment have been established.

Rental income

Rental income from investment properties and subletting of properties is recognised on a time proportion basis over the term of the relevant leases.

A contract liability is recognised until the benefit is provided.

2.15 Borrowing Costs

Borrowing costs include interest, other costs incurred in connection with borrowing and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to the interest cost. General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Premium in the form of fees paid on refinancing of loans are accounted for as an expense over the life of the loan using effective interest rate method. All other borrowing costs are recognised in the Statement of profit and loss in the period in which they are incurred.

2.16 Foreign currency transactions and translations

Functional and presentation currency

The financial statements of the Company are presented in Indian rupees (INR), which is the functional currency of the Company and the presentation currency for the financial statements.

Transactions and balances

Transactions in foreign currency are accounted for at the exchange rates prevailing on the date of transactions. Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year end exchange rates. Gains/ losses arising out of fluctuations in the exchange rates are recognised in the statement of profit and loss in the period in which they arise.

2.17 Research and Development Expenditure

Revenue Expenditure on Research and Development is charged to the Statement of Profit and Loss in the year in which it is incurred and Capital Expenditure relating to Research and Development are included in property, plant and equipment.

2.18 Earnings per equity share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Company
- by the weighted average number of equity shares outstanding during the financial year

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

2.19 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of Directors has been identified as the chief operating decision maker. Refer note 42 for segment information presented. The company accounts for intersegment sales and transfers at cost.

2.20 Use of estimates and critical accounting judgements

In preparation of the financial statements, the Company makes judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Significant judgements and estimates relating to the carrying values of assets and liabilities include useful lives of property, plant and equipment and intangible assets, impairment of property, plant and equipment, intangible assets and investments, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies, measurement of lease liability and Right to Use Asset.

2.21 Recent pronouncements

The Ministry of Corporate Affairs has vide notification dated 31 March 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective 1 April 2023. The Rules predominantly amends Ind AS 1, Presentation of financial statements and Ind AS 12, Income taxes, whereas the other amendments notified by these rules are primarily in the nature of clarifications. As per the Management's assessment, these amendments are not expected to have a material impact on the Company in the current or future reporting periods and on foreseeable future transactions.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(Amount in ₹crores, except otherwise stated)

3 Property, plant and equipment

Particulars	Gross block					Accumulated depreciation					Net Block
	As at 1 April 2022	Additions during the year	Transfer out (refer note 33)	Deletions during the year	As at 31 March 2023	As at 1 April 2022	Charge for the year	Transfer out (refer note 33)	Deletions during the year	As at 31 March 2023	As at 31 March 2023
Freehold land	608.55	-	229.86	-	378.69	-	-	-	-	-	378.69
Freehold buildings	242.89	3.02	5.29	9.00	231.62	58.06	9.07	5.29	2.25	59.59	172.03
Plant and equipment	1,103.13	22.16	1.04	7.77	1,116.48	403.25	60.42	1.04	7.77	454.86	661.62
Furniture and fittings	7.97	0.06	0.01	0.43	7.59	4.78	0.57	0.01	0.40	4.94	2.65
Office equipment	7.19	0.89	0.05	1.40	6.63	4.97	1.06	0.05	1.31	4.67	1.96
Vehicles	13.77	2.81	-	0.10	16.48	8.88	1.46	-	0.06	10.28	6.20
Railway siding	17.47	2.27	-	-	19.74	9.36	1.65	-	-	11.01	8.73
Bearer Plants	0.10	-	-	-	0.10	-	-	-	-	-	0.10
Total	**2,001.07**	**31.21**	**236.25**	**18.70**	**1,777.33**	**489.30**	**74.23**	**6.39**	**11.79**	**545.35**	**1,231.98**

Particulars	Gross block					Accumulated depreciation					Net Block
	As at 1 April 2021	Additions during the year	Transfer Out	Deletions during the year	As at 31 March 2022	As at 1 April 2021	Charge for the year	Transfer Out	Deletions during the year	As at 31 March 2022	As at 31 March 2022
Freehold land	608.55	-	-	-	608.55	-	-	-	-	-	608.55
Freehold buildings	242.89	-	-	-	242.89	48.63	9.43	-	-	58.06	184.83
Plant and equipment	1,084.32	20.82	-	2.01	1,103.13	341.94	62.76	-	1.45	403.25	699.88
Furniture and fittings	7.86	0.13	-	0.02	7.97	4.12	0.68	-	0.02	4.78	3.19
Office equipment	6.01	1.24	-	0.06	7.19	4.10	0.90	-	0.03	4.97	2.22
Vehicles	14.48	0.22	-	0.93	13.77	8.11	1.47	-	0.70	8.88	4.89
Railway siding	17.47	-	-	-	17.47	7.73	1.63	-	-	9.36	8.11
Bearer Plants	0.10	-	-	-	0.10	-	-	-	-	-	0.10
Total	**1,981.68**	**22.41**	**-**	**3.02**	**2,001.07**	**414.63**	**76.87**	**-**	**2.20**	**489.30**	**1,511.77**

Notes:

(a) Refer note 18 for property, plant and equipment pledged as security.

(b) Contractual obligations: Refer note 37 for disclosure of contractual commitments towards acquisition of property, plant and equipment.

(c) All the title deeds for the Freehold land and Freehold buildings are in the name of the Company.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

4 Right - of - use Assets

(Amount in ₹crores, except otherwise stated)

Particulars	Gross block				Amortisation				Net Block
	As at 1 April 2022	Additions during the year	Deletions during the year	As at 31 March 2023	As at 1 April 2022	Charge for the year	Deletions during the year	As at 31 March 2023	As at 31 March 2023
Leasehold land	34.23	27.02	4.49	56.76	8.66	2.85	-	11.51	45.25
Building	6.02	2.48	-	8.50	4.00	0.55	3.62	0.93	7.57
Vehicle	4.59	-	3.75	0.84	3.57	1.64	4.59	0.62	0.22
Plant and equipment	24.07	-	24.07	-	21.56	2.30	23.86	-	-
Total	**68.91**	**29.50**	**32.31**	**66.10**	**37.79**	**7.34**	**32.07**	**13.06**	**53.04**

Particulars	Gross block				Amortisation				Net Block
	As at 1 April 2021	Additions during the year	Deletions during the year	As at 31 March 2022	As at 1 April 2021	Charge for the year	Deletions during the year	Balance as at 31 March 2022	As at 31 March 2022
Leasehold Land	22.25	11.98	-	34.23	6.38	2.28	-	8.66	25.57
Building	5.90	0.61	0.49	6.02	3.65	0.79	0.44	4.00	2.02
Vehicle	3.25	1.40	0.06	4.59	2.02	1.58	0.03	3.57	1.02
Plant and equipment	24.07	-	-	24.07	12.35	9.21	-	21.56	2.51
Total	**55.47**	**13.99**	**0.55**	**68.91**	**24.40**	**13.86**	**0.47**	**37.79**	**31.12**

5 Capital work-in-progress (CWIP) along with ageing

Particulars	As at 31 March 2023	As at 31 March 2022
Balance as at the beginning of the period	28.21	14.31
Addition for the period	75.94	38.07
Capitalised during the period	(55.94)	(23.86)
Charged off	(0.38)	(0.31)
Balance as at the end of the period	**47.83**	**28.21**

Notes:

(a) CWIP ageing schedule:

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As on 31 March 2023					
- Projects in progress	42.73	2.98	1.52	-	**47.23**
- Projects temporarily suspended [refer note 5(c)]	-	-	-	0.60	**0.60**
	42.73	**2.98**	**1.52**	**0.60**	**47.83**
As on 31 March 2022					
- Projects in progress	17.21	1.60	0.35	8.44	**27.60**
- Projects temporarily suspended [refer note 5(c)]	-	-	-	0.61	**0.61**
	17.21	**1.60**	**0.35**	**9.05**	**28.21**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(Amount in ₹crores, except otherwise stated)

(b) Capital Work-in-Progress whose completion is overdue or has exceeded its cost compared to its original plan

Particulars	To be completed In				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As on 31 March 2023					
- Railway Sleepers	1.52	-	-	-	**1.52**
- AFR Feeding System With Shredder	9.58	-	-	-	**9.58**
- Others	0.82	-	-	-	**0.82**
	11.92	**-**	**-**	**-**	**11.92**
As on 31 March 2022					
- Railway Sleepers	3.79	-	-	-	**3.79**
- Injepally Village Shifting Exp.	11.78	-	-	-	**11.78**
- Others	0.35	-	-	-	**0.35**
	15.92	**-**	**-**	**-**	**15.92**

(c) Details of Projects temporarily suspended along with ageing schedule

Particulars	To be completed In				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As on 31 March 2023					
Railway Track Shifting	-	-	-	0.60	**0.60**
	-	**-**	**-**	**0.60**	**0.60**
As on 31 March 2022					
Railway Track Shifting	-	-	-	0.60	**0.60**
LSSR Shed Extension	-	-	-	0.01	**0.01**
	-	**-**	**-**	**0.61**	**0.61**

5A Intangible Assets

	Gross block				Amortisation				Net Block
	As at 1 April 2022	Additions during the year	Deletion during the year	As at 31 March 2023	As at 1 April 2022	Charge for the year	Deletion during the year	Balance as at 31 March 2023	As at 31 March 2023
Software		5.07	-	5.07	-	0.40	-	0.40	4.67
Total	-	**5.07**	-	**5.07**	-	**0.40**	-	**0.40**	**4.67**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(Amount in ₹crores, except otherwise stated)

6 Investments in subsidiary and joint venture

Particulars	As at 31 March 2023	As at 31 March 2022
Investment in equity instrument - unquoted		
(Measured at cost)		
(a) Subsidiary		
926,536,876 (31 March 2022: 926,536,876) shares in Cygnet Industries Limited of ₹ 10 each, fully paid-up"	926.54	926.54
Less: Provision for impairment in value of investments	(620.32)	(620.32)
(b) Joint Venture		
22,730 (31 March, 2022: 22,730) shares of Gondkhari Coal Mining Limited of ₹ 10 each, fully paid-up	0.02	0.02
Less: Provision for impairment in value of investments	(0.02)	(0.02)
Total investment in subsidiary and joint venture	**306.22**	**306.22**
Note:		
Aggregate amount of quoted investments and market value thereof:	-	-
Aggregate amount of unquoted investments	306.22	306.22

7 Investments in others

Particulars	As at 31 March 2023	As at 31 March 2022
Investment in equity instruments - quoted		
(Investments carried at fair value through other comprehensive income)		
496,100 (31 March 2022: 496,100) shares of HGI Industries Limited of ₹ 10 each, fully paid-up [refer note (c) below]	0.00	0.00
4,996,986 (31 March 2022: 4,996,986) shares of Kesoram Textile Mills Limited [refer note (d) below] of ₹ 2 each, fully paid-up	27.10	20.18
44,750 (31 March, 2022: 44,750) shares of Vidula Chemicals & Manufacturing Industries Ltd of ₹ 10 each, fully paid-up	-	-
	27.10	**20.18**
Investment in equity instruments - unquoted		
(Investments carried at fair value through other comprehensive income)		
30,000 (31 March 2022: 30,000) shares of Birla Buildings Ltd. of ₹ 10 each, fully paid-up [refer note (a) below]	49.87	48.40
10,000 (31 March, 2022: 10,000) shares of Coromandel Stampings & Stones Ltd of ₹ 10 each, fully paid-up [refer note (c) below]	0.00	0.00
143,000 (31 March, 2022: 143,000) shares of Kesoram Services Limited (erstwhile Kesoram Insurance Broking Services Limited) of ₹ 10 each, fully paid-up [refer note (a) below]	1.00	1.06
10,455 (31 March, 2022: 10,455) shares of Calcutta Stock Exchange Association Ltd of ₹ 1 each, fully paid-up	-	-
10 (31 March, 2022: 10) shares of Meghdoot Co-operative Housing Society Limited of ₹ 100 each, fully paid-up [refer note (c) below]	0.00	0.00
7,231 (31 March, 2022: 7,231) shares of Padmavati Investment Private Limited of ₹ 10 each, fully paid-up [refer note (a) below]	3.74	3.65
18,800 (31 March, 2022: 18,800) shares of Vasavadatta Services Limited of ₹ 10 each, fully paid-up [refer note (a) below]	0.51	0.54
	55.12	**53.65**
Total investments in others	**82.22**	**73.83**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(Amount in ₹crores, except otherwise stated)

Particulars	As at 31 March 2023	As at 31 March 2022
(i) The carrying value and market value of unquoted investments are as below:		
(a) Quoted		
Carrying value	27.10	20.18
Market value	27.10	20.18
(b) Unquoted		
Carrying value	55.12	53.65

Notes:

(a) Market values in cases of some quoted and unquoted investments are not available, hence the fair value has been considered as market values in such cases

(b) Cost of these equity instruments have been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.

(c) Amount is below the rounding off norm adopted by the Company.

(d) These investments are listed on Calcutta Stock Exchange, however, not traded. Accordingly, the fair values of these investments have been derived using level III inputs, available with the management

8 Loans

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Non-current		
(Unsecured, carried at amortised cost, considered good unless otherwise stated)		
Loan to joint venture Company	1.79	7.11
Less: Allowance for impairment loss	(1.79)	(7.11)
	-	-
Loan to subsidiary Company [refer note (i) below]	163.53	154.46
Less: Allowance for impairment loss	-	-
	163.53	**154.46**
Loan to body corporate [refer note (ii) below]	516.39	519.67
Less: Allowance for impairment loss	(516.39)	(519.67)
	-	-
	163.53	**154.46**
(b) Current		
(Unsecured, carried at amortised cost, considered good)		
Loan to employees	0.45	0.50
Loan to others	-	6.30
	0.45	**6.80**

Note:

(i) The loan to Cygnet Industries Limited, a wholly-owned subsidiary company, was given after complying with the provisions of section 186 (4) of the Companies Act, 2013 (as amended). The loan was given in accordance with the terms and conditions as mutually agreed between the parties for use by the recipient in the normal course of business. The loan is repayable on demand and carries an interest rate of 10.50% p.a. (31 March 2022: 10.50% p.a)

(ii) This pertains to loans given to Birla Tyres Limited, a body corporate, pursuant to the scheme of arrangement and post demerger. This is repayable on demand and carries an interest rate of 5.93% p.a. (31 March 2022: 5.93% p.a.). During the current year, the Company has accounted for ₹ 2.18 crores (31 March 2022: ₹ 26.45 crores) as interest income on this loan, which has also been provided for on prudent basis, considering that the principal amount has already been impaired, due to its recoverability being doubtful.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(Amount in ₹crores, except otherwise stated)

(iii) Loans granted to Promoters, Directors, KMPs and other Related Parties:

Type of Borrower	Amount of loan or advance in the nature of loan outstanding		Percentage to the total loans and advances in the nature of loans	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
- Promoters	NA	NA	NA	NA
- Directors	NA	NA	NA	NA
- KMPs	NA	NA	NA	NA
- Related Parties:				
(a) Loan to joint venture company - without specifying any terms or period of repayment (*)	-	-	-	-
(b) Loan to subsidiary (Cygnet Industries Limited) - repayable on demand	163.53	154.46	24%	22%

(*) Loan of ₹ 1.79 crores (31 March, 2022: ₹ 7.11 crores) given to Joint Venture has been fully provided for.

(iv) Disclosure as per Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015:

Name of the Company	As at 31 March 2023	Maximum balance outstanding during the year	Investment by the loanee in shares of parent company
Cygnet Industries Limited (wholly owned subsidiary)	163.53	165.15	-

9 Other financial assets

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Non-current		
Bank deposit with remaining maturity for more than 12 months (*)	2.10	0.28
Security deposits	19.74	9.85
	21.84	**10.13**
(b) Current		
Security deposits	6.05	9.62
Loan to body corporates	10.63	10.63
Less: Allowances for doubtful advances	(10.63)	(10.63)
Interest accrued on deposits	0.48	0.16
Claims receivable (**)	47.61	52.27
Others	28.63	12.70
	82.77	**74.75**

(*) Held as lien by bank against bank guarantees

(**) Pursuant to Circular no. 14 of 2017 (dated 30 March 2017) of the Ministry of Railways, the Company had entered into a Long-term Tariff Contract (LTTC) with the South Central Zonal Railways for a period of 5 years. Since the Company has complied with the terms of the Contract, it has accrued a Freight rebate receivable of ₹ 34.36 crores (31 March 2022: ₹ 42.59 crores) under Claims Receivable for financial year ended 31 March 2023.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(Amount in ₹crores, except otherwise stated)

10 Deferred tax assets (net)

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax liabilities		
Property, plant and equipment	191.12	201.70
Investments	16.00	14.22
Amortisation of Debenture interest	-	17.41
Other	12.05	9.09
Total deferred tax liability	**219.17**	**242.42**
Deferred tax assets		
Unabsorbed depreciation (refer note below)	217.07	217.32
Unabsorbed losses (refer note below)	117.01	126.54
Amortisation of Debenture interest	19.82	-
Items allowable for tax purpose on payment basis	13.60	16.72
Provisions	300.52	147.33
Others	12.83	6.96
Total deferred tax asset	**680.85**	**514.87**
Net deferred tax assets	**461.68**	**272.45**

Note: The Company has recognised net deferred tax asset on unabsorbed depreciation and unabsorbed losses considering that it is probable that future taxable profit will be available against which the unused tax losses can be utilized.

11 Other assets

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Non-current		
Capital advances	5.53	11.82
Prepaid expenses	1.51	1.98
	7.04	**13.80**
(b) Current		
Balance with statutory/government authorities	14.38	15.20
Prepaid expenses	22.88	7.84
Advance to vendors	112.50	111.67
Less: Allowances for doubtful advances	(32.61)	(32.61)
Receivable from gratuity fund (refer note 29)	-	0.44
Others	0.61	2.07
Less: Allowances for doubtful receivables	-	(1.58)
	117.76	**103.03**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(Amount in ₹crores, except otherwise stated)

12 Inventories

Particulars	As at 31 March 2023	As at 31 March 2022
Raw materials (#)	25.47	14.76
Work-in-progress	45.75	11.54
Finished goods (#)	40.07	33.88
Stores and spare parts (#) (*)	69.40	81.26
	180.69	**141.44**
(#) Included above, goods-in-transit:		
Raw materials	0.01	6.33
Finished goods	15.77	15.94
Stores and spare parts	12.40	0.21
	28.18	**22.48**

(*) The inventories of stores and spare parts is net of provision of ₹ 4.25 crores (31 March 2022: ₹ 5.73 crores) towards slow moving, non-moving and obsolete stock.

13 Trade receivables

Particulars	As at 31 March 2023	As at 31 March 2022
Trade Receivables		
- secured, considered good (*)	33.83	30.31
- unsecured, considered good	328.40	290.08
Less: Allowance for expected credit loss	(3.57)	(3.68)
- credit impaired	7.33	7.27
Less: Allowance for credit impaired (**)	(7.33)	(7.27)
	358.66	**316.71**

(*) Secured against security deposits collected from the customers

(**) The amount of trade receivables for which the company has assessed credit risk on an individual basis amounts to ₹ 362.23 crores (31 March 2022: ₹ 320.39 crores) and the amount of loss allowance recognized for such trade receivables amounts to ₹ 3.57 crores (31 March 2022: ₹ 3.68 crores)

Notes:

(a) Trade receivables ageing schedule is as follows:

Particulars	31 March 2023						
	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2023:							
Undisputed Trade Receivables							
- secured, considered good	24.79	7.94	0.39	0.15	-	0.02	33.29
- unsecured, considered good	286.78	37.81	1.75	1.48	0.42	0.16	328.40
Disputed Trade Receivables							
- secured - considered good	-	-	0.09	0.03	0.01	0.41	0.54
- unsecured - credit impaired	-	0.15	0.71	0.91	1.76	3.80	7.33
Total Debtors	**311.57**	**45.90**	**2.94**	**2.57**	**2.19**	**4.39**	**369.56**
Less: Allowance for Loss	-	-	-	-	-	-	(10.90)
Net Debtors	**311.57**	**45.90**	**2.94**	**2.57**	**2.19**	**4.39**	**358.66**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(Amount in ₹crores, except otherwise stated)

Particulars	31 March 2022						
	Outstanding for following periods from due date of payment						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2022:							
Undisputed Trade Receivables							
- secured, considered good	26.27	3.41	-	-	-	0.01	29.69
- unsecured, considered good	269.58	16.76	1.92	1.37	0.41	0.04	290.08
Disputed Trade Receivables							
- secured - considered good	-	-	-	0.01	0.09	0.52	0.62
- unsecured - credit impaired	-	-	0.40	1.86	0.86	4.15	7.27
Total Debtors	**295.85**	**20.17**	**2.32**	**3.24**	**1.36**	**4.72**	**327.66**
Less: Allowance for Loss	-	-	-	-	-	-	(10.95)
Net Debtors	**295.85**	**20.17**	**2.32**	**3.24**	**1.36**	**4.72**	**316.71**

14 Cash and cash equivalents

Particulars	As at 31 March 2023	As at 31 March 2022
Cash on hand	0.06	0.06
Balances with bank:		
- in current accounts	52.50	103.20
Others:		
- deposit with original maturity less than three months	-	15.71
	52.56	**118.97**

15 Other bank balances

Particulars	As at 31 March 2023	As at 31 March 2022
Deposit with remaining maturity for more than three months but less than twelve months (*)	56.25	57.19
On unpaid dividend accounts	0.03	0.02
	56.28	**57.21**
(*) Deposits more than three months includes:-		
- Held as lien by bank against bank guarantees	**55.17**	**56.90**

16 Share capital

Particulars	As at 31 March 2023	As at 31 March 2022
Authorised share capital		
600,000,000 Equity Shares of ₹ 10 each (31 March 2022: 600,000,000 shares]	600.00	600.00
60,000,000 Preference Shares of ₹ 100 each (31 March 2022: 60,000,000 shares)	600.00	600.00
	1,200.00	**1,200.00**
Issued, subscribed and paid-up equity share capital		
310,663,663 Equity Shares of ₹ 10 each fully paid up	310.66	244.02
(31 March 2022: 244,024,163 equity Shares of ₹ 10 each fully paid-up)		
Nil Equity Shares of ₹ 5 each partly paid up	-	0.39
(31 March 2022: 784,933 equity Shares of ₹ 5 each partly paid-up)		
	310.66	**244.41**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(a) Movement in equity share capital

Particulars	31 March 2023		31 March 2022	
	Number of shares	Amount	Number of shares	Amount
Opening balance	244,416,630	244.41	164,811,341	164.81
Conversion of optionally convertible preference shares [refer note (i) below]	66,119,874	66.12	-	-
Fresh issue of equity shares [refer note (ii) below]	-	-	79,212,822	79.21
Fresh issue of partly paid up equity shares [refer note (ii) below]	259,813	0.26	392,467	0.39
Forfeiture of partly paid equity shares [refer note (ii) below]	(132,654)	(0.13)	-	-
Closing balance	**310,663,663**	**310.66**	**244,416,630**	**244.41**

(i) The Board at its Meeting held on August 25, 2022, approved allotment of 66,119,874 fully paid-up Equity Shares of the Company having face value of ₹10 each upon conversion of 42,977,918 Zero Coupon Optionally Convertible Redeemable Preference Shares ("OCRPS") of face value of ₹ 100 each, at a pre-determined ratio to the holders of OCRPS who have opted for conversion as on August 24, 2022 (the record date fixed for the conversion). These Equity Shares have since been accorded both, listing and trading approval by the respective Stock Exchanges.

(ii) The Company, during the previous year ended 31 March 2022, has made a rights issue of 79,997,755 equity shares having face value of ₹ 10 each at a premium of ₹ 40 per share, for cash, aggregating to ₹ 399.99 crores. Allotment of 79,212,822 partly paid-up equity shares having face value ₹ 5 each and a premium of ₹ 20 per share, paid on application, was done during the financial year ended 31 March 2022 itself. Further in current financial year 519,626 shares were alloted on payment of first and final call money of ₹ 25 each. However, on account of non-payment of the first and final call, despite several reminders, 265,307 partly paid-up shares, were finally forfeited, during the current year. These proceeds have been fully utilised and there has been no deviation in use of proceeds from issue objectives as stated in the Rights Issue Offer Document.

(b) Terms and rights attached to shares

The Company has one class of equity shares having a par value of ₹ 10 per share. All shareholders for fully paid up equity shares are entitled to one vote per share and for partly paid up shares the voting rights considered are in proportion to the actual amount paid on those shares. The Company declares and pays dividend in Indian rupees. The dividend proposed by the board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in the proportion to their shareholdings.

(c) Details of shareholders holding more than 5% shares in the company

Name of the shareholder	31 March 2023		31 March 2022	
	Number of shares	% holding	Number of shares	% holding
Manav Investment & Trading Co. Limited	68,817,624	22.15%	54,319,456	22.26%
Pilani Investments and Industries Corporation Limited	46,348,750	14.92%	46,348,750	18.99%
Mundhra Homes Pvt. Ltd	28,327,032	9.12%	-	-
Axis Bank Limited	12,777,710	4.11%	12,777,710	5.24%
	156,271,116		**113,445,916**	

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(d) Details of shareholdings by the Promoter/ Promoter Group

Promoter/ Promoter Group Name	31 March 2023		31 March 2022		% Change
	Number of shares	% holding	Number of shares	% holding	during the year (*)
Promoter					
Manav Investment & Trading Co. Ltd	68,817,624	22.15%	54,319,456	22.26%	26.69%
Pilani Investments and Industries Corporation Limited	46,348,750	14.92%	46,348,750	18.99%	0.00%
Manjushree Khaitan (Chairperson)	1,069,723	0.34%	1,069,723	0.44%	0.00%
Promoter Group					
Century Textiles and Industries Ltd	7,600,502	2.45%	7,600,502	3.11%	0.00%
Umang Commercial Company Pvt. Ltd	3,637,913	1.17%	3,637,913	1.49%	0.00%
Padmavati Investment Pvt. Ltd.	2,820,948	0.91%	2,820,948	1.16%	0.00%
Birla Institute of Technology and Science	1,515,806	0.49%	1,515,806	0.62%	0.00%
Birla Education Trust	954,171	0.31%	954,171	0.39%	0.00%
Prakash Educational Society	910,922	0.29%	910,922	0.37%	0.00%
Late Basant Kumar Birla	597,868	0.19%	597,868	0.25%	0.00%
Birla Educational Institution	362,643	0.12%	362,643	0.15%	0.00%
Vidula Jalan	171,381	0.06%	171,381	0.07%	0.00%
Rajashree Birla	4,827	0.00%	4,827	0.00%	0.00%
Vasavadutta Bajaj	8,541	0.00%	8,541	0.00%	0.00%
Kumar Mangalam Birla	445	0.00%	445	0.00%	0.00%
	134,822,064	**43.39%**	**120,323,896**	**49.30%**	**12.05%**

(*) % change during the year has been computed on the basis of the number of shares at the beginning of the year.

17 Other Equity

Particulars	As at 31 March 2023	As at 31 March 2022
Reserves and surplus		
Securities premium	1,259.68	1,230.99
Capital reserve		
(a) Development grant/subsidy	0.15	0.15
(b) Amalgamation reserve	2.91	2.91
Capital redemption reserve	3.59	3.59
General reserve	224.00	224.00
Retained earnings	(1,281.08)	(1,163.98)
Equity component of compound financial instruments	57.89	-
Share application money pending allotment	-	1.06
Others	7.97	7.31
Other comprehensive Income		
Fair value through other comprehensive income (FVOCI)- equity instruments	62.46	55.84
Total	**337.57**	**361.87**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(Amount in ₹crores, except otherwise stated)

Notes:

(a) Securities Premium

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	1,230.99	923.49
Increase during the year [refer note 16(a)]	28.69	307.50
Closing balance	**1,259.68**	**1,230.99**

(b) Capital reserve

- Development grant/subsidy

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	0.15	0.15
Increase/(decrease) during the year	-	-
Closing balance	**0.15**	**0.15**

- Amalgamation reserve

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	2.91	2.91
Increase/(decrease) during the year	-	-
Closing balance	**2.91**	**2.91**

(c) Capital redemption reserve

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	3.59	3.59
Increase/(decrease) during the year	-	-
Closing balance	**3.59**	**3.59**

(d) General reserve

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	224.00	224.00
Increase/(decrease) during the year	-	-
Closing balance	**224.00**	**224.00**

(e) Other reserves

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	7.31	7.31
Forfeiture of Shares [refer note 16(a)]	0.66	-
Closing balance	**7.97**	**7.31**

(f) Retained earnings

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	(1,163.98)	(1,037.56)
Net profit/ (loss) for the year	(115.67)	(130.01)
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurement of post-employment benefit obligation, net of tax	(1.43)	3.59
Closing balance	**(1,281.08)**	**(1,163.98)**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(Amount in ₹crores, except otherwise stated)

(g) Equity component of compound financial instruments

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	-	-
Increase/(decrease) during the year	57.89	-
Closing balance	**57.89**	**-**

(h) Fair value through other comprehensive income (FVOCI)- equity instruments

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	55.84	58.46
Change in fair value of FVOCI equity instruments net of taxes	6.62	(2.62)
Closing balance	**62.46**	**55.84**

Nature and purpose of other reserves

(i) Securities premium

Securities premium is used to record premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Indian Companies Act, 2013 (the "Companies Act").

(ii) Capital reserve

(a) Certain grants of capital nature had been credited to Capital Reserve

(b) The Company has recognised profit on account of amalgamation in capital reserve.

(iii) Capital redemption reserve

Capital redemption reserve was created on account of reinstatement of certain investments and spares at cost.

(iv) General reserve

Under the erstwhile Companies Act 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn.

(v) Revaluation reserve

Revaluation reserve was created on account of revaluation of fixed assets carried out under previous GAAP.

(vi) Fair value through other comprehensive income (FVOCI)- equity instruments

The cumulative gains and losses arising on fair value changes of equity investments measured at fair value through other comprehensive income are recognised in FVOCI - equity instruments reserve. The balance of the reserve represents such changes recognised net of amounts reclassified to retained earnings on disposal of such investments.

(vii) Other reserves

Others primarily include:

(a) Amounts appropriated out of profit or loss for doubtful debts and contingencies.

(b) Share buyback reserve has been created as per the Companies Act, 1956.

(c) Reserve which has arisen on forfeiture of shares.

(viii) Fair valuation of Non-Convertible Cumulative Redeemable Preference Shares

Deemed equity on fair value of Non-Convertible Cumulative Redeemable Preference Shares

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(Amount in ₹crores, except otherwise stated)

Financial Liabilities

18 Borrowings

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Non - current		
Debentures		
(Secured, carried at amortised cost)		
16,035 senior secured, listed and rated redeemable Non-Convertible Debentures, having face value of ₹ 959,464 each (31 March 2022: ₹ 965,700 each)] (Refer note (a) below]	1,598.42	1,463.53
Zero (31 March 2022: 4,599) Secured Optionally Convertible Debentures [face value of ₹ nil each (31 March 2022: ₹ 327,400 each)] (Refer note (a) below]	-	138.49
(Unsecured, carried at amortised cost)		
1,919,277 (31 March, 2022: 44,897,195) Zero % Optionally Convertible Redeemable Preference Shares [face value of ₹ 100 each]- (Refer note (a) below]	4.76	90.70
Public Deposit (Refer note (a) below]	91.35	-
9,000,000 (31 March 2022: Zero) 5% Cumulative Non-Convertible Cumulative Redeemable Preference Shares [face value of ₹ 100 each] (Refer note (a) below]	32.61	-
	1,727.14	**1,692.72**
Less: Current maturities of non-current borrowings	(60.93)	(138.49)
	1,666.21	**1,554.23**

(b) Current

Debentures		
(Secured, carried at amortised cost)		
Current maturities of non-current borrowings		
Current maturities of Optionally Convertible Debentures	-	138.49
Current maturities of Non Convertible Debentures	60.93	-
(Unsecured, carried at amortised cost)		
Loans from body corporate	3.00	3.00
	63.93	**141.49**
Add: Interest accrued on current borrowings	1.83	0.80
	65.76	**142.29**

Particulars	As at 31 March 2023	As at 31 March 2022
Net debt reconciliation		
This section sets out an analysis of debt and the movements in net debt for the current period		
Cash and cash equivalents	52.56	118.97
Non-current borrowings	(1,666.21)	(1,554.23)
Current borrowings	(65.76)	(142.29)
Total	**(1,679.41)**	**(1,577.55)**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(Amount in ₹crores, except otherwise stated)

Net debt reconciliation	Other assets	Liabilities from financing activities		
	Cash and cash equivalents	Non-current borrowings	Current borrowings	Total
Net debt as at 1 April 2021	**90.95**	**(1,774.02)**	**(58.58)**	**(1,741.65)**
Net increase in cash and cash equivalents during the year	28.04	-	-	28.04
Repayment of Borrowing		309.33	55.00	364.33
Receipt of the Borrowings	-		(50.00)	(50.00)
Change in cash credit considered as cash and cash equivalent for statement of cash flows	(0.02)	-	0.02	-
Interest expenses	-	(464.02)	(3.93)	(467.95)
Interest paid	-	235.99	(0.44)	235.55
Changes in current maturities of non-current debt	-	138.49	(138.49)	-
Non-cash movements:				
Issue of equity shares to Manav Investment and Trading Company Limited against loan	-	-	54.13	54.13
Net debt as at 31 March 2022	**118.97**	**(1,554.23)**	**(142.29)**	**(1,577.55)**
Net debt as at 1 April 2022	**118.97**	**(1,554.23)**	**(142.29)**	**(1,577.55)**
Net decrease in cash and cash equivalents during the year	(66.41)	-	-	(66.41)
Repayment of Borrowing		185.13	60.00	245.13
Receipt of the Borrowings	-	(205.91)	(60.00)	(265.91)
Interest expenses	-	(384.31)	(38.47)	(422.78)
Interest paid	-	218.48	37.44	255.93
Changes in current maturities of non-current debt	-	(77.56)	77.56	-
Non-cash movements:				
Conversion of Optionally Convertible Preference Shares into Equity		94.30	-	94.30
Equity component on issue of Non-Convertible Cumulative Redeemable Preference Shares	-	57.89	-	57.89
Net debt as at 31 March 2023	**52.56**	**(1,666.21)**	**(65.76)**	**(1,679.41)**

Notes:

(a) Repayment terms and nature of securities given for borrowings from others are as follows:

Others	As at 31 March 2023	As at 31 March 2022	Nature of Security	Repayment Terms
Non-Convertible Debenture	1,598.42	1,463.53	First pari passu charge on all fixed assets, moveable assets (non-current and current) and intangible assets of the Company. Additionally secured by pledge on equity shares of the Company held by the promoters ; Non Disposal Undertaking (NDU) on other security held by a promoter; guarantee by a promoter limited to the value of shares pledged and under NDU as stated above.	First repayment in November 2021 and balance in 11 quarterly instalments starting from August 2023. Tenure of instrument 4 years 11 months and 12 days from the date of allotment i.e., 16 March, 2021. Cash coupon rates: 1 - 18 months @ 9.10% pa; 19 - 36months @11.30%pa; 37 - 60months @ 13.10%pa; XIRR of 20.75% excluding Additional Interest 1 and taxes. Out of the instalment due in August 2023 for ₹ 30.47 crores, ₹ 10 crores has been paid in current FY 2022-23.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(Amount in ₹crores, except otherwise stated)

Others	As at 31 March 2023	As at 31 March 2022	Nature of Security	Repayment Terms
Optionally Convertible Debenture	-	138.49	First pari passu charge on all fixed assets, moveable assets (non-current and current) and intangible assets of the Company. Additionally secured by pledge on equity shares of the Company held by the promoters ; Non Disposal Undertaking (NDU) on other security held by a promoter; guarantee by a promoter limited to the value of shares pledged and under NDU as stated above.	During the current year the Company has fully repaid 4,599 numbers of Optionally Convertible Debentures
Zero Coupon Optionally Convertible Redeemable Preference Shares	4.76	90.70	NA	Redeemable in 5 equal instalments starting from 31 March 2028
Public Deposit	91.35	-	NA	Accepted from public vide deposit scheme, approved by the Board of Directors on April 11, 2022 and shareholders dated June 17, 2022. It carries a rate of interest of 12.50% for members and 12.25% for others. Repayment at the end of 3 years from the date of issue
5% Non-Convertible Cumulative Redeemable Preference Shares	32.61	-	NA	The instrument together with arrear cumulative dividend will be redeemed upon expiry of ten years, or earlier, at the option of the Company, from the date of allotment i.e. December 15, 2022.
	1,727.14	**1,692.72**		

(b) The Company has not defaulted in the repayment of borrowings during the current year. Further, the Company has complied with all the applicable covenants as per the Debenture Trust Deed for the year ended 31 March 2023 except for ones for which waiver letters have been obtained for relevant testing dates from the lenders.

19 Other financial liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Non-Current		
Security deposits	82.39	87.21
	82.39	**87.21**
(b) Current		
Capital creditors	6.56	11.72
Retention and earnest deposits	10.44	10.99
Other payables	2.66	2.71
Security deposits	22.94	30.56
Unpaid dividends (*)	0.02	0.02
	42.62	**56.00**

(*) There is no liability due which is required to be transferred to Investor Education and Protection Fund under section 124 and 125 of the Companies Act, 2013 except for disputed cases for shares held in abeyance under section 126.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(Amount in ₹crores, except otherwise stated)

20 Provisions

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Non-Current		
Provision for employee benefits:		
Provision for leave encashment (unfunded) *	12.89	13.00
Decommissioning obligations **	12.74	11.46
Total non-current provisions	**25.63**	**24.46**
(b) Current		
Provision for employee benefits:		
Provision for gratuity (Refer note 29) *	4.90	-
Provision for leave encashment (unfunded) *	2.97	2.20
Provision for disputed statutory dues *	5.26	14.75
Others	1.54	0.17
Total current provisions	**14.67**	**17.12**

* The same is basis management's best estimates and may vary on actual basis.

** Expected outflow of decommissioning obligations will be FY 2030 onwards.

(i) Movement in provisions

Movements in each class of provision during the financial year, are set out below:

Particulars	Decommissioning obligation	Provision for contingencies	Provision for disputed statutory dues
As at 1 April 2021	10.31	1.71	14.75
Charged/(credited) to profit or loss:	-	-	-
Additional provision recognised	-	-	
Unused amounts reversed	-	(1.71)	-
Amounts used during the year	-	-	-
Unwinding of discount	1.15	-	-
As at 31 March 2022	**11.46**	**-**	**14.75**
As at 1 April 2022	11.46	-	14.75
Charged/(credited) to profit or loss:	-	-	-
Additional provision recognised	-	-	
Unused amounts reversed	-	-	(9.49)
Amounts used during the year	-	-	-
Unwinding of discount	1.28	-	-
As at 31 March 2023	**12.74**	**-**	**5.26**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(Amount in ₹crores, except otherwise stated)

21 Other liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Non-current		
Advance received from employees	0.18	0.41
	0.18	**0.41**
(b) Current		
Deferred revenue	-	14.88
Advance from customers	80.04	33.85
Statutory dues	131.11	119.83
Advance received from employees	0.61	0.36
Other payables	16.11	32.07
	227.87	**200.99**

22 Trade payables

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Total outstanding dues of micro enterprises and small enterprises (Refer note 38)	**6.05**	**19.86**
(b) (i) Total outstanding dues of creditors other than micro enterprises and small enterprises	486.60	492.99
(ii) Employee benefits payable	25.18	17.11
Total (b)	**511.78**	**510.10**

Notes:

Trade payables ageing schedule is as follows: (*)

Particulars	< 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2023:					
(i) MSME	6.05	-	-	-	6.05
(ii) Other Creditors	460.37	19.91	3.62	0.90	484.80
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	1.80	1.80
(v) Employee's benefits payable (undisputed)	22.09	2.89	0.06	0.14	25.18
Total	**488.51**	**22.80**	**3.68**	**2.84**	**517.83**
As at 31 March 2022:					
(i) MSME	19.86	-	-	-	19.86
(ii) Other Creditors	460.02	19.60	6.43	5.14	491.19
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	1.80	1.80
(v) Employee's benefits payable (undisputed)	14.37	1.54	0.28	0.92	17.11
	494.25	**21.14**	**6.71**	**7.86**	**529.96**

(*) Note: Ageing has been considered from the date of transaction.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(Amount in ₹crores, except otherwise stated)

23 Revenue from operations

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Revenue from operations		
Revenue from contracts with customers		
Sale of Products (#)	3,517.45	3,530.22
Other operating revenue	16.30	9.34
	3,533.75	**3,539.56**

(#) The entire revenue is being recorded at a point in time.

A. Revenue from contracts with customers disaggregated on the basis of geographical region and product lines is presented below:

Particulars	India	Outside India	Total
Year ended 31 March 2023:			
Cement	3,517.45	-	3,517.45
	3,517.45	**-**	**3,517.45**
Year ended 31 March, 2022:			
Cement	3,530.22	-	3,530.22
	3,530.22	**-**	**3,530.22**

B. The Company has recognised the following revenue-related contract liabilities and receivables from contract with customers:

(i) Contract liabilities

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Contract liabilities – Deferred revenue [refer note 21(b)]	-	14.88
Contract liabilities - Advance from customers [refer note 21(b)]	80.04	33.85
	80.04	**48.73**
The movement in Contract Liabilities are as follows:		
As at the beginning of the reporting period	48.73	59.91
Add: Additions during the year, excluding amounts recognised as revenue during the year	72.88	48.65
Less: Revenue recognised in the current year which was included in Contract Liabilities	(41.57)	(59.83)
As at the end of the reporting period	**80.04**	**48.73**

- Revenue recognised in relation to contract liabilities

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(Amount in ₹crores, except otherwise stated)

The following table shows the revenue recognised in the current reporting period relates to carried-forward contract liabilities and how much relates to performance obligations that were not satisfied in a prior year.

Revenue recognised that was included in the contract liability balance at the beginning of the year:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Contract liabilities – Deferred revenue	26.69	24.19
Contract liabilities - Advance from customers	14.88	35.64
	41.57	**59.83**

(ii) Contract assets

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Trade Receivables- Gross	369.56	327.66
Less: Allowance for doubtful debt	(10.90)	(10.95)
	358.66	**316.71**

24 Other income

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest income:		
- On financial instruments measured at amortised cost	20.35	44.27
- On income tax refund	0.19	0.39
Less: Provision for doubtful Interest Income [refer note 8(ii)]	(2.18)	(26.45)
Dividend income	0.02	0.02
Liabilities no longer required written back	42.82	12.79
Provision for doubtful debts written back	1.99	-
Gain on property, plant and equipments sold/ discarded	0.33	-
Other miscellaneous income	6.66	7.13
	70.18	**38.15**

25 Cost of materials consumed

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Raw Material Consumed		
Inventories as at the beginning of the reporting period	14.76	9.00
Add: Purchases	220.86	188.95
Less: Inventories as at the end of the reporting period	(25.47)	(14.76)
Add: Limestone raising cost (*)	163.03	177.87
	373.18	**361.06**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(Amount in ₹crores, except otherwise stated)

(*) Limestone raising cost includes:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Salaries, wages and bonus	13.48	12.67
Contribution to provident and other funds	0.82	0.53
Contribution to gratuity fund (refer note 29)	0.42	0.43
Staff welfare expenses	0.25	0.29
Dead rent and royalty	80.68	99.41
Power and fuel	0.94	12.63
Consumption of stores and spare parts	38.78	35.08
Repairs and Maintenance		
- Plant and Machinery	12.61	4.97
- Others	0.33	0.39
Insurance	0.07	0.03
Contractors-Transport	11.03	9.47
Miscellaneous	3.62	1.97
	163.03	**177.87**

26 Changes in stock of finished goods and work-in-progress

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Inventories at the beginning of the year		
- Work - in - progress	11.54	9.41
- Finished Goods	33.88	16.98
Less: Inventories at the end of the year		
- Work - in - progress	45.75	11.54
- Finished Goods	40.07	33.88
Less: Transferred to capital projects	0.17	0.15
	(40.57)	**(19.18)**

27 Power and fuel

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Consumption of power and fuel	1,382.86	1,125.64
	1,382.86	**1,125.64**

28 Packing, carriage and shipping

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Cost of packing and freight	1,030.68	1,062.74
	1,030.68	**1,062.74**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(Amount in ₹crores, except otherwise stated)

29 Employee benefit expense

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Salaries, wages and bonus	141.09	130.29
Contribution to provident fund	6.39	6.24
Contribution to superannuation fund	(0.01)	0.09
Gratuity	2.56	2.72
Contribution under Employees State Insurance Scheme	0.08	0.38
Staff welfare expenses	9.21	8.60
Total employee benefits expense	**159.32**	**148.32**

(i) Compensated absences

Compensated absences cover the Company's liability for sick and earned leave.

(ii) Defined benefit plan

a) Gratuity

The Company operates a gratuity plan through the "KICM Gratuity Fund". Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Company or retirement, whichever is earlier. The benefits vest after five years of continuous service.

b) Provident fund

Provident fund for certain eligible employees is managed by the Company through the "B. K. Birla Group of Companies Provident Fund Institution" and "Birla Industries Provident Fund", in line with the Provident Fund and Miscellaneous Provisions Act, 1952. The plan guarantees interest at the rate notified by the Provident Fund Authorities. The contribution by the employer and employee together with the interest accumulated thereon are payable to employees at the time of their separation from the Company or retirement, whichever is earlier. The benefits vest immediately on rendering of the services by the employee.

The Company has an obligation to fund any shortfall on the yield of the trust's investments over the administered interest rates on an annual basis. These administered rates are determined annually predominantly considering the social rather than economic factors and in most cases the actual return earned by the Company has been higher in the past years. The actuary has provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India and based on the below provided assumptions there is no shortfall as at 31 March 2023 and 31 March 2022 respectively.

The Company also pays provident fund contributions to publically administered local fund as per the local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

The details of fund and plan asset position are given below:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
as at 31 March 2022	27.51	29.08	1.57
as at 31 March 2023	27.29	28.27	0.98

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(Amount in ₹crores, except otherwise stated)

The plan assets have been primarily invested in government securities.

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Discount Rate (per annum)	8.15%	8.50%
Expected Rate of Return on Plan Assets (per annum)	8.15%	8.50%

The Company contributed ₹ 1.97 crores and ₹ 1.78 crores during the year ended 31 March 2023 and 31 March 2022 respectively to the fund.

(iii) Balance sheet recognition

a) Gratuity

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
01 April 2021	53.07	51.61	1.46
Current service cost	3.19	-	3.19
Interest expense/ (income)	3.57	(3.61)	(0.04)
Total amount recognised in profit or loss	**6.76**	**(3.61)**	**3.15**
Remeasurement			
Return on plan assets, excluding amounts included in interest	-	(0.33)	0.33
Actuarial (gain)/ loss from change in demographic assumptions	-	-	-
Actuarial (gain)/ loss from change in financial assumptions	(0.86)	-	(0.86)
Actuarial (gain)/ loss from unexpected experience	(3.06)	-	(3.06)
Total amount recognised in other comprehensive income	**(3.92)**	**(0.33)**	**(3.59)**
Employer contributions/ premium paid	-	1.46	(1.46)
Benefit payments	4.15	4.15	-
Settlement Cost	-	-	-
Disposal/ Transfer of Asset	-	-	-
31 March 2022	**51.76**	**52.20**	**(0.44)**

Particulars	Present value of obligation	Fair value of plan assets	Net amount
01 April 2022	51.76	52.20	(0.44)
Current service cost	3.22		3.22
Interest expense/ (income)	3.57	(3.81)	(0.24)
Total amount recognised in profit or loss	**6.79**	**(3.81)**	**2.98**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(Amount in ₹crores, except otherwise stated)

Particulars	Present value of obligation	Fair value of plan assets	Net amount
Remeasurement			
Return on plan assets, excluding amounts included in interest		(2.35)	2.35
Actuarial (gain)/ loss from change in demographic assumptions			-
Actuarial (gain)/ loss from change in financial assumptions	(1.28)		(1.28)
Actuarial (gain)/ loss from unexpected experience	0.85		0.85
Total amount recognised in other comprehensive income	**(0.43)**	**(2.35)**	**1.92**
Employer contributions/ premium paid		(0.44)	0.44
Benefit payments	5.70	5.70	-
Settlement Cost			-
Acquisition adjustment			-
31 March 2023	**52.42**	**47.52**	**4.90**

(iv) Significant estimates: actuarial assumptions

The significant actuarial assumptions were as follows:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Discount rate	7.30%	7.00%
Salary growth rate	5.00%	5.00%
Attrition rate	1.00%	1.00%
Mortality rate	IALM 2012-2014 ULTIMATE	IALM 2012-2014 ULTIMATE

(v) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Impact on defined benefit obligation			
	31 March 2023		31 March 2022	
	Increase	Decrease	Increase	Decrease
Discount rate **(-/+ 0.5%)**	50.35	54.62	49.68	54.00
% change compared to base due to sensitivity	-3.94%	4.21%	-4.03%	4.32%
Salary growth rate **(-/+ 0.5%)**	54.65	50.31	54.02	49.64
% change compared to base due to sensitivity	4.27%	-4.02%	4.36%	-4.10%
Attrition rate **(-/+ 0.5%)**	52.43	52.41	51.77	51.75
% change compared to base due to sensitivity	0.02%	-0.02%	0.02%	-0.02%
Life expectancy/ mortality rate **(-/+ 10%)**	52.44	52.39	51.78	51.74
% change compared to base due to sensitivity	0.04%	-0.04%	0.04%	-0.04%

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(Amount in ₹crores, except otherwise stated)

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(vi) The major categories of plans assets

In the absence of detailed information regarding plan assets which is funded with Insurance Companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

(vii) Risk exposure

Through its defined benefit plans the Company is exposed to a number of risks, the most significant of which are detailed below:

Investment risk:

The defined benefit plans are funded with insurance companies of India. The Company does not have any liberty to manage the funds provided to insurance companies.

Interest risk:

A decrease in the interest rate on plan assets will increase the plan liability.

Life expectancy:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

Salary growth risk

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

(viii) Defined benefit liability and employer contributions

The weighted average duration of the defined benefit obligation is 12 years (31 March 2022 – 13 years).

30 Depreciation and amortisation expense

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Depreciation on tangible assets	74.23	76.87
Amortisation of intangible and right-of-use assets	7.34	13.86
	81.57	**90.73**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(Amount in ₹crores, except otherwise stated)

31 Finance costs

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest expenses		
- Interest cost on financial liabilities measured at amortized cost	410.90	465.98
- Increase in the carrying amount of provisions / decommissioning liabilities	1.21	1.09
Interest on lease liabilities	0.55	1.48
Other borrowing costs	10.12	13.15
	422.78	**481.70**

32 Other expenses

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Consumption of stores and spare parts	50.87	48.63
Rent	17.45	19.15
Repairs and Maintenance		
- Building	6.20	5.85
- Plant and Machinery	70.54	51.91
- Others	3.36	2.70
Insurance	8.43	8.16
Rates and Taxes	6.11	6.68
Brokerage and Discounts	32.37	29.11
Commission to selling agents	6.70	8.83
Sales Promotion	41.18	47.33
Directors' Fees	1.16	0.68
Legal and professional expenses [refer note (c) below]	42.12	38.49
Provision for doubtful debts	-	2.47
Provision for doubtful advances	0.35	1.63
Loss/(Profit) on property, plant and equipments sold/ discarded (net)	-	0.13
Payments to auditors [refer note (a) below]	3.85	2.53
Security Services	6.98	6.76
Miscellaneous expenses [refer note (b) below]	29.57	31.29
	327.24	**312.33**

(a) Details of auditors' remuneration and out-of-pocket expenses are as below:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Audit Fees (including Limited Reviews)	2.14	2.14
Tax audit fees	0.32	0.30
Fees for issuing various certificates	1.33	0.09
Reimbursement of expenses	0.06	-
Total	**3.85**	**2.53**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(Amount in ₹crores, except otherwise stated)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
(b) Miscellaneous expenses include		
(i) Consumption of stores and spares parts	2.05	2.35
(c) Legal & Professional expenses include		
(i) Payment to cost auditor	0.05	0.05

33 Exceptional items

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Impairment Loss on Subsidiary Investment [refer note (a) below]	-	(154.25)
Impairment loss on assets held for sale [refer note (b) below]	(173.07)	-
	(173.07)	**(154.25)**

(a) The Company has carried out an impairment analysis in respect of its investments and loans to Cygnet Industries Limited, its wholly owned subsidiary. Consequently, it has recognised an additional provision for impairment of ₹ nil crores (31 March 2022: ₹ 154.25 crores) which has been presented as an exceptional item in the Statement of Profit and Loss. The assessment was based on the management's business plans and future projections, approved by the Board of Directors. The key assumptions used for computation of value-in-use were the sales growth rate, gross profit margins, long-term growth rate and the risk-adjusted pre-tax discount rate. The post-tax discount rates were derived from the Company's weighted average cost of capital, taking into account the cost of capital, to which specific market-related premium adjustments are made. The Company had performed sensitivity analysis by changing the aforementioned variables independently, keeping the other variables constant, based upon which, there would be no material increase to the impairment charge which would impact the decision of the user of the standalone financial statements.

(b) The Management is contemplating a possible disposition of the Company's factory land comprised in its Hindustan Heavy Chemicals ("HHC") unit that has been under suspension of work, in accordance with the requirements of the debenture trust deed entered between the Company and Vistra ITCL ('Debenture Trustee'), dated 10 March 2021, to sell of its non-core assets. Pursuant to extant provisions of the West Bengal Land Reforms Act, 1955 and the Rules framed thereunder, all parcels of land falling under the ambit of the State Government's land legislation, requires prior approval from relevant authorities of the State Government for transfer as well as payment of salami upon transfer/change in land use. In view of the same, the expected realization value is estimated to be lower than its carrying value.

During the year, the Company has entered into a Memorandum of Understanding ('MoU') with a potential buyer for the said purpose. While necessary enabling approvals from the shareholders have been obtained on 23 February 2023 towards a possible disposal of this factory land at such terms and conditions as the Board may, at absolute discretion think fit, the Management is in the process of obtaining a final approval from the shareholders prior to consummation of this transaction. Consent has also been obtained from the debenture trustee on behalf of debenture holders and the Board of Directors for the aforementioned transaction. The management is also reasonably certain of receiving the required approvals from the relevant authorities in near future, to complete the proposed disposal.

In view of the foregoing and as per the principles of Ind AS 105 'Non-current Assets Held for Sale and Discontinued Operations', the said land has been classified in these financial statements as 'Assets held for sale' as on 31 March 2023 amounting to ₹ 60 crores and its value has been measured at the lower of its carrying value and fair value less costs to sell, which has resulted in a loss of ₹ 173.07 crores. The loss on such remeasurement has been recognised and presented as an 'Exceptional item' in the Statement of Profit and Loss.

Particulars	Year ended 31 March 2023
Gross carrying amount of asset held for sale	233.07
Less: Allowance for impairment loss	(173.07)
Net carrying value	**60.00**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(Amount in ₹crores, except otherwise stated)

34 Income tax

This note provides an analysis of the Company's income tax expense, shows amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items.

(a) Income tax expense

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Current tax		
Current tax on profits for the year	-	-
Adjustments for current tax of prior periods (*)	-	-
Total current tax expense	**-**	**-**
Deferred tax		
Decrease (increase) in deferred tax assets	(165.98)	56.74
(Decrease) increase in deferred tax liabilities	(23.25)	(67.57)
Total deferred tax expense/(benefit)(**)	**(189.23)**	**(10.83)**
Total tax expense	**(189.23)**	**(10.83)**

Notes:

(*) Adjustments for current tax of prior periods represents write back of excess provision for income tax of earlier years on disposal of pending litigations.

(**) Deferred tax expense (credit) amounting to ₹ 189.23 crores (31 March 2022: ₹ 10.83 crores), includes deferred tax credit ₹ 190.53 crores (31 March 2022: ₹ 9.87 crores) routed through Statement of Profit & Loss and deferred tax expense of ₹ 1.30 crores (31 March 2022: credit ₹ 0.97 crores) routed through OCI.

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax assets	680.85	514.87
Deferred tax liabilities	(219.17)	(242.42)
Closing Balance	**461.68**	**272.45**

(b) Movement of deferred tax assets

Particulars	As at 01 April 2022	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	As at 31 March 2023	Not Recognised due to Uncertainty
A. Deferred tax assets					
Unabsorbed depreciation	217.32	(0.25)	-	**217.07**	-
Unabsorbed losses	126.54	(9.53)	-	**117.01**	-
Amortisation of Debenture interest	-	19.82		**19.82**	-
Provision for doubtful debts	11.66	(0.37)	-	**11.29**	-
Provision for doubtful advances	1.80	(1.35)	-	**0.45**	-
Other Provisions	133.87	154.91	-	**288.78**	-
Items allowable for tax purpose on payment basis	20.40	(7.28)	0.48	**13.60**	-
Others	3.28	9.55	-	**12.83**	-
	514.87	**165.50**	**0.48**	**680.85**	**-**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(Amount in ₹crores, except otherwise stated)

Particulars	As at 01 April 2022	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	As at 31 March 2023	Not Recognised due to Uncertainty
B. Deferred tax liabilities					
Property, plant and equipment	201.70	(10.58)	-	**191.12**	-
Investments	14.22	-	1.78	**16.00**	-
Amortisation of Debenture interest	17.41	(17.41)	-	**-**	-
Others	9.09	2.96	-	**12.05**	-
	242.42	**(25.03)**	**1.78**	**219.17**	**-**
Net deferred tax assets/ (liabilities) (A-B)	**272.45**	**190.53**	**(1.30)**	**461.68**	**-**

Particulars	As at 01 April 2021	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	As at 31 March 2022	Not Recognised due to Uncertainty
A. Deferred tax assets					
Unabsorbed depreciation	219.68	(2.36)	-	**217.32**	-
Unabsorbed losses	187.41	(60.87)	-	**126.54**	156.12
Provision for doubtful debts	11.04	0.62	-	**11.66**	-
Provision for doubtful advances	1.79	0.01	-	**1.80**	-
Other Provisions	126.81	7.06	-	**133.87**	-
Items allowable for tax purpose on payment basis	22.34	(1.94)	-	**20.40**	-
Others	2.55	0.73	-	**3.28**	-
	571.62	**(56.74)**	**-**	**514.87**	**156.12**
B. Deferred tax liabilities					
Property, plant and equipment	215.00	(13.30)	-	**201.70**	-
Investments	15.18	-	(0.96)	**14.22**	-
Amortisation of Debenture interest	67.33	(49.92)	-	**17.41**	-
Others	12.48	(3.39)	-	**9.09**	-
	309.99	**(66.61)**	**(0.96)**	**242.42**	**-**
Net deferred tax assets/ (liabilities) (A-B)	**261.63**	**9.87**	**0.96**	**272.45**	**156.12**

(c) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

Particulars	As at 31 March 2023	As at 31 March 2022
Loss before tax	(306.20)	(139.88)
Tax at the rate of 25.168%	**(77.06)**	**(35.20)**
Deferred tax asset not recognised	43.56	-
Permanent differences	0.01	0.18
Provision for impairment on investment in Subsidiary	-	38.82
Others (including difference in tax rates)	33.49	(3.80)
Total income tax expense/ (credit)	**-**	**-**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(Amount in ₹crores, except otherwise stated)

(d) Tax losses

Particulars	As at 31 March 2023	As at 31 March 2022
Unused tax losses for which no deferred tax has been recognised:		
- Tax losses		
- Business loss	-	620.32
Potential tax benefit @ 25.168% on Business loss	-	156.12
Minimum alternate tax (MAT) credit entitlement	-	-
Total	**-**	**156.12**

(a) As per the provisions of the Income Tax Act, 1961, the unabsorbed depreciation does not have any expiry period.

(b) From financial year 2020-21 (Assessment year 2021-22), the Company has opted the new tax regime as per the provisions of Section 115BAA of the Income Tax Act, 1961. Accordingly, reinstated brought forward business losses/ unabsorbed depreciation has been considered while computing deferred tax assets.

35 Earnings per equity share (EPS)

Particulars		Year ended 31 March 2023	Year ended 31 March 2022
(i) Basic			
Number of equity shares at the beginning of the year		24,40,24,163	16,48,11,341
Number of equity shares at the end of the year		31,06,63,662	24,40,24,163
Weighted average number of equity shares outstanding during the year	**(A)**	28,42,29,778	20,01,31,405
Nominal value of each equity Share (₹)		10	10
Loss for the year (₹ in crore)	**(B)**	(115.67)	(130.01)
Earnings per share (Basic) (₹)	**(B/A)**	(4.07)	(6.50)
(ii) Diluted			
Weighted average number of equity shares outstanding during the year	**(C)**	28,42,29,778	20,01,31,405
Earnings per share (Diluted) (₹)	**(B/C)**	(4.07)	(6.50)

36 Contingent liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Claims against the Company not acknowledged as debts:		
(i) Rates, Taxes, Duties etc. demanded by various Authorities	161.98	169.10
(b) Income Tax matters	2.22	15.92
(c) Other Legal matters	125.63	-
	289.83	**185.02**

Note:

(i) In the opinion of the management, no provision is considered necessary for the disputes mentioned above on the ground that there are fair chances of successful outcome of appeals.

(ii) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect to the above pending resolution of the respective proceedings.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(Amount in ₹crores, except otherwise stated)

(iii) The amounts disclosed above represent the best possible estimates arrived at on the basis of available information and do not include any penalty payable.

(iv) The arbitration case pertains to a legal dispute between the Company and Mintech Global Private Limited. Based on the facts of the matter, supported by independent legal opinion obtained, the management remains fairly confident of a favorable outcome and therefore, does not foresee any material financial liability devolving on the Company in this respect of the aforementioned litigation and accordingly, no provision has been made in these standalone financial statement.

37 Capital and other commitments

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Capital Commitments		
Estimated value of contracts in capital account remaining to be executed [net of advances ₹ 5.53 crores (31 March 2022: ₹ 11.82 crores)]	14.59	26.06
	14.59	**26.06**

38 The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006.('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	6.05	19.33
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	0.53
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years	-	-

Note:

The above information regarding Micro and Small enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company

39 Leases

(a) The following is the break-up of current and non-current lease liabilities as at 31 March 2023:

Particulars	31 March 2023	31 March 2022
Current lease liability *	1.84	5.18
Non-current lease liability *	1.65	1.48
	3.49	**6.66**

* Primarily consists of leased plant and machinery and warehouses.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(Amount in ₹crores, except otherwise stated)

(b) The following is the movement in lease liabilities during the year ended 31 March 2023:

Particulars	31 March 2023	31 March 2022
Balance as at the beginning of the year	6.66	16.71
Additions during the year	2.48	2.00
Finance cost accrued during the period	0.55	1.49
Deletions	0.76	0.09
Payment of lease liabilities and interest	5.44	13.45
Balance as at the end of the year	**3.49**	**6.66**

(c) Expense pertaining to leases which has been identified as short-term amounts to ₹ 17.36 crores (31 March 2022: ₹ 19.04 crores)

(d) Expense pertaining to leases which has been identified as low value amounts to ₹ 0.09 crores (31 March 2022: ₹ 0.11 crores)

(e) Contractual maturities of lease liabilities as at the end of the year, on an undiscounted basis:

Particulars	31 March 2023	31 March 2022
Less than one year	1.97	4.72
One to five years	1.06	1.06
More than five years	8.61	7.21

40 Capital Management

(a) Risk management

The capital structure of the Company consists of debt, cash and cash equivalents and equity attributable to equity shareholders of the Company which comprises issued share capital (including premium) and accumulated reserves disclosed in the Statement of Changes in Equity.

The Company's capital management objective is to achieve an optimal weighted average cost of capital while continuing to safeguard the Company's ability to meet its liquidity requirements (including its commitments in respect of capital expenditure) and repay loans as they fall due.

41 Financial instruments - fair values and risk management

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

Financial instruments by category

Particulars	31 March 2023			Total Carrying Value	Total Fair Value
	FVPL	FVOCI	Amortised cost		
Financial assets					
Cash and cash equivalents	-	-	52.56	52.56	52.56
Other bank balances	-	-	56.28	56.28	56.28
Trade receivables	-	-	358.66	358.66	358.66
Loans	-	-	163.98	163.98	163.98
Investments	-	82.22	306.22	388.44	388.44
Other financial assets	-	-	104.61	104.61	104.61
Total financial assets	**-**	**82.22**	**1,042.31**	**1,124.53**	**1,124.53**
Financial liabilities					
Borrowings	-	-	1,731.97	1,731.97	1,731.97
Trade and other payables	-	-	517.83	517.83	517.83
Lease Liability	-	-	3.49	3.49	3.49
Other financial liabilities	-	-	125.01	125.01	125.01
Total financial liabilities	**-**	**-**	**2,378.30**	**2,378.30**	**2,378.30**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(Amount in ₹crores, except otherwise stated)

Particulars	31 March 2022			Total Carrying Value	Total Fair Value
	FVPL	FVOCI	Amortised cost		
Financial assets					
Cash and cash equivalents	-	-	118.97	118.97	118.97
Other bank balances	-	-	57.21	57.21	57.21
Trade receivables	-	-	316.71	316.71	316.71
Loans	-	-	161.26	161.26	161.26
Investments	-	73.83	306.22	380.05	380.05
Other financial assets	-	-	84.88	84.88	84.88
Total financial assets	**-**	**73.83**	**1,045.25**	**1,119.08**	**1,119.08**
Financial liabilities					
Borrowings	-	-	1,696.52	1,696.52	1,696.52
Trade and other payables	-	-	529.96	529.96	529.96
Lease Liability	-	-	6.66	6.66	6.66
Other financial liabilities	-	-	143.21	143.21	143.21
Total financial liabilities	**-**	**-**	**2,376.35**	**2,376.35**	**2,376.35**

A. Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

Quoted prices in an active market (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This level of hierarchy includes Company’s over-the-counter (OTC) derivative contracts.

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This level of hierarchy includes Company’s investment in equity shares which are unquoted or for which quoted prices are not available at the reporting dates. There were no significant inter-relationships between unobservable inputs that materially affect fair values.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(Amount in ₹crores, except otherwise stated)

Particulars	31 March 2023			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Investments	-	-	82.22	82.22
	-	**-**	**82.22**	**82.22**
Financial liabilities:				
Borrowings	-	-	-	-
	-	**-**	**-**	**-**

Particulars	31 March 2022			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Investments	-	-	73.83	73.83
	-	**-**	**73.83**	**73.83**
Financial liabilities:				
Borrowings	-	-	-	-
	-	**-**	**-**	**-**

B. Valuation technique used to determine fair value

(a) Derivatives are fair valued using market observable rates and published prices together with forecasted cash flow information where applicable.

(b) Investments carried at fair value are generally based on market price quotations. However in cases where quoted prices are not available the management has involved valuation experts to determine the fair value of the investments. Different valuation techniques have been used by the valuers for different investments. These investments in equity instruments are not held for trading. Instead, they are held for long term strategic purpose. The Company has chosen to designate this investments in equity instruments at FVOCI since, it provides a more meaningful presentation. Cost of certain investments in equity instruments have been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.

(c) Fair value of borrowings is estimated by discounting expected future cash flows. The carrying amounts of other borrowings with floating rate of interest are considered to be close to the fair value.

(d) The carrying amounts of remaining financial assets and liabilities are considered to be the same as their fair values.

(e) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

(f) Market values in cases of some quoted and unquoted investments are not available, hence the fair value has been considered as market values in such cases

C Risk management

In the course of its business, the Company is exposed primarily to fluctuations in foreign currency exchange rates, interest rates, equity prices, liquidity and credit risk, which may adversely impact the fair value of its financial instruments. The Company has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management policy is approved by the Board of Directors. The risk management framework aims to:

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(Amount in ₹crores, except otherwise stated)

(i) create a stable business planning environment by reducing the impact of currency and interest rate fluctuations on the Company's business plan.

(ii) achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

(i) Credit risk

The Company takes on exposure to credit risk, which is the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. Maximum exposure to credit risk of the Company has been listed below:

Particulars	31 March 2023	31 March 2022
Trade receivables	358.66	316.71
Loan	163.98	161.26
Other financial assets	104.61	84.88
Total	**627.25**	**562.85**

Other receivables as stated above are due from the parties under normal course of the business and as such the Company believes exposure to credit risk to be minimal.

(a) Trade and other receivables

Customer credit risk is managed by the Company through established policy and procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally carrying upto 90 days credit terms. The Company has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation. Trade receivables are consisting of a large number of customers. Where credit risk is high, domestic trade receivables are backed by security deposits. Export receivables are backed by letters of credit.

In determining the allowances for credit losses of trade receivables, the Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

The Company's exposure to customers is diversified and there is no significant credit exposure on account of any single customer as at 31 March 2023 and 31 March 2022.

The company is making provisions on trade receivables based on Expected Credit Loss (ECL) model. The reconciliation of ECL is as follows:

Particulars	31 March 2023	31 March 2022
Opening balance	**10.95**	**8.65**
Charge in statement of profit and loss	-	-
Charge/(Release) to statement of profit and loss	-	2.47
Utilised during the year	(0.05)	(0.17)
Balance at the end of the year	**10.90**	**10.95**

(ii) Liquidity risk

Liquidity risk refers to that risk where the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Company has obtained fund and non-fund based working capital lines from various banks. Furthermore, the Company has access to funds from debt markets through commercial paper programs, non-convertible debentures and other debt instruments. The Company invests its surplus funds in bank fixed deposit and in mutual funds, which carry no or low market risk.

(a) Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity groupings based on their contractual maturities:

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(Amount in ₹crores, except otherwise stated)

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities 31 March 2023	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years	Total
Non-derivatives					
Borrowings (including interest obligations)	336.55	2,123.21	3.84	105.35	2,568.95
Lease Liability	1.97	0.66	0.40	8.61	11.64
Other financial liabilities	44.45	-	-	82.39	126.84
Trade payables	517.83	-	-	-	517.83
Total non-derivative financial liabilities	**900.80**	**2,123.87**	**4.24**	**196.35**	**3,225.26**

Contractual maturities of financial liabilities 31 March 2022	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years	Total
Non-derivatives					
Borrowings (including interest obligations)	370.11	849.85	1,666.86	448.97	3,335.79
Lease Liability	4.72	0.66	0.40	7.21	12.99
Other financial liabilities	56.80	-	-	87.21	144.01
Trade payables	529.96	-	-	-	529.96
Total non-derivative financial liabilities	**961.59**	**850.51**	**1,667.26**	**543.39**	**4,022.75**

(iii) Market risk

(a) Foreign currency risk

The Company deals with foreign currency loan, trade payables etc. and is therefore exposed to foreign exchange risk associated with exchange rate movement.

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales in overseas and purchases from overseas suppliers in various foreign currencies.

Foreign currency risk exposure

The company's exposure to foreign currency risk at the end of the reporting period expressed in INR (foreign currency amount multiplied by closing rate), are as follows:-

As at 31 March 2023

Particulars	USD (in crore)		EUR (in crore)		DKK (in crore)		JPY (in crore)	
	Amount in foreign currency	Amount in local currency	Amount in foreign currency	Amount in local currency	Amount in foreign currency	Amount in local currency	Amount in foreign currency	Amount in local currency
Financial assets								
Trade receivables	-	-	-	-	-	-	-	-
Advance to Vendors	0.05	3.79	0.01	0.50	0.02	0.22	-	-
Financial liabilities								
Trade payables	-	-	-	-	-	-	-	-
Borrowings	-	-	-	-	-	-	-	-
Net exposure to foreign currency risk	**0.05**	**3.79**	**0.01**	**0.50**	**0.02**	**0.22**	**-**	**-**

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(Amount in ₹crores, except otherwise stated)

As at 31 March 2022

Particulars	USD (in crore)		EUR (in crore)		DKK (in crore)		JPY (in crore)	
	Amount in foreign currency	Amount in local currency	Amount in foreign currency	Amount in local currency	Amount in foreign currency	Amount in local currency	Amount in foreign currency	Amount in local currency
Financial assets								
Trade receivables	-	-	-	-	-	-	-	-
Advance to Vendors*	0.05	3.79	0.00	0.10	0.00	0.02	-	-
Financial liabilities								
Trade payables	-	-	-	-	-	-	-	-
Borrowings	-	-	-	-	-	-	-	-
Net exposure to foreign currency risk	**0.05**	**3.79**	**0.00**	**0.10**	**0.00**	**0.02**	**-**	**-**

* Amount is below the rounding off norm adopted by the Company

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	Impact on profit before tax	
	31 March 2023	31 March 2022
USD sensitivity		
INR/USD appreciates by 5% (31 March 2022 - 5%)@	(0.19)	(0.19)
INR/USD depreciates by 5% (31 March 2022 - 5%)@	0.19	0.19
EUR sensitivity		
INR/EUR appreciates by 5% (31 March 2022 - 5%)@	(0.03)	(0.01)
INR/EUR depreciates by 5% (31 March 2022 - 5%)@	0.03	0.01
DKK sensitivity		
INR/DKK appreciates by 5% (31 March 2022 - 5%)@	(0.01)	(0.00)
INR/DKK depreciates by 5% (31 March 2022 - 5%)@	0.01	0.00
GBP sensitivity		
INR/EUR appreciates by 5% (31 March 2022 - 5%)@	-	-
INR/EUR depreciates by 5% (31 March 2022 - 5%)@	-	-
JPY sensitivity		
INR/JPY appreciates by 5% (31 March 2022 - 5%)@	-	-
INR/JPY depreciates by 5% (31 March 2022 - 5%)@	-	-

@ Holding all other variables constant

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's debt obligations with floating interest rates.

The Company's main interest rate risk arises from borrowings with variable rates, which expose the Company to cash flow interest rate risk. During 31 March 2023 and 31 March 2022, the Company's borrowings at variable rate were mainly denominated in INR.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(Amount in ₹crores, except otherwise stated)

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

(a) Interest rate risk exposure

On Financial Liabilities:

The exposure of the Company's financial liabilities to interest rate risk is as follows:

Particulars	31 March 2023	31 March 2022
Variable rate borrowings	-	-
Fixed rate borrowings *	1,730.14	1,695.72
Total borrowings	**1,730.14**	**1,695.72**

* Borrowings excluding accrued interest

(b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates as below:

Particulars	Impact on profit before tax	
	31 March 2023	31 March 2022
Interest expense rates – increase by 50 basis points (50 bps)#	-	-
Interest expense rates – decrease by 50 basis points (50 bps)#	-	-

Holding all other variables constant

(iii) Price risk

(a) Exposure

The Company's exposure to equity securities price risk arises from investments held by the Company and classified in the balance sheet at fair value through OCI. To manage its price risk arising from investments in equity securities, the Company diversifies its portfolio. In general, these investments are not held for trading purposes.

The exposure from investments held by the Company to price risk is as follows:

Particulars	31 March 2023	31 March 2022
Investment in others	82.22	73.83

(b) Sensitivity

The table below summarizes the impact of increases/decreases of the share prices on the Company's equity.

Particulars	Impact on profit before tax	
	31 March 2023	31 March 2022
Share price - Increase 5%	4.11	3.69
Share price - Decrease 5%	(4.11)	(3.69)

42 Segment reporting

The Company, at standalone financial statement level, operates in one segment i.e. "Cement". The Company has disclosed segment information in the consolidated financial statements which are presented in the same financial report. Accordingly, in terms of Paragraph 4 of INDAS 108 'Operating Segments', no disclosure related to segments are presented in this standalone financial statement.

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(Amount in ₹crores, except otherwise stated)

Geographical information

Revenue from external customers:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
India (i.e. entity's country of domicile)	3,533.75	3,539.56
Others	-	-
	3,533.75	**3,539.56**

43 The Company has considered possible effects that may result from the ongoing COVID 19 in the preparation of these financial statements including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of COVID 19 variants, the Company has, at the date of approval of these financial statements, used internal and external sources of information and expects that the carrying amount of the assets will be recovered. The impact of COVID 19 variants on the Company's financial statements may differ from that estimated as at the date of approval of the same.

44 The Board of Directors ("the Board") of the Company at its meeting held on, May 12, 2022 has approved a Scheme of Arrangement ("the Proposed Scheme") under Sections 230-232 of the Companies Act, 2013 between Kesoram Industries Limited ("Company") and Cygnet Industries Limited ("wholly-owned subsidiary" or "Cygnet") with the Appointed Date being 1 April, 2022. The Proposed Scheme involves demerger of the subsidiary Company from the Group, and is subject to the required statutory and regulatory approvals. The necessary effects would be given in the results upon finalisation of the Proposed Scheme and receipt of requisite approvals. The management is still awaiting the initial approvals from the stock exchanges.

45 Related party disclosures (as per Ind AS 24 - Related Party Disclosures)

A. List of Related Parties and relationship

I. Subsidiary

Cygnet Industries Limited

II. Joint Venture

Gondkhari Coal Mining Limited

III. Post Retirement Benefit Plan

B.K. Birla Group of Companies Provident Fund Institution.

Birla Industries Provident Fund Institution.

KICM Gratuity Fund

Kesoram Superannuation Fund

IV. Key Management Personnel & Directors

Smt. Manjushree Khaitan [Chairman]

Mr. P Radhakrishnan [Whole Time Director & CEO]

Mr. Rohit Shah [Chief Financial Officer] (appointed w.e.f. 12 April 2022)

Mr. Suresh Sharma [Chief Financial Officer] (resigned w.e.f. 11 April 2022)

Mr. Gautam Ganguli [Company Secretary] (appointed w.e.f. 13 May 2022)

Mr. Raghuram Nath [Company Secretary] (resigned w.e.f. 15 May 2022)

Mrs. Mangala Radhakrishna Prabhu [Independent Director]

Mr. Satish Narain Jajoo [Independent Director]

Mr. Lee Seow Chuan [Independent Director]

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(Amount in ₹crores, except otherwise stated)

Ms. Jikyeong Kang [Non-Executive Director]

Mr. Kashi Prasad Khandelwal [Independent Director]

Mr. Sudip Banerjee [Independent Director]

V. Others

A. Entity controlled or jointly controlled by the Key Management Personnel:

MSK Travels and Tours Limited

Umang Commercial Pvt Ltd (erstwhile Aditya Marketing & Manufacturing Private Limited)

Arbela Trading and Services Private Limited

Usinara Trading and Services Private Limited

Birla Tyre Radials Limited

B. One entity is an associate of the other entity (or an associate of a group of which the other entity is a member)

Manav Investment and Trading Company Limited & its subsidiaries

B. The following transactions were carried out with the related parties in the ordinary course of business:

Nature of Transaction/ Relationship	Year ended 31 March 2023	Year ended 31 March 2022
Interest Income:		
Subsidiary	14.31	14.30
Management service income:		
Subsidiary	1.82	0.97
Rent Received:		
Subsidiary	0.16	0.14
Others	0.00	0.01
Reimbursement of Expenses:		
Subsidiary	0.10	0.09
Others		-
Loan Repayment		
Subsidiary	7.60	0.55
Loan Given		
Subsidiary	-	8.15
Impairment Provision		
Subsidiary	-	154.25
Sale of Raw Material		
Subsidiary	-	5.53
Provident Fund Contribution		
Post Retirement Benefit Plan	1.97	2.07
Gratuity Claimed		
Post Retirement Benefit Plan	7.09	4.15
Gratuity Contribution		
Post Retirement Benefit Plan	-	3.56

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(Amount in ₹crores, except otherwise stated)

Nature of Transaction/ Relationship	Year ended 31 March 2023	Year ended 31 March 2022
Superannuation Contribution		
Post Retirement Benefit Plan	0.00	0.02
Receipt from Superannuation Fund		
Post Retirement Benefit Plan	1.31	-
Upkeep, Rent, Electricity, Generator facility		
Others	0.37	0.26
Tour & Travel Services		
Others	1.04	0.57
Receipt of ICD		
Manav Investment and Trading Company Limited	60.00	50.00
Repayment of ICD		
Manav Investment and Trading Company Limited	60.00	-
Issue of 5% Non-Convertible Cumulative Redeemable Preference Shares		
Manav Investment and Trading Company Limited	90.00	-
Adjustment of ICD against Rights Issue		
Manav Investment and Trading Company Limited	-	50.00
Interest Expense		
Others	0.81	4.58
Dividend		
Others	1.31	-
Adjustment of Interest liability against Rights Issue (including TDS)		
Others	-	4.58
Expenditure-Other Services		
Others	1.67	0.66

(B) Outstanding balances

Particulars	As at 31 March 2023	As at 31 March 2022
Payable/ (Receivable)		
Others	0.07	-
Post retirement benefit plan	0.60	(0.27)
Loan Receivable- Unsecured, repayable on demand		
Subsidiary	133.25	138.42
Joint Venture **	6.17	6.17
Interest Payable		
Others	1.26	0.46
Interest Receivable		
Subsidiary	30.28	16.04
Joint Venture **	0.62	0.62
Dividend Payable		
Others	1.31	-

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(Amount in ₹crores, except otherwise stated)

Particulars	As at 31 March 2023	As at 31 March 2022
Investment in Shares		
Subsidiary [net of impairment loss]	306.22	306.22
Advance Receivable		
Joint Venture **	0.32	0.32
Redeemable Preference Shares Outstanding		
Others	32.61	-

** Outstanding balance of ₹ 1.79 crores (31 March, 2022: ₹ 7.11 crores) receivable from Joint Venture has been fully provided for. Refer Note 8 (a).

(C) Compensation of KMP of the Company

(i) The following transactions were carried out with the KMP in the ordinary course of business.

During the year, the Company recognised an amount of ₹ 9.48 crore (31 March 2022: ₹ 6.35 crores) as remuneration to key managerial personnel. The details of such remuneration is as below:

Particulars	As at 31 March 2023	As at 31 March 2022
Short term employee benefits	9.30	6.15
Post employment benefits	0.18	0.20
Total employee benefits expense	**9.48**	**6.35**
Sitting fees to Director	1.16	0.68
Reimbursement of Expenses	0.04	0.05

(ii) Outstanding balances

Particulars	For the year ended 31 March 2023	For the year ended 31 March 2022
Remuneration	0.35	-
Loan from Director	-	-
	0.35	**-**

Notes:

(a) Disclosure pursuant to Section 186(4) of The Companies Act 2013, regarding loans given and investment made are mentioned investments in subsidiary and joint venture (refer note 6) and non current loans (refer note 8).

* Amount is below the rounding off norm adopted by the Company

46 Ratios disclosed as per requirement of Schedule III to the Act

	Particulars	As at 31 March 2023	As at 31 March 2022	% Variance
(a)	**Current ratio (times)** [Current assets / Current liabilities]	0.95	0.86	10.73%
(b)	**Debt-equity ratio (times)** [Total debt / Shareholder's equity]	2.68	2.81	-4.70%
(c)	**Debt service coverage ratio (times)** [Earning available for Debt Service/ Debt service	1.29	0.97	32.14%

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(Amount in ₹crores, except otherwise stated)

	Particulars	As at 31 March 2023	As at 31 March 2022	% Variance
	[Earning available for Debt Service = Net profit after taxes + Exceptional items + Non-cash operating expenses (depreciation) + Finance costs + Other adjustments (loss on sale of PPE) Debt service = Interest payments+ long-term principal repayments + lease payments]			
	Explanation for variation:			
	Variation due to reduction in EBIDTA, net off repayment of Optionally Convertible Debentures during the current year.			
(d)	**Return on equity ratio (%)** Profit for the year/ Average shareholder's equity	(0.18)	(0.27)	-32.38%
	Explanation for variation:			
	Variation due to reduction in EBIDTA on account of increase in raw material costs.			
(e)	**Inventory turnover ratio (times)** Sales for the year/ Average Inventory	21.84	29.06	-24.86%
	[Average Inventory = (Opening balance + Closing balance) / 2]			
(f)	**Return on capital employed** Earning before interest and taxes/ Capital employed	0.05	0.15	-67.35%
	[Capital Employed = Total equity + borrowings (including accrued interest)]			
	Explanation for variation:			
	Variation due to reduction in EBIDTA on account of increase in raw material costs.			
(g)	**Trade receivables turnover ratio (times)** Revenue from operations/ Average trade receivable	10.42	11.93	-12.71%
	[Average trade receivables = (Opening balance + Closing balance) / 2]			
(h)	**Trade payables turnover ratio** Purchase of raw materials and stock-in-trade/ Average trade payables	5.34	4.81	11.01%
	[Average trade payables = (Opening balance + Closing balance) / 2]			
(i)	**Net capital turnover ratio (times)** Sale of Products/ Working capital	(162.69)	(26.58)	512.09%
	[Working capital is calculated as current assets (-) current liabilities]			
	Explanation for variation:			
	Reduction in negative working capital			
(j)	**Net profit ratio** Profit for the year/ Revenue from operations	-3.27%	-3.67%	-10.88%

Note:

(i) Explanations have been furnished for change in ratio by more than 25% as compared to the preceding year as stipulated in Schedule III to the Act.

(i) During the current and previous year, the Company has not earned income on the investments held on account of losses incurred by the respective Investee Company. Accordingly, ratio for Return on Investments has not been presented.

Wishes round the Year

Festivities

Summary of significant accounting policies and other explanatory information for the year ended 31 March 2023

(Amount in ₹crores, except otherwise stated)

47 Other statutory information

(i) The Company does not have any Benami property, where any proceeding have been initiated or pending against the Company for holding any Benami property.

(ii) The Company does not have any charge or satisfaction of charge, which is yet to be registered with ROC beyond the statutory period.

(iii) The Company has not traded or invested in crypto-currency or virtual currency during the financial year.

(iv) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries); or

b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(v) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or

b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vi) The Company does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income tax Act, 1961).

(vii) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(viii) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

48 The Code on Social Security, 2020 ("the Code") has been enacted, which may impact the employee related contributions made by the Company. The effective date from which the changes are applicable is yet to be notified. The Ministry of Labour and Employment ('the Ministry') has released draft rules for the Code on November 13, 2020. The Company will complete its evaluation and will give appropriate impact in its financial results in the period in which the Code becomes effective and the related rules are published.

49 Figures for the previous year have been regrouped/reclassified wherever necessary to confirm to current period's classification.

For **Walker Chandiok & Co LLP** *Chartered Accountants* Firm's Registration Number: 001076N/ N500013	For and on behalf of the Board of Directors			
Manoj Kumar Gupta *Partner* Membership No.: 083906	**Manjushree Khaitan** *Chairman* DIN: 00055898	**P Radhakrishnan** *Whole-time Director and Chief Executive Officer* DIN: 08284551		
	Kashi Prasad Khandelwal *Independent Director* DIN: 00748523	**Sudip Banerjee** *Independent Director* DIN: 05245757	**Lee Seow Chuan** *Independent Director* DIN: 02696217	**Jikyeong Kang** *Non-Independent Director* DIN: 08045661
Place: Kolkata Date: 28 April 2023	**Mangala Radhakrishna Prabhu** *Independent Director* DIN: 06450659	**Satish Narain Jajoo** *Independent Director* DIN: 07524333	**Gautam Ganguli** *Company Secretary*	**Rohit Shah** *Chief Financial Officer*

CONSOLIDATED FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT

To The Members of KESORAM INDUSTRIES LIMITED

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of Kesoram Industries Limited ('the Holding Company') and its subsidiary (the Holding Company and its subsidiary together referred to as 'the Group') and its joint venture, as listed in Appendix 1, which comprise the Consolidated Balance Sheet as at 31 March 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Cash Flow Statement and the Consolidated Statement of Changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements and on the other financial information of the subsidiary and 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 ('Ind AS') specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India of the consolidated state of affairs of the Group and its joint venture, as at 31 March 2023, and their consolidated loss (including other comprehensive income), consolidated cash flows and the consolidated changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group and its joint venture in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained together with the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph 16 of the Other Matters section below, is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter – Assets held for sale

4. We draw attention to note 33(a) to the consolidated financial statements, which describes that the Company has disclosed certain assets as 'Assets held for sale' as at year end pursuant to a Memorandum of Understanding with a potential buyer and measured these assets at the lower of their 'carrying value' and 'fair value less costs to sell' in accordance with the principles of Ind AS 105 'Non-current Assets Held for Sale and Discontinued Operations', which has resulted in a loss of ₹ 173.07 crores disclosed as 'Exceptional item' in the accompanying consolidated financial statements. Our opinion is not modified in respect of this matter.

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiary and joint venture, 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.
6. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed the key audit matter
Recoverability of deferred tax assets recognized on brought-forward tax losses Refer to Group's significant accounting policies in note 2.16 and the deferred tax related disclosure in Notes 10 and 34 of the consolidated financial statements. The Group has recognised deferred taxes assets on unutilised business loss (including unabsorbed depreciation) (hereinafter referred to as "tax losses") as at March 31, 2023 amounting to ₹ 384.51 crores. The deferred tax assets have been recognised on the basis of the Group's assessment of availability of sufficient future taxable profits to offset such tax losses, which is based on forecast of business operations. The assessment of meeting the recognition criteria as well as recoverability of the deferred tax assets within the time frame allowed under the Income tax Act, 1961, requires significant management judgement as it involves use of assumptions and estimates that are inherently subjective and depend on various factors including future market and economic conditions. Further, the industry that the Company/ Group operated in is a highly competitive and subject to frequent disruptions through changing technology. Any change in aforesaid assumptions could have a material impact on the carrying value of the deferred tax assets. Owing to the materiality of the balances, complexities and judgements involved as described above, we have identified the recoverability of deferred tax assets recognized on brought forward tax losses as a key audit matter for the current year audit.	**Our audit procedures included, but were not limited to the following:** • Evaluated the design and tested the operating effectiveness of Group's key controls implemented with respect to recognition of deferred tax assets. • Assessed the reasonableness of the period of projections used in the deferred tax asset recoverability assessment in accordance with the time period allowed under the Income Tax Act, 1961 with respect to utilisation of the said business losses against future taxable profits. • Compared the Group's projections of future taxable profit to approved business plans and assessed efficacy of management's process for financial projections basis past business performance. • Tested the assumptions used in the aforesaid future projections relating to the forecasts of future taxable profits and evaluated the reasonableness of the assumptions, including future growth rate underlying the preparation of these forecasts based on actual historical results, other relevant existing conditions, external data and market conditions. • Tested the arithmetical accuracy of projections including those related to sensitivity analysis performed by management. • Assessed the appropriateness and adequacy of the disclosures included in the accompanying standalone financial statements/ consolidated financial statements in accordance with the applicable standards.
Implementation of a new Information Technology ('IT') system for financial reporting and related migration of data The Holding Company has implemented a new IT system, RAMCO ('new IT system') with effect from 1 January 2023, for supporting its operations and financial reporting, which required an extensive exercise of data migration from erstwhile IT systems, INDICE/ SAP ('erstwhile IT system'). Such significant IT system change increases the risks to internal financial controls environment of the Group. These changes create a financial reporting risk while migration takes place as processes and controls that have been established over a number of years are migrated and updated into a new IT environment. The significant data migration required for the above exercise also leads to risk of errors. Considering the significance of the activity and its pervasive impact on the financial statements, this matter has been determined as a key audit matter for current year audit.	**Our audit procedures included, but were not limited to the following:** • Obtained the understanding of the process followed and controls implemented by the Holding Company for implementing the new IT system and migration of standing data from erstwhile IT systems into new IT system, which includes understanding the overall project implementation plan, project roles and responsibilities, determination of new system requirements including customisations to off-shelf package, and the plan for go-live. • Evaluated the design and tested the operating effectiveness of key controls over the new system implementation and data migration, which includes controls over change management and system development. • Reviewed the reconciliations prepared by the management relating to the data migration and tested movement of a sample general/ sub-ledger accounts and balances, including standing data masters, from erstwhile IT system to the new IT system. • Evaluated the design and operating effectiveness of the IT General Controls (ITGC), business process controls post migration (both automated and manual) of the new IT system and evaluated the impact of results in planning our audit procedures.

Information other than the Consolidated Financial Statements and Auditor's Report thereon

7. The Holding Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Directors 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

8. The accompanying consolidated financial statements have been approved by the Holding Company's Board of Directors. The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group including its joint venture in accordance with the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group and its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 Board of Directors of the Holding Company, as aforesaid.

9. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the ability of the Group and of 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 intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

10. Those respective Board of Directors are also responsible for overseeing the financial reporting process of the companies included in the Group and of its joint venture.

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

11. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing 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.

12. As part of an audit in accordance with Standards on Auditing specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
    - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls

with reference to financial statements in place and the operating effectiveness of such controls;

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its joint venture to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint venture to cease to continue as a going concern; and
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information/ financial statements of the entities or business activities within the Group and its joint venture, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial statements of such entities included in the consolidated financial statements, of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by the 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.

13. 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.

14. 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.

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

Other Matters

16. We did not audit the financial statements of one subsidiary, whose financial statements reflect total assets of ₹ 609.69 crores and net assets of ₹ 131.22 crores as at 31 March 2023, total revenues of ₹ 260.63 crores and net cash outflows amounting to ₹ (1.85) crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit/ loss (including other comprehensive income) of ₹ Nil for the year ended 31 March 2023, as considered in the consolidated financial statements, in respect of one joint venture, whose financial statements has not been audited by us. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and 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 subsidiary and joint venture, are based solely on the reports of the other auditors.

    Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, are not modified in respect of the above matters with respect to our reliance on the work done by and the reports of the other auditors.

17. The consolidated financial statements of the Holding Company for the year ended 31 March 2022 were audited by the predecessor auditor, Deloitte Haskins & Sells, who have expressed an unmodified opinion on those consolidated financial statements vide their audit report dated 11 April 2022.

Report on Other Legal and Regulatory Requirements

18. As required by section 197(16) of the Act based on our audit and on the consideration of the reports of the other auditors, referred to in paragraph 16, on separate financial statements of the subsidiary and joint venture, we report that the Holding Company and one subsidiary company incorporated in India whose financial statements have been audited under the Act have paid remuneration to their respective directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act. Further, we report that one joint venture company incorporated in India whose financial statements have been audited under the Act have not paid or provided for any managerial remuneration during the year. Accordingly, reporting under section 197(16) of the Act is not applicable in respect of such joint venture company.

19. As required by clause (xxi) of paragraph 3 of Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of section 143(11) of the Act based on the consideration of the Order reports issued till date by us and by the respective other auditors as mentioned in paragraph 16 above, of companies included in the consolidated financial statements for the year ended 31 March 2023 and covered under the Act we report that:

    A) Following are the qualifications/ adverse remarks reported by us and the other auditors in the Order reports of the companies included in the consolidated financial statements for the year ended 31 March 2023 for which such Order reports have been issued till date and made available to us:

S. No.	Name	CIN	Holding Company / subsidiary / Joint Venture	Clause number of the CARO report which is qualified or adverse
1.	Kesoram Industries Limited	L17119WB1919PLC003429	Holding Company	(vii) (a)
2.	Cygnet Industries Limited	U74900WB2015PLC206720	Subsidiary Company	(i) (c)
3.				(xvii)

20. As required by section 143(3) of the Act, based on our audit and on the consideration of the reports of the other auditors on separate financial statements and other financial information of the subsidiary and joint venture incorporated in India whose financial statements have been audited under the Act, we report, to the extent applicable, that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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 financial statements 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 Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015;

    e) On the basis of the written representations received from the directors of the Holding Company and the reports of the statutory auditors of its subsidiary company and joint venture company, covered under the Act, none of the directors of the Group companies and joint venture company, are disqualified as on 31 March 2023 from being appointed as a director in terms of section 164(2) of the Act.

    f) With respect to the adequacy of the internal financial controls with reference to financial statements of the Holding Company, its subsidiary company and joint venture company covered under the Act, and the operating effectiveness of such controls, refer to our separate report in 'Annexure A' wherein we have expressed an unmodified opinion; and

    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 (as amended), in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements and other financial information of the subsidiary and joint venture incorporated in India whose financial statements have been audited under the Act:

        i) The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its joint venture as detailed in Note 36 to the consolidated financial statements;

        ii) The Holding Company, its subsidiary company and joint venture company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2023;

iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the subsidiary company. The following delays were noted in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company during the year ended 31 March 2023:

iv) a. The respective managements of the Holding Company, its subsidiary company, and joint venture company incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary and joint venture respectively that, to the best of their knowledge and belief as disclosed in note 46 (iv) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Holding Company or its subsidiary company, or its joint venture company to or in any person(s) or entity(ies), including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, or any such subsidiary company or its joint venture company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The respective managements of the Holding Company, its subsidiary company, and its joint venture company incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiary and joint venture respectively that, to the best of their knowledge and belief, as disclosed in the note 46 (v) to the accompanying consolidated financial statements, no funds have been received by the Holding Company, its subsidiary company, or its joint venture company from any person(s) or entity(ies), including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Holding Company, or any such subsidiary company, or its joint venture company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

c. Based on such audit procedures performed by us and that performed by the auditors of the subsidiary and joint venture, as considered reasonable and appropriate in the circumstances, nothing has come to our or other auditors' notice that has caused us or the other auditors to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

d. The Holding Company, its subsidiary company and joint venture company have not declared or paid any dividend during the year ended 31 March 2023 and

e. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 requires all companies which use accounting software for maintaining their books of account, to use such an accounting software which has a feature of audit trail, with effect from the financial year beginning on 1 April 2023 and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 (as amended) is not applicable for the current financial year.

For **Walker Chandiok & Co LLP**
Chartered Accountants
(Firm's Registration No: 001076N/N500013)

Manoj Kumar Gupta
Partner
Membership No.: 083906
UDIN: 23083906BGXEKG9916

Place: Kolkata
Date: 28 April, 2023

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

Independent Auditor's Report on the internal financial controls with reference to financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the consolidated financial statements of Kesoram Industries Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') and its joint venture as at and for the year ended 31 March 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company, its subsidiary company and its joint venture company, which are companies covered under the Act, as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, its subsidiary company and its joint venture company, which are companies covered under the Act, are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('the Guidance Note') issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary company and its joint venture company, as aforesaid, based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

5. We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements of the Holding Company, its subsidiary company and its joint venture company as aforesaid.

Meaning of Internal Financial Controls with Reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

8. In our opinion and based on the consideration of the reports of the other auditors on internal financial controls with reference to financial statements of the subsidiary company and joint venture company, the Holding Company, its subsidiary company and its joint venture company, which are companies covered under the Act, have in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2023, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

9. We did not audit the internal financial controls with reference to financial statements insofar as it relates to one subsidiary company, which are companies covered under the Act, whose financial statements reflect total assets of ₹ 609.69 crores and net assets of ₹ 131.22 crores as at 31 March 2023, total revenues of ₹ 260.63 crores and net cash outflows amounting to ₹ (1.85) crores for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net loss (including other comprehensive income) of ₹ Nil crores for the year ended 31 March 2023, in respect of one joint venture company, which is a companies covered under the Act, whose internal financial controls with reference to financial statements have not been audited by us. The internal financial controls with reference to financial statements in so far as it relates to such subsidiary company and joint venture company have been audited by other auditors whose reports has been furnished to us by the management and our report on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements for the Holding Company, its subsidiary company and its joint venture company, as aforesaid, under Section 143(3)(i) of the Act in so far as it relates to such subsidiary company and joint venture company is based solely on the reports of the auditors of such companies. Our opinion is not modified in respect of this matter with respect to our reliance on the work done by and on the reports of the other auditors.

For **Walker Chandiok & Co LLP**
Chartered Accountants
(Firm's Registration No: 001076N/N500013)

Manoj Kumar Gupta
Partner
Membership No: 083906
UDIN: 23083906BGXEKG9916

Place: Kolkata
Date: 28 April, 2023

Consolidated Balance Sheet as at 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

Particulars	Notes	31 March, 2023	31 March, 2022
ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	3	1,675.40	1,970.05
(b) Right-of-use Assets	4	55.50	33.68
(c) Capital work-in-progress	5	65.46	48.95
(d) Intangible assets	5A	5.17	1.10
(e) Investments in subsidiary and joint venture	6	-	-
(f) Financial assets			
(i) Investments in others	7	82.23	73.84
(ii) Loans	8	-	-
(iii) Other financial assets	9	22.00	18.04
(g) Income-tax asset (net)		6.00	5.00
(h) Deferred tax assets (net)	10	461.68	272.45
(i) Other non-current assets	11	7.08	13.81
Total non-current assets		**2,380.52**	**2,436.92**
(2) Current assets			
(a) Inventories	12	232.08	180.43
(b) Financial assets			
(i) Trade receivables	13	372.13	320.26
(ii) Cash and cash equivalents	14	53.69	121.96
(iii) Other bank balances	15	56.28	57.21
(iv) Loans	8	63.47	135.45
(v) Other financial assets	9	91.12	75.02
(c) Other current assets	11	125.71	105.73
Total current assets		**994.48**	**996.06**
(3) Assets Held for Sale	33(a)	**60.00**	**-**
Total assets		**3,435.00**	**3,432.99**
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	16	310.66	244.41
(b) Other equity	17	162.53	266.20
Total equity		**473.19**	**510.61**
Liabilities			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	1,830.95	1,732.50
(ii) Lease Liability	39	1.89	1.69
(iii) Other financial liabilities	19	82.39	87.21
(b) Provisions	20	29.12	28.18
(c) Other Non-current liabilities	21	0.18	0.41
Total non-current liabilities		**1,944.53**	**1,849.99**
(2) Current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	104.94	162.15
(ii) Lease Liability	39	2.07	5.66
(iii) Trade payables	22		
(a) Total outstanding dues of micro enterprises and small enterprises		14.10	28.45
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		581.44	560.41
(iv) Other financial liabilities	19	65.28	81.82
(b) Provisions	20	16.31	17.48
(c) Income tax liabilities (net)		0.20	0.20
(d) Other current liabilities	21	232.94	216.21
Total current liabilities		**1,017.28**	**1,072.38**
Total liabilities		**2,961.81**	**2,922.37**
Total equity and liabilities		**3,435.00**	**3,432.98**

The accompanying summary of significant accounting policies and other explanatory information forms an integral part of these Consolidated Financial Statements.

This is the Balance Sheet referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration Number: 001076N/N500013

For and on behalf of the Board of Directors

Manoj Kumar Gupta
Partner
Membership No.: 083906

Manjushree Khaitan
Chairman
DIN: 00055898

P Radhakrishnan
Whole-time Director and Chief Executive Officer
DIN: 08284551

Kashi Prasad Khandelwal
Independent Director
DIN: 00748523

Sudip Banerjee
Independent Director
DIN: 05245757

Lee Seow Chuan
Independent Director
DIN: 02696217

Jikyeong Kang
Non-Independent Director
DIN: 08045661

Place: Kolkata
Date: 28 April 2023

Mangala Radhakrishna Prabhu
Independent Director
DIN: 06450659

Satish Narain Jajoo
Independent Director
DIN: 07524333

Gautam Ganguli
Company Secretary

Rohit Shah
Chief Financial Officer

Consolidated Statement of Profit and Loss for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

Particulars		Notes	Year ended 31 March 2023	Year ended 31 March 2022
I	Revenue from operations	23	3,778.05	3,605.88
II	Other income	24	70.26	36.59
III	**Total Income (I+II)**		**3,848.31**	**3,642.47**
IV	**Expenses:**			
	Cost of materials consumed	25	485.84	392.54
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	26	(55.71)	(14.43)
	Power & Fuel	27	1,463.72	1,138.85
	Packing, Carriage and Shipping	28	1,033.21	1,063.83
	Employee benefit expense	29	219.40	183.36
	Depreciation and amortisation expense	30	102.52	111.76
	Finance costs	31	450.03	501.69
	Other expenses	32	361.03	329.73
	Total Expenses (IV)		**4,060.04**	**3,707.33**
V	**Loss before exceptional items and tax (III-IV)**		**(211.73)**	**(64.86)**
VI	**Exceptional Items**	33	(173.07)	(22.35)
VII	**Loss before tax (V+VI)**		**(384.80)**	**(87.21)**
VIII	**Tax expense:**			
	Current tax		-	-
	Deferred tax credit		(190.53)	(9.87)
	Total tax expense (VIII)		**(190.53)**	**(9.87)**
IX	**Loss for the year (VII-VIII)**		**(194.27)**	**(77.34)**
X	**Other Comprehensive Income**			
	Items that will not be reclassified to Profit or Loss (net)			
	(a) Remeasurement of post-employment benefit plans		(2.68)	3.59
	(b) Fair value changes of investments in equity shares		8.40	(2.25)
	Less: Income-tax relating to items that will not be reclassified to profit or loss		1.30	(0.96)
	Other comprehensive income for the year (X)		**4.42**	**2.30**
XI	**Total comprehensive loss for the year (IX+X)**		**(189.85)**	**(75.04)**
XII	**Earnings per share**			
	Basic (₹)		(6.83)	(3.86)
	Diluted (₹)		(6.83)	(3.86)

The accompanying summary of significant accounting policies and other explanatory information forms an integral part of these Consolidated Financial Statements.

This is the Statement of Profit and Loss referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration Number: 001076N/N500013

Manoj Kumar Gupta
Partner
Membership No.: 083906

For and on behalf of the Board of Directors

Manjushree Khaitan
Chairman
DIN: 00055898

P Radhakrishnan
Whole-time Director and Chief Executive Officer
DIN: 08284551

Kashi Prasad Khandelwal
Independent Director
DIN: 00748523

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DIN: 08045661

Mangala Radhakrishna Prabhu
Independent Director
DIN: 06450659

Satish Narain Jajoo
Independent Director
DIN: 07524333

Gautam Ganguli
Company Secretary

Rohit Shah
Chief Financial Officer

Place: Kolkata
Date: 28 April 2023

Consolidated Statement of Cash Flows for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
A. Cash Flow From Operating Activities		
Loss before tax	(384.80)	(87.21)
Adjustments for:		
Depreciation and amortisation expense	102.52	111.76
Advances/ deposits written off	0.81	-
Provision for bad and doubtful debts (written back)/ charged	(1.31)	0.84
Capital work-in-progress written off	0.38	0.31
Provision for doubtful advances	0.35	1.63
Finance costs	450.03	501.69
Unrealised exchange gain on foreign currency fluctuation	-	(0.09)
Loss on assets held for sale (refer note 33)	173.07	-
(Profit)/ Loss on sale of property, plant and equipment (net)	(0.33)	0.15
Profit on lease modification/ cancellation (net)	(0.51)	-
Liabilities/ provisions no longer required written back	(47.80)	(17.93)
Interest income	(13.06)	(16.57)
Dividend income from non-current investment (other than trade)	(0.02)	(0.02)
Operating profit/(loss) before working capital changes	**279.33**	**494.56**
Changes in Working Capital:		
(Increase)/ decrease in assets:		
Trade receivable, financial and other assets	(96.37)	(89.32)
Inventories	(51.65)	(43.24)
Increase/ (decrease) in liabilities:		
Trade payables, financial and other liabilities/ provisions	(2.17)	(40.09)
Cash generated from/ (used in) operating activities	**129.14**	**321.91**
Income-tax refund	1.69	2.00
Net cash generated from/ (used in) operating activities - Total	**130.83**	**323.91**
B. Cash flow from investing activities:		
Purchase of property, plant and equipment/ capital advance given	(72.66)	(35.62)
Proceeds from sale of property, plant and equipment	7.78	0.70
Advance received for assets held for sale	31.00	-
Loan to body corporate	(23.25)	(18.56)
Repayment of Loan by body corporate	80.91	20.29
Interest received	25.81	16.24
Deposit made with bank	(0.87)	(46.37)
Dividend income from non-current investment (other than trade)	0.02	0.02
Net cash generated from/ (used in) investing activities - Total	**48.74**	**(63.30)**
C. Cash flow from Financing Activities		
Proceeds from Issue of Equity Shares	0.23	334.05
Finance cost paid	(272.47)	(255.09)
Payment of Lease obligations	(5.91)	(14.14)
Proceeds from		
- Long term borrowings	217.91	31.70
- Short term borrowings	120.25	52.85

Consolidated Statement of Cash Flows for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Repayment of		
- Long term borrowings	(204.98)	(372.28)
- Short term borrowings	(102.87)	(1.45)
Net cash used in financing activities - Total	**(247.84)**	**(224.36)**
Net (decrease)/ increase in cash and cash equivalents	**(68.27)**	**36.25**
Cash and cash equivalents at the beginning of the year	121.96	97.45
Less: Cash credits at the beginning of the year	-	(11.74)
Cash and cash equivalents at the beginning of the year	**121.96**	**85.71**
Cash and cash equivalents at the end of the year	**53.69**	**121.96**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Cash and Cash Equivalents comprise:		
Cash on hand	0.06	0.06
Balances with banks on current account	52.50	103.23
Balances with banks on Cash Credit Accounts	1.13	2.96
Deposit with original maturity for less than three months	-	15.71
	53.69	**121.96**

a. The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in the Ind-AS 7 'Statements of Cash Flows'.

b. **Disclosure for non-cash transactions**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Issue of equity shares to Manav Investment & Trading Co Ltd against loan received	-	54.13
Conversion of Optionally Convertible Preference Shares into Equity [Refer Note 16 (a)(i)]	94.30	-
Forfeiture of Rights Shares issued in previous year [Refer Note 16 (a)(ii)]	0.66	-
Total	**94.96**	**54.13**

The accompanying summary of significant accounting policies and other explanatory information forms an integral part of these Consolidated Financial Statements.

This is the Statement of Cash Flows referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration Number: 001076N/N500013

Manoj Kumar Gupta
Partner
Membership No.: 083906

Place: Kolkata
Date: 28 April 2023

For and on behalf of the Board of Directors

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Independent Director
DIN: 07524333

Gautam Ganguli
Company Secretary

Rohit Shah
Chief Financial Officer

Consolidated Statement of Changes in Equity for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

A. Equity share capital (*)
As on 31 March, 2023

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
244.41	-	244.41	66.25	**310.66**

As on 31 March, 2022

Balance at the beginning of the current reporting period	Changes in Equity Share Capital due to prior period errors	Restated balance at the beginning of the current reporting period	Changes in equity share capital during the current year	Balance at the end of the current reporting period
164.81	-	164.81	79.60	244.41

*Refer note 16(a)

B. Other equity

Particulars		Reserves and surplus								Equity component of compound financial instruments	Share application money pending allotment	FVOCI - equity instruments	Total other equity
		Securities Premium	Capital reserve - Development grant/ subsidy	Capital reserve -Amalgamation reserve	Capital reserve - business combination	Capital Redemption Reserve	General reserve	Others	Retained earnings				
Balance at 1 April, 2021		923.49	0.15	2.91	41.51	3.59	224.00	7.31	(1,226.38)	-	-	**56.09**	**32.67**
Changes in accounting policy or prior period item		-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period		**923.49**	**0.15**	**2.91**	**41.51**	**3.59**	**224.00**	**7.31**	**(1,226.38)**	-	-	56.09	32.67
Loss for the year		-	-	-	-	-	-	-	**(77.34)**	-	-	-	**(77.34)**
Other comprehensive income/ (expense) [net of tax]		-	-	-	-	-	-	-	3.59	-	-	**(1.29)**	**2.30**
Total comprehensive income for the year		-	-	-	-	-	-	-	**(73.75)**	-	-	**(1.29)**	**(75.03)**
Issue of equity shares		307.50	-	-	-	-	-	-	-	-	**1.06**	-	**308.56**
Balance as at 31 March, 2022		**1,230.99**	**0.15**	**2.91**	**41.51**	**3.59**	**224.00**	7.31	**(1,300.13)**	-	1.06	**54.80**	**266.20**

Consolidated Statement of Changes in Equity for the year ended 31st March, 2023

(Amount in ₹ crores, except otherwise stated)

Particulars		Reserves and surplus								Equity component of compound financial instruments	Share application money pending allotment	FVOCI - equity instruments	Total other equity
		Securities Premium	Capital reserve - Development grant/ subsidy	Capital reserve -Amalgamation reserve	Capital reserve - business combination	Capital Redemption Reserve	General reserve	Others	Retained earnings				
Changes in accounting policy or prior period item		-	-	-	-	-	-	-	-	-	-	-	-
Restated balance at the beginning of the current reporting period		**1,230.99**	**0.15**	**2.91**	**41.51**	**3.59**	**224.00**	**7.31**	**(1,300.13)**	**-**	**1.06**	**54.80**	**266.20**
Loss for the year		-	-	-	-	-	-	-	(194.27)	-	-	-	(194.27)
Other comprehensive income/(expense) [net of tax]		-	-	-	-	-	-	-	(2.20)	-	-	6.62	4.42
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(196.47)**	**-**	**-**	**6.62**	**(189.85)**
Issue of equity shares	16	28.69	-	-	-	-	-		-	-	(1.06)	-	27.63
Shares forfeited	16	-	-	-	-	-	-	0.66	-	-	-	-	0.66
Gain on fair value of Non-Convertible Cumulative Redeemable Preference Shares	16	-	-	-	-	-	-	-	-	57.89	-	-	57.89
Balance as at 31st March 2023		**1,259.68**	**0.15**	**2.91**	**41.51**	**3.59**	**224.00**	**7.97**	**(1,496.60)**	**57.89**	**-**	**61.42**	**162.53**

The accompanying summary of significant accounting policies and other explanatory information forms an integral part of these Consolidated Financial Statements.

This is the Statement of Changes in Equity referred to in our report of even date.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration Number: 001076N/N500013

Manoj Kumar Gupta
Partner
Membership No.: 083906

Place: Kolkata
Date: 28 April 2023

For and on behalf of the Board of Directors

Manjushree Khaitan
Chairman
DIN: 00055898

P Radhakrishnan
Whole-time Director and Chief Executive Officer
DIN: 08284551

Kashi Prasad Khandelwal
Independent Director
DIN: 00748523

Sudip Banerjee
Independent Director
DIN: 05245757

Lee Seow Chuan
Independent Director
DIN: 02696217

Jikyeong Kang
Non-Independent Director
DIN: 08045661

Mangala Radhakrishna Prabhu
Independent Director
DIN: 06450659

Satish Narain Jajoo
Independent Director
DIN: 07524333

Gautam Ganguli
Company Secretary

Rohit Shah
Chief Financial Officer

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

1. Group Information

The Consolidated financial statements comprises of the financial statements of Kesoram Industries Limited (the Holding Group) its joint venture and its subsidiary (collectively referred to as 'the Group'). The Consolidated Financial Statements have been prepared in accordance with the Indian Accounting Standard (Ind AS) 110 "Consolidated Financial Statements".

The financial statements as at 31 March 2023 present the financial position of the Group.

The financial statements for the year ended 31 March 2023 were approved by the Board of Directors and authorised for issue on 28 April 2023.

2. Summary of significant accounting policies

2.01 Basis of preparation

(i) Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013. The financial statements have also been prepared in accordance with the relevant presentation requirements of the Companies Act, 2013 and presentation requirements of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable.

(ii) Historical cost convention

The consolidated financial statements have been prepared under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values by Ind AS, except for the following:

-certain financial assets and liabilities, which are measured at its fair values;

- assets held for sale – measured at fair values less cost to sell; and

- defined benefit plans – plan assets measured at fair value."

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

2.02 Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Group and entity controlled by the Group i.e. its subsidiary. It also includes the Group's share of profits, net assets and retained post acquisition reserves of joint arrangement that are consolidated using the equity method of consolidation, as applicable.

Control is achieved when the Group is exposed to, or has rights to the variable returns of the entity and the ability to affect those returns through its power over the entity.

The results of subsidiary and joint arrangement acquired or disposed off during the year are included in the consolidated statement of profit and loss from the effective date of acquisition or up to the effective date of disposal, as appropriate.

Wherever necessary, adjustments are made to the financial statements of subsidiaries and joint arrangements to bring their accounting policies in line with those used by other members of the Group.

Intra-group transactions, balances, income and expenses are eliminated on consolidation.

2.03 Business combinations

Acquisition of subsidiaries and businesses are accounted for using the purchase method. The consideration transferred in each business combination is measured at the aggregate of the acquisition date fair values of assets given, liabilities incurred by the Group to the former owners of the acquiree, and equity interests issued by the Group in exchange for control of the acquiree.

Acquisition related costs are recognised in the consolidated statement of profit and loss.

Goodwill arising on acquisition is recognised as an asset and measured at cost, being the excess of the consideration transferred in the business combination over the Group's interest in the net fair value of the identifiable assets acquired, liabilities assumed and contingent liabilities recognised. Where the fair value of the identifiable assets and liabilities exceed the cost of acquisition, after re-assessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve on consolidation.

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

Once control has been achieved, any subsequent acquisitions where the Group does not originally hold hundred percent interest in a subsidiary are treated as an acquisition of shares from non-controlling shareholders. The identifiable net assets are not subject to further fair value adjustments and the difference between the cost of acquisition of the non-controlling interest and the net book value of the additional proportion acquired is adjusted in equity. The amount of non-controlling interests in the acquiree is measured either at the non-controlling interests proportion of the net fair value of the assets, liabilities and contingent liabilities recognised or at fair value.

Business combinations arising from transfers of interests in entities that are under the common control are accounted for using the pooling of interest method. The difference between any consideration transferred and the aggregate historical carrying values of assets and liabilities of the acquired entity are recognised in shareholder’s equity.

When a transaction or other event does not meet the definition of a business combination due to the asset or group of assets not meeting the definition of a business, it is termed an ‘asset acquisition’. In such circumstances, the acquirer:

- identifies and recognises the individual identifiable assets acquired
- allocates the cost of the group of assets and liabilities to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase.

Such a transaction or event does not give rise to goodwill or a gain on a bargain purchase.

2.04 Goodwill

Goodwill arising on the acquisition of a subsidiary represents the excess of the consideration transferred in the business combination over the Group’s interest in the net fair value of the identifiable assets acquired, liabilities assumed and contingent liabilities recognised at the date of acquisition. Goodwill is initially recognised as an asset at cost and is subsequently measured at cost less any accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to each of the Group’s cash-generating units or groups of cash-generating units that are expected to benefit from the synergies of the combination. Cash-generating units to which goodwill has been allocated are tested for impairment annually, or more frequently when there is an indication that the unit’s value may be impaired. If the recoverable amount of the cash-generating unit is less than the carrying value of the unit, the impairment loss is allocated first to reduce the carrying value of any goodwill allocated to the unit and then to the other assets of the unit in proportion to the carrying value of each asset in the unit.

An impairment loss recognised for goodwill is not reversed in a subsequent period. On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of profit or loss on disposal.

2.05 Interest in joint arrangements

A joint arrangement is a contractual arrangement whereby the Group and other parties undertake an economic activity where the strategic financial and operating policy decisions relating to the activities of the joint arrangement require the unanimous consent of the parties sharing control.

Joint arrangements that involve the establishment of a separate entity in which each venturer has an interest are referred to as joint ventures. The holding company reports its interests in joint ventures using the equity method of accounting whereby an interest in joint venture is initially recorded at cost and adjusted thereafter for post-acquisition changes in the Group’s share of net assets of the joint venture. The consolidated statement of profit and loss reflects the Group’s share of the results of operations of the joint venture.

2.06 Property, plant and equipment and capital work in progress

i) Property, plant and equipment are stated at acquisition cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises of purchase cost, borrowing costs if capitalisation criteria are met and other directly attributable cost of bringing the assets to its working condition for intended use. The cost also comprises of exchange differences arising on translation/settlement of long term foreign currency monetary items pertaining to acquisition of such depreciable assets. Any trade discounts and rebates are deducted in arriving at the purchase price.

ii) 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 group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred.

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

iii) Capital work in progress is stated at cost, [including borrowing cost, where applicable and adjustment for exchange difference referred to in Note 2.20 below] incurred during construction/installation period relating to items or projects in progress.

iv) Losses arising from the retirement of and gains or losses arising from disposal of property, plant and equipment which are carried at cost are recognised in the Statement of profit and loss.

v) Depreciation methods, estimated useful lives and residual value

Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Class of assets	Estimated useful life (in years)
Buildings	3-60 years
Plant and Equipment	1-40 years
Furniture and Fixtures	1-16 years
Office Equipment	1-20 years
Vehicles	8-10 years
Railway Siding	15 years

The useful lives have been determined based on technical evaluation done by the management's expert which are different than those specified by Schedule II to the Companies Act, 2013, in order to reflect the actual usage of the assets. The residual values are not considered more than 5% of the original cost of the asset. The residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Mining assets are amortised over the useful life of the mine or lease period whichever is lower.

The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the Group will obtain ownership at the end of the lease term.

2.07 Intangible assets

Intangible property, plant and equipment are capitalised where it is expected to provide future enduring economic benefits and amortised on a straight line basis. Capitalisation costs include license fees and the cost of implementation/ system integration services. The costs are capitalised in the year in which the relevant intangible asset is implemented for use.

Class of assets	Estimated useful life (in years)
Software	3 Years

2.08 Impairment

Property, plant and equipment and intangible assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets that suffered an impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

2.09 Lease

Group as a lessee – Right of use assets and lease liabilities

A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period of time in exchange for consideration'.

Classification of leases

The Group enters into leasing arrangements for various assets. The assessment of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/ purchase etc.

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

Recognition and initial measurement of right of use assets

At lease commencement date, the Group recognises a right-of-use asset and a lease liability on the balance sheet. The right-of-use asset is measured at cost, which is made up of the initial measurement of the lease liability, any initial direct costs incurred by the Group, an estimate of any costs to dismantle and remove the asset at the end of the lease (if any), and any lease payments made in advance of the lease commencement date (net of any incentives received).

Subsequent measurement of right of use assets

The Group depreciates the right-of-use assets on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Group also assesses the right-of-use asset for impairment when such indicators exist.

Lease liabilities

At lease commencement date, the Group measures the lease liability at the present value of the lease payments unpaid at that date, discounted using the interest rate implicit in the lease if that rate is readily available or the Group's incremental borrowing rate. Lease payments included in the measurement of the lease liability are made up of fixed payments (including in substance fixed payments) and variable payments based on an index or rate. Subsequent to initial measurement, the liability will be reduced for payments made and increased for interest. It is re-measured to reflect any reassessment or modification, or if there are changes in in-substance fixed payments. When the lease liability is re-measured, the corresponding adjustment is reflected in the right-of-use asset.

The Group has elected to account for short-term leases using the practical expedients. Instead of recognising a right-of-use asset and lease liability, the payments in relation to these short-term leases are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

Group as a lessor

Lease income from operating leases where the group is a lessor is recognised in income on a straight-line basis over the lease term. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of the underlying asset and recognised as expense over the lease term on the same basis as lease income. The respective leased assets are included in the balance sheet based on their nature.

2.10 Inventories

Inventories consists of raw materials, work-in-progress, finished goods and stores and spares. These are stated at lower of cost and net realisable value. Cost is determined on weighted average/ first-in, first-out (FIFO) basis, as considered appropriate by the Group. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and related production overheads. Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs necessary to make the sale. Provision is made for obsolete/slow moving/ defective stocks, wherever necessary.

2.11 Financial Instruments

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

Effective interest method

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

(i) Financial assets

Classification

The Group classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss)

- those to be measured at amortised cost.

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income. For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVOCI.

Initial recognition and measurement

All financial assets are recognized initially at fair value, plus, in the case of financial assets not recorded at fair value through profit or loss (FVTPL), transaction costs that are attributable to the acquisition of the financial asset. However, trade receivables that do not contain a significant financing component are measured at transaction price.

Financial assets are measured at 'Fair value through other comprehensive income' (FVOCI) if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Movements in the carrying amounts are taken through OCI, except for the recognition of impairment gains or losses and interest income and foreign exchange gains and losses, which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in other gains/ (losses). Interest income from these financial assets is included in other income using the effective interest rate method.

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets measured at fair value

Classification

The Group in respect of equity investments (other than in subsidiaries, associates and joint ventures) which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of such equity instruments. Such an election is made by the Group on an instrument by instrument basis at the time of initial recognition of such equity investments.

Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at 'Fair value through the statement of profit and loss' (FVPL).

Impairment of financial assets

The Group assesses on a forward looking basis the 'Expected credit losses' (ECL) associated with its assets carried at amortised cost and FVOCI debt instruments. The Group recognises loss allowance for expected credit losses on financial asset.

For trade receivables only, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

De-recognition of financial assets

A financial asset is derecognised only when:

- the Group has transferred the rights to receive cash flows from the financial asset or

- retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Group has not retained control of the

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

financial asset. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

(ii) Financial liabilities and equity instruments

Classification as debt or equity

Financial liabilities, debts and equity instruments issued by the Group are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs. Dividends from such investments are recognised in profit or loss as other income when the group's right to receive payments is established.

Financial Liabilities

All financial liabilities are measured subsequently at amortised cost using the effective interest method or at FVTPL.

Financial liabilities at FVTPL

A financial liability is classified as held for trading if:

- it has been acquired principally for the purpose of repurchasing it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has a recent actual pattern of short-term profit-taking; or
- it is a derivative, except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument.

A financial liability other than a financial liability held for trading or contingent consideration of an acquirer in a business combination may be designated as at FVTPL upon initial recognition if:

- such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or
- the financial liability forms part of a group of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy, and information about the grouping is provided internally on that basis; or
- it forms part of a contract containing one or more embedded derivatives, and Ind AS 109 permits the entire combined contract to be designated as at FVTPL.

Financial liabilities at FVTPL are measured at fair value, with any gains or losses arising on changes in fair value recognised in profit or loss to the extent that they are not part of a designated hedging relationship (see hedge accounting policy). The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the "finance cost" line item (note 31) in profit or loss.

However, for financial liabilities that are designated as at FVTPL, the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability is recognised in other comprehensive income, unless the recognition of the effects of changes in the liability's credit risk in other comprehensive income would create or enlarge an accounting mismatch in profit or loss. The remaining amount of change in the fair value of liability is recognised in profit or loss. Changes in fair value attributable to a financial liability's credit risk that are recognised in other comprehensive income are recognised in retained earnings.

Financial liabilities at amortised cost

Financial liabilities that are not (i) contingent consideration of an acquirer in a business combination, (ii) held-for-trading, or (iii) designated as at FVTPL, are measured subsequently at amortised cost using the effective interest method.

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortised cost, using the effective interest rate method where the time value of money is significant.

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

Interest bearing bank loans, overdrafts and issued debt are initially measured at fair value and are subsequently measured at amortised cost using the effective interest rate method. Any difference between the proceeds (net of transaction costs) and the settlement or redemption of borrowings is recognised over the term of the borrowings in the statement of profit and loss.

De-recognition of financial liabilities

The Group de-recognises financial liabilities when, and only when, the Group's obligations are discharged, cancelled or they expire.

Derivative financial instruments

In the ordinary course of business, the Group uses certain derivative financial instruments to reduce business risks which arise from its exposure to foreign exchange and interest rate fluctuations. The instruments are confined principally to forward foreign exchange contracts

Derivatives are initially accounted for and measured at fair value from the date the derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

2.12 Employee Benefits

Defined contribution plans

Payments to defined contribution plans are charged as an expense as they fall due. Payments made to state managed retirement benefit schemes are dealt with as payments to defined contribution schemes where the Group's obligations under the schemes are equivalent to those arising in a defined contribution retirement benefit scheme.

Defined benefit plans

For defined benefit retirement schemes the cost of providing benefits is determined using the Projected Unit Credit Method, with actuarial valuation being carried out at each balance sheet date. Re-measurement gains and losses of the net defined benefit liability/ (asset) are recognised immediately in other comprehensive income. The service cost and net interest on the net defined benefit liability/ (asset) is treated as a net expense within employment costs.

Past service cost is recognised as an expense when the plan amendment or curtailment occurs or when any related restructuring costs or termination benefits are recognised, whichever is earlier.

The retirement benefit obligation recognised in the balance sheet represents the present value of the defined-benefit obligation as reduced by the fair value plan assets.

Compensated absences

Accumulated compensated absences which are expected to be availed or encashed within twelve months from the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlements as at the year end.

Accumulated compensated absences which are expected to be availed or encashed beyond twelve months from the year end are treated as other long term employee benefits. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. Actuarial loss/gains are recognised in the Statement of Profit and Loss in the year in which they arise.

Short-term Employee Benefits (i.e. benefits payable within one year) are recognised in the period in which employee services are rendered.

2.13 Government Grants

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Group will comply with all attached conditions.

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

Government grants relating to income are deferred and recognised in the profit or loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented within other income.

2.14 Provision and Contingent Liabilities

Provisions: Provisions are recognised when there is a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

Provision for mines restoration and related environmental costs:

An obligation for restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the development or ongoing extraction from mines. Costs arising from restoration at closure of the mines and other site preparation work are provided for based on their discounted net present value, with a corresponding amount being capitalised at the start of each project. The amount provided for is recognised, as soon as the obligation to incur such costs arises. These costs are charged to the Statement of Profit and Loss over the life of the operation through the depreciation of the asset and the unwinding of the discount on the provision. The cost are reviewed periodically and are adjusted to reflect known developments which may have an impact on the cost or life of operations. The cost of the related asset is adjusted for changes in the provision due to factors such as updated cost estimates, new disturbance and revisions to discount rates. The adjusted cost of the asset is depreciated prospectively over the lives of the assets to which they relate. The unwinding of the discount is shown as a finance cost in the Statement of Profit and Loss.

Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

2.15 Non-current assets (or disposal groups) held for sale

Non-current assets (or disposal groups) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell, except for assets such as deferred tax assets, assets arising from employee benefits, financial assets and contractual rights under insurance contracts, which are specifically exempt from this requirement.

An impairment loss is recognised for any initial or subsequent write-down of the asset (or disposal group) to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset (or disposal group), but not in excess of any cumulative impairment loss previously recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset (or disposal group) is recognised at the date of de-recognition.

Non-current assets (including those that are part of a disposal group) are not depreciated or amortised while they are classified as held for sale. Interest and other expenses attributable to the liabilities of a disposal group classified as held for sale continue to be recognised.

Non-current assets classified as held for sale and the assets of a disposal group classified as held for sale are presented separately from the other assets in the balance sheet. The liabilities of a disposal group classified as held for sale are presented separately from other liabilities in the balance sheet.

2.16 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 and to unused tax losses.

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Group and its subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities and the amounts used for taxation purposes (tax base), at the tax rates and tax laws enacted or substantively enacted by the end of the reporting period. Deferred tax assets are recognised for the future tax consequences to the extent it is probable that future taxable profits will be available against which the deductible temporary differences can be utilised.

Deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit (tax loss).

Income tax, in so far as it relates to items disclosed under other comprehensive income or equity, are disclosed separately under other comprehensive income or equity, as applicable.

Deferred tax assets and liabilities are offset when there is legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on net basis, or to realize the asset and settle the liability simultaneously.

2.17 Cash and bank balances

- **Cash and cash equivalents**

  Cash and cash equivalents includes cash in hand, demand deposits with banks, other short-term highly liquid investments with original maturities of three months or less. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

- **Other bank balances**

  Other bank balances include deposits with maturity less than twelve months but greater than three months and balances and deposits with banks that are restricted for withdrawal and usage.

2.18 Revenue Recognition

Revenue shall be recognised to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services.

Sales of goods

Revenue from contract with customers is recognised when the Group satisfies performance obligation by transferring promised goods and services to the customer. Performance obligations may be satisfied at a point of time or over a period of time. Performance obligations satisfied over a period of time are recognised as per the term of relevant contractual agreements/ arrangements. Performance obligations are said to be satisfied at a point of time when the customer obtains controls of the asset.

Revenue is recognised based on the price specified in the contract, net of the estimated volume discounts. Accumulated experience is used to estimate and provide for the discounts, using the expected value method, and revenue is only recognised to the extent that it is highly probable that a significant reversal will not occur. A contract liability is recognised for expected volume discounts payable to customers in relation to sales made until the end of the reporting period.

A receivable is recognised when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due, which are otherwise recorded as contract assets.

Interest income

Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

Dividend income

Dividend income from investments is recognised when the shareholder's rights to receive payment have been established.

Rental income

Rental income from investment properties and subletting of properties is recognised on a time proportion basis over the term of the relevant leases.

A contract liability is recognised until the benefit is provided.

2.19 Borrowing Costs

Borrowing costs include interest, other costs incurred in connection with borrowing and exchange differences arising from foreign currency borrowings to the extent that they are regarded as an adjustment to the interest cost. General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Premium in the form of fees paid on refinancing of loans are accounted for as an expense over the life of the loan using effective interest rate method. All other borrowing costs are recognised in the Statement of profit and loss in the period in which they are incurred.

2.20 Foreign currency transactions and translations

Functional and presentation currency

The financial statements of the Group are presented in Indian rupees (INR), which is the functional currency of the Group and the presentation currency for the financial statements.

Transactions and balances

Transactions in foreign currency are accounted for at the exchange rates prevailing on the date of transactions. Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year are translated at year end exchange rates. Gains/ losses arising out of fluctuations in the exchange rates are recognised in the statement of profit and loss in the period in which they arise.

2.21 Research and Development Expenditure

Revenue Expenditure on Research and Development is charged to the Statement of Profit and Loss in the year in which it is incurred and Capital Expenditure relating to Research and Development are included in property, plant and equipment.

2.22 Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group
- by the weighted average number of equity shares outstanding during the financial year

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

2.23 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of Directors has been identified as the chief operating decision maker. Refer note 39 for segment information presented. The Group accounts for intersegment sales and transfers at cost.

2.24 Use of estimates and critical accounting judgements

In preparation of the financial statements, the Group makes judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Significant judgements and estimates relating to the carrying values of assets and liabilities include useful lives of property, plant and equipment and intangible assets, impairment of property, plant and equipment, intangible assets and investments, provision for employee benefits and other provisions, recoverability of deferred tax assets, commitments and contingencies, measurement of lease liability and Right to Use Asset.

2.25 Recent Pronouncement

The Ministry of Corporate Affairs has vide notification dated 31 March 2023 notified Companies (Indian Accounting Standards) Amendment Rules, 2023 (the 'Rules') which amends certain accounting standards, and are effective 1 April 2023. The Rules predominantly amends Ind AS 1, Presentation of financial statements and Ind AS 12, Income taxes, whereas the other amendments notified by these rules are primarily in the nature of clarifications. As per the Management's assessment, these amendments are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

3 Property, plant and equipment

Particulars	Gross block					Accumulated depreciation					Net Block
	As at 1 April 2022	Additions during the Year	Transfer out (refer note 33)	Deletion during the Year	As at 31 March, 2023	As at 1 April 2022	Charge for the year	Transfer out (refer note 33)	Deletions during the year	As at 31 March 2023	As at 31 March 2023
Freehold land	745.14	-	229.86	-	515.28	-	-	-	-	-	515.28
Freehold buildings	411.92	3.02	5.29	9.00	400.65	88.80	14.14	5.29	1.84	95.81	304.84
Plant and equipment	1,367.08	27.17	1.04	7.77	1,385.44	484.86	74.57	1.04	7.78	550.61	834.83
Furniture and fittings	9.73	0.07	0.01	0.43	9.36	5.77	0.75	0.01	0.40	6.11	3.25
Office equipment	7.87	0.92	0.05	1.41	7.33	5.53	1.12	0.05	1.31	5.29	2.04
Vehicles	14.12	2.81	-	0.10	16.83	9.06	1.50	-	0.06	10.50	6.33
Railway siding	17.47	2.27	-	-	19.74	9.36	1.65	-	-	11.01	8.73
Bearer Plants	0.10	-	-	-	0.10	-	-	-	-	-	0.10
Total	**2,573.43**	**36.26**	**236.25**	**18.71**	**2,354.73**	**603.38**	**93.73**	**6.39**	**11.39**	**679.33**	**1,675.40**

Particulars	Gross block					Accumulated depreciation					Net Block
	As at 1 April 2021	Additions during the Year	Transfer out	Deletion during the Year	As at 31 March, 2022	As at 1 April 2021	Charge for the year	Transfer out	Deletions during the year	As at 31 March 2022	As at 31 March 2022
Freehold land	745.14	-	-	-	745.14	-	-	-	-	-	745.14
Freehold buildings	411.92	-	-	-	411.92	74.25	14.55	-	-	88.80	323.12
Plant and equipment	1,348.27	20.83	-	2.02	1,367.08	409.21	77.10	-	1.45	484.86	882.22
Furniture and fittings	9.64	0.13	-	0.04	9.73	4.94	0.86	-	0.03	5.77	3.96
Office equipment	6.72	1.26	-	0.11	7.87	4.64	0.97	-	0.08	5.53	2.34
Vehicles	14.83	0.22	-	0.93	14.12	8.25	1.51	-	0.70	9.06	5.06
Railway siding	17.47	-	-	-	17.47	7.73	1.63	-	-	9.36	8.11
Bearer Plants	0.10	-	-	-	0.10	-	-	-	-	-	0.10
Total	**2,554.08**	**22.44**	**-**	**3.10**	**2,573.43**	**509.03**	**96.62**	**-**	**2.26**	**603.38**	**1,970.05**

Notes:

(a) Refer note 18 for property, plant and equipment pledged as security.

(b) Contractual obligations: Refer note 37 for disclosure of contractual commitments towards acquisition of property, plant and equipment.

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

4 Right-of-use Assets

Particulars	Gross block				Amortisation				Net Block
	As at 1 April 2022	Additions during the Year	Deletion during the Year	As at 31 March 2023	As at 1 April 2022	Charge for the year	Deletion during the Year	Balance as at 31 March 2023	As at 31 March 2023
Leasehold land	36.58	27.02	4.49	59.11	8.96	0.60	3.62	5.94	53.17
Building	8.45	2.92	0.48	10.89	5.92	3.74	0.78	8.88	2.01
Vehicle	4.59	-	3.75	0.84	3.57	2.15	5.20	0.52	0.32
Plant and equipment	24.07	-	24.07	-	21.56	2.30	23.86	-	-
Total	**73.69**	**29.94**	**32.79**	**70.84**	**40.01**	**8.79**	**33.46**	**15.34**	**55.50**

Particulars	Gross block				Amortisation				Net Block
	As at 1 April 2021	Additions during the Year	Deletion during the Year	As at 31 March 2022	As at 1 April 2021	Charge for the year	Deletion during the Year	Balance as at 31 March 2022	As at 31 March 2022
Leasehold Land	24.60	11.98	-	36.58	6.63	2.33	-	8.96	27.62
Building	8.03	0.91	0.49	8.45	4.97	1.38	0.43	5.92	2.53
Vehicle	3.25	1.40	0.06	4.59	2.02	1.58	0.03	3.57	1.02
Plant and equipment	24.07	-	-	24.07	12.35	9.21	-	21.56	2.51
Total	**59.95**	**14.29**	**0.55**	**73.69**	**25.97**	**14.50**	**0.46**	**40.01**	**33.68**

Note 5: Capital work-in-progress (CWIP) along with ageing

Particulars	As on 31 March 2023	As on 31 March 2022
Balance as at the beginning of the period	48.95	32.50
Addition for the period	77.55	40.63
Capitalised during the period	(60.66)	(23.87)
Charged off	(0.38)	(0.31)
Balance as at the end of the period	**65.46**	**48.95**

Notes:

(a) CWIP ageing schedule:

Particulars	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As on 31 March 2023					
- Projects in progress	44.63	4.92	2.61	7.59	**59.75**
- Projects temporarily suspended [refer note 5(c)]	-	-	0.34	5.37	**5.71**
	44.63	**4.92**	**2.95**	**12.96**	**65.46**
As on 31 March 2022					
- Projects in progress	19.73	3.83	2.54	12.70	**38.80**
- Projects temporarily suspended [refer note 5(c)]	0.04	1.16	1.61	7.34	**10.15**
	19.77	**4.99**	**4.15**	**20.04**	**48.95**

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

5 Capital work-in-progress ('CWIP') along with ageing (cont'd)

(b) Capital Work-in-Progress whose completion is overdue or has exceeded its cost compared to its original plan

Particulars	To be completed In				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As on 31 March 2023					
- Railway Sleepers	1.52	-	-	-	**1.52**
- AFR Feeding System With Shredder	9.58	-	-	-	**9.58**
- Spinning Machine Overhauling	-	3.72	-	-	**3.72**
- Others	3.27	0.07	-	-	**3.34**
	14.37	**3.79**	**-**	**-**	**18.16**
As on 31 March 2022					
- Railway Sleepers	3.79	-	-	-	**3.79**
- Injepally Village Shifting Exp.	11.78	-	-	-	**11.78**
- Others	0.35	1.25	-	-	**1.60**
	15.92	**1.25**	**-**	**-**	**17.17**

(c) Details of Projects temporarily suspended along with ageing schedule

Particulars	To be completed In				
	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
As on 31 March 2023					
Railway Track Shifting	-	-	-	0.60	**0.60**
Acid Absorption Crystallizer	-	-	-	0.88	**0.88**
New electrical changeover system	-	-	0.16	1.88	**2.04**
Upgradation of TP Line	-	-	-	1.99	**1.99**
Others	-	-	-	0.20	**0.20**
	-	**-**	**0.16**	**5.55**	**5.71**
As on 31 March 2022					
Railway Track Shifting	-	-	-	0.60	**0.60**
LSSR Shed Extension	-	-	-	0.01	**0.01**
Acid Absorption Crystallizer	-	0.31	0.58	2.91	**3.80**
New electrical changeover system	-	0.16	0.03	1.85	**2.04**
Upgradation of TP Line	-	0.12	0.61	1.68	**2.41**
Others	-	-	-	1.29	**1.29**
	-	**0.59**	**1.22**	**8.34**	**10.15**

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

5A Intangible Assets

Particulars	Gross block				Amortisation				Net Block
	As at 1 April 2022	Additions during the Year	Deletion during the year	As at 31 March 2023	As at 1 April 2022	Charge for the year	Deletion during the Year	Balance as at 31 March, 2023	As at 31 March, 2023
Software	2.42	5.07	-	7.49	1.32	1.00	-	2.32	5.17
Total	**2.42**	**5.07**	**-**	**7.49**	**1.32**	**1.00**	**-**	**2.32**	**5.17**

Particulars	Gross block				Amortisation				Net Block
	As at 1 April 2021	Additions during the Year	Deletion during the Year	As at 31 March 2022	As at 1 April 2021	Charge for the year	Deletion during the year	Balance as at 31 March, 2022	As at 31 March, 2022
Software	3.06	-	0.64	2.42	1.37	0.64	0.69	1.32	1.10
Total	**3.06**	**-**	**0.64**	**2.42**	**1.37**	**0.64**	**0.69**	**1.32**	**1.10**

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

6 Equity accounted investments

Investment in equity instrument - unquoted

Joint venture:

(i) The Group holds 45.46% of the total equity share capital and voting rights in Gondkhari Coal Mining Limited. The decisions in respect of activities which significantly affect the risks and rewards of these respective entities, however require an unanimous consent of all the shareholders. These entities have therefore been accounted for as joint ventures.

The summarised financial information in respect of the Group's immaterial joint venture that is accounted for using the equity method is as below:

Particulars	As at 31 March 2023	As at 31 March 2022
Carrying value of the Group's interest in joint venture - 22,730 (31 March, 2022: 22,730) shares of Gondkhari Coal Mining Limited of ₹10 each, fully paid-up	-	-
Group's share of profit/ (loss) in joint venture	-	-
Group's share of other comprehensive income in joint venture	-	-
Group's share of total comprehensive income in joint venture	**-**	**-**

(ii) Share of unrecognised losses in respect of equity accounted joint venture amounted to ₹1.21 crore for the year ended 31 March 2023 (2021-22: ₹0.01 crore). Cumulative shares of unrecognised losses in respect of equity accounted joint ventures as at 31 March 2023 is ₹1.79 crore (31 March 2022: ₹0.58 crore).

(iii) The Group has fully impaired its equity accounted joint venture ₹ 0.02 crore (31 March 2022: ₹0.02 crore).

7 Investments in others

Particulars	As at 31 March 2023	As at 31 March 2022
Investment in equity instruments - quoted		
(Investments carried at fair value through other comprehensive income)		
496,100 (31 March 2022: 496,100) shares of HGI Industries Limited [refer note (a) below] of ₹10 each, fully paid-up	0.00	0.00
4,996,986 (31 March 2022: 4,996,986) shares of Kesoram Textile Mills Limited [refer note (a) & (d) below] of ₹2 each, fully paid-up	27.10	20.18
44,750 (31 March, 2022: 44,750) shares of Vidula Chemicals & Manufacturing Industries Ltd of ₹10 each, fully paid-up	-	-
	27.10	**20.18**
Investment in equity instruments - unquoted		
(Investments carried at fair value through other comprehensive income)		
30,000 (31 March 2022: 30,000) shares of Birla Buildings Ltd. of ₹10 each, fully paid-up [refer note (a) below]	49.87	48.40
10,000 (31 March, 2022: 10,000) shares of Coromandel Stampings & Stones Ltd of ₹10 each, fully paid-up [refer note (c) below]	0.00	0.00
143,000 (31 March, 2022: 143,000) shares of Kesoram Services Limited (erstwhile Kesoram Insurance Broking Services Limited) of ₹10 each, fully paid-up [refer note (a) below]	1.00	1.06
10,455 (31 March, 2022: 10,455) shares of Calcutta Stock Exchange Association Ltd of ₹1 each, fully paid-up	-	-
10 (31 March, 2022: 10) shares of Meghdoot Co-operative Housing Society Limited of ₹100 each, fully paid-up [refer note (c) below]	0.00	0.00

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

Particulars	As at 31 March 2023	As at 31 March 2022
7,231 (31 March, 2022: 7,231) shares of Padmavati Investment Private Limited of ₹10 each, fully paid-up [refer note (a) below]	3.74	3.65
18,800 (31 March, 2022: 18,800) shares of Vasavadatta Services Limited of ₹10 each, fully paid-up [refer note (a) below]	0.51	0.54
	55.12	**53.65**
Investments carried at amortised cost		
NSC savings certificate	0.01	0.01
Total investments in others	**82.23**	**73.84**
(i) The carrying value and market value of unquoted investments are as below:		
(a) Quoted		
Carrying value	27.10	20.18
Market value	27.10	20.18
(b) Unquoted		
Carrying value	55.13	53.66

Note:

(a) Market values in cases of some quoted and unquoted investments are not available, hence the fair value has been considered as market values in such cases.

(b) Cost of these equity instruments have been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.

(c) Amount is below the rounding off norm adopted by the Group.

(d) These investments are listed on Calcutta Stock Exchange, however, not traded. Accordingly, the fair values of these investments have been derived using level III inputs, available with the management

8 Loans

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Non-current		
(Unsecured, carried at amortised cost, considered good unless otherwise stated)		
Loan to joint venture Group	1.79	7.11
Less: Allowance for impairment loss	(1.79)	(7.11)
	-	-
Loan to others [refer note (i) below]	516.39	519.67
Less: Allowance for impairment loss	(516.39)	(519.67)
	-	-
	-	-
(b) Current		
(Unsecured, carried at amortised cost, considered good)		
Loan to employees	0.45	0.50
Loan to others	63.02	134.95
	63.47	**135.45**

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

Note:

(i) The loan to Birla Tyres Limited, a body corporate, pursuant to the scheme of arrangement and post demerger. This is repayable on demand and carries an interest rate of 5.93% p.a.. During the current year, the Group has accounted for ₹ 2.18 crores (31 March 2022: ₹ 26.45 crores) as interest income on this loan, which has also been provided for on prudent basis, considering that the principal amount has already been impaired, due to its recoverability being doubtful.

(ii) Loans granted to Promoters, Directors, KMPs and other Related Parties:

Type of Borrower	Amount of loan or advance in the nature of loan outstanding		Percentage to the total loans and advances in the nature of loans	
	As at 31 March 2023	As at 31 March 2022	As at 31 March 2023	As at 31 March 2022
-Promoters	NA	NA	NA	NA
-Directors	NA	NA	NA	NA
-KMPs	NA	NA	NA	NA
-Related Parties				
(a) Loan to joint venture Group - without specifying any terms or period of repayment (*)	-	-	-	-
(b) Loan to body corporate controlled by KMP- without specifying any terms or period of repayment	1.35	1.23	0.23%	0.19%

(*) Loan of ₹ 1.79 crores given to Joint Venture has been fully provided for.

9 Other financial assets

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Non-current		
Bank deposit with remaining maturity for more than 12 months (*)	2.11	7.55
Security deposits	19.89	10.05
Interest accrued on deposits		0.44
	22.00	**18.04**
(b) Current		
Security deposits	6.05	9.62
Deposit with original maturity for more than 12 months ^	7.47	-
Loan to body corporates	10.63	10.63
Less: Allowances for doubtful advances	(10.63)	(10.63)
Interest accrued on deposits	1.36	0.17
Claims receivable (^ ^)	47.61	52.27
Others	28.63	12.96
	91.12	**75.02**

(*) Held as lien by bank against bank guarantees

^₹ 4.10 crore (31 March 2023), ₹ 4.10 crore (31 March 2022), represents the deposits pledged for DSRA for secured borrowings (Refer note 18). Balance held as lien by bank against bank guarantees.

(^ ^) Pursuant to Circular no. 14 of 2017 (dated 30 March 2017) of the Ministry of Railways, the Group had entered into a Long-term Tariff Contract (LTTC) with the South Central Zonal Railways for a period of 5 years. Since the Group has complied with the terms of the Contract, it has accrued a Freight rebate receivable of ₹ 34.36 crores (31 March 2022: ₹ 42.59 crores) under Claims Receivable for financial year ended 31 March 2023.

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

10 Deferred tax assets (net)

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax liabilities		
Property, plant and equipment	243.23	253.54
Investments	16.00	14.22
Amortisation of Debenture interest	-	17.41
Other	13.03	9.68
Total deferred tax liability	**272.26**	**294.85**
Deferred tax assets		
Unabsorbed depreciation (refer note below)	217.07	217.32
Unabsorbed losses (refer note below)	167.44	176.11
Amortisation of Debenture interest	19.82	-
Items allowable for tax purpose on payment basis	13.60	16.72
Provisions	300.53	147.33
Others	15.48	9.82
Total deferred tax asset	**733.94**	**567.30**
Net deferred tax assets	**461.68**	**272.45**

Note: The Group has recognised net deferred tax asset on unabsorbed deprciation and unabsorbed losses considering that it is probable that future taxable profit will be available against which the unused tax losses can be utilized.

11 Other assets

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Non-Current		
Capital advances	5.58	11.83
Prepaid expenses	1.50	1.98
	7.08	**13.81**
(b) Current		
Balance with statutory/government authorities	14.38	15.36
Prepaid expenses	23.26	8.33
Advance to vendors	120.07	113.57
Less: Allowances for doubtful advances	(32.61)	(32.61)
Receivable from gratuity fund (refer note 29)	-	0.58
Others	0.61	2.08
Less: Allowances for doubtful receivables		(1.58)
	125.71	**105.73**

12 Inventories

Particulars	As at 31 March 2023	As at 31 March 2022
Raw materials (#)	35.87	25.47
Work-in-progress	52.02	17.50
Finished goods (#)	59.14	38.12
Stores and spare parts (#) (*)	85.05	99.34
	232.08	**180.43**

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

Particulars	As at 31 March 2023	As at 31 March 2022
(#) Included above, goods-in-transit:		
Raw materials	0.36	7.04
Finished goods	15.78	15.94
Stores and spare parts	13.05	0.33
	29.19	**23.31**

(*) The inventories of stores and spare parts is net of provision of ₹ 4.44 crores (31 March 2022: ₹ 5.73 crores) towards slow moving, non-moving and obsolete stock.

13 Trade receivables

Particulars	As at 31 March 2023	As at 31 March 2022
Trade Receivables		
- secured, considered good (*)	47.64	30.32
- unsecured, considered good	328.40	293.67
Less: Allowance for expected credit loss	(3.91)	(3.73)
- credit impaired	7.41	7.28
Less: Allowance for credit impaired (**)	(7.41)	(7.28)
	372.13	**320.26**

(*) Secured against security deposits collected from the customers

(**) The amount of trade receivables for which the group has assessed credit risk on an individual basis amounts to ₹ 376.04 crores (31 March 2022: ₹ 323.99 crores) and the amount of loss allowance recognized for such trade receivables amounts to ₹ 3.91 crores (31 March 2022: ₹ 3.73 crores)

Notes:

(a) Trade receivables ageing schedule is as follows:

Particulars	31st March 2023						
	Outstanding for following periods from due date of Payments						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2023:							
Undisputed Trade Receivables							
- secured, considered good	31.54	13.61	0.40	1.53	-	0.02	47.10
- unsecured, considered good	286.78	37.81	1.75	1.48	0.42	0.16	328.40
Disputed Trade Receivables							
- secured - considered good	-	-	0.09	0.03	0.01	0.41	0.54
- unsecured - credit impaired	-	0.15	0.71	0.99	1.76	3.80	7.41
Total Debtors	**318.32**	**51.57**	**2.95**	**4.03**	**2.19**	**4.39**	**383.45**
Less: Allowance for Loss	-	-	-	-	-	-	(11.32)
Net Debtors	**318.32**	**51.57**	**2.95**	**4.03**	**2.19**	**4.39**	**372.13**

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

Particulars	31 March 2022						
	Outstanding for following periods from due date of Payments						
	Not Due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31 March 2022:							
Undisputed Trade Receivables							
- secured, considered good	26.28	3.41	-	-	-	0.01	29.70
- unsecured, considered good	269.87	19.62	1.92	1.80	0.42	0.04	293.67
Disputed Trade Receivables							
- secured - considered good	-	-	-	0.01	0.09	0.52	0.62
- unsecured - credit impaired	-	-	0.41	1.86	0.86	4.15	7.28
Total Debtors	**296.15**	**23.03**	**2.33**	**3.67**	**1.37**	**4.72**	**331.27**
Less: Allowance for Loss	-	-	-	-	-	-	(11.01)
Net Debtors	**296.15**	**23.03**	**2.33**	**3.67**	**1.37**	**4.72**	**320.26**

14 Cash and cash equivalents

Particulars	As at 31 March 2023	As at 31 March 2022
Cash on hand	0.06	0.06
Balances with bank		
- In Current accounts	52.50	103.23
- In Cash Credit Accounts #	1.13	2.96
Others		
- deposit with original maturity less than three months	-	15.71
	53.69	**121.96**

Includes ₹ 0.05 crore (31 March, 2022: ₹0.05 crore) not available due to restriction on use. The restrictions pertains to demand from Government Authorities for levy of interest on outstanding forms.

15 Other bank balances

Particulars	As at 31 March 2023	As at 31 March 2022
Deposit with remaining maturity for more than three months but less than twelve months (*)	56.25	57.19
On unpaid dividend accounts	0.03	0.02
	56.28	**57.21**

Particulars	As at 31 March 2023	As at 31 March 2022
(*) Deposits more than three months includes:-		
- Deposits pledged with the sales tax authorities	-	-
- Held as lien by bank against bank guarantees	55.17	56.90

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

16 Share capital

Authorised share capital

Particulars	As at 31 March 2023	As at 31 March 2022
600,000,000 Equity Shares of ₹ 10 each (31 March 2022: 600,000,000 shares)	600.00	600.00
60,000,000 Preference Shares of ₹ 100 each (31 March 2022: 60,000,000 shares)	600.00	600.00
	1,200.00	**1,200.00**

Issued, subscribed and paid-up equity share capital

Particulars	As at 31 March 2023	As at 31 March 2022
310,663,663 Equity Shares of ₹ 10 each fully paid up	310.66	244.02
(31 March 2022: 244,024,163 equity Shares of ₹ 10 each fully paid-up)		
Nil Equity Shares of ₹ 5 each partly paid up	-	0.39
(31 March 2022: 784,933 equity Shares of ₹ 5 each partly paid-up)	310.66	244.41

(a) Movement in equity share capital

Particulars	31 March, 2023		31 March, 2022	
	Number of shares	Amount	Number of shares	Amount
Opening balance	244,416,630	244.41	164,811,341	164.81
Conversion of optionally convertible preference shares [refer note (i) below]	66,119,874	66.12	-	-
Fresh issue of equity shares [refer note (ii) below]	-	-	79,212,822	79.21
Fresh issue of partly paid up equity shares [refer note (ii) below]	259,813	0.26	392,467	0.39
Forfeiture of partly paid equity shares [refer note (ii) below]	(132,654)	(0.13)	-	-
Closing balance	**310,663,663**	**310.66**	**244,416,630**	**244.41**

i. The Board at its Meeting held on August 25, 2022, approved allotment of 66,119,874 fully paid-up Equity Shares of the Company having face value of ₹ 10 each upon conversion of 42,977,918 Zero Coupon Optionally Convertible Redeemable Preference Shares (“OCRPS”) of face value of ₹ 100 each, at a pre-determined ratio to the holders of OCRPS who have opted for conversion as on August 24, 2022 (the record date fixed for the conversion). These Equity Shares have since been accorded both, listing and trading approval by the respective Stock Exchanges.

ii. The parent company, during the previous year ended 31 March 2022, has made a rights issue of 79,997,755 equity shares having face value of ₹ 10 each at a premium of ₹ 40 per share, for cash, aggregating to ₹ 399.99 crores. Allotment of 79,212,822 partly paid-up equity shares having face value ₹ 5 each and a premium of ₹ 20 per share, paid on application, was done during the financial year ended 31 March 2022 itself. Further in current financial year 519,626 shares were alloted on payment of first and final call money of ₹ 25 each. However, on account of non-payment of the first and final call, despite several reminders, 265,307 partly paid-up shares, were finally forfeited, during the current year. These proceeds have been fully utilised and there has been no deviation in use of proceeds from issue objectives as stated in the Rights Issue Offer Document.

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

(b) Terms and rights attached to shares

The Group has one class of equity shares having a par value of ₹ 10 per share. All shareholders for fully paid up equity shares are entitled to one vote per share and for partly paid up shares the voting rights considered are in proportion to the actual amount paid on those shares. The Group declares and pays dividend in Indian rupees. The dividend proposed by the board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Group after distribution of all preferential amounts, in the proportion to their shareholdings.

(c) Details of shareholders holding more than 5% shares in the Parent Company

Name of the shareholder	31st March, 2023		31st March, 2022	
	Number of shares	% holding	Number of shares	% holding
Manav Investment & Trading Co. Ltd	68,817,624	22.15%	54,319,456	22.26%
Pilani Investments and Industries Corporation Limited	46,348,750	14.92%	46,348,750	18.99%
Mundhra Homes Pvt. Ltd	28,327,032	9.12%	-	-
Axis Bank Limited	12,777,710	4.11%	12,777,710	5.24%
	156,271,116		**113,445,916**	

(d) Details of shareholdings by the Promoter/ Promoter Group

Promoter/ Promoter Group Name	31 March, 2023		31 March, 2022		% Change during the year *
	Number of shares	% holding	Number of shares	% holding	
Promoter					
Manav Investment & Trading Co. Ltd	68,817,624	22.15%	54,319,456	22.26%	26.69%
Pilani Investments and Industries Corporation Limited	46,348,750	14.92%	46,348,750	18.99%	0.00%
Manjushree Khaitan (Chairperson)	1,069,723	0.34%	1,069,723	0.44%	0.00%
Promoter Group					
Century Textiles and Industries Ltd	7,600,502	2.45%	7,600,502	3.11%	0.00%
Umang Commercial Company Pvt. Ltd	3,637,913	1.17%	3,637,913	1.49%	0.00%
Padmavati Investment Pvt. Ltd.	2,820,948	0.91%	2,820,948	1.16%	0.00%
Birla Institute of Technology and Science	1,515,806	0.49%	1,515,806	0.62%	0.00%
Birla Education Trust	954,171	0.31%	954,171	0.39%	0.00%
Prakash Educational Society	910,922	0.29%	910,922	0.37%	0.00%
Late Basant Kumar Birla	597,868	0.19%	597,868	0.25%	0.00%
Birla Educational Institution	362,643	0.12%	362,643	0.15%	0.00%
Vidula Jalan	171,381	0.06%	171,381	0.07%	0.00%
Rajashree Birla	4,827	0.00%	4,827	0.00%	0.00%
Vasavadutta Bajaj	8,541	0.00%	8,541	0.00%	0.00%
Kumar Mangalam Birla	445	0.00%	445	0.00%	0.00%
	134,822,064	**43.39%**	**120,323,896**	**49.30%**	**12.05%**

(*) % change during the year has been computed on the basis of the number of shares at the beginning of the year.

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

17 Other Equity

Particulars	As at 31 March 2023	As at 31 March 2022
Reserves and surplus		
Securities Premium	1,259.68	1,230.99
Capital reserve		
(a) Development grant/subsidy	0.15	0.15
(b) Amalgamation reserve	2.91	2.91
(c) Capital reserve arising on business combination	41.51	41.51
Capital redemption reserve	3.59	3.59
General reserve	224.00	224.00
Retained earnings	(1,496.59)	(1,300.12)
Equity component of compound financial instruments	57.89	-
Share application money pending allotment	-	1.06
Others	7.97	7.31
Other comprehensive Income		
Fair value through other comprehensive income (FVOCI) - equity instruments	61.42	54.80
Total	**162.53**	**266.20**

Notes:

(a) Securities Premium

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	1,230.99	923.49
Increase during the year [refer note 16(a)]	28.69	307.50
Closing balance	**1,259.68**	**1,230.99**

(b) Capital reserve

- Development grant/subsidy

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	0.15	0.15
Increase/ (decrease) during the year	-	-
Closing balance	**0.15**	**0.15**

- Amalgamation reserve

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	2.91	2.91
Increase/ (decrease) during the year	-	-
Closing balance	**2.91**	**2.91**

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

- Capital reserve arising on business combination

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	41.51	41.51
Increase/(decrease) during the year	-	-
Closing balance	**41.51**	**41.51**

(c) Capital redemption reserve

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	3.59	3.59
Increase/ (decrease) during the year	-	-
Closing balance	**3.59**	**3.59**

(d) General reserve

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	224.00	224.00
Increase/ (decrease) during the year	-	-
Closing balance	**224.00**	**224.00**

(e) Other reserves

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	7.31	7.31
Forfeiture of Shares [refer note 16(a)]	0.66	-
Closing balance	**7.97**	**7.31**

(f) Retained earning

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	(1,300.12)	(1,226.38)
Net profit/ (loss) for the year	(194.27)	(77.34)
Items of other comprehensive income recognised directly in retained earnings		
- Remeasurement of post-employment benefit obligation, net of tax	(2.20)	3.59
Closing balance	**(1,496.59)**	**(1,300.12)**

(g) Equity component of compound financial instruments

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance		-
Increase/ (decrease) during the year	57.89	-
Closing balance	**57.89**	**-**

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

(h) Fair value through other comprehensive income (FVOCI)- equity instruments

Particulars	As at 31 March 2023	As at 31 March 2022
Opening balance	54.80	56.09
Change in fair value of FVOCI equity instruments net of taxes	6.62	(1.29)
Closing balance	**61.42**	**54.80**

Nature and purpose of other reserves

(i) Securities premium

Securities premium is used to record premium received on issue of shares. The reserve is utilised in accordance with the provisions of the Indian Companies Act, 2013 (the "Companies Act").

(ii) Capital reserve

(a) Certain grants of capital nature had been credited to Capital Reserve.

(b) The Group has recognised profit on account of amalgamation in capital reserve.

(iii) Capital redemption reserve

Capital redemption reserve was created on account of reinstatement of certain investments and spares at cost.

(iv) General reserve

Under the erstwhile Companies Act 1956, a general reserve was created through an annual transfer of net profit at a specified percentage in accordance with applicable regulations. Consequent to the introduction of the Companies Act, the requirement to mandatory transfer a specified percentage of net profit to general reserve has been withdrawn.

(v) Revaluation reserve

Revaluation reserve was created on account of revaluation of fixed assets carried out under previous GAAP.

(vi) Fair value through other comprehensive income (FVOCI)- equity instruments

The cumulative gains and losses arising on fair value changes of equity investments measured at fair value through other comprehensive income are recognised in FVOCI - equity instruments reserve. The balance of the reserve represents such changes recognised net of amounts reclassified to retained earnings on disposal of such investments.

(vii) Other reserves

Others primarily include:

(a) Amounts appropriated out of profit or loss for doubtful debts and contingencies.

(b) Share buyback reserve has been created as per the Companies Act, 1956.

(c) Reserve which has arisen on forfeiture of shares.

(viii) Fair valuation of Non-Convertible Cumulative Redeemable Preference Shares

Deemed equity on fair value of Non-Convertible Cumulative Redeemable Preference Shares

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

Financial Liabilities

18 Borrowings

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Non-Current		
(Secured, carried at amortised cost)		
Term Loan from bank		
Indian rupee loan [Refer Note (a) below]	55.31	67.16
Indian rupee loan [Refer Note (c) below]	135.26	130.97
Debentures		
16,035 senior secured, listed and rated redeemable Non-Convertible Debentures, having face value of ₹ 959,464 each (31 March 2022: ₹ 965,700 each)] (Refer note (b) below]	1,598.42	1,463.53
Zero (31 March 2022: 4,599) Secured Optionally Convertible Debentures [face value of ₹ nil each (31 March 2022: ₹ 327,400 each)] [Refer note (b) below]	-	138.49
(Unsecured, carried at amortised cost)		
1,919,277 (31 March, 2022: 44,897,195) Zero % Optionally Convertible Redeemable Preference Shares [face value of ₹ 100 each]-[Refer Note (b) below]	4.76	90.70
Public Deposit [Refer note (b) below]	91.35	-
9,000,000 (31 March 2022: Zero) 5% Cumulative Non-Convertible Cumulative Redeemable Preference Shares [face value of ₹ 100 each] [Refer note (b) below]	32.61	-
	1,917.71	**1,890.85**
Less: Current maturities of non-current borrowings	(86.76)	(158.35)
	1,830.95	**1,732.50**
(b) Current		
Debentures		
(Secured, carried at amortised cost)		
Current maturities of non-current borrowings		
Current maturities of Optionally Convertible Debentures	-	138.49
Current maturities of Non Convertible Debentures	60.93	-
Current maturities of Other Long Term Loans	25.83	19.86
(Unsecured, carried at amortised cost)		
Loans from body corporate	16.35	3.00
	103.11	**161.35**
Add: Interest accrued on current borrowings	1.83	0.80
	104.94	**162.15**

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

Net debt reconciliation

This section sets out an analysis of debt and the movements in net debt for the current period

Particulars	As at 31 March 2023	As at 31 March 2022
Cash and cash equivalents	53.69	121.96
Non-current borrowings	(1,830.95)	(1,732.50)
Current borrowings	(104.94)	(162.15)
Total	**(1,882.20)**	**(1,772.69)**

Particulars	Other assets	Liabilities from financing activities		Total
	Cash and cash equivalents	Non-current borrowings	Current borrowings	
Net debt as at 1 April 2021	**97.45**	**(1,941.07)**	**(77.26)**	**(1,920.88)**
Net increase in cash and cash equivalents during the year	36.25	-	-	36.25
Repayment of Borrowing		317.28	56.45	373.73
Receipt of the Borrowings	-	(31.70)	(52.85)	(84.55)
Change in cash credit considered as cash and cash equivalent for statement of cash flows	(11.74)	-	11.74	-
Interest expenses	-	(488.54)	2.07	(486.47)
Interest paid	-	253.17	1.92	255.09
Changes in current maturities of long-term debt	-	158.35	(158.35)	-
Non-cash movements:				
Issue of equity shares to Manav Investment & Trading Co Ltd against loan	-	-	54.13	54.13
Net debt as at 31 March, 2022	**121.96**	**(1,732.50)**	**(162.15)**	**(1,772.69)**

Particulars	Other assets	Liabilities from financing activities		Total
	Cash and cash equivalents	Non-current borrowings	Current borrowings	
Net debt as at 1 April, 2022	**121.96**	**(1,732.50)**	**(162.14)**	**(1,772.69)**
Net decrease in cash and cash equivalents during the year	(68.27)	-	-	(68.27)
Repayment of Borrowing		204.98	102.87	307.85
Receipt of the Borrowings	-	(217.91)	(120.25)	(338.16)
Interest expenses	-	(404.31)	(45.72)	(450.03)
Interest paid	-	237.52	48.71	286.24
Changes in current maturities of non-current debt	-	(71.59)	71.59	-
Non-cash movements:				
Conversion of Optionally Convertible Preference Shares into Equity	-	94.96	-	94.96
Equity component on issue of Non-Convertible Cumulative Redeemable Preference Shares	-	57.89		57.89
Net debt as at 31 March 2023	**53.69**	**(1,830.95)**	**(104.94)**	**(1,882.20)**

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

NOTES:

(a) Repayment terms and nature of securities given for Indian rupee term loans from banks are as follows:

Bank	31 March, 2023	31 March, 2022	Nature of Security	Repayment terms
IndusInd Bank Ltd	31.61	43.46	Second charge over current assets of the Subsidiary.	48 equal monthly instalments after 1 year moratorium starting from December 2021. Rate of interest 9.25% p.a. linked to external benchmark [Repo rate]
IndusInd Bank Ltd	23.70	23.70	Second charge over current assets of the Subsidiary.	48 equal monthly instalments after 2 years moratorium starting from December 2023. Rate of interest 9.25% p.a. linked to external benchmark [Repo rate]

(b) Repayment terms and nature of securities given for borrowings from Others are as follows:

Others	31 March, 2023	31 March, 2022	Nature of Security	Repayment terms
Non-Convertible Debenture	1,598.42	1,463.53	First pari passu charge on all fixed assets, moveable assets (non-current and current) and intangible assets of the Company. Additionally secured by pledge on equity shares of the Company held by the promoters; Non Disposal Undertaking (NDU) on other security held by a promoter; guarantee by a promoter limited to the value of shares pledged and under NDU as stated above.	First repayment in November 2021 and balance in 11 quarterly instalments starting from August 2023. Tenure of instrument 4 years 11 months and 12 days from the date of allotment i.e., 16 March, 2021. Cash coupon rates: 1 - 18 months @ 9.10% pa; 19 - 36months @11.30%pa; 37 - 60months @ 13.10%pa; XIRR of 20.75% excluding Additional Interest 1 and taxes. Out of the instalment due in August 2023 for ₹ 30.47 crores, ₹ 10 crores has been paid in current FY 2022-23.
Optionally Convertible Debenture	-	138.49	First pari passu charge on all fixed assets, moveable assets (non-current and current) and intangible assets of the Company. Additionally secured by pledge on equity shares of the Company held by the promoters ; Non Disposal Undertaking (NDU) on other security held by a promoter; guarantee by a promoter limited to the value of shares pledged and under NDU as stated above.	During the current year, Company has prepaid fully 4599 number of Optionally Convertible Debentures
Zero Coupon Optionally Convertible Redeemable Preference Shares	4.76	90.70	NA	Redeemable in 5 equal instalments starting from 31 March 2028.

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

Others	31 March, 2023	31 March, 2022	Nature of Security	Repayment terms
Public Deposit	91.35	-	NA	Accepted from public vide deposit scheme, approved by the Board of Directors on April 11, 2022 and shareholders dated June 17, 2022. It carries a rate of interest of 12.50% for members and 12.25% for others. Repayment at the end of 3 years from the date of issue.
5% Non-Convertible Cumulative Redeemable Preference Shares	32.61	-	NA	The instrument together with arrear cumulative dividend will be redeemed upon expiry of ten years, or earlier, at the option of the Company, from the date of allotment i.e. December 15, 2022.
	1,727.14	**1,692.72**		

(c) Repayment terms and nature of securities given for Indian rupee term loans from others are as follows:

Financial Institution	31 March, 2023	31 March, 2022	Nature of Security	Repayment terms
West Bengal Infrastructure Development Finance Corporation Ltd. (WBIDFC)	135.26	130.97	First and exclusive charge on all moveable and immoveable fixed assets of the Subsidiary except the Corporate office assets. Second pari passu charge on all current assets of the Subsidiary. For fulfilling the DSRA requirements Fixed Deposit for an amount equivalent to three months interest is maintained with WBIDFC.	By way of ballooning repayment commencing from 31.03.2021 for a tenure of 10 years. Interest rate 10.95% p.a.

(d) The Group has not defaulted in the repayment of borrowings during the current year. Further, the Group has complied with all the applicable covenants as per the Debenture Trust Deed for the year ended 31 March 2023 except for ones for which waiver letters have been obtained for relevant testing dates from the lenders.

19 Other financial liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Non-Current		
Security deposits	82.39	87.21
	82.39	**87.21**
(b) Current		
Capital creditors	6.56	11.72
Retention & Earnest deposits	11.18	11.75
Other payables	24.58	27.79
Security deposits	22.94	30.54
Unpaid dividends (*)	0.02	0.02
	65.28	**81.82**

(*) There is no liability due which is required to be transferred to Investor Education and Protection Fund under section 124 and 125 of the Companies Act, 2013 except for disputed cases for shares held in abeyance under section 126.

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

20 Provisions

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Non-Current		
Provision for employee benefits:		
Provision for leave encashment (unfunded) *	16.38	16.72
Decommissioning obligations **	12.74	11.46
Total non-current provisions	**29.12**	**28.18**
(b) Current		
Provision for employee benefits:		
Provision for gratuity (Refer note 29) *	6.32	-
Provision for leave encashment (unfunded) *	3.19	2.56
Provision for disputed statutory dues *	5.26	14.75
Others	1.54	0.17
Total current provisions	**16.31**	**17.48**

* The same is basis management's best estimates and may vary on actual basis.

** Expected outflow of decommissioning obligations will be FY 2030 onwards.

(i) Movement in provisions

Movements in each class of provision during the financial year, are set out below:

Particulars	Decommissioning obligation	Provision for contingencies	Provision for disputed statutory dues
As at 1 April, 2021	**10.31**	**1.71**	**14.75**
Charged/ (credited) to profit or loss:			
Additional provision recognised	-	-	-
Unused amounts reversed	-	(1.71)	-
Amounts used during the year	-	-	-
Unwinding of Discount	1.15	-	-
As at 31 March, 2022	**11.46**	**-**	**14.75**
As at 1 April, 2022	**11.46**	**-**	**14.75**
Charged/ (credited) to profit or loss:	-	-	-
Additional provision recognised	-	-	
Unused amounts reversed	-	-	(9.49)
Amounts used during the year	-	-	-
Unwinding of discount	1.28	-	-
As at 31 March, 2023	**12.74**	**-**	**5.26**

21 Other liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Non-current		
Advance received from Employees	0.18	0.41
	0.18	**0.41**
Current		
Deferred revenue	-	14.88
Advance from customers	84.00	48.79
Statutory dues	132.21	120.18
Advance received from Employees	0.61	0.36
Other payables	16.12	32.00
	232.94	**216.21**

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

22 Trade payables

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Total outstanding dues of micro enterprises and small enterprises (Refer note 38)	**14.10**	**28.45**
(b) (i) Total outstanding dues of creditors other than micro enterprises and small enterprises	531.08	522.09
(ii) Employee benefits payable	50.36	38.32
Total (b)	**581.44**	**560.41**

Notes:

(i) Trade payables ageing schedule is as follows: (*)

Particulars	As on 31st March 2023				
	< 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	7.33	3.72	3.03	0.02	14.10
(ii) Other Creditors	496.64	24.40	5.62	2.62	529.28
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	1.80	1.80
(v) Employee's benefits payable (undisputed)	28.08	20.41	0.52	1.35	50.36
Total	**532.05**	**48.53**	**9.17**	**5.79**	**595.54**

Particulars	As on 31st March 2022				
	< 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	25.22	3.22	0.01	-	28.45
(ii) Other Creditors	480.50	26.50	7.67	5.62	520.29
(iii) Disputed Dues - MSME	-	-	-	-	-
(iv) Disputed Dues - Others	-	-	-	1.80	1.79
(v) Employee's benefits payable (undisputed)	30.72	5.57	0.31	1.72	38.33
Total	**536.44**	**35.29**	**7.99**	**9.14**	**588.86**

(*) Note: Ageing has been considered from the date of transaction.

23 Revenue from operations

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Revenue from contracts with customers		
Sale of Products *(#)*	3,761.73	3,599.43
Other operating revenue	16.32	6.45
	3,778.05	**3,605.88**

(#) The entire revenue is being recorded at a point in time.

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

A. Revenue from contracts with customers disaggregated on the basis of geographical region and product lines is presented below:

Year ended 31 March, 2023:

Particulars	India	Outside India	Total
Cement	3,517.45	-	3,517.45
Rayon, Transparent Paper and chemicals	243.01	1.27	244.28
	3,760.46	**1.27**	**3,761.73**

Year ended 31 March, 2022:

Particulars	India	Outside India	Total
Cement	3,530.22	-	3,530.22
Rayon, Transparent Paper and chemicals	69.21	-	69.21
	3,599.43	**-**	**3,599.43**

B. The Group has recognised the following revenue-related contract liabilities and receivables from contract with customers:

(i) Contract liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
Contract liabilities – Deferred revenue [refer note 21(b)]	-	14.88
Contract liabilities - Advance from customers [refer note 21(b)]	84.00	48.79
	84.00	**63.67**

The movement in Contract Liabilities are as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
As at the beginning of the reporting period	63.67	60.14
Add: Additions during the year, excluding amounts recognised as revenue during the year	89.80	68.99
Less: Revenue recognised in the current year which was included in Contract Liabilities	(69.47)	(65.46)
As at the end of the reporting period	**84.00**	**63.67**

Revenue recognised in relation to contract liabilities

The following table shows the revenue recognised in the current reporting period relates to carried-forward contract liabilities and how much relates to performance obligations that were not satisfied in a prior year.

Particulars	As at 31 March 2023	As at 31 March 2022
Revenue recognised that was included in the contract liability balance at the beginning of the year:		
Contract liabilities – Deferred revenue	26.69	24.19
Contract liabilities - Advance from customers	42.78	41.27
	69.47	**65.46**

(ii) Contract assets

Particulars	As at 31 March 2023	As at 31 March 2022
Trade Receivables- Gross	383.99	331.27
Less: Allowance for doubtful debt	(11.86)	(11.01)
	372.13	**320.26**

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

24 Other Income

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest income:		
On financial instruments measured at amortised cost	15.05	42.64
On income tax refund	0.19	0.39
Less: Provision for Doubtful Interest Income [refer note 8(i)]	(2.18)	(26.45)
Dividend income	0.02	0.02
Liabilities no longer required written back	47.80	12.93
Provision for doubtful debts written back	1.99	-
Gain on property, plant and equipments sold/ discarded	0.33	-
Other miscellaneous income	7.06	7.06
	70.26	**36.59**

25 Cost of Materials Consumed

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Raw Material Consumed		
Inventories as at the beginning of the reporting period	25.47	14.96
Add: Purchases	333.21	225.18
Less: Inventories as at the end of the reporting period	(35.87)	(25.47)
Add: Limestone raising cost (*)	163.03	177.87
	485.84	**392.54**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
(*) Limestone raising cost includes:		
Salaries, wages and bonus	13.48	12.67
Contribution to provident and other funds	0.82	0.53
Contribution to gratuity fund (refer note 29)	0.42	0.43
Staff welfare expenses	0.25	0.29
Dead rent and royalty	80.68	99.41
Power and Fuel	0.94	12.63
Consumption of stores and spare parts	38.78	35.08
Repairs and Maintenance		
- Plant and Machinery	12.61	4.97
- Others	0.33	0.39
Insurance	0.07	0.03
Contractors-Transport	11.03	9.47
Miscellaneous	3.62	1.97
	163.03	**177.87**

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

26 Changes in stock of finished goods, work-in-progress and stock in trade

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Inventories at the beginning of the year		
- Work-in-progress	17.50	17.02
- Finished Goods	38.13	24.27
- Stock in trade	-	0.06
Less: Inventories at the end of the year		
- Work-in-progress	52.02	17.50
- Finished Goods	40.07	38.13
- Stock in trade	19.07	-
Less: Transferred to Capital Projects	0.18	0.15
	(55.71)	**(14.43)**

27 Power and fuel

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Consumption of power and fuel	1,463.72	1,138.85
	1,463.72	**1,138.85**

28 Packing, carriage and shipping

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Cost of packing and freight	1,033.21	1,063.83
	1,033.21	**1,063.83**

29 Employee benefits expense

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Salaries, wages and bonus	192.36	158.87
Contribution to provident fund	11.66	8.66
Contribution to superannuation fund	(0.01)	0.09
Gratuity	3.21	3.92
Contribution under Employees State Insurance Scheme	0.28	0.45
Staff welfare expenses	11.90	11.37
Total employee benefits expense	**219.40**	**183.36**

(i) Compensated absences

Compensated absences cover the Group's liability for sick and earned leave.

(ii) Defined benefit plan

a) Gratuity

The Group operates a gratuity plan through the "KICM Gratuity Fund". Every employee is entitled to a benefit equivalent to fifteen days salary last drawn for each completed year of service in line with the Payment of Gratuity Act, 1972. The same is payable at the time of separation from the Group or retirement, whichever is earlier. The benefits vest after five years of continuous service.

b) Provident fund

Provident fund for certain eligible employees is managed by the Group through the "B. K. Birla Group of Companies Provident Fund Institution" and "Birla Industries Provident Fund", in line with the Provident Fund and Miscellaneous

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

Provisions Act, 1952. The plan guarantees interest at the rate notified by the Provident Fund Authorities. The contribution by the employer and employee together with the interest accumulated thereon are payable to employees at the time of their separation from the Group or retirement, whichever is earlier. The benefits vest immediately on rendering of the services by the employee.

The Group has an obligation to fund any shortfall on the yield of the trust's investments over the administered interest rates on an annual basis. These administered rates are determined annually predominantly considering the social rather than economic factors and in most cases the actual return earned by the Group has been higher in the past years. The actuary has provided a valuation for provident fund liabilities on the basis of guidance issued by Actuarial Society of India and based on the below provided assumptions there is no shortfall as at 31 March 2023 and 31 March 2022 respectively.

The Group also pays provident fund contributions to publically administered local fund as per the local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due.

The details of fund and plan asset position are given below:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
as at 31 March 2022	66.56	68.27	1.71
as at 31 March 2023	201.26	233.92	32.66

The plan assets have been primarily invested in government securities.

Particulars	As at 31 March 2023	As at 31 March 2022
Discount Rate (per annum)	8.15%	8.50%
Expected Rate of Return on Plan Assets (per annum)	8.15%	8.50%

The Group contributed ₹ 7.24 crores and ₹ 4.21 crores during the year ended 31 March 2023 and 31 March 2022 respectively to the fund.

(iii) Balance sheet recognition

a) Gratuity

The amounts recognised in the balance sheet and the movements in the net defined benefit obligation over the year are as follows:

Particulars	Present value of obligation	Fair value of plan assets	Net amount
1 April, 2021	**91.15**	**89.33**	**1.82**
Current service cost	4.42	-	4.42
Interest expense/ (income)	6.19	(6.26)	(0.07)
Total amount recognised in profit or loss	**10.61**	**(6.26)**	**4.35**
Remeasurement			
Return on plan assets, excluding amounts included in interest	-	(0.68)	0.68
Actuarial (gain)/loss from change in demographic assumptions	-	-	-
Actuarial (gain)/loss from change in financial assumptions	(1.26)	-	(1.26)
Actuarial (gain)/loss from unexpected experience	(4.35)	-	(4.35)
Total amount recognised in other comprehensive income	**(5.61)**	**(0.68)**	**(4.93)**
Employer contributions/ premium paid	-	1.83	(1.83)
Benefit payments	5.33	5.33	-
Settlement Cost	-	-	-
Disposal/ Transfer of Asset	-	-	-
31 March, 2022	**90.83**	**91.41**	**(0.58)**

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

Particulars	Present value	Fair value of plan	Net amount
1 April, 2022	90.83	91.41	(0.58)
Current service cost	4.49	-	4.49
Interest expense/ (income)	5.82	(6.67)	(0.85)
Total amount recognised in profit or loss	**10.31**	**(6.67)**	**3.64**
Remeasurement			
Return on plan assets, excluding amounts included in interest	-	(4.20)	4.20
Actuarial (gain)/ loss from change in demographic assumptions	-	-	-
Actuarial (gain)/ loss from change in financial assumptions	(1.87)	-	(1.87)
Actuarial (gain)/ loss from unexpected experience	0.35	-	0.35
Total amount recognised in other comprehensive income	**(1.52)**	**(4.20)**	**2.68**
Employer contributions/ premium paid	-	(0.58)	0.58
Benefit payments	22.23	22.23	-
Settlement Cost	-	-	-
Acquisition adjustment	-	-	-
31 March, 2023	**77.39**	**71.07**	**6.32**

(iv) Significant estimates: actuarial assumptions

The significant actuarial assumptions were as follows:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Discount rate	7.30%	7.00%
Salary growth rate	5.00%	5.00%
Attrition rate	1.00%	1.00%
Mortality rate	IALM 2012-2014 ULTIMATE	IALM 2012-2014 ULTIMATE

(v) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Impact on defined benefit obligation			
	31 March, 2023		31 March, 2022	
	Increase	Decrease	Increase	Decrease
Discount rate **(-/+ 0.5%)**	74.35	80.57	87.07	94.81
% change compared to base due to sensitivity	-3.92%	4.11%	-4.12%	4.39%
Salary growth rate **(-/+ 0.5%)**	80.62	74.29	94.84	87.00
% change compared to base due to sensitivity	4.18%	-4.00%	4.43%	-4.20%
Attrition rate **(-/+ 0.5%)**	77.38	77.36	90.83	90.80
% change compared to base due to sensitivity	-0.01%	-0.04%	0.01%	-0.02%
Life expectancy/ mortality rate **(-/+ 10%)**	77.40	77.33	90.85	90.78
% change compared to base due to sensitivity	0.02%	-0.07%	0.03%	-0.04%

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

(vi) The major categories of plans assets

In the absence of detailed information regarding plan assets which is funded with Insurance Companies, the composition of each major category of plan assets, the percentage or amount for each category to the fair value of plan assets has not been disclosed.

(vii) Risk exposure

Through its defined benefit plans the Group is exposed to a number of risks, the most significant of which are detailed below:

Investment risk:

The defined benefit plans are funded with insurance companies of India. The Group does not have any liberty to manage the funds provided to insurance companies.

Interest risk:

A decrease in the interest rate on plan assets will increase the plan liability.

Life expectancy:

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

Salary growth risk:

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

(viii) Defined benefit liability and employer contributions

The weighted average duration of the defined benefit obligation is 12 years (31 March 2022 – 13 years).

30 Depreciation and amortisation expense

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Depreciation on tangible assets	93.73	96.62
Amortisation of intangible and right-of-use assets	8.79	15.14
	102.52	**111.76**

31 Finance cost

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest expenses		
- Interest cost on financial liabilities measured at amortized cost	438.69	485.73
- Increase in the carrying amount of provisions / decommissioning liabilities	1.21	1.09
Interest on lease liabilities	0.59	1.59
Other borrowing costs	10.14	13.28
Less: Interest capitalised in capital work-in-progress	(0.60)	-
	450.03	**501.69**

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

32 Other expenses

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Consumption of stores and spare parts	68.45	56.22
Rent	17.68	19.25
Repairs and Maintenance		
Building	6.75	6.13
Plant and Machinery	77.66	57.05
Others	4.03	3.45
Insurance	9.10	8.85
Rates and Taxes	6.34	6.91
Brokerage and Discounts	32.39	29.11
Commission to selling agents	7.30	9.15
Sales Promotion	41.22	49.22
Directors' Fees	1.21	0.73
Debts/ Advances/ Deposits written off	0.81	1.27
Legal and professional expenses [refer note (c) below]	42.12	38.31
Provision for doubtful debts	-	2.47
Provision for doubtful advances	1.03	-
Loss/ (Profit) on property, plant and equipments sold/ discarded (net)	-	0.15
Payments to auditors [refer note (a) below]	4.09	2.78
Security Services	6.98	6.76
Miscellaneous expenses [refer note (b) below]	33.87	31.92
	361.03	**329.73**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
(a) Details of auditors' remuneration and out-of-pocket expenses are as below:		
Audit Fees (including Limited Reviews)	2.36	2.34
Tax Audit Fees	0.34	0.33
Fees for issuing various certificates	1.33	0.10
Reimbursement of expenses	0.06	0.01
Total	**4.09**	**2.78**
(b) Miscellaneous expenses include		
(i) Consumption of stores and spares parts	2.05	2.35
(c) Legal & Professional expenses include		
(i) Payment to cost auditor	0.08	0.08

33 Exceptional Items

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Impairment loss on assets held for sale [refer note (a) below]	(173.07)	-
Voluntary retirement scheme [Refer Note (b) below]	-	(22.35)
	(173.07)	**(22.35)**

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

(a) The Management is contemplating a possible disposition of the Company's factory land comprised in its Hindustan Heavy Chemicals ("HHC") unit that has been under suspension of work, in accordance with the requirements of the debenture trust deed entered between the Company and Vistra ITCL ('Debenture Trustee'), dated 10 March 2021, to sell of its non-core assets. Pursuant to extant provisions of the West Bengal Land Reforms Act, 1955 and the Rules framed thereunder, all parcels of land falling under the ambit of the State Government's land legislation, requires prior approval from relevant authorities of the State Government for transfer as well as payment of salami upon transfer/change in land use. In view of the same, the expected realization value is estimated to be lower than its carrying value.

During the year, the Company has entered into a Memorandum of Understanding ('MoU') with a potential buyer for the said purpose. While necessary enabling approvals from the shareholders have been obtained on 23 February 2023 towards a possible disposal of this factory land at such terms and conditions as the Board may, at absolute discretion think fit, the Management is in the process of obtaining a final approval from the shareholders prior to consummation of this transaction. Consent has also been obtained from the debenture trustee on behalf of debenture holders and the Board of Directors for the aforementioned transaction. The management is also reasonably certain of receiving the required approvals from the relevant authorities in near future, to complete the proposed disposal.

In view of the foregoing and as per the principles of Ind AS 105 'Non-current Assets Held for Sale and Discontinued Operations', the said land has been classified in these financial statements as 'Assets held for sale' as on 31 March 2023 amounting to ₹ 60 crores and its value has been measured at the lower of its carrying value and fair value less costs to sell, which has resulted in a loss of ₹ 173.07 crores. The loss on such remeasurement has been recognised and presented as an 'Exceptional item' in the Statement of Profit and Loss.

Particulars	Year ended 31 March 2023
Gross carrying amount of asset held for sale	233.07
Less: Allowance for impairment loss	(173.07)
Net carrying value	**60.00**

(b) During June 2021, due to continuing restriction in logistic activities of non-essential goods on the onset of the second wave of Covid-19 pandemic, the wholly owned Subsidiary of the company had declared temporary suspension of work at its Rayon Plant, Chemical Division & T.P. Plant situated at Kuntighat (District Hooghly, West Bengal), effective from commencement of 'A' Shift, i.e. 6:30 A.M. of 22 June, 2021 until further notice.

The said Company has executed the Workers Separation Scheme during the temporary suspension. Total 439 employees have availed the Scheme amounting to ₹ 22.35 crores upto 31 March 2022, which has been charged under exceptional items in Profit and Loss Account. The temporary suspension of work at the said Company was lifted with effect from "A" Shift (6.30 am) on 22 December, 2021.

34 Income tax expense

This note provides an analysis of the Group's income tax expense, shows amounts that are recognised directly in equity and how the tax expense is affected by non-assessable and non-deductible items.

(a) Income tax expense

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Current tax	-	-
Current tax on profits for the year	-	-
Adjustments for current tax of prior periods(*)	-	-
Total current tax expense	**-**	**-**
Deferred tax		
Decrease (increase) in deferred tax assets	(166.65)	55.69
(Decrease) increase in deferred tax liabilities	(22.58)	(66.52)
Total deferred tax expense/(benefit) (**)	**(189.23)**	**(10.83)**
Total tax expense	**(189.23)**	**(10.83)**

NOTES:

(*) Adjustments for current tax of prior periods represents write back of excess provision for income tax of earlier years on disposal of pending litigations.

(**) Deferred tax expense (credit) amounting to ₹ 189.23 crores (31 March, 2022: ₹ 10.83 crores), includes deferred tax credit ₹ 190.53 crores (31 March, 2022: ₹ 9.87 crores) routed through Statement of Profit & Loss and deferred tax expense of ₹ 1.30 (31 March, 2022: credit ₹ 0.97 crores) crores routed through OCI.

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

Particulars	As at 31 March 2023	As at 31 March 2022
Deferred tax assets	733.94	567.30
Deferred tax liabilities	(272.26)	(294.85)
Closing Balance	**461.68**	**272.45**

(b) Movement of deferred tax assets

Particulars	As at April 01, 2022	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	As at March 31, 2023	Not Recognised due to Uncertainty
A. Deferred tax assets					
Unabsorbed depreciation	217.32	(0.25)	-	**217.07**	75.02
Unabsorbed losses	176.11	(8.67)	-	**167.44**	145.01
Amortisation of Debenture interest	-	19.82	-	**19.82**	-
Provision for doubtful debts	11.67	(0.38)	-	**11.29**	-
Provision for doubtful advances	1.98	(1.52)	-	**0.46**	-
Other Provisions	133.87	154.91	-	**288.78**	-
Items allowable for tax purpose on payment basis	22.90	(9.30)	-	**13.60**	-
Others	3.45	11.55	0.48	**15.48**	-
Elimination Impact for Subsidiary	-	-	-	**-**	-
	567.30	**166.16**	**0.48**	**733.94**	**220.03**
B. Deferred tax liabilities					
Property, plant and equipment	253.54	(10.31)	-	**243.23**	-
Investments	14.22	-	1.78	**16.00**	-
Amortisation of Debenture interest	17.41	(17.41)	-	**-**	-
Others	9.68	3.35	-	**13.03**	-
	294.85	**(24.37)**	**1.78**	**272.26**	**-**
Net deferred tax assets/ (liabilities) (A-B)	**272.45**	**190.53**	**(1.30)**	**461.68**	**220.03**

Particulars	As at April 01, 2021	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	As at March 31, 2022	Not Recognised due to Uncertainty
A. Deferred tax assets					
Unabsorbed depreciation	219.68	(2.36)	-	**217.32**	68.73
Unabsorbed losses	234.57	(58.46)	-	**176.11**	285.33
Provision for doubtful debts	11.63	0.03	-	**11.67**	-
Provision for doubtful advances	2.01	(0.03)	-	**1.98**	-
Other Provisions	126.81	7.06	-	**133.87**	-
Items allowable for tax purpose on payment basis	25.48	(2.58)	-	**22.90**	-
Others	2.82	0.63	-	**3.45**	-
Elimination Impact for Subsidiary			-		(156.12)
	623.00	**(55.70)**	**-**	**567.30**	**197.94**
B. Deferred tax liabilities					
Property, plant and equipment	265.68	(12.14)	-	**253.54**	-
Investments	15.18	-	(0.96)	**14.22**	-
Amortisation of Debenture interest	67.33	(49.92)	-	**17.41**	-
Others	13.19	(3.51)	-	**9.68**	-
	361.38	**(65.57)**	**(0.96)**	**294.85**	**-**
Net deferred tax assets/ (liabilities) (A-B)	**261.62**	**9.87**	**0.96**	**272.45**	**197.94**

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

(c) Reconciliation of tax expense and the accounting profit multiplied by tax rate:

Particulars	As at 31 March 2023	As at 31 March 2022
Loss before tax	(384.80)	(87.21)
Tax	**(99.97)**	**(25.40)**
Permanent differences	0.63	0.36
Deferred tax asset not recognised	65.65	30.57
Others (including difference in tax rates)	33.69	(5.53)
Total income tax expense/(credit)	**-**	**-**

(d) Tax losses

Particulars	As at 31 March 2023	As at 31 March 2022
Unused tax losses for which no deferred tax has been recognised:		
- Tax losses		
- Business loss	427.19	993.26
- Capital loss: Short term	117.95	117.95
-Unabsorbed tax depreciation	257.63	236.04
-Elimination Impact for Subsidiary	-	(620.32)
Potential tax benefit on Business loss	199.42	333.45
Potential tax benefit on Capital loss short term	20.61	20.61
Elimination Impact for Subsidiary	-	(156.12)
Total	**220.03**	**197.94**

(a) Unabsorbed depreciation does not have any expiry period.

(b) From financial year 2020-21 (Assessment year 2021-22), the Parent Company has opted the new tax regime as per the provisions of Section 115BAA of the Income Tax Act, 1961. Accordingly, reinstated brought forward business losses/ unabsorbed depreciation has been considered while computing deferred tax assets. However, the wholly owned Subsidiary has continued in the old tax regime.

35 Earnings per equity share (EPS)

Particulars		Year ended 31 March 2023	Year ended 31 March 2022
(i) Basic -			
Number of equity shares at the beginning of the year		24,40,24,163	16,48,11,341
Number of equity shares at the end of the year		31,06,63,662	24,40,24,163
Weighted average number of equity shares outstanding during the year	**(A)**	28,42,29,778	20,01,31,405
Nominal value of each equity Share (₹)		10	10
Loss for the year (₹ in crore)	**(B)**	(194.27)	(77.34)
Earnings per share (Basic) (₹)	**(B/A)**	(6.83)	(3.86)
(ii) Diluted			
Weighted average number of equity shares outstanding during the year	**(C)**	28,42,29,778	20,01,31,405
Earnings per share (Diluted) (₹)	**(B/C)**	(6.83)	(3.86)

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

36 Contingent liabilities

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Claims against the Group not acknowledged as debts:		
(i) Rates, Taxes, Duties etc. demanded by various Authorities	163.58	169.16
(ii) Others	0.02	0.01
(b) Income Tax matters	2.22	15.92
(c) Guarantees given		
(i) to excise authorities	0.06	0.06
(d) Other Legal matters	125.63	-
	291.51	**185.15**

Note:

(i) In the opinion of the management, no provision is considered necessary for the disputes mentioned above on the ground that there are fair chances of successful outcome of appeals.

(ii) It is not practicable for the Group to estimate the timings of cash outflows, if any, in respect to the above pending resolution of the respective proceedings.

(iii) The amounts disclosed above represent the best possible estimates arrived at on the basis of available information and do not include any penalty payable.

(iv) The arbitration case pertains to a legal dispute between the parent company and Mintech Global Private Limited. Based on the facts of the matter, supported by independent legal opinion obtained, the management remains fairly confident of a favorable outcome and therefore, does not foresee any material financial liability devolving on the parent company in this respect of the aforementioned litigation and accordingly, no provision has been made in these consolidated financial statement.

37 Capital and other commitments

Particulars	As at 31 March 2023	As at 31 March 2022
(a) Capital Commitments		
Estimated value of contracts in capital account remaining to be executed [net of advances ₹ 5.58 crores (31 March 2022: ₹ 11.83 crores)]	14.72	26.07
	14.72	**26.07**

38 The Group has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006. ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	14.10	27.10
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	2.93	1.35
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
Further interest remaining due and payable for earlier years	-	-

Note:

The above information regarding Micro and Small enterprises has been determined to the extent such parties have been identified on the basis of information available with the Group.

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

39. Leases

(a) The following is the break-up of current and non-current lease liabilities as at 31 March 2023:

Particulars	31 March 2023	31 March 2022
Current lease liability*	2.07	5.66
Non-current lease liability*	1.89	1.69
	3.96	**7.35**

* Primarily consists of leased plant and machinery and warehouses.

(b) The following is the movement in lease liabilities during the year ended 31 March 2023:

Particulars	31 March 2023	31 March 2022
Balance as at the beginning of the year	7.35	17.71
Additions during the year	2.92	2.45
Finance cost accrued during the period	0.59	1.59
Deletions	0.99	0.26
Payment of lease liabilities and interest	5.91	14.14
Balance as at the end of the year	**3.96**	**7.35**

(c) Expense pertaining to leases which has been identified as short-term amounts to ₹ 17.59 crores (31 March 2022: ₹ 19.14 crores)

(d) Expense pertaining to leases which has been identified as low value amounts to ₹ 0.09 crores (31 March 2022: ₹ 0.11 crores)

(e) Contractual maturities of lease liabilities as at the end of the year, on an undiscounted basis:

Particulars	31 March 2023	31 March 2022
Less than one year	2.23	5.22
One to five years	1.30	1.27
More than five years	8.61	7.21

40. Capital management

(a) Risk management

The capital structure of the Group consists of debt, cash and cash equivalents and equity attributable to equity shareholders of the Group which comprises issued share capital (including premium) and accumulated reserves disclosed in the Statement of Changes in Equity.

The Group's capital management objective is to achieve an optimal weighted average cost of capital while continuing to safeguard the Group's ability to meet its liquidity requirements (including its commitments in respect of capital expenditure) and repay loans as they fall due.

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

41. Financial instruments - fair values and risk management

This section gives an overview of the significance of financial instruments for the Group and provides additional information on balance sheet items that contain financial instruments.

Financial instruments by category

Particulars	31 March, 2023			Total Carrying Value	Total Fair Value
	FVPL	FVOCI	Amortised cost		
Financial assets					
Cash and cash equivalents	-	-	53.69	53.69	53.69
Other bank balances	-	-	56.28	56.28	56.28
Trade receivables	-	-	372.13	372.13	372.13
Loans	-	-	63.47	63.47	63.47
Investments	-	82.23	-	82.23	82.23
Other financial assets	-	-	113.12	113.12	113.12
Total financial assets	**-**	**82.23**	**658.69**	**740.92**	**740.92**
Financial liabilities					
Borrowings	-	-	1,935.89	1,935.89	1,935.89
Trade and other payables	-	-	595.54	595.54	595.54
Lease Liability	-	-	3.96	3.96	3.96
Other financial liabilities	-	-	147.67	147.67	147.67
Total financial liabilities	**-**	**-**	**2,683.06**	**2,683.06**	**2,683.06**

Particulars	31 March, 2022			Total Carrying Value	Total Fair Value
	FVPL	FVOCI	Amortised cost		
Financial assets					
Cash and cash equivalents	-	-	121.96	121.96	121.96
Other bank balances	-	-	57.21	57.21	57.21
Trade receivables	-	-	320.26	320.26	320.26
Loans	-	-	135.45	135.45	135.45
Investments	-	73.83	0.01	73.84	73.84
Other financial assets	-	-	93.06	93.06	93.06
Total financial assets	**-**	**73.83**	**727.95**	**801.78**	**801.78**
Financial liabilities					
Borrowings	-	-	1,894.65	1,894.65	1,894.65
Trade and other payables	-	-	588.86	588.86	588.86
Lease Liability	-	-	7.35	7.35	7.35
Other financial liabilities	-	-	169.03	169.03	169.03
Total financial liabilities	**-**	**-**	**2,659.89**	**2,659.89**	**2,659.89**

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

A Fair value hierarchy

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Level 1 to Level 3, as described below:

Quoted prices in an active market (Level 1): This level of hierarchy includes financial assets that are measured by reference to quoted prices (unadjusted) in active markets for identical assets or liabilities. This category consists of investment in quoted equity shares.

Valuation techniques with observable inputs (Level 2): This level of hierarchy includes financial assets and liabilities, measured using inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices). This level of hierarchy includes Group's over-the-counter (OTC) derivative contracts.

Valuation techniques with significant unobservable inputs (Level 3): This level of hierarchy includes financial assets and liabilities measured using inputs that are not based on observable market data (unobservable inputs). Fair values are determined in whole or in part, using a valuation model based on assumptions that are neither supported by prices from observable current market transactions in the same instrument nor are they based on available market data. This level of hierarchy includes Group's investment in equity shares which are unquoted or for which quoted prices are not available at the reporting dates. There were no significant inter-relationships between unobservable inputs that materially affect fair values.

Particulars	31 March, 2023			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Investments	-	-	82.23	82.23
	-	**-**	**82.23**	**82.23**
Financial liabilities:				
Borrowings	-	-	-	-
	-	**-**	**-**	**-**

Particulars	31 March, 2022			
	Level 1	Level 2	Level 3	Total
Financial assets:				
Investments	-	-	73.84	73.84
	-	**-**	**73.84**	**73.84**
Financial liabilities:				
Borrowings	-	-	-	-
	-	**-**	**-**	**-**

B Valuation technique used to determine fair value

(a) Derivatives are fair valued using market observable rates and published prices together with forecasted cash flow information where applicable.

(b) Investments carried at fair value are generally based on market price quotations. However in cases where quoted prices are not available the management has involved valuation experts to determine the fair value of the investments. Different valuation techniques have been used by the valuers for different investments. These investments in equity instruments are not held for trading. Instead, they are held for long term strategic purpose. The Group has chosen to designate this investments in equity instruments at FVOCI since, it provides a more meaningful presentation. Cost of certain investments in equity instruments have been considered as an appropriate estimate of fair value because of a wide range of possible fair value measurements and cost represents the best estimate of fair value within that range.

(c) Fair value of borrowings is estimated by discounting expected future cash flows. The carrying amounts of other borrowings with floating rate of interest are considered to be close to the fair value.

(d) The carrying amounts of remaining financial assets and liabilities are considered to be the same as their fair values.

(e) Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Group could have realised or paid

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.

(f) Market values in cases of some quoted and unquoted investments are not available, hence the fair value has been considered as market values in such cases

C Risk management

In the course of its business, the Group is exposed primarily to fluctuations in foreign currency exchange rates, interest rates, equity prices, liquidity and credit risk, which may adversely impact the fair value of its financial instruments. The Group has a risk management policy which not only covers the foreign exchange risks but also other risks associated with the financial assets and liabilities such as interest rate risks and credit risks. The risk management policy is approved by the Board of Directors. The risk management framework aims to:

(i) create a stable business planning environment by reducing the impact of currency and interest rate fluctuations on the Group's business plan.

(ii) achieve greater predictability to earnings by determining the financial value of the expected earnings in advance.

(i) Credit risk

The Group takes on exposure to credit risk, which is the risk that counterparty will default on its contractual obligations resulting in financial loss to the Group. Maximum exposure to credit risk of the Group has been listed below:

Particulars	31 March, 2023	31 March, 2022
Trade receivables	372.13	320.26
Loan	63.47	135.45
Other financial assets	113.12	93.06
Total	**548.72**	**548.77**

Other receivables as stated above are due from the parties under normal course of the business and as such the Group believes exposure to credit risk to be minimal.

(a) Trade and other receivables

Customer credit risk is managed by the Group through established policy and procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and are generally carrying upto 90 days credit terms. The Group has a detailed review mechanism of overdue customer receivables at various levels within organisation to ensure proper attention and focus for realisation. Trade receivables are consisting of a large number of customers. Where credit risk is high, domestic trade receivables are backed by security deposits. Export receivables are backed by letters of credit.

In determining the allowances for credit losses of trade receivables, the Group has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience and is adjusted for forward looking information. The expected credit loss allowance is based on the ageing of the receivables that are due and rates used in the provision matrix.

The Group's exposure to customers is diversified and there is no significant credit exposure on account of any single customer as at 31 March 2023 and 31 March 2022.

The Group is making provisions on trade receivables based on Expected Credit Loss (ECL) model. The reconciliation of ECL is as follows:

Particulars	31 March, 2023	31 March, 2022
Opening balance	**11.01**	**10.33**
Charge in statement of profit and loss	-	-
Charge/ (Release) to statement of profit and loss	-	2.47
Utilised during the year	0.85	(1.79)
Balance at the end of the year	**11.86**	**11.01**

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

(ii) Liquidity risk

Liquidity risk refers to that risk where the Group cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements.

The Group has obtained fund and non-fund based working capital lines from various banks. Furthermore, the Group has access to funds from debt markets through commercial paper programs, non-convertible debentures and other debt instruments. The Group invests its surplus funds in bank fixed deposit and in mutual funds, which carry no or low market risk.

(a) Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities:

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities 31 March, 2023	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years	Total
Non-derivatives					
Borrowings (including interest obligations)	375.73	2,182.81	45.71	170.35	**2,774.60**
Lease Liability	2.23	0.92	0.38	8.61	**12.15**
Other financial liabilities	67.11	-	-	82.39	**149.50**
Trade payables	595.54	-	-	-	**595.54**
Total non-derivative financial liabilities	**1,040.61**	**2,183.73**	**46.09**	**261.35**	**3,531.79**

Contractual maturities of financial liabilities 31 March, 2022	Less than 1 year	1 - 3 years	3 - 5 years	More than 5 years	Total
Non-derivatives					
Borrowings (including interest obligations)	389.96	905.45	1,718.62	519.89	**3,533.92**
Lease Liability	5.22	0.88	0.40	7.21	**13.71**
Other financial liabilities	82.62	-	-	87.21	**169.83**
Trade payables	588.86	-	-	-	**588.86**
Total non-derivative financial liabilities	**1,066.66**	**906.33**	**1,719.02**	**614.31**	**4,306.32**

(iii) Market risk

(a) Foreign currency risk

The Group's exposure to foreign currency risk at the end of the reporting period expressed in INR (foreign currency amount multiplied by closing rate), are as follows:-

As at 31 March, 2023

Particulars	USD (in Crores)		EUR (in Crores)		DKK (in Crores)		JPY (in Crores)	
	Amount in foreign currency	Amount in local currency	Amount in foreign currency	Amount in local currency	Amount in foreign currency	Amount in local currency	Amount in foreign currency	Amount in local currency
Financial assets								
Trade receivables	-	-	-	-	-	-	-	-
Advance to Vendors	0.05	3.79	0.01	0.50	0.02	0.22	-	-
Financial liabilities								
Trade payables	-	-	-	-	-	-	-	-
Borrowings	-	-	-	-	-	-	-	-
Net exposure to foreign currency risk	**0.05**	**3.79**	**0.01**	**0.50**	**0.02**	**0.22**	**-**	**-**

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

As at 31 March, 2022

Particulars	USD (in Crores)		EUR (in Crores)		GBP (in Crores)		JPY (in Crores)	
	Amount in foreign currency	Amount in local currency	Amount in foreign currency	Amount in local currency	Amount in foreign currency	Amount in local currency	Amount in foreign currency	Amount in local currency
Financial assets								
Trade receivables	-	-	-	-	-	-	-	-
Advance to Vendors*	0.05	3.79	0.00	0.10	0.00	0.02	-	-
Financial liabilities								
Trade payables	-	-	-	-	-	-	-	-
Borrowings	-	-	-	-	-	-	-	-
Net exposure to foreign currency risk	**0.05**	**3.79**	**0.00**	**0.10**	**0.00**	**0.02**	**-**	**-**

** Amount is below the rounding off norm adopted by the Group*

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from foreign currency denominated financial instruments.

Particulars	Impact on profit before tax/ equity	
	31 March, 2023	31 March, 2022
USD sensitivity		
INR/USD appreciates by 5% (31 March 2022 - 5%)@	(0.19)	(0.19)
INR/USD depreciates by 5% (31 March 2022 - 5%)@	0.19	0.19
EUR sensitivity		
INR/EUR appreciates by 5% (31 March 2022 - 5%)@	(0.03)	(0.01)
INR/EUR depreciates by 5% (31 March 2022 - 5%)@	0.03	0.01
DKK sensitivity		
INR/DKK appreciates by 5% (31 March 2022 - 5%)@	(0.01)	(0.00)
INR/DKK depreciates by 5% (31 March 2022 - 5%)@	0.01	0.00
GBP sensitivity		
INR/EUR appreciates by 5% (31 March 2022 - 5%)@	-	-
INR/EUR depreciates by 5% (31 March 2022 - 5%)@	-	-
JPY sensitivity		
INR/JPY appreciates by 5% (31 March 2022 - 5%)@	-	-
INR/JPY depreciates by 5% (31 March 2022 - 5%)@	-	-

@ Holding all other variables constant

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in market interest rates relates primarily to the Group's debt obligations with floating interest rates.

The Group's main interest rate risk arises from borrowings with variable rates, which expose the Group to cash flow interest rate risk. During 31 March 2023 and 31 March 2022, the Group's borrowings at variable rate were mainly denominated in INR.

The Group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

(a) Interest rate risk exposure

On Financial Liabilities:

The exposure of the Group's financial liabilities to interest rate risk is as follows:

Particulars	31 March, 2023	31 March, 2022
Variable rate borrowings	55.31	67.16
Fixed rate borrowings	1,878.75	1,826.69
Total borrowings*	**1,934.06**	**1,893.85**

** Borrowings excluding accrued interest*

(b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates as below:

Particulars	Impact on profit before tax/ equity	
	31 March, 2023	31 March, 2022
Interest expense rates – increase by 50 basis points (50 bps)#	(0.28)	(0.34)
Interest expense rates – decrease by 50 basis points (50 bps)#	0.28	0.34

 # Holding all other variables constant

(iv) Price risk

(a) Exposure

The Group's exposure to equity securities price risk arises from investments held by the Group and classified in the balance sheet at fair value through OCI. To manage its price risk arising from investments in equity securities, the Group diversifies its portfolio. In general, these investments are not held for trading purposes.

The exposure from investments held by the Group to price risk is as follows:

Particulars	31 March, 2023	31 March, 2022
Investment in others	82.23	73.84

(b) Sensitivity

The table below summarizes the impact of increases/decreases of the share prices on the Group's equity.

Particulars	Impact on equity	
	31 March, 2023	31 March, 2022
Share price - Increase 5%	4.11	3.69
Share price - Decrease 5%	(4.11)	(3.69)

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

42. Segment Reporting

The Group's organizational structure and governance processes are designed to support effective management of Cement and Rayon, TP and chemicals, the two business segments of the Group, with equal focus on all. The two Segments have been reported in a manner consistent with the internal reporting provided to the Board of Directors which is the Chief Operating Decision Maker (CODM).

The amounts reported to CODM are based on the accounting principles used in the preparation of financial statements as per Ind AS. Segment's performance is evaluated based on segment revenue and segment result viz. profit or loss from operating activities before exceptional items and tax. Accordingly, finance costs/ income, non – operating expenses and exceptional items are not allocated to individual segment.

Segment assets/ liabilities comprise assets/ liabilities directly managed by each segment. Segment assets primarily include receivables, property, plant and equipment, right of use assets, capital work-in-progress, intangibles, non-current investments, inventories, cash and cash equivalents, inter-segment assets. Segment liabilities primarily include operating liabilities. Segment capital expenditure comprises additions to property, plant and equipment and intangible assets.

The reporting segments of the Group are as below:

Cement: This covers the sale of cement. The Group operates its cement business under the name, 'Birla Shakti Cement'.

Rayon, TP and chemicals: This covers sale of viscose rayon, transparent paper and filament yarn. The Group operates this business under the name, 'Kesoram Rayon'.

Summary of the segmental information for the year ended and as of 31 March, 2023 is as follows:

Particulars	Cement	Rayon, TP and chemicals	Total
Segment Revenue			
Revenue	3,533.75	244.30	3,778.05
	3,533.75	**244.30**	**3,778.05**
Segment Results [Profit/(Loss) before interest and tax and exceptional items]	273.41	(35.11)	238.30
Finance cost			(450.03)
Exceptional items (refer note 33)			(173.07)
Profit/ (Loss) Before Tax			**(384.80)**
Segment Assets	2,825.30	609.69	3,434.99
Segment Liabilities	2,646.87	314.94	2,961.81
Segment Capital Expenditure	70.68	1.97	72.66
Segment Depreciation and amortisation	81.57	20.95	102.52
Non cash expenditure other than depreciation and amortisation included in segment expense			(48.08)

Summary of the segmental information for the year ended and as of 31st March, 2022 is as follows:

Particulars	Cement	Rayon, TP and chemicals	Total
Segment Revenue			
Revenue	3,539.56	66.32	3,605.88
	3,539.56	**66.32**	**3,605.88**
Segment Results [Profit/(Loss) before interest and tax and exceptional items]	475.16	(38.32)	436.84
Finance cost			(501.70)
Exceptional items (refer note 33)			(22.35)
Profit/ (Loss) Before Tax			**(87.21)**

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

Particulars	Cement	Rayon, TP and chemicals	Total
Segment Assets	2,765.16	667.82	3,432.98
Segment Liabilities	2,619.61	302.76	2,922.37
Segment Capital Expenditure	33.18	2.44	35.62
Segment Depreciation and amortisation	90.73	21.03	111.76
Non cash expenditure other than depreciation and amortisation included in segment expense			(15.15)

Geographical information

(a) Revenue from external customers:

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
India (i.e. entity's country of domicile)	3,776.78	3,605.88
Others	1.27	-
	3,778.05	**3,605.88**

43 (a) The Group has considered possible effects that may result from the ongoing COVID 19 in the preparation of these financial statements including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of COVID 19 variants, the Group has, at the date of approval of these financial statements, used internal and external sources of information and expects that the carrying amount of the assets will be recovered. The impact of COVID 19 variants on the Group's financial statements may differ from that estimated as at the date of approval of the same.

43 (b) The Board of Directors ("the Board") of the parent company at its meeting held on, May 12, 2022 has approved a Scheme of Arrangement ("the Proposed Scheme") under Sections 230-232 of the Companies Act, 2013 between Kesoram Industries Limited ("Company") and Cygnet Industries Limited ("wholly-owned subsidiary" or "Cygnet") with the Appointed Date being 1 April, 2022. The Proposed Scheme involves demerger of the subsidiary Company from the Group, and is subject to the required statutory and regulatory approvals. The necessary effects would be given in the results upon finalisation of the Proposed Scheme and receipt of requisite approvals. The management is still awaiting the initial approvals from the stock exchanges.

44 Related party disclosures (as per Ind AS 24 - Related Party Disclosures)

A. List of Related Parties and relationship

I) Joint Venture

Gondkhari Coal Mining Limited

II) Post Retirement Benefit Plan

B.K. Birla Group of Companies Provident Fund Institution.
Birla Industries Provident Fund Institution.
KICM Gratuity Fund
Kesoram Superannuation Fund

III) Key Management Personnel/ Directors

Smt. Manjushree Khaitan [Chairman]
Mr. P Radhakrishnan [Whole Time Director & CEO]
Mr. Rohit Shah [Chief Financial Officer] (appointed w.e.f. 12 April 2022)
Mr. Suresh Sharma [Chief Financial Officer] (resigned w.e.f. 11 April 2022)
Mr. Gautam Ganguli [Company Secretary] (appointed w.e.f. 13 May 2022)
Mr. Raghuram Nath [Company Secretary] (resigned w.e.f. 15 May 2022)
Mrs. Mangala Radhakrishna Prabhu [Independent Director]

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

Mr. Satish Narain Jajoo [Independent Director]
Mr. Lee Seow Chuan [Independent Director]
Ms. Jikyeong Kang [Non-Executive Director]
Mr. Kashi Prasad Khandelwal [Independent Director]
Mr. Sudip Banerjee [Independent Director]

IV) Others

A. Entity controlled or jointly controlled by the Key Management Personnel:

MSK Travels and Tours Limited
Umang Commercial Pvt Ltd (erstwhile Aditya Marketing & Manufacturing Private Limited)
Arbela Trading and Services Private Limited
Usinara Trading and Services Private Limited
Birla Tyre Radials Limited

B. One entity is an associate of the other entity (or an associate of a group of which the other entity is a member)

Manav Investment & Trading Co Ltd & its subsidiaries

B. The following transactions were carried out with the related parties in the ordinary course of business:

Nature of Transaction/ Relationship	Year ended 31 March 2023	Year ended 31 March 2022
Rent Received:		
Others	0.00	0.01
Provident Fund Contribution		
Post Retirement Benefit Plan	12.68	7.05
Gratuity Claimed		
Post Retirement Benefit Plan	23.62	5.34
Gratuity Contribution		
Post Retirement Benefit Plan	(0.14)	4.74
Superannuation Contribution		
Post Retirement Benefit Plan	0.00	0.02
Receipt from Superannuation Fund		
Post Retirement Benefit Plan	1.31	-
Upkeep, Rent, Electricity, Generator facility		
Others	0.37	0.26
Tour & Travel Services		
Others	1.08	0.57
Receipt of ICD		
Manav Investment and Trading Company Limited	60.00	50.00
Repayment of ICD		
Manav Investment and Trading Company Limited	60.00	-
Issue of 5% Non-Convertible Cumulative Redeemable Preference Shares		
Manav Investment and Trading Company Limited	90.00	-
Adjustment of ICD against Rights Issue		
Manav Investment and Trading Company Limited	-	50.00
Interest Expense		
Others	0.81	4.58
Dividend		
Others	1.31	-

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

Nature of Transaction/ Relationship	Year ended 31 March 2023	Year ended 31 March 2022
Interest Income		
Others	0.12	0.12
Interest Received		
Others	-	0.03
Adjustment of Interest liability against Rights Issue (including TDS)		
Others	-	4.58
Expenditure-Other Services		
Others	1.67	0.66

(B) Outstanding balances

Particulars	As at 31 March 2023	As at 31 March 2022
Payable:		
Others	0.07	0.32
Post retirement benefit plan	0.60	(0.03)
Loan Receivable- Unsecured, repayable on demand		
Joint Venture **	6.17	6.17
Others	-	1.11
Interest Payable		
Others	1.26	0.46
Interest Receivable		
Joint Venture**	0.62	0.62
Others	-	0.12
Dividend Payable		
Others	1.31	-
Advance Receivable		
Joint Venture**	0.32	0.32
Redeemable Preference Shares Outstanding		
Others	32.61	-

** Outstanding balance of ₹ 1.79 crores (31 March, 2022: ₹ 7.11 crores) receivable from Joint Venture has been fully provided for. Refer Note 8 (a).

(C) Compensation of KMP of the Group

(i) The following transactions were carried out with the KMP in the ordinary course of business.

During the year, the Company recognised an amount of ₹ 9.48 crore (31 March 2022: ₹ 6.35 crores) as remuneration to key managerial personnel. The details of such remuneration is as below:

Particulars	As at 31 March 2023	As at 31 March 2022
Short term employee benefits	9.30	6.15
Post employment benefits	0.18	0.20
Total employee benefits expense	**9.48**	**6.35**

Bonding with the team

Together we progress

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Sitting fees to Director	1.20	0.72
Reimbursement of Expenses	0.04	0.05

(ii) Outstanding balances

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Remuneration	0.35	-
Loan from Director	-	-
	0.35	**-**

** Amount is below the rounding off norm adopted by the Group*

45 Statement of net assets, and profit or loss attributable to owners and non-controlling interest

Name of the entity	2022-23							
	Net Assets	As a % of consolidated net assets	Net Profit / (Loss)	As a % of consolidated net Profit / (Loss)	Other comprehensive income	As a % of consolidated other comprehensive income	Total comprehensive income	As a % of consolidated total comprehensive income
Holding Company	648.23	136.99%	(115.67)	59.54%	5.19	117.42%	(110.48)	58.19%
Kesoram Industries Limited								
Subsidiary	131.17	27.72%	(78.60)	40.46%	(0.77)	-17.42%	(79.37)	41.81%
Cygnet Industries Limited								
Total Eliminations	(306.22)	-64.71%	-	0.00%	-	0.00%	-	0.00%
Total	**473.19**	**100.00%**	**(194.27)**	**100.00%**	**4.42**	**100.00%**	**(189.85)**	**100.00%**

Name of the entity	2021-22							
	Net Assets	As a % of consolidated net assets	Net Profit / (Loss)	As a % of consolidated net Profit / (Loss)	Other comprehensive income	As a % of consolidated other comprehensive income	Total comprehensive income	As a % of consolidated total comprehensive income
Holding Group	606.28	118.73%	(130.01)	168.11%	0.97	42.17%	(129.04)	171.97%
Kesoram Industries Limited								
Subsidiary	210.56	41.24%	(101.58)	131.34%	1.33	57.83%	(100.25)	133.60%
Cygnet Industries Limited								
Total Eliminations	(306.22)	-59.97%	154.25	-199.46%	-	0.00%	154.25	-205.57%
Total	**510.61**	**100.00%**	**(77.34)**	**100.00%**	**2.30**	**100.00%**	**(75.04)**	**100.00%**

Summary of consolidated significant accounting policies and other explanatory information for the year ended 31 March, 2023

(Amount in ₹ crores, except otherwise stated)

46 Other Statutory Information

(i) The Group does not have any Benami property, where any proceeding have been initiated or pending against the Group for holding any Benami property.

(ii) The Group does not have any charge or satisfaction of charge, which is yet to be registered with ROC beyond the statutory period.

(iii) The Group has not traded or invested in crypto-currency or virtual currency during the financial year.

(iv) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (intermediaries) with the understanding that the intermediary shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries); or

b. provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(v) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

a. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or

b. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(vi) The Group does not have any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income tax Act, 1961).

(vii) The Group has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(viii) The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

47 The Code on Social Security, 2020 ("the Code") has been enacted, which may impact the employee related contributions made by the Group. The effective date from which the changes are applicable is yet to be notified. The Ministry of Labour and Employment ('the Ministry') has released draft rules for the Code on November 13, 2020. The Group will complete its evaluation and will give appropriate impact in its financial results in the period in which the Code becomes effective and the related rules are published.

48 Figures for the previous year have been regrouped/ reclassified wherever necessary to confirm to current period's classification.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration Number: 001076N/N500013

Manoj Kumar Gupta
Partner
Membership No.: 083906

Place: Kolkata
Date: 28 April 2023

For and on behalf of the Board of Directors

Manjushree Khaitan
Chairman
DIN: 00055898

P Radhakrishnan
Whole-time Director and Chief Executive Officer
DIN: 08284551

Kashi Prasad Khandelwal
Independent Director
DIN: 00748523

Sudip Banerjee
Independent Director
DIN: 05245757

Lee Seow Chuan
Independent Director
DIN: 02696217

Jikyeong Kang
Non-Independent Director
DIN: 08045661

Mangala Radhakrishna Prabhu
Independent Director
DIN: 06450659

Satish Narain Jajoo
Independent Director
DIN: 07524333

Gautam Ganguli
Company Secretary

Rohit Shah
Chief Financial Officer

KESORAM INDUSTRIES LIMITED

CIN: L17119WB1919PLC003429
Registered Office: 8th Floor, Birla Building, 9/1, R. N. Mukherjee Road, Kolkata – 700 001
Ph.: +91-33-22435453/ 22429454/ 22135121
Website: www.kesocorp.com; E-mail: corporate@kesoram.com, sharedepartment@kesoram.com

ATTENDANCE SLIP

104th ANNUAL GENERAL MEETING ON 14th JUNE, 2023

1. Name of the Member(s) :
2. Registered Address :
3. E-mail ID :
4. Registered Folio/ :
DP ID & Client ID No :
5. No. of Equity Share(s) held :

I/We hereby record my/our presence at the 104th Annual General Meeting of the Company held on Wednesday, the 14th June, 2023 at 11.30 A.M. at Kala Mandir, 48, Shakespeare Sarani, Kolkata – 700 017

Member's / Proxy's name in Block Letters ______________ Member's / Proxy's Signature ______________

Note: Please complete the Name, Address and Folio/ DP ID & Client ID No., sign this Attendance Slip and hand it over at the Attendance Verification Counter at the entrance of the Meeting Hall.

ELECTRONIC VOTING PARTICULARS		
EVEN (E - Voting Event Number)	User ID	Password

Note: Please read carefully the instructions printed under the Note No. 14 to the Notice of 104th Annual General Meeting dated 28th April, 2023. The e-Voting period starts from 9:00 A.M. on 10th June, 2023 and ends at 5:00 P.M. on 13th June, 2023. At the end of the e-Voting period, the portal where the votes are cast shall forthwith be blocked by NSDL.

.... Please cut here and bring the above attendance slip to the Meeting Hall ....

KESORAM INDUSTRIES LIMITED

CIN: L17119WB1919PLC003429
Registered Office: 8th Floor, Birla Building, 9/1, R. N. Mukherjee Road, Kolkata – 700 001
Ph.: +91-33-22435453/ 22429454/ 22135121
Website: www.kesocorp.com; E-mail: corporate@kesoram.com, sharedepartment@kesoram.com

PROXY FORM (FORM No. MGT-11)

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

104th ANNUAL GENERAL MEETING ON 14th JUNE, 2023

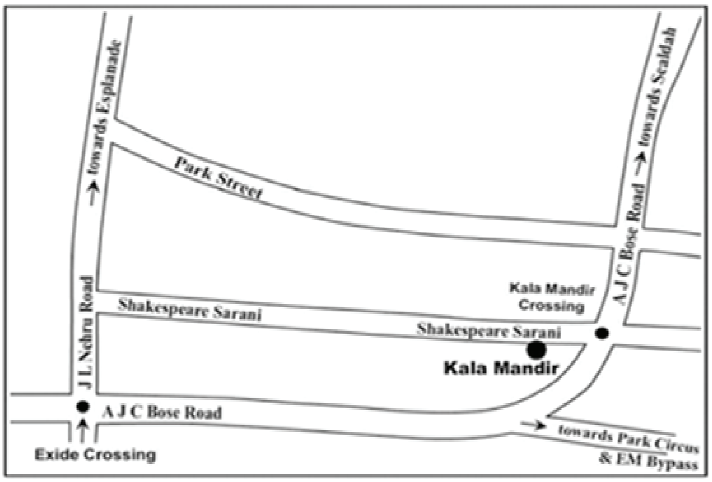
1. Name of the Member(s) :
2. Registered Address :
3. E-mail ID :
4. Registered Folio/ :
DP ID & Client ID No :
5. No. of Equity Share(s) held

I/We, being the member(s) of...shares of the above named Company, hereby appoint:

1. Name :
   Address:
   E-mail id: Signature :..................................Or failing him/her
2. Name :
   Address :
   E-mail id : Signature :..................................Or failing him/her
3. Name :
   Address :
   E-mail id : Signature :..................................Or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 104th Annual General Meeting of the Company, to be held on Wednesday, the 14th day of June, 2023 at 11.30 A.M. at Kala Mandir, 48, Shakespeare Sarani, Kolkata – 700 017 and at any adjournment thereof in respect of such resolutions as indicated overleaf:

Route Map of AGM Venue
Kala Mandir, 48, Shakespeare Sarani, Kolkata – 700017



Route Map

Resolution No.	Resolution Proposed	Please tick (√)
1.	Adoption of Annual Financial Statements and Reports of Directors & Auditors thereon for the year ended 31st March, 2023 as well as the Audited Consolidated Financial Statements and Report of Auditors thereon for the year ended 31st March, 2023.	
2.	To appoint a Director in place of Manjushree Khaitan (DIN: 00055898), who retires by rotation and being eligible, offers herself for re-appointment	
3.	Ratification of Remuneration of Cost Auditor	
4.	Transfer/ dispose of land comprised in Hindusthan Heavy Chemicals ("HHC unit")	

Signed this .... day of ...., 2023

Folio / DP ID / Client ID .... Signature of Shareholder(s) ....

Signature of Proxyholder(s) ....

Affix Revenue Stamp

Notes :
1. **This form of proxy in order to be effective should be duly filled, stamped, signed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**
2. For the text of the Resolutions, Statement & Notes, please refer to the Notice convening the Annual General Meeting dated 28th April, 2023.
3. A person can act as Proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total Paid up Share Capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the Paid up Share Capital of the Company, then such proxy shall not act as a proxy for any other person or Member.

KESORAM INDUSTRIES LIMITED

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