Independent Auditor's Report

To the Members of
Grasim Industries Limited

REPORT ON THE AUDIT OF THE STANDALONE FINANCIAL STATEMENTS

Opinion

We have audited the standalone financial statements of Grasim Industries Limited ("the Company"), and Grasim Employee Welfare Trust ("Trust") which comprise the standalone balance sheet as at 31st March 2023, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of report of one of the joint auditors of the Company on standalone financial statements of such Trust as were audited by one of the joint auditors of the Company, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2023, and its profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us along with the consideration of report of one of the joint auditors of the Company referred to in the "Other Matters" section below is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The key audit matter	How the matter was addressed in our audit
Assessment of impairment of investments in subsidiaries, associates and joint ventures	
As disclosed in note 2.4 of standalone financial statements, the Company has investments in subsidiaries, associates and joint venture companies of ₹ 22,300 crores (P.Y – ₹ 21,856 crores). The said investments are carried at cost less allowance for impairment. The Company analyses regularly for indicators of impairment of the said investments by reference to the requirements under relevant Ind AS. We identified the annual impairment assessment as a key audit matter because carrying value of these investments is significant, assessment process is complex, judgemental by nature, significant changes in business environment and further based on the inherent subjectivity, uncertainty and judgment involved in the following key assumptions • projected future cash inflows; • expected growth rate; discount rate; terminal growth rate; • comparison of price and market multiples Refer note 1.32 – significant accounting policy for impairment of investments.	Our audit procedures included the following: • Tested the design and operating effectiveness of internal controls (including review controls) over the impairment assessment process, including the approval of forecasts and valuation models in subsidiaries, associates and Joint venture. • Examined the Company's assessment for indicators of impairment of such investments. In cases where such indicators existed, tested the estimates and assumption made by the Company of the recoverable amounts, and the allowance for impairment for these investments, where applicable. • We challenged the key assumptions used by management in developing the forecasts by applying sensitivities and evaluating plausible downside scenarios. • Evaluated competence, capabilities and independence of the specialist engaged by the Company and analysed the valuation reports issued by such specialist. • Involved our internal valuation expert to assist in evaluating the key assumptions and methodology of the valuations. • Tested the arithmetical accuracy of the computation of recoverable amounts of investments. • Evaluated past performance where relevant and assessed historical accuracy of the forecast produced by management.

The key audit matter	How the matter was addressed in our audit
Regulations – Litigation pertaining to matters related to Competition Commission of India	
As disclosed in note 4.2 of the standalone financial statements, the Company has pending litigation with regards to order issued by the Competition Commission of India ("CCI'') on the Viscose Staple Fibre ("VSF'') business amounting to ₹ 301.61 crore alleging the Company for abuse of dominant position and consequent violations of Competition Act, 2002. We considered the above as key audit matter as the Company applies significant judgment in estimating the likelihood of the future outcome based on legal opinion, when considering whether, and how much to provide or in determining the required disclosure for the potential exposure of this matter. This is due to highly complex nature along with the fact that CCI proceedings may span over multiple years and may involve protracted negotiations or litigation. These estimates could change substantially over time.	Our audit procedures included the following: • Tested the design and operating effectiveness of internal controls related to the assessment of the likely outcome of regulatory proceedings and provision made, if any. • Obtained and read the details of legal matters. Further, read the latest correspondence between the Company and various regulatory authorities (including filling made to these authorities). • Considered evaluation made by the management and assessed management's position through discussions on both the probability of success and the magnitude of any potential loss. • Read correspondences as applicable between Management and Legal counsel for CCI matters. • Obtained and evaluated independent confirmations from the Legal counsel representing the Company before the Legal authority • Assessed adequacy of disclosures in note 4.2 made in relation to the CCI matter for compliance with disclosure requirements.

Other Information

The Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the financial statements and auditor's report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management's and Board of Directors'/ Trustees' Responsibilities for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective management and Board of Directors of the Company/Trustees of the Trust are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company/Trust and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the respective Management and Board of Directors/Trustees are responsible for assessing the ability of the Company/Trust to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors/Trustees either intends to liquidate the Company/Trust or to cease operations, or has no realistic alternative but to do so.

The Board of Directors/Trustees are also responsible for overseeing the financial reporting process of the Company/Trust.

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

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

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

We communicate with those charged with governance of the Company and Trust included in the standalone financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the 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 Matters

a. The standalone financial statements of the Company for the year ended 31st March 2022 were audited by the then joint auditors B S R & Co. LLP and S R B C & CO LLP, whose report dated 24th May 2022 had expressed an unmodified opinion. Our opinion is not modified in respect of this matter.

b. The standalone financial statements include the audited financial statements of the Trust, which has been audited by one of the joint auditors of the Company whose report has been furnished to us, and our opinion, in so far as it relates to the amounts and disclosures included in respect of the Trust, is based solely on the report of such joint auditor. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

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

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

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

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

c. The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account.

d. In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors as on 31st March 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st 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 and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

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

a. The Company has disclosed the impact of pending litigations as at 31st March 2023 on its financial position in its standalone financial statements - Refer note 4.1 to the standalone financial statements.

b. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer note 4.11 to the standalone financial statements.

c. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

d. (i) The management of the Company has represented that, to the best of its knowledge and belief, other than as disclosed in the note 4.13(viii) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The management of the Company has represented that, to the best of its knowledge and belief, other than as disclosed in the note 4.13(ix) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The final dividend paid by the Company during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in note 4.8.4 to the standalone financial statements, the Board of Directors of the Company have proposed dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Company only with effect from 1st April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Company is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Vikas R Kasat
Partner
Membership No: 105317
ICAI UDIN: 23105317BGVTON1714

Date: 26th May 2023

For **KKC & Associates LLP**
Chartered Accountants
(formerly known as Khimji Kunverji & Co LLP)
Firm's Registration No.: 105146W/W100621

Gautam Shah
Partner
Membership No: 117348
ICAI UDIN: 23117348BGSZIO7672

Date: 26th May 2023

Annexure A

To the Independent Auditor's Report on the Standalone Financial Statements of Grasim Industries Limited for the year ended 31st March 2023

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

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

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has a regular programme of physical verification of its Property, Plant and Equipment by which all property, plant and equipment are verified in a phased manner over a period of two to three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than immovable properties where the Company is the lessee and the leases agreements are duly executed in favour of the lessee) disclosed in the standalone financial statements are held in the name of the Company, except for the following which are not held in the name of the Company in Annexure I.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The inventory, except goods-in-transit and stocks lying with third parties, has been physically verified by the management during the year. For stocks lying with third parties at the year-end, written confirmations have been obtained and for goods-in-transit subsequent evidence of receipts has been linked with inventory records. In our opinion, the frequency of such verification is reasonable and procedures and coverage as followed by management were appropriate. No discrepancies were noticed on verification between the physical stocks and the book records that were more than 10% in the aggregate of each class of inventory

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. In our opinion, the quarterly returns or statements filed by the Company with such banks or financial institutions are in agreement with the books of account of the Company.

(iii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has made investments in companies and has not made any investment in firms, limited liability partnership or any other parties during the year. The Company has not provided any guarantee or security or granted any advances in the nature of loans, secured or unsecured to companies, firms, limited liability partnership or any other parties during the year.

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has granted unsecured loans to Companies and other parties, in respect of which the requisite information is as below:

₹ in crore

Particulars	Loans
Aggregate amount during the year	
- Subsidiaries	169.81
- Joint Ventures	5.00
- Others	5.31
Balance outstanding as at balance sheet date	
- Subsidiaries	79.92
- Others	11.24

(b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made, and the terms and conditions of the grant of loans during the year are, *prima facie*, not prejudicial to the interest of the Company.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in the case of loans given, in our opinion the repayment of principal and payment of interest has been stipulated and the repayments or receipts have been regular. Further, the Company has not given any advance in the nature of loan to any party during the year.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion there are no instances of loans falling due during the year which were renewed or extended or settled by fresh loans.

(f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, during the year the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.

(iv) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investments made and loans, guarantees and security given by the Company, in our opinion the provisions of Section 185 and 186 of the Companies Act, 2013 ("the Act") have been complied with.

(v) The Company has not accepted any deposits or amounts which are deemed to be deposits from the public. Accordingly, clause 3(v) of the Order is not applicable.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules prescribed by the Central Government for maintenance of cost records under Section 148(1) of the Act in respect of its manufactured goods and services provided by it and are of the opinion that *prima facie*, the prescribed accounts and records have been made and maintained. However, we have not carried out a detailed examination of the records with a view to determine whether these are accurate or complete.

(vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1st July 2017, these statutory dues has been subsumed into Goods and Service Tax.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues have generally been regularly deposited by the Company with the appropriate authorities.

According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at 31st March 2023 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, statutory dues relating to Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues which have not been deposited on account of any dispute are mentioned in Annexure II to this report.

(viii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.

(ix) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans and borrowing or in the payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.

(c) In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.

(d) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures as defined under the Act.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies (as defined under the Act).

(x) (a) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.

(xi) (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in Standard of Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.

(b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle-blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

(xii) According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with Section 177 and 188 of the Act, where applicable, and the details of the related party transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.

(xiv) (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.

(xvi) (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(a) of the Order is not applicable.

(b) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clause 3(xvi)(b) of the Order is not applicable.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, clause 3(xvi)(c) of the Order is not applicable.

(d) According to the information and explanations provided to us, the Group (as per the provisions of the Core Investment Companies (Reserve Bank) Directions, 2016) has more than one CIC as part of the Group. The Group has 1 CIC which is registered with the Reserve Bank of India, 4 CICs which are in the process of registration with Reserve Bank of India and 3 CICs which are not required to be registered with the Reserve Bank of India.

(xvii) The Company has not incurred cash losses in the current and in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In our opinion and according to the information and explanations given to us, there is no unspent amount under sub-section (5) of Section 135 of the Act pursuant to any project other than ongoing projects. Accordingly, clause 3(xx)(a) of the Order is not applicable.

(b) In respect of ongoing projects, the Company has transferred the unspent amount to a Special Account within a period of 30 days from the end of the financial year in compliance with Section 135(6) of the said Act.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Vikas R Kasat
Partner
Membership No: 105317
ICAI UDIN: 23105317BGVTON1714

Date: 26th May 2023

For **KKC & Associates LLP**
Chartered Accountants
(formerly known as Khimji Kunverji & Co LLP)
Firm's Registration No.: 105146W/W100621

Gautam Shah
Partner
Membership No: 117348
ICAI UDIN: 23117348BGSZIO7672

Date: 26th May 2023

Annexure I

Title Deed Not in the name of the Company

Description of item of property	Gross carrying value (₹ in crores)	Title Deeds held in the name of	Whether title deed holder is promoter, director or relative there of or employee there of	Property held since	Reason for not being held in the name of the Company
Building	190.43	Aditya Birla Nuvo Limited	No	Apr-2017	The Title of asset transferred pursuant to the scheme of amalgamation/arrangement/ merger/ demerger are in process of being transferred in the name of the company.
Building	96.82	Jayashree Textiles Limited	No	Apr-1972	
Building	15.77	Indian Rayon Corporation Limited	No	Apr-1987	
Building	2.43	Indian Rayon and Industries Limited	No	Apr-1998	
Building	25.39	Jayashree Textiles Limited	No	Apr-1972	
Building	7.62	Jiyajee Rao Cotton Mills	No	Apr-2015	Under Legal Proceeding.
Building	6.10	Solaris Chemtech Limited	No	Apr-2008	
Freehold Land	286.26	Aditya Birla Nuvo Limited	No	Apr-2017	The Title of asset transferred pursuant to the scheme of amalgamation/arrangement/ merger/ demerger are in process of being transferred in the name of the company.
Freehold Land	143.92	Jayashree Textiles Limited	No	Apr-1972	
Freehold Land	23.44	Indian Rayon Corporation Limited	No	Apr-1987	
Freehold Land	3.61	Indian Rayon and Industries Limited	No	Apr-1998	
Freehold Land	47.50	Jayashree Textiles Limited	No	Apr-1972	The Title of asset transferred pursuant to the scheme of amalgamation/ arrangement/ merger/ demerger are in process of being transferred in the name of the company.
Freehold Land	1.77	Solaris Chemtech Limited	No	Apr-2008	The Title of asset transferred pursuant to the scheme of amalgamation/arrangement/ merger/ demerger are in process of being transferred in the name of the company.
Freehold Land	56.64	Andhra Pradesh Industrial Investment Corporation	No	Apr-2019	Transfer is in Process.
Freehold Land	38.60	Bharat Commerce & Industries Limited	No	Apr-2014	Under Legal Proceeding.
Freehold Land	0.51	Various individual Parties	No	1985-2015	Under Legal Proceeding.
Leasehold Land	1.10	Bihar Caustics and Chemicals Limited	No	Apr-1980	The Title of asset transferred pursuant to the scheme of amalgamation/arrangement/ merger/ demerger are in process of being transferred in the name of the company.
Leasehold Land	1.01	Aditya Birla Chemical Industries Limited	No	May-2011	
Leasehold Building	4.70	Aditya Birla Nuvo Limited	No	Apr-2017	
Leasehold Land	0.20	Welspun India Limited	No	May-2009	Under Legal Proceeding.

Annexure II

Statutory Dues Disputed

Name of the Statute	Nature of the Dues	Period to which the amount relates	Total (₹ In crores)	Forum where case is pending
Income Tax	Income Tax and Interest	2001-2021	70.87	Appellate Authority
		2001-2023	79.24	Assessing Authority
Entry Tax	Entry Tax and Interest	2004-2012	0.67	Assessing Authority
		2004-2018	22.73	High Court
Excise Duty	Excise Duty, Interest and Penalty	1994-2017	52.10	Appellate Authority
		1974-2018	36.81	Assessing Authority
		1996-2018	1.07	High Court
Sales Tax/VAT/GST	Sales Tax, VAT, Interest and Penalty	2005-2018	25.07	Appellate Authority
		2001-2021	8.38	Assessing Authority
		2008-2014	16.30	High Court
Service Tax	Service Tax, Interest and Penalty	2005-2011	13.31	Appellate Authority
		1997-2016	3.84	Assessing Authority
		2005-2014	52.99	High Court
Customs Duty	Custom Duty, Interest and Penalty	2004-2020	20.39	Appellate Authority
		1985-2020	9.58	Assessing Authority
		1975-1988	2.37	High Court
		2001-2014	0.87	Supreme Court
Stamp Duty	Stamp Duty & Interest	2013-2014	23.90	High Court
Employee State Insurance Act, 1948	Tax and Interest	2004-2005	0.20	High Court
Land Related Matters	Property Tax and Interest	1992-2005	5.36	High Court
		2001-2002	0.64	Appellate Authority

Annexure B

To the Independent Auditor's Report on the standalone financial statements of Grasim Industries Limited for the year ended 31st March 2023

Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

We have audited the internal financial controls with reference to standalone financial statements of Grasim Industries Limited ("the Company") as of 31st March 2023 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at 31st March 2023, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to 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

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

A Company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial controls with reference to standalone 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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the standalone financial statements.

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

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

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Vikas R Kasat
Partner
Membership No: 105317
ICAI UDIN: 23105317BGVTON1714

Date: 26th May 2023

For **KKC & Associates LLP**
Chartered Accountants
(formerly known as Khimji Kunverji & Co LLP)
Firm's Registration No.: 105146W/W100621

Gautam Shah
Partner
Membership No: 117348
ICAI UDIN: 23117348BGSZIO7672

Date: 26th May 2023

Standalone Balance Sheet

as at 31st March 2023

₹ in crore

	Note No.	As at 31st March 2023	As at 31st March 2022
ASSETS			
Non-Current Assets			
Property, Plant and Equipment	2.1	14,634.81	13,645.17
Capital Work-in-Progress	2.1	2,919.09	1,740.14
Goodwill		2.78	2.78
Other Intangible Assets	2.2	817.75	896.18
Intangible Assets Under Development	2.2	6.60	2.65
Right of Use Assets	2.3	764.29	313.57
Financial Assets			
Investments in Subsidiaries, Joint Ventures and Associates	2.4	22,300.03	21,855.56
Other Investments	2.5	8,541.12	12,086.23
Loans	2.6	100.31	9.14
Other Financial Assets	2.7	339.21	311.36
Non-Current Tax Assets (Net)		191.43	59.88
Other Non-Current Assets	2.8	840.13	205.77
Total Non-Current Assets		**51,457.55**	**51,128.43**
Current Assets			
Inventories	2.9	4,492.78	3,940.84
Financial Assets			
Investments	2.10	3,055.63	4,748.98
Trade Receivables	2.11	1,597.26	1,690.42
Cash and Cash Equivalents	2.12	16.48	52.69
Bank Balances other than Cash and Cash Equivalents	2.13	457.89	172.64
Loans	2.14	3.68	26.44
Other Financial Assets	2.15	133.91	95.64
Other Current Assets	2.16	961.93	780.14
Total Current Assets		**10,719.56**	**11,507.79**
TOTAL ASSETS		**62,177.11**	**62,636.22**

Standalone Balance Sheet (Contd.)

as at 31st March 2023

₹ in crore

	Note No.	As at 31st March 2023	As at 31st March 2022
EQUITY AND LIABILITIES			
Equity			
Equity Share Capital	2.17	131.69	131.67
Other Equity	2.18	46,823.24	48,484.12
Total Equity		**46,954.93**	**48,615.79**
Liabilities			
Non-Current Liabilities			
Financial Liabilities			
Borrowings	2.19	4,273.23	3,034.49
Lease Liabilities	2.3	74.37	55.63
Other Financial Liabilities	2.20	10.61	3.10
Provisions	2.21	64.23	54.87
Deferred Tax Liabilities (Net)	2.22	1,534.80	1,841.38
Other Non-Current Liabilities	2.23	7.08	71.67
Total - Non-current Liabilities		**5,964.32**	**5,061.14**
Current Liabilities			
Financial Liabilities			
Borrowings	2.24	981.00	1,086.28
Lease Liabilities	2.3	23.00	24.13
Supplier's Credit	2.25	-	183.40
Trade Payables	2.26		
Total Outstanding due of Micro and Small Enterprises		121.41	90.55
Total Outstanding due of Creditors other than Micro and Small Enterprises		4,589.79	4,560.18
Other Financial Liabilities	2.27	1,617.82	1,203.99
Other Current Liabilities	2.28	988.04	1,067.46
Provisions	2.29	322.39	287.05
Current Tax Liabilities (Net)		614.41	456.25
Total Current Liabilities		**9,257.86**	**8,959.29**
TOTAL EQUITY AND LIABILITIES		**62,177.11**	**62,636.22**

Significant Accounting Policies and Key Accounting Estimates and Judgements 1

The accompanying Notes are an integral part of the Standalone Financial Statements
In terms of our report on even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248W/W-100022

For KKC & Associates LLP
Chartered Accountants
Firm Registration No.: 105146W/W100621

For and on behalf of the Board of Directors of
GRASIM INDUSTRIES LIMITED
CIN-L17124MP1947PLC000410

Vikas R Kasat
Partner
Membership No.: 105317

Gautam Shah
Partner
Membership No.: 117348

Harikrishna Agarwal
Managing Director
DIN: 09288720

N. Mohan Raj
Independent Director
DIN: 00181969

Dr. Santrupt Misra
Non-Executive Director
DIN: 00013625

Mumbai
Dated: 26th May 2023

Pavan K. Jain
Chief Financial Officer

Sailesh Kumar Daga
Company Secretary
Membership No.: F 4164

Mumbai
Dated: 26th May 2023

Standalone Statement of Profit and Loss

for the year ended 31st March 2023

₹ in crore

	Note No.	Year Ended 31st March 2023	Year Ended 31st March 2022
Continuing Operations			
INCOME			
Revenue from Operations	3.1	26,839.71	20,856.84
Other Income	3.2	1,018.34	895.31
Total Income (I)		**27,858.05**	**21,752.15**
EXPENSES			
Cost of Materials Consumed	3.3	12,695.07	9,794.47
Purchases of Stock-in-Trade	3.4	466.22	152.90
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	3.5	(261.91)	(538.59)
Employee Benefits Expense	3.6	2,023.49	1,774.29
Finance Costs	3.7	367.67	247.24
Depreciation and Amortisation Expense	3.8	1,097.29	913.96
Power and Fuel		4,745.01	3,434.26
Other Expenses	3.9	3,991.94	3,023.35
Total Expenses (II)		**25,124.78**	**18,801.88**
Profit Before Exceptional Items and Tax from Continuing Operations (I) - (II)		2,733.27	2,950.27
Exceptional Items	3.10	(88.03)	(69.11)
Profit Before Tax from Continuing Operations		**2,645.24**	**2,881.16**
Tax Expense	3.11		
Current Tax		433.71	113.89
Deferred Tax		87.80	71.82
Total Tax Expense		**521.51**	**185.71**
Profit for the Year from Continuing Operations (III)		**2,123.73**	**2,695.45**
Discontinued Operations	4.4		
Profit before tax from Discontinued Operations		-	155.98
Exceptional items (net)		-	510.79
Tax expenses on Profit from discontinued operations		-	(310.95)
Profit for the Year from Discontinued Operations (IV)		**-**	**355.82**
Profit for the Year (V= III+IV)		**2,123.73**	**3,051.27**

Standalone Statement of Profit and Loss (Contd.)

for the year ended 31st March 2023

₹ in crore

	Note No.	Year Ended 31st March 2023	Year Ended 31st March 2022
Other Comprehensive Income	3.12		
A (i) Items that will not be reclassified to profit or loss		(3,482.59)	3,443.92
(ii) Income Tax relating to items that will not be reclassified to profit or loss		400.12	(224.86)
		(3,082.47)	**3,219.06**
B (i) Items that will be reclassified to profit or loss		14.20	0.50
(ii) Income Tax relating to items that will be reclassified to profit or loss		(5.74)	(0.49)
		8.46	**0.01**
Other Comprehensive Income for the Year (VI)		**(3,074.01)**	**3,219.07**
Total Comprehensive Income for the Year (V + VI)		**(950.28)**	**6,270.34**
Paid-up Equity Share Capital (Face Value ₹ 2 per share)		131.69	131.67
Earnings Per Equity Share (Face Value ₹ 2 each)	3.13		
Basic - Continuing Operations (₹)		32.34	41.05
Diluted - Continuing Operations (₹)		32.31	40.99
Basic - Discontinued Operations (₹)		-	5.42
Diluted - Discontinued Operations (₹)		-	5.41
Basic - Continuing Operations and Discontinued Operations (₹)		32.34	46.47
Diluted - Continuing Operations and Discontinued Operations (₹)		32.31	46.40

Significant Accounting Policies and Key Accounting Estimates and Judgements 1

The accompanying Notes are an integral part of the Standalone Financial Statements
In terms of our report on even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248W/W-100022

Vikas R Kasat
Partner
Membership No.: 105317

For KKC & Associates LLP
Chartered Accountants
Firm Registration No.: 105146W/W100621

Gautam Shah
Partner
Membership No.: 117348

Mumbai
Dated: 26th May 2023

For and on behalf of the Board of Directors of
GRASIM INDUSTRIES LIMITED
CIN-L17124MP1947PLC000410

Harikrishna Agarwal
Managing Director
DIN: 09288720

N. Mohan Raj
Independent Director
DIN: 00181969

Dr. Santrupt Misra
Non-Executive Director
DIN: 00013625

Pavan K. Jain
Chief Financial Officer

Sailesh Kumar Daga
Company Secretary
Membership No.: F 4164

Mumbai
Dated: 26th May 2023

Standalone Statement of Changes in Equity

for the year ended 31^{st} March 2023

A. EQUITY SHARE CAPITAL

Year Ended 31^{st} March 2023

₹ in crore

Balance as at 1^{st} April 2022	Changes in Equity Share Capital during the year (Note 2.17.3)	Balance as at 31^{st} March 2023
131.67	0.02	131.69

Year Ended 31^{st} March 2022

₹ in crore

Balance as at 1^{st} April 2021	Changes in Equity Share Capital during the year (Note 2.17.3)	Balance as at 31^{st} March 2022
131.62	0.05	131.67

B. OTHER EQUITY

As at 31^{st} March 2023

₹ in crore

Particulars	Note No.	Reserves and Surplus						Other Comprehensive Income (OCI)			Total
		Securities Premium	General Reserve	Capital Reserve	Treasury Shares	Retained Earnings	Employee Stock Options Reserve	Debt Instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Hedging Reserve	
Balance as at 1^{st} April 2022		23,731.50	11,584.56	3,670.17	(150.93)	8,013.25	70.82	6.51	1,557.69	0.55	48,484.12
Profit for the Year		–	–	–	–	2,123.73	–	–	–	–	2,123.73
Other Comprehensive Income for the Year		–	–	–	–	@ (2.57)	–	(2.39)	(3,079.90)	10.85	(3,074.01)
Total Comprehensive Income for the Year		**–**	**–**	**–**	**–**	**2,121.16**	**–**	**(2.39)**	**(3,079.90)**	**10.85**	**(950.28)**
Dividends Paid		–	–	–	–	(657.65)	–	–	–	–	(657.65)
Purchase of Treasury Shares		–	–	–	(108.04)	–	–	–	–	–	(108.04)
Issue of Treasury Shares		–	–	–	18.76	–	–	–	–	–	18.76
Employee Stock Options Exercised		9.92	–	–	–	–	(10.74)	–	–	–	(0.82)
Employee Stock Options Granted (net of lapses)		–	–	–	–	–	37.15	–	–	–	37.15
Balance as at 31^{st} March 2023	2.18	**23,741.42**	**11,584.56**	**3,670.17**	**(240.21)**	**9,476.76**	**97.23**	**4.12**	**(1,522.21)**	**11.40**	**46,823.24**

Standalone Statement of Changes in Equity (Contd.)

for the year ended 31^{st} March 2023

As at 31^{st} March 2022

₹ in crore

Particulars	Note No.	Reserves and Surplus						Other Comprehensive Income (OCI)			Total
		Securities Premium	General Reserve	Capital Reserve	Treasury Shares	Retained Earnings	Employee Stock Options Reserve	Debt Instruments through Other Comprehensive Income	Equity Instruments through Other Comprehensive Income	Hedging Reserve	
Balance as at 1^{st} April 2021		23,713.41	11,584.56	3,670.17	(108.53)	5,529.53	56.71	8.54	(1,636.66)	(1.49)	42,816.24
Profit for the Year		–	–	–	–	3,051.27	–	–	–	–	3,051.27
Other Comprehensive Income for the Year		–	–	–	–	@24.71	–	(2.03)	3,194.35	2.04	3,219.07
Total Comprehensive Income for the Year		**–**	**–**	**–**	**–**	**3,075.98**	**–**	**(2.03)**	**3,194.35**	**2.04**	**6,270.34**
Dividends Paid		–	–	–	–	(592.26)	–	–	–	–	(592.26)
Purchase of Treasury Shares		–	–	–	(61.95)	–	–	–	–	–	(61.95)
Issue of Treasury Shares		–	–	–	19.55	–	–	–	–	–	19.55
Employee Stock Options Exercised		18.09	–	–	–	–	(18.26)	–	–	–	(0.17)
Employee Stock Options Granted (net of lapses)		–	–	–	–	–	32.37	–	–	–	32.37
Balance as at 31^{st} March 2022	2.18	**23,731.50**	**11,584.56**	**3,670.17**	**(150.93)**	**8,013.25**	**70.82**	**6.51**	**1,557.69**	**0.55**	**48,484.12**

@ Represents remeasurement of Defined Benefit Plan (Net of Tax)

Significant Accounting Policies and Key Accounting Estimates and Judgements - Refer Note 1

The accompanying Notes are an integral part of the Standalone Financial Statements
In terms of our report on even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248W/W-100022

Vikas R Kasat
Partner
Membership No.: 105317

For KKC & Associates LLP
Chartered Accountants
Firm Registration No.: 105146W/W100621

Gautam Shah
Partner
Membership No.: 117348

Mumbai
Dated: 26^{th} May 2023

For and on behalf of the Board of Directors of
GRASIM INDUSTRIES LIMITED
CIN-L17124MP1947PLC000410

Harikrishna Agarwal
Managing Director
DIN: 09288720

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Independent Director
DIN: 00181969

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Non-Executive Director
DIN: 00013625

Pavan K. Jain
Chief Financial Officer

Sailesh Kumar Daga
Company Secretary
Membership No.: F 4164

Mumbai
Dated: 26^{th} May 2023

Standalone Statement of Cash Flows

for the year ended 31st March 2023

₹ in crore

	Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
A.	**Cash Flow from Operating Activities**		
	Profit Before Tax	2,645.24	2,881.16
	Adjustments for:		
	Exceptional Items	88.03	69.11
	Depreciation and Amortisation Expense	1,097.29	913.96
	Finance Costs	367.67	247.24
	Interest Income	(117.38)	(59.43)
	Dividend Income	(668.67)	(643.02)
	Unrealised Exchange (Gain)/Loss (Net)	(32.26)	(1.49)
	Allowance for Credit losses (Net)	5.13	(10.43)
	Provisions against Warranty and Contingent Liabilities Created / (Written Back)	(1.06)	(0.25)
	Loss on Sale/Discard of Property, Plant and Equipment (Net)	10.33	9.48
	Employee Stock Option/Stock Appreciation Right Expenses	38.12	34.85
	Unrealised Gain on Investments measured at Fair Value through Profit or Loss (Net)	(118.39)	(114.48)
	Profit on Sale of Investments (Net)	(45.47)	(33.48)
	Operating profit Before Working Capital Changes	**3,268.57**	**3,293.22**
	Adjustments for Changes in Working Capital :		
	Trade Receivables	100.28	(358.75)
	Financial and Other Assets	(160.79)	(306.31)
	Inventories	(551.94)	(1,761.85)
	Trade Payables, Other Liabilities and Provisions	69.81	2,440.08
	Cash Generated from Operations	**2,725.93**	**3,306.39**
	Income Taxes Paid (Net of Refund)	(407.10)	(650.15)
	Net Cash Generated from Operating Activities (A)	**2,318.83**	**2,656.24**
B.	**Cash Flow from Investing Activities**		
	Purchase of Property, Plant and Equipment and Other Intangible Assets	(4,022.47)	(2,538.15)
	Proceeds from Disposal of Property, Plant and Equipment	11.13	6.55
	Asset transfer cost on Merger	–	(28.39)
	Acquisition/Investments in Subsidiaries, Joint Ventures and Associates	(444.48)	(98.72)
	Investment in Other Non-Current Equity Investments	–	(38.78)
	Sale of Other Non-Current Equity Investments	0.10	-
	Sale/(Purchase) of Current Investments {Net}	1,911.86	(1,352.52)
	Loans and Advances given to Subsidiaries, Joint Ventures and Associates	(174.81)	(5.00)
	Receipt against Loans and Advances given to Subsidiaries, Joint Ventures and Associates	104.19	15.21
	Investment in Bank Deposits (having original maturity more than 3 months) and earmarked balances with Banks	(285.25)	(109.17)
	Interest from Subsidiaries, Joint Ventures and Associates	7.43	2.77
	Interest from Others	33.40	17.47
	Dividend from Subsidiaries, Joint Ventures and Associates	628.27	611.74
	Dividend from Others	40.40	31.28
	Net Cash (Used) in Investing Activities (B)	**(2,190.23)**	**(3,485.71)**
C.	**Cash Flow from Financing Activities**		
	Proceeds from Issue of Share Capital under ESOS	7.71	8.95
	Treasury Shares acquired by ESOP Trust	(108.04)	(61.95)
	Issue of Treasury Shares	10.15	10.48
	Proceeds from Non-Current Borrowings	2,000.00	1,000.00
	Repayments of Non-Current Borrowings	(1,056.08)	(132.76)
	Proceeds/(Repayment) of Current Borrowings (Net)	193.51	(905.08)
	Proceeds/ (Payment) of Supplier's credit	(183.40)	183.40
	Payments of Lease Liabilities	(25.30)	(20.46)
	Payments of Interest on Lease Liabilities	(6.84)	(5.07)
	Interest and Finance Charges Paid	(339.10)	(262.60)
	Dividend Paid	(657.42)	(591.51)
	Net Cash (used) in Financing Activities (C)	**(164.81)**	**(776.60)**
D.	**Net Decrease in Cash and Cash Equivalents (A+B+C)**	(36.21)	(1,606.07)
	Cash and Cash Equivalents at the Beginning of the year	52.69	69.22
	Net Cash Flow Transferred from Discontinued Operations to Continuing Operations	–	1,589.54
	Cash and Cash Equivalents at the End of the year from Continued Operations	**16.48**	**52.69**
	Discontinued Operations		
	Cash and Cash Equivalents at the Beginning of the Period	–	-
	Net Cash Used in Operating Activities (A)	–	(217.33)
	Net Cash Used in Investing Activities (B)	–	(48.93)
	Proceeds from divestment of Fertiliser Business	–	1,855.80
	Net Cash Generated from/ (Used) in Financing Activities (C)	–	-
	Net Cash Flow Generated from Discontinued Operations (A+B+C)	–	1,589.54
	Net Cash Flow Transferred from Discontinued Operations to Continuing Operations	–	(1,589.54)
	Cash and Cash Equivalents at the End of the Period of Discontinued Operations	**–**	**–**
	Cash and Cash Equivalents at the End of the year	**16.48**	**52.69**

Standalone Statement of Cash Flows (Contd.)

for the year ended 31st March 2023

Notes :

(i) Statement of Cash Flows has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) -7 "Statement of Cash Flows" prescribed under the Companies Act (Indian Accounting Standard) Rules, 2015 of the Companies Act, 2013.

(ii) Purchase of Property, Plant and Equipment includes cash flows of capital work-in-progress (including Capital Advances) and movement in Creditors against Capital Expenditure during the year.

(iii) Supplemental Information

(a) Non-Cash Transaction from Investing Activities

₹ in crore

Particulars	Balance as at 1st April 2022	Cash flows	Non-Cash changes: Fair Value Adjustment	Reclassified	Balance as at 31st March 2023
Non-Current Investments	33,941.79	444.38	(3,545.02)	–	30,841.15
Current Investments	4,748.98	(1,866.39)	173.04	–	3,055.63
	38,690.77	**(1,422.02)**	**(3,371.98)**	**–**	**33,896.78**

₹ in crore

Particulars	Balance as at 1st April 2021	Cash flows	Non-Cash changes: Fair Value Adjustment	Reclassified	Balance as at 31st March 2022
Non-Current Investments	30,627.71	137.50	3,365.65	(189.07)	33,941.79
Current Investments	3,012.02	1,386.00	161.89	189.07	4,748.98
	33,639.73	**1,523.50**	**3,527.54**	**–**	**38,690.77**

(b) Changes in liabilities arising from financing activities

₹ in crore

Particulars	Balance as at 1st April 2022	Cash flows	Debt issuance cost	Non-Cash changes: Fair Value Adjustment	Balance as at 31st March 2023
Non-Current Borrowings *	4,101.55	943.92	(3.46)	(0.51)	5,041.50
Current Borrowings	19.22	193.51	–	–	212.73
Supplier's Credit	183.40	(183.40)	–	–	–

₹ in crore

Particulars	Balance as at 1st April 2021	Cash flows	Debt issuance cost	Non-Cash changes: Fair Value Adjustment	Balance as at 31st March 2022
Non-Current Borrowings *	3,241.79	867.24	(2.98)	(4.50)	4,101.55
Current Borrowings	921.65	(905.08)	–	2.65	19.22
Supplier's Credit	–	183.40	–	–	183.40

* including Current Maturities of Non-Current Borrowings

(c) Refer note 2.3.I.B for Movement in lease liabilities.

Significant Accounting Policies and Key Accounting Estimates and Judgements - Refer Note 1

The accompanying Notes are an integral part of the Standalone Financial Statements
In terms of our report on even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248W/W-100022

Vikas R Kasat
Partner
Membership No.: 105317

For KKC & Associates LLP
Chartered Accountants
Firm Registration No.: 105146W/W100621

Gautam Shah
Partner
Membership No.: 117348

Mumbai
Dated: 26th May 2023

For and on behalf of the Board of Directors of
GRASIM INDUSTRIES LIMITED
CIN-L17124MP1947PLC000410

Harikrishna Agarwal
Managing Director
DIN: 09288720

N. Mohan Raj
Independent Director
DIN: 00181969

Dr. Santrupt Misra
Non-Executive Director
DIN: 00013625

Pavan K. Jain
Chief Financial Officer

Sailesh Kumar Daga
Company Secretary
Membership No.: F 4164

Mumbai
Dated: 26th May 2023

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2023

CORPORATE INFORMATION

Grasim Industries Limited ("the Company") is a limited Company incorporated and domiciled in India. The registered office is at Birlagram, Nagda - 456 331, Dist. Ujjain (M.P.), India. The Company is a public limited Company, and its shares are listed on the BSE Limited, India, and the National Stock Exchange of India Limited, India, and the Company's Global Depository Receipts are listed on the Luxembourg Stock Exchange.

The Company is engaged primarily in Viscose (Pulp, Fibre and Yarn), Chemicals (Caustic Soda, Speciality and allied Chemicals) and others (Insulators, Textiles, Paints, B2B E-Commerce and Solar Power Designing).

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 Statement of Compliance:

These financial statements are prepared and presented in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time as notified under section 133 of Companies Act, 2013, the relevant provisions of the Companies Act, 2013 ("the Act") and the guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable. The accounting policies have been consistently applied for all the periods presented in the financial statements.

1.2 Basis of Preparation:

The financial statements have been prepared and presented on the going concern basis and at historical cost, except for the following assets and liabilities, which have been measured as indicated below:

- Derivative Financial Instruments at fair value (covered under para 1.20)
- Certain financial assets and liabilities at fair value [refer accounting policy regarding financial instruments (covered under para 1.22)]
- Assets held for disposal - measured at the lower of its carrying amount and fair value less cost to sell;
- Employee's Defined Benefit Plan measured as per actuarial valuation;
- Employee Stock Option Plans measured at fair value; and
- Assets and Liabilities acquired under Business Combination measured at fair value.

1.3 Functional and Presentation Currency:

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates, and all values are rounded to the nearest crores, utpo 2 decimal places except as otherwise indicated.

1.4 Business Combination and Goodwill/Capital Reserve:

The Company uses the acquisition method of accounting to account for business combinations. The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another. Control exists when the Company is exposed to, or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the re-assessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in Other Comprehensive Income (OCI) and accumulated in other equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in other equity as capital reserve, without routing the same through OCI.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Company to the previous owners of the acquiree, and equity interests issued by the Company. Consideration transferred also includes the fair value of any contingent consideration. Consideration transferred does not include amounts related to the settlement of pre-existing relationships. Any goodwill that arises on account of such business combination is tested annually for impairment.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not re-measured and the settlement is accounted for within other equity. Otherwise, other contingent consideration is re-measured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recorded in the Statement of Profit and Loss.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably. On an acquisition-by-acquisition basis, the Company recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Transaction costs that the Company incurs in connection with a business combination, such as Stamp Duty for title transfer in the name of the Company, finder's fees, legal fees, due diligence fees and other professional and consulting fees, are expensed as incurred.

1.5 Classification of Assets and Liabilities as Current and Non-Current:

All assets and liabilities are classified as current or non-current as per the Company's normal operating cycle, Ind AS-1 and other criteria set out in the Division II of Schedule III of the Companies Act, 2013. Based on the nature of products and the time lag between the acquisition of assets for processing and their realisation in cash and cash equivalents, 12-month period has been considered by the Company as its normal operating cycle.

1.6 Property, Plant and Equipment (PPE):

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property plant and equipment recognised as at 1st April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Property, plant and equipment are stated at acquisition or construction cost less accumulated depreciation and impairment loss. Freehold land is stated at cost less impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its location and working condition for its intended use, including relevant borrowing costs and any expected costs of de-commissioning.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

The cost of an item of PPE is recognised as an asset if, and only if, it is probable that the economic benefits associated with the item will flow to the Company in future periods and the cost of the item can be measured reliably. Expenditure incurred after the PPE have been put into operations, such as repairs and maintenance expenses, are charged to the Standalone Statement of Profit and Loss during the year in which they are incurred.

Items such as spare parts, standby equipment and servicing equipment are recognised as PPE when these are held for use in the production or supply of goods or services, or for administrative purpose, and are expected to be used for more than one year. Otherwise, such items are classified as inventory.

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on the disposal or retirement of an item of PPE, is determined as the difference between the sales proceeds and the carrying amount of the asset, and is recognised in Statement of Profit and Loss.

Capital work-in-progress includes cost of property, plant and equipment under installation/under development as at the reporting date.

1.7 Treatment of Expenditure during Construction Period:

Expenditure, net of income earned, during construction (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) period is included under capital work-in-progress, and the same is allocated to the respective PPE on the completion of construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other Non-Current Assets".

1.8 Depreciation:

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life and is provided on a straight-line basis, except for Viscose Staple Fibre Division

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2023

(excluding Power Plants), Nagda, and Corporate Finance Division, Mumbai for which it is provided on written down value method, over the useful lives as prescribed in Schedule II of the Companies Act, 2013, or as per technical assessment.

Depreciable amount for PPE is the cost of PPE less its estimated residual value. The useful life of PPE is the period over which PPE is expected to be available for use by the Company, or the number of production or similar units expected to be obtained from the asset by the Company.

The Company has used the following useful lives of the property, plant and equipment to provide depreciation.

A. Major assets class where useful life considered as provided in Schedule II:

S. No.	Nature of Assets	Estimated Useful Life of the Assets
1.	Plant and Machinery - Continuous Process Plant	25 years
2.	Reactors	3 years
3.	Vessel / Storage Tanks	20 years
4.	Factory Buildings	30 years
5.	Building (other than Factory Buildings) RCC Frame Structure	60 years
6.	Electric Installations and Equipment (at Factory)	10 years
7.	Computer and other Hardwares	3 years
8.	General Laboratory Equipment	10 years
9.	Railway Sidings	15 years
10.	- Carpeted Roads-Reinforced Cement Concrete (RCC) - Carpeted Roads-other than RCC - Non-Carpeted Roads	10 years 5 years 3 Years
11.	Fences, wells, tube wells	5 years

In case of certain class of assets, the Company uses different useful life than those prescribed in Schedule II of the Companies Act, 2013. The useful life has been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset on the basis of the management's best estimation of getting economic benefits from those classes of assets. The Company uses its technical expertise along with historical and industry trends for arriving at the economic life of an asset.

Also, useful life of the part of PPE which is significant to the total cost of PPE, has been separately assessed and depreciation has been provided accordingly.

B. Assets where useful life differs from Schedule II:

S. No.	Nature of Assets	Useful Life as Prescribed by Schedule II of the Companies Act, 2013	Estimated Useful Life of the Assets
1.	Plant & Machinery :-		
1.1	Other Than Continuous Process Plant (Single Shift)	15 Years	15-20 years
1.2	Other Than Continuous Process Plant (Double Shift)	Additional 50% depreciation over single shift (10 Years)	20 years
1.3	Other Than Continuous Process Plant (Triple Shift)	Additional 100% depreciation over single shift (7.5 Years)	7.5-15 years
2.	Motor Vehicles	6-10 Years	4-5 years
3.	Electronic Office Equipment	5 Years	4 years
4.	Furniture, Fixtures and Electrical Fittings	10 Years	5-7 years
5.	Building (other than Factory Buildings) other than RCC Frame Structures	30 Years	60 years
6.	Power Plant	40 Years	25 years
7.	Servers and Networks	6 Years	3 years
8.	Spares in the nature of PPE		10 years
9.	Assets individually costing less than or equal to ₹ 10,000/-		Fully depreciated in the year of purchase
10.	Separately identified Component of Plant and Machinery		2-25 years

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The estimated useful lives, residual values and the depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Continuous process plant, as defined in Schedule II of the Companies Act, 2013, have been classified on the basis of technical assessment and depreciation is provided accordingly.

Depreciation on additions is provided on a pro-rata basis from the month of installation or acquisition, and in case of a new Project, from the date of commencement of commercial production. Depreciation on deductions/ disposals is provided on a pro-rata basis up to the month preceding the month of deduction/disposal.

1.9 Intangible Assets acquired separately and Amortisation:

On transition to Ind AS, the Company has elected to continue with the carrying value of all its Intangible Assets recognised as at 1 April 2015, measured as per the previous GAAP and use that carrying value as the deemed cost of the Intangible Assets.

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

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset. Intangible assets are amortised on a straight-line basis over their estimated useful lives.

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

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is de-recognised.

Intangible Assets and their useful lives are as under:

S. No.	Nature of Assets	Estimated Useful Life of the Assets
1.	Computer Software	3 years
2.	Trademarks, Technical Know-how	10 years
3.	Value of License/Right to use infrastructure	10 years
4.	Customer Relationship	15-25 years
5.	Brands	10 years
6.	Production Formula	10 years
7.	Distribution Network	5-25 years
8.	Right to Manage and Operate Manufacturing Facility	15 years
9.	Non-compete fees	3 years
10.	Order Backlog	3 months - 1 year

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1.10 Internally Generated Intangible Assets – Research and Development Expenditure:

Revenue expenditure on research is expensed under the respective heads of the account in the period in which it is incurred. Development expenditure is capitalised as an asset, if the following conditions can be demonstrated:

a) The technical feasibility of completing the asset so that it can be made available for use or sell.

b) The Company has intention to complete the asset and use or sell it.

c) In case of intention to sell, the Company has the ability to sell the asset.

d) The future economic benefits are probable.

e) The Company has ability to measure the expenditure attributable to the asset during its development reliably.

Other development costs, which do not meet the above criteria, are expensed out during the period in which they are incurred.

PPE procured for research and development activities are capitalised.

1.11 Discontinued operations and non-current assets held for sale:

Discontinued operation is a component of the Company that has been disposed of or classified as held for sale and represents a major line of business.

Non-current assets and disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

1.12 Impairment of Non-Financial Assets:

At the end of each reporting period, the Company reviews the carrying amounts of non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units, for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication then the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset, for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment

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forming part of the Standalone Financial Statements for the year ended 31st March 2023

loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.13 Inventories:

Inventories are valued at the lower of cost and net realisable value.

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

Raw materials, stores and spare parts, and packing materials are considered to be realisable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost. The cost is computed on weighted-average basis which includes expenditure incurred for acquiring inventories like purchase price, import duties, taxes (net of tax credit) and other costs incurred in bringing the inventories to their present location and condition.

Cost of finished goods and work-in-progress includes the cost of conversion based on normal capacity and other costs incurred in bringing the inventories to their present location and condition. The cost of finished goods and work-in-progress is computed on weighted-average basis.

In the absence of cost, waste/scrap is valued at estimated net realisable value.

Obsolete, defective, slow moving and unserviceable inventories, if any, are duly provided for.

Proceeds in respect of sale of raw materials/stores are credited to the respective heads.

1.14 Cash and Cash Equivalents

Cash and Cash Equivalents comprise cash on hand and cash at banks, including fixed deposit with original maturity period of three months or less and short-term highly liquid investments with an original maturity of three months or less.

1.15 Cash Flow Statement

Cash flows are reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

1.16 Employee Benefits:

Short-Term Employee Benefits:

Short-term employee benefits are recognised as an expense on accrual basis.

Defined Contribution Plans:

Contribution payable to the recognised provident fund and approved superannuation scheme, which are substantially defined contribution plans, is recognised as expense in the Standalone Statement of Profit and Loss, when employees have rendered the service entitling them to the contribution.

The provident fund contribution as specified under the law is paid to the Regional Provident Fund Commissioner.

Defined Benefit Plans:

The obligation in respect of defined benefit plans, which covers Gratuity, Pension and other post-employment medical benefits, are provided for on the basis of an actuarial valuation at the end of each financial year using projected unit credit method. Gratuity is funded with an approved trust.

In respect of certain employees, Provident Fund contributions are made to a Trust, administered by the Company. The interest rate payable to the members of the Trust shall not be lower than the statutory rate of interest declared by the Central Government under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, and shortfall, if any, shall be made good by the Company. The Company's liability is actuarially determined (using the Projected Unit Credit Method) at the end of the year, and any shortfall in the Fund size maintained by the Trust set-up by the Company is additionally provided for.

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in Other Comprehensive Income in the period in which they occur.

Re-measurement recognised in Other Comprehensive Income is reflected immediately in retained earnings and will

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2023

not be reclassified to profit or loss in the Statement of Profit and Loss. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- re-measurement.

The Company presents the first two components of defined benefit costs in Statement of Profit and Loss in the line item 'Employee Benefits Expense'.

The present value of the Defined Benefit Plan liability is calculated using a discount rate, which is determined by reference to market yields at the end of the reporting period on government bonds.

The retirement benefit obligation, recognised in the Balance Sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in the future contribution to the plans.

Other Long-term Benefits:

Long-term compensated absences are provided for on the basis of an actuarial valuation at the end of each financial year. Actuarial gains/losses, if any, are recognised immediately in the Standalone Statement of Profit and Loss.

1.17 Employee Share-Based Payments:

Equity-settled Transactions

Equity-settled share-based payments to employees are measured by reference to the fair value of the equity instruments at the grant date using Black-Scholes Model and Binomial Model.

The fair value, determined at the grant date of the equity-settled share-based payments, is charged to Standalone Statement of Profit and Loss on a systematic basis over the vesting period of the option, based on the Company's estimate of equity instruments that will eventually vest, with a corresponding increase in other equity.

In case of forfeiture/lapse stock option, which is not vested, amortised portion is reversed by credit to employee compensation expense. In a situation where the stock option expires unexercised, the related balance standing to the credit of the Employee Stock Options Outstanding Account is transferred within other equity.

Cash-settled Transactions

The cost of cash-settled transactions is measured initially at fair value at the grant date using a Black-Scholes Merton Formula. This fair value is expensed over the period until the vesting date with recognition of a corresponding liability. The liability is re-measured to fair value at each reporting date up to, and including the settlement date, with changes in fair value recognised in employee benefits expense.

1.18 Treasury Shares:

The Company has created an Employee Benefit Trust (EBT) for providing share-based payment to its employees. The Company uses EBT as a vehicle for distributing shares to employees under the Employee Stock Option Scheme. The EBT purchase shares of the Company from the market, for giving shares to employees. The Company treats EBT as its extension and shares held by EBT are treated as treasury shares.

Own equity instruments that are re-acquired (treasury shares) are recognised at cost and deducted from other equity. No gain or loss is recognised in the Standalone statement of profit and loss on the purchase, sale, issue or cancellation of the Company's own equity instruments. Share options whenever exercised, would be settled from such treasury shares.

1.19 Foreign Currency Transactions:

In preparing the financial statements of the Company, transactions in foreign currencies, other than the Company's functional currency, are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the rate prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated.

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forming part of the Standalone Financial Statements for the year ended 31st March 2023

Exchange differences on monetary items are recognised in the Standalone Statement of Profit and Loss in the period in which these arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings; and
- exchange differences relating to qualifying effective cash flow hedges.

1.20 Derivative Financial Instruments and Hedge Accounting:

The Company enters into forward contracts to hedge the foreign currency risk of firm commitments and highly probable forecast transactions. Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Standalone Statement of Profit and Loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the Standalone Statement of Profit and Loss depends on the nature of the hedging relationship and the nature of the hedged item.

The Company enters into derivative financial instruments viz. foreign exchange forward contracts, interest rate swaps and cross currency swaps to manage its exposure to interest rate, foreign exchange rate risks and commodity prices. The Company does not hold derivative financial instruments for speculative purposes.

Hedge Accounting:

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

The effective portion of changes in the fair value of the designated portion of derivatives that qualify as cash flow hedges is recognised in Other Comprehensive Income and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in the Standalone Statement of Profit and Loss.

Amounts previously recognised in Other Comprehensive Income and accumulated in other equity relating to (effective portion as described above) are re-classified to the Statement of Profit and Loss in the periods when the hedged item affects profit or loss. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in Other Comprehensive Income and accumulated in other equity at that time remains in other equity and is recognised when the forecast transaction is ultimately recognised in Standalone Statement of Profit and Loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in other equity is recognised immediately in Standalone Statement of Profit and Loss.

1.21 Fair Value Measurement:

The Company measures financial instruments, such as investments (other than equity investments in Subsidiaries, Joint Ventures and Associates) and derivatives at fair values at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The

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fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or

In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use, or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities (for which fair value is measured or disclosed in the financial statements) are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable other than quoted prices included in Level 1.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for disposal in discontinued operations.

At each reporting date, management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

1.22 Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial Recognition and Measurement

All financial assets are recognised initially at fair value. However, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset are added to the fair value. However, trade receivables that do not contain a significant financing component are measured at transaction price (net of variable consideration). Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Subsequent Measurement

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

- Debt instruments at amortised cost
- Debt instruments at fair value through Other Comprehensive Income (FVTOCI)
- Debt instruments, derivatives and equity instruments, mutual funds at fair value through profit or loss (FVTPL)

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- Equity instruments measured at fair value through other comprehensive income (FVTOCI)

Debt Instruments at Amortised Cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

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

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt Instrument at FVTOCI

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

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

b) The asset's contractual cash flows represent SPPI on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the other comprehensive income (OCI). However, the Company recognises interest income, impairment losses & reversals and foreign exchange gain or loss in the Statement of Profit and Loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is re-classified from the equity to Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt Instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortised cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'Accounting Mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Standalone Statement of Profit and Loss.

Equity Instruments

Investment in Subsidiaries, Associates and Joint ventures are out of scope of Ind AS 109 and hence, the Company has accounted for its investment in Subsidiaries, Associates and Joint venture at cost.

All other equity investments are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For equity instruments other than held for trading, the Company has irrevocable option to present in Other Comprehensive Income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Where the Company classifies equity instruments as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts of profit or loss from OCI to Statement of Profit and Loss, even on sale of investment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Standalone Statement of Profit and Loss.

Impairment of Financial Assets:

Financial assets, other than those at FVTPL, are assessed for indicators of impairment at the end of each reporting period. In case of financial assets, the Company follows the simplified approach permitted by Ind AS 109 – Financial Instruments – for recognition of impairment loss allowance. The application

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of simplified approach does not require the Company to track changes in credit risk of trade receivable. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

De-recognition of Financial Assets:

The Company de-recognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises an associated liability.

On de-recognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in Other Comprehensive Income and accumulated in other equity is recognised in Standalone Statement of Profit and Loss.

Financial Liabilities and Equity Instruments:

Classification as Debt or Equity:

Debt and equity instruments, issued by the Company, are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity Instruments:

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial Liabilities:

Financial liabilities are classified, at initial recognition as fair value through profit or loss:

- Loans and borrowings,
- Payables, or
- as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent Measurement:

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

Financial Liabilities at FVTPL:

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading, unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the Standalone Statement of Profit and Loss.

Financial liabilities, designated upon initial recognition at FVTPL, are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Loans and Borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in the Statement of Profit and Loss when the liabilities are de-recognised as well as through the EIR amortisation process.

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

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Financial Guarantee Contracts:

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs, because the specified debtor fails to make a payment when due, in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109, and the amount recognised less cumulative amortisation.

De-recognition of Financial Liabilities:

The Company de-recognises financial liabilities when and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in Standalone Statement of Profit and Loss.

Embedded Derivatives:

An embedded derivative is a component of a hybrid (combined) instrument that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that would otherwise be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable, that the variable is not specific to a party to the contract. Re-assessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows that would otherwise be required or a re-classification of a financial asset out of the fair value through profit or loss. If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Company does not separate embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109, to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value, if their economic characteristics and risks are not closely related to those of the host contracts, and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

Offsetting of Financial Instruments:

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

1.23 Revenue Recognition:

(a) Revenue from contracts with customers;

- Revenue is recognised when the Company satisfies a performance obligation on the basis of approved contracts regarding the transfer of goods or services to a customer. This is achieved when control of the product has been transferred to the customer.
- The Company considers the terms of the contract in determining the transaction price. The transaction price is based upon the amount the Company expects to be entitled to in exchange for transferring of promised goods and services to the customer after deducting incentive programs, including but not limited to discounts, volume rebates etc. The transaction price of goods sold and services rendered is net of variable consideration and excludes taxes and duties collected on behalf of the Government.
- Variable consideration – This includes incentives, volume rebates, discounts etc. It is estimated at contract inception considering the terms of various schemes with customers and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. It is reassessed at end of each reporting period.
- Significant financing component – Generally, the Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

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(b) Dividend income is accounted for when the right to receive the income is established.

(c) For all financial instruments measured at amortised cost or at fair value through Other Comprehensive Income, interest income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset.

(d) Insurance, railway and other claims, where quantum of accruals cannot be ascertained with reasonable certainty, are accounted on acceptance basis.

1.24 Contract liability

Contract liability is recognised when a payment for customer is already received before a related performance obligation is satisfied. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is received.

As these are contracts that the Company expects, and has the ability, to fulfil through delivery of a non-financial item, these are presented as advance from customers and are recognised as revenue as and when control of respective commodities is transferred or service is provided to the customers under the agreements.

1.25 Leases:

The Company assesses whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration, To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether

- the contract involves the use of identified asset;
- the Company has substantially all of the economic benefits from the use of the asset through the period of lease; and
- the Company has the right to direct the use of the asset.

As a lessee

The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the 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 estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:

- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if Company changes its assessment of whether it will exercise a purchase, extension or termination option.

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When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Short-term leases and leases of low-value assets

The Company has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or lower and leases of low value assets. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

1.26 Borrowing Costs:

Borrowing cost includes interest expense, amortisation of discounts, hedge related cost incurred in connection with foreign currency borrowings, ancillary costs incurred in connection with borrowing of funds and exchange difference, arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, that are attributable to the acquisition or construction or production of a qualifying asset, are capitalised as part of the cost of such asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation. All other borrowing cost are recognised in Statement of Profit and Loss in the period in which they are incurred.

1.27 Government Grants and Subsidies:

Government Grants are recognised when there is a reasonable assurance that the same will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised in the Statement of Profit and Loss by way of a deduction to the related expense on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income on a systematic basis over the expected useful life of the related asset.

Government grants, that are receivable towards capital investments under State Investment Promotion Scheme, are recognised in the Statement of Profit and Loss in the period in which they become receivable.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates and is being recognised in the Statement of Profit and Loss.

When the Company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset.

1.28 Exceptional Items:

Exception items include income or expense that are considered to be part of ordinary activities, however, are of such significance and nature that separate disclosure enables the user of Financial Statements to understand the impact in a more meaningful manner. Exceptional items are identified by virtue of either their size or nature so as to facilitate comparison with prior periods and to assess underlying trends in the financial performance of the Company.

1.29 Provision for Current and Deferred Tax:

Current Income Tax:

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Interest expenses and penalties, if any, related to income tax are included in finance cost and other expenses respectively. Interest Income, if any, related to income tax is included in other income.

Current income tax, relating to items recognised outside of the Statement of Profit and Loss, is recognised outside of the Statement of Profit and Loss (either in Other Comprehensive Income or in other equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in other equity. The management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and established provisions, where appropriate.

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Deferred Tax:

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities, and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date, and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws), that have been enacted or substantively enacted at the reporting date.

Deferred tax, relating to items recognised outside profit or loss, is recognised outside profit or loss (either in Other Comprehensive Income or in other equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in other equity. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities, and the deferred taxes relate to the same taxable entity and the same taxation authority.

1.30 Provisions and Contingent Liabilities:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Claims against the Company, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and is recognised.

Warranty Provisions

Provisions for warranty-related costs are recognised as an expense in the Standalone Statement of Profit and Loss when the product is sold or service provided to the customer. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

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1.31 Earnings Per Share (EPS):

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders by the weighted-average number of equity shares outstanding during the period. The weighted-average number of equity shares outstanding during the period and for all periods presented is adjusted for events such as bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted-average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.32 Significant Accounting Judgements, Estimates and Assumptions:

The preparation of financial statements, in conformity with the Ind AS requires judgements, estimates and assumptions to be made, that affect the reported amounts of assets and liabilities on the date of the financial statements, the reported amounts of revenues and expenses during the reporting period and the disclosures relating to contingent liabilities as of the date of the financial statements. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes different from the estimates. Difference between actual results and estimates are recognised in the period in which the results are known or materialise. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in the current and future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of asset and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

- **Classification of Lease Ind AS 116:**

  Ind AS 116 Leases requires a lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying lease to the Company's operations taking into account the location of the underlying asset and the availability of the suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

- **Litigation and contingencies:**

  The Company has ongoing litigations with various regulatory authorities. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.

- **Assessment of Impairment of investments in subsidiaries, associates and joint ventures:**

  The Company reviews its carrying value of investments in subsidiaries, associates and joint ventures annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for. Determining whether the investment in subsidiaries, associates and joint ventures is impaired requires an estimate in the value in use of investments. The Management carries out impairment assessment for each investment by comparing the carrying value of each investment with

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the net worth of each company based on audited financials, comparable market price and comparing the performance of the investee companies with projections used for valuations, in particular those relating to the cash flows, sales growth rate, pre-tax discount rate and growth rates used and approved business plans.

- **Useful Lives of Property, Plant and Equipment and Intangible Assets:**

  The Company uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by the management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets.

- **Measurement of Defined Benefit Obligation:**

  The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

- **Recognition and Measurement of Provisions and Contingencies:**

  Key assumptions about the likelihood and magnitude of an outflow of resources.

- **Fair Value Measurement of Financial Instruments:**

  When the fair value of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair values are measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable market where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgement include consideration of input such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

- **Share-based Payments:**

  The Company measures the cost of equity-settled transactions with employees using Black-Scholes Model to determine the fair value of the liability incurred on the grant date. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant.

  This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

  The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 4.10

1.33 Cash Dividend to Equity Holders of the Company:

The Company recognises a liability to make cash distributions to equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in other equity.

1.34 Recent accounting pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On March 31, 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 – Presentation of Financial Statements – This amendment requires the entities to disclose their material accounting policies rather than their significant accounting

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policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors – This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.

Ind AS 12 – Income Taxes – The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences.

The Company is evaluating impact of above amendments in its financial statements.

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2.1 PROPERTY, PLANT AND EQUIPMENT (PPE)

₹ in crore

Description	Gross Block				Accumulated Depreciation				Net Block
	As at 1st April 2022	Additions	Adjustments/ Deductions	As at 31st March 2023	As at 1st April 2022	For the Year	Adjustments/ Deductions	As at 31st March 2023	As at 31st March 2023
TANGIBLE ASSETS #									
Freehold Land	1,202.42	45.82	-	1,248.24	-	-	-	-	1,248.24
Leasehold Improvements	6.97	11.04	-	18.01	2.57	3.34	-	5.91	12.10
Buildings	2,595.21	269.41	(0.31)	2,864.31	476.31	99.49	(0.15)	575.65	2,288.66
Plant and Equipment	13,665.00	1,517.49	(77.38)	15,105.11	3,591.88	789.25	(60.45)	4,320.68	10,784.43
Furniture and Fixtures	91.39	19.99	(2.80)	108.58	57.57	10.36	(0.57)	67.36	41.22
Vehicles	142.11	41.95	(14.85)	169.21	85.15	19.71	(11.47)	93.39	75.82
Office Equipment	233.36	60.22	(10.33)	283.25	86.37	34.65	(11.71)	109.31	173.94
Salt Pans, Reservoir and Condensers	7.41	-	-	7.41	7.04	-	-	7.04	0.37
Railway Sidings	21.82	2.98	-	24.80	13.63	1.14	-	14.77	10.03
Total Tangible Assets	**17,965.69**	**1,968.90**	**(105.67)**	**19,828.92**	**4,320.52**	**957.94**	**(84.35)**	**5,194.11**	**14,634.81**

₹ in crore

Description	Gross Block					Accumulated Depreciation					Net Block
	As at 1st April 2021	Additions	Adjustments/ Deductions	Deduction on account of Discontinued Operations (note 4.4)	As at 31st March 2022	As at 1st April 2021	For the Year	Adjustments/ Deductions	Deduction on account of Discontinued Operations (note 4.4)	As at 31st March 2022	As at 31st March 2022
TANGIBLE ASSETS #											
Freehold Land	831.52	370.90	-	-	1,202.42	-	-	-	-	-	1,202.42
Leasehold Improvements	2.51	4.46	-	-	6.97	1.93	0.64	-	-	2.57	4.40
Buildings	1,913.14	680.77	(1.72)	3.02	2,595.21	382.41	94.42	(0.88)	0.36	476.31	2,118.90
Plant and Equipment	10,242.25	3,485.67	(63.23)	0.31	13,665.00	2,990.90	653.85	(52.98)	0.11	3,591.88	10,073.12
Furniture and Fixtures	80.52	14.45	(3.58)	-	91.39	49.32	11.57	(3.32)	-	57.57	33.82
Vehicles	134.83	23.05	(15.77)	-	142.11	79.21	17.90	(11.96)	-	85.15	56.96
Office Equipment	123.77	117.15	(7.60)	0.04	233.36	69.53	23.49	(6.68)	0.03	86.37	146.99
Salt Pans, Reservoir and Condensers	7.41	-	-	-	7.41	7.04	-	-	-	7.04	0.37
Railway Sidings	20.57	1.25	-	-	21.82	12.69	0.94	-	-	13.63	8.19
Total Tangible Assets	**13,356.52**	**4,697.70**	**(91.90)**	**3.37**	**17,965.69**	**3,593.03**	**802.81**	**(75.82)**	**0.50**	**4,320.52**	**13,645.17**

Net Block of Tangible Assets amounting to ₹ 444.80 crore (Previous Year ₹ 433.27 crore) is pledged as security against the secured borrowings.

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2023

2.1.1 Capital-Work-in Progress (CWIP)

₹ in crore

	As at 31st March 2023	As at 31st March 2022
Opening Balance	**1,740.14**	**4,033.43**
Add: Additions during the year	3,147.85	2,404.41
Less: Capitalisation / Deductions during the year	(1,968.90)	(4,697.70)
Closing Balance	**2,919.09**	**1,740.14**

As at 31st March 2023

A) CWIP ageing schedule:

₹ in crore

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2,385.87	312.02	85.17	83.36	2,866.42
Projects temporarily suspended	-	-	-	52.67	52.67
Total	**2,385.87**	**312.02**	**85.17**	**136.03**	**2,919.09**

B) Capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan:

₹ in crore

Projects	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) Projects in Progress:					
Ethylene Diamine Tetra-Acetic Acid (EDTA) and CS2 Absorption Plant (CAP)	233.75	-	-	-	233.75
Caustic Soda - 400 TPD and 3 Value Added Products	163.06	-	-	-	163.06
Wet Sulphuric Acid Plant	86.53	-	-	-	86.53
Sea Water Intake and Outfall System	83.30	-	-	-	83.30
ECH (Epichlorohydrin) Project	47.86	-	-	-	47.86
Others	272.43	10.70	-	-	283.13
Sub Total	**886.93**	**10.70**	**-**	**-**	**897.63**
ii) Projects temporarily suspended:					
Aditya Birla Tower	-	-	-	52.67	52.67
	-	**-**	**-**	**52.67**	**52.67**

As at 31st March 2022

A) CWIP ageing schedule:

₹ in crore

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	1,195.45	208.75	196.37	86.90	1687.47
Projects temporarily suspended	-	-	-	52.67	52.67
Total	**1,195.45**	**208.75**	**196.37**	**139.57**	**1,740.14**

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2023

B) Capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan :

₹ in crore

Projects	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
i) Projects in Progress:					
Captive Power Plant	170.63	-	-	-	170.63
45MW Turbine Project	84.34	-	-	-	84.34
Ethylene Diamine Tetra-Acetic Acid (EDTA) and CS2 Absorption Plant (CAP)	80.66	-	-	-	80.66
CSY Expansion-12 Machine	70.67	-	-	-	70.67
Wet Sulphuric Acid Plant	70.12	-	-	-	70.12
Others	280.51	37.72	1.13	-	319.36
Sub Total	**756.93**	**37.72**	**1.13**	**-**	**795.78**
ii) Projects temporarily suspended:					
Aditya Birla Tower	-	-	-	52.67	52.67
Sub Total	**-**	**-**	**-**	**52.67**	**52.67**

2.1.2

Title deeds of Immovable Properties not held in name of the Company as on 31st March 2023

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ in crore)	Title deeds held in the name of	Whether title deed holder is promoter,director or relative there of or employee there of	Property held since	Reason for not being held in the name of the company
Property, Plant and Equipment	Freehold Land (A)	286.26	Aditya Birla Nuvo Limited	No	Apr-2017	The Title of asset transferred pursuant to the scheme of amalgamation/arrangement/ merger/demerger are in process of being transferred in the name of the company
		143.92	Jayashree Textiles Limited	No	Apr-1972	
		23.44	Indian Rayon Corporation Limited	No	Apr-1987	
		3.61	Indian Rayon And Industries Limited	No	Apr-1998	
		47.50	Jayashree Textiles Limited	No	Apr-1972	
		1.77	Solaris Chemtech Limited	No	Apr-2008	
		56.64	Andhra Pradesh Industrial Investment Corporation	No	Apr-2019	Transfer is in Process
		38.60	Bharat Commerce & Industries Limited	No	Apr-2014	Under Legal Proceeding
		0.51	Various Individual Parties	No	1985-2015	
		602.25				
	Building (B)	190.43	Aditya Birla Nuvo Limited	No	Apr-2017	The Title of asset transferred pursuant to the scheme of amalgamation/arrangement/ merger/demerger are in process of being transferred in the name of the company
		96.82	Jayashree Textiles Limited	No	Apr-1972	
		15.77	Indian Rayon Corporation Limited	No	Apr-1987	
		2.43	Indian Rayon And Industries Limited	No	Apr-1998	
		25.39	Jayashree Textiles Limited	No	Apr-1972	
		7.62	Jiyajee Rao Cotton Mills	No	Apr-2015	Under Legal Proceeding
		6.10	Solaris Chemtech Limited	No	Apr-2008	
		344.56				
	Total (A+B)	**946.81**				

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2023

Title deeds of Immovable Properties not held in name of the Company as on 31st March 2022

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ in crore)	Title deeds held in the name of	Whether title deed holder is promoter, director or relative there of or employee there of	Property held since	Reason for not being held in the name of the company
Property, Plant and Equipment	Freehold Land (A)	286.26	Aditya Birla Nuvo Limited	No	Apr-2017	The Title of asset transferred pursuant to the scheme of amalgamation/arrangement/ merger/demerger are in process of being transferred in the name of the company
		143.92	Jayashree Textiles Limited	No	Apr-1972	
		23.44	Indian Rayon Corporation Limited	No	Apr-1987	
		3.61	Indian Rayon And Industries Limited	No	Apr-1998	
		47.50	Jayashree Textiles Limited	No	Apr-1972	
		1.77	Solaris Chemtech Limited	No	Apr-2008	
		57.23	Andhra Pradesh Industrial Investment Corporation	No	Apr-2019	Transfer is in Process
		38.60	Bharat Commerce & Industries Limited	No	Apr-2014	Under Legal Proceeding
		0.51	Various Individual Parties	No	1985-2015	
		602.84				
	Building (B)	154.93	Aditya Birla Nuvo Limited	No	Apr-2017	The Title of asset transferred pursuant to the scheme of amalgamation/arrangement/ merger/demerger are in process of being transferred in the name of the company
		96.82	Jayashree Textiles Limited	No	Apr-1972	
		15.77	Indian Rayon Corporation Limited	No	Apr-1987	
		2.43	Indian Rayon And Industries Limited	No	Apr-1998	
		23.54	Jayashree Textiles Limited	No	Apr-1972	
		7.62	Jiyajee Rao Cotton Mills	No	Apr-2015	Under Legal Proceeding
		6.10	Solaris Chemtech Limited	No	Apr-2008	
		307.21				
	Total (A+B)	**910.05**				

₹ in crore

	As at 31st March 2023	As at 31st March 2022
2.1.3 Property Plant and Equipment (PPE) held on Co-ownership with other companies (Company's share):		
Buildings	72.76	72.76
Plant and Equipment	0.40	0.40
Furniture and Fixtures	5.19	2.17
Vehicles	0.07	0.07
Office Equipments	8.26	2.21
Gross Block	**86.68**	**77.61**
Net Block	44.67	43.01
2.1.4 Property Plant and Equipment (PPE) includes Capital Expenditure for Research and Development activities by approved in-house R&D Centres:		
Gross Block	197.27	182.44
Net Block	108.59	102.95
Additions during the Year	14.39	7.12
Capital Work-in-Progress	8.08	1.82

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2023

₹ in crore

	As at 31st March 2023	As at 31st March 2022
2.1.5 Pre-Operative Expenses Pending Allocation included in Capital Work-in-Progress:		
Expenditure incurred during the year:		
Raw Materials Consumed	-	21.08
Salaries, Wages and Bonus	53.75	59.90
Contribution to Provident and Other Funds	1.62	2.48
Contribution to Gratuity Fund	0.20	0.41
Expenses on Employee Stock Option Scheme	0.19	0.33
Borrowing Costs	26.28	97.02
Power and Fuel	0.03	6.74
Consumption Of Stores, Spare Parts And Components, Packing Materials And Incidental Expenses	0.01	1.59
Repairs and Maintenance	0.23	6.01
Insurance	0.85	0.25
Rent	0.04	1.39
Miscellaneous Expenses	23.78	29.76
	106.98	**226.96**
Less: Income Earned during the year		
Sale of Trial Run Production	0.03	24.99
Stock of Trial Run Production	0.13	-
	0.16	**24.99**
Total Pre-Operative Expenses incurred during the year	**106.82**	**201.97**
Add: Pre-Operative Expenditure Incurred upto Previous Year	130.39	292.38
Less: Pre-Operative Expenditure Allocated to PPE during the Year	38.70	363.96
Total Pre-Operative Expenses Pending Allocation	**198.51**	**130.39**

2.2 OTHER INTANGIBLE ASSETS

₹ in crore

Description	Gross Block				Accumulated Amortisation				Net Block
	As at 1st April 2022	Additions	Adjustments/ Deductions	As at 31st March 2023	As at 1st April 2022	For the Year	Adjustments/ Deductions	As at 31st March 2023	As at 31st March 2023
INTANGIBLE ASSETS									
Computer Software	32.35	10.24	(2.44)	40.15	24.26	4.54	(2.30)	26.50	13.65
Value of License/Right to Use	97.01	-	-	97.01	43.42	8.41	-	51.83	45.18
Customer Relationship	369.90	-	-	369.90	77.01	16.84	-	93.85	276.05
Distribution Network	20.03	-	-	20.03	12.06	4.01	-	16.07	3.96
Order Back Log	16.70	-	-	16.70	16.70	-	-	16.70	-
Technical Know-how	27.24	-	-	27.24	9.82	2.42	-	12.24	15.00
Trade Mark and Brand	67.96	-	-	67.96	33.69	7.82	-	41.51	26.45
Right to Manage and Operate Manufacturing Facilities	666.50	-	-	666.50	184.55	44.49	-	229.04	437.46
Non-Compete	21.50	-	-	21.50	21.50	-	-	21.50	-
Total Intangible Assets	**1,319.19**	**10.24**	**(2.44)**	**1,326.99**	**423.01**	**88.53**	**(2.30)**	**509.24**	**817.75**

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2023

₹ in crore

Description	Gross Block				Accumulated Amortisation				Net Block
	As at 1st April 2021	Additions	Adjustments/ Deductions	As at 31st March 2022	As at 1st April 2021	For the Year	Adjustments/ Deductions	As at 31st March 2022	As at 31st March 2022
INTANGIBLE ASSETS									
Computer Software	27.65	4.83	(0.13)	32.35	20.12	4.24	(0.10)	24.26	8.09
Value of License/Right to Use	62.99	34.02	-	97.01	37.51	5.91	-	43.42	53.59
Customer Relationship	369.90	-	-	369.90	60.17	16.84	-	77.01	292.89
Distribution Network	20.03	-	-	20.03	8.05	4.01	-	12.06	7.97
Order Back Log	16.70	-	-	16.70	16.70	-	-	16.70	-
Technical Know-how	27.24	-	-	27.24	7.27	2.55	-	9.82	17.42
Trade Mark and Brand	67.93	0.03	-	67.96	25.81	7.88	-	33.69	34.27
Right to Manage and Operate Manufacturing Facilities	666.50	-	-	666.50	140.07	44.48	-	184.55	481.95
Non-Compete	21.50	-	-	21.50	21.50	-	-	21.50	-
Total Intangible Assets	**1,280.44**	**38.88**	**(0.13)**	**1,319.19**	**337.20**	**85.91**	**(0.10)**	**423.01**	**896.18**

2.2.1 Intangible Assets Under Development (IAUD) :

₹ in crore

	As at 31st March 2023	As at 31st March 2022
Opening Balance	**2.65**	**-**
Add: Additions during the year	14.19	41.53
Less: Capitalisation / Deductions during the year	(10.24)	(38.88)
Closing Balance	**6.60**	**2.65**

As at 31st March 2023

A) Ageing schedule :

₹ in crore

IAUD	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	3.95	2.65	-	-	6.60
Projects temporarily suspended	-	-	-	-	-
Total	**3.95**	**2.65**	**-**	**-**	**6.60**

B) Intangible Assets Under Development, whose completion is overdue or has exceeded its cost compared to its original plan : Nil

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2023

As at 31st March 2022

A) Ageing schedule:

₹ in crore

IAUD	Amount in IAUD for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	2.65	–	–	–	2.65
Projects temporarily suspended	–	–	–	–	–
Total	**2.65**	**–**	**–**	**–**	**2.65**

B) Intangible Assets Under Development, whose completion is overdue or has exceeded its cost compared to its original plan : Nil

2.3 LEASES

I. AS A LESSEE

A. Right of Use Assets

Carrying value of right of use assets as at 31st March 2023

₹ in crore

	Gross Block				Accumulated Depreciation				Net Block
	As at 1st April 2022	Addition during the Year	Deletion during the Year	As at 31st March 2023	As at 1st April 2022	Depreciation for the Year	Deletion during the Year	As at 31st March 2023	As at 31st March 2023
Land #	269.94	456.30	(0.25)	725.99	25.78	22.67	(0.05)	48.40	677.59
Building	117.08	39.20	(12.19)	144.09	49.30	24.86	(7.62)	66.54	77.55
Plant and Machinery	8.29	–	–	8.29	6.66	1.30	–	7.96	0.33
Software Platform	–	10.81	–	10.81	–	1.99	–	1.99	8.82
Total	**395.31**	**506.31**	**(12.44)**	**889.18**	**81.74**	**50.82**	**(7.67)**	**124.89**	**764.29**

Carrying value of right of use assets as at 31st March 2022

₹ in crore

	Gross Block					Accumulated Depreciation					Net Block
	As at 1st April 2021	Addition during the year	(Transfer) from Discontinued Operations	Deletion during the Year	As at 31st March 2022	As at 1st April 2021	Depreciation for the year *	Deletion during the year	(Transfer) from Discontinued Operations	As at 31st March 2022	As at 31st March 2022
Land #	222.50	0.10	47.34	–	269.94	17.18	5.12	–	3.48	25.78	244.16
Building	86.98	43.64	–	(13.54)	117.08	38.74	18.41	(7.85)	–	49.30	67.78
Plant and Machinery	8.60	–	–	(0.31)	8.29	5.17	1.71	(0.22)	–	6.66	1.63
Total	**318.08**	**43.74**	**47.34**	**(13.85)**	**395.31**	**61.09**	**25.24**	**(8.07)**	**3.48**	**81.74**	**313.57**

Includes Leasehold land of ₹ 133.86 crore (previous year ₹ 133.86 crore) of co-ownership with other companies.

* Includes Depreciation of ₹ 2.55 crore towards Fertilizer business classified as discontinued operations.

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2023

Title deeds of lease deed not held in name of the Company as on 31st March 2023

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ in crore)	Title deeds held in the name of	Whether title deed holder is promoter, director or relative there of or employee thereof	Property held since which date	Reason for not being held in the name of the company
Right of Use Assets	Lease Hold land (A)	1.10	Bihar Caustics And Chemicals Limited	No	Apr-1980	The Title of asset transferred pursuant to the scheme of amalgamation/ arrangement/merger/demerger are in process of being transferred in the name of the company.
		1.01	Aditya Birla Chemical Industries Limited	No	May-2011	
		0.20	Welspun India Limited	No	May-2009	Under Legal Proceeding
	Lease Hold Building Gross Block(B)	4.70	Aditya Birla Nuvo Limited	No	Apr-2017	The Title of asset transferred pursuant to the scheme of amalgamation/ arrangement/merger/demerger are in process of being transferred in the name of the company.
	Total (A+B)	**7.01**				

Title deeds of lease deed not held in name of the Company as on 31st March 2022

Relevant line item in the Balance sheet	Description of item of property	Gross carrying value (₹ in crore)	Title deeds held in the name of	Whether title deed holder is promoter, director or relative there of or employee thereof	Property held since which date	Reason for not being held in the name of the company
Right of Use Assets	Lease Hold land (A)	1.10	Bihar Caustics And Chemicals Limited	No	Apr-1980	The Title of asset transferred pursuant to the scheme of amalgamation/ arrangement/merger/demerger are in process of being transferred in the name of the company.
		1.01	Aditya Birla Chemical Industries Limited	No	May-2011	
		0.20	Welspun India Limited	No	May-2009	Under Legal Proceeding
	Lease Hold Building Gross Block(B)	4.70	Aditya Birla Nuvo Limited	No	Apr-2017	The Title of asset transferred pursuant to the scheme of amalgamation/ arrangement/merger/demerger are in process of being transferred in the name of the company.
	Total (A+B)	**7.01**				

B. The following is the movement in lease liabilities during the year ended:

₹ in crore

Particulars	31st March 2023	31st March 2022
Opening Lease Liabilities	79.76	59.79
Addition during the year	49.12	52.26
Cancellation of lease contracts	(6.21)	(11.83)
Finance Cost accrued during the period	6.84	5.07
Payment of Lease Liabilities - Principal	(6.84)	(5.07)
Payment of Lease Liabilities - Interest	(25.30)	(20.46)
Closing Lease Liabilities	**97.37**	**79.76**

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2023

Maturity analysis of lease liability

₹ in crore

Maturity analysis – contractual undiscounted cash flows	31st March 2023	31st March 2022
Less than one year	28.16	25.22
One to five years	69.55	84.62
More than five years	30.58	6.31
Total undiscounted lease liabilities as on	**128.29**	**116.15**
Lease liabilities included in the statement of financial position		
Current	23.00	24.13
Non-Current	74.37	55.63

Amounts recognised in the Statement of Profit and Loss

₹ in crore

Particulars	31st March 2023	31st March 2022
Interest on lease liabilities	6.84	5.07
Variable lease payments not included in the measurement of lease liabilities	–	0.15
Expenses relating to short-term leases	16.87	15.70
Expenses relating to leases of low-value assets, excluding short-term leases of low value assets	1.04	0.86

Amounts recognised in the statement of cash flows

₹ in crore

Particulars	31st March 2023	31st March 2022
Total cash outflow for leases	32.14	25.53

The Company has entered in to leasing arrangements for various assets referred in Right of Use table. These leases generally have lease terms between 2 to 99 years.

The weighted average incremental borrowing rate applied to these leases ranges between 5.17% to 8.70%.

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2023

2.4 INVESTMENTS IN SUBSIDIARIES, JOINT VENTURES AND ASSOCIATES – NON-CURRENT

(Fully paid up)

₹ in crore

	Face Value	Number of Shares	As at 31st March 2023	Number of Shares	As at 31st March 2022
Equity Shares					
Quoted:					
Subsidiaries: Carried at Cost					
UltraTech Cement Limited	₹ 10	165,335,150	2,636.25	165,335,150	2,636.25
Aditya Birla Capital Limited	₹ 10	1,309,240,000	17,846.95	1,309,240,000	17,846.95
			20,483.20		**20,483.20**
Unquoted:					
Subsidiaries: Carried at Cost					
ABNL Investment Limited	₹ 10	28,140,000	108.79	28,140,000	108.79
Samruddhi Swastik Trading and Investments Limited	₹ 10	6,500,000	6.50	6,500,000	6.50
Aditya Birla Renewables Limited	₹ 10	753,015,872	759.92	378,228,795	385.12
Aditya Birla Solar Limited	₹ 10	66,585,354	66.83	66,585,354	66.83
ABReL Solar Power Limited	₹ 10	45,906,432	45.91	5,033,600	5.03
Grasim Business Services Private Limited	₹ 10	100,000	0.10	-	-
			988.05		**572.27**
Joint Ventures: Carried at Cost					
AV Group NB Inc., Canada, Class 'A' Shares of aggregate value of Canadian Dollar 38.25 Million	WPV	204,750	153.04	204,750	153.04
Aditya Birla Elyaf Sanayi Ve Ticaret Anonim Sirketi, Turkey	TL 10	16,665	0.47	16,665	0.47
AV Terrace Bay Inc., Canada	CAD 1	28,000,000	156.36	28,000,000	156.36
Aditya Group AB, Sweden	SEK 1000	50	274.89	50	274.89
Bhubaneswari Coal Mining Limited	₹ 10	33,540,000	33.54	33,540,000	33.54
Aditya Birla Power Composites Limited	₹ 10	22,732,740	22.73	22,732,740	22.73
Birla Jingwei Fibres Company Limited, China, Shares of aggregate value of RMB 174.53 Million	WPV	-	117.40	-	117.40
Birla Advanced Knits Private Limited	₹ 10	25,000,000	25.00	15,000,000	15.00
			783.43		**773.43**
Associates: Carried at Cost					
Aditya Birla Science & Technology Company Private Limited	₹ 10	9,899,500	11.35	9,899,500	11.35
Greenyana Sunstream Private Limited	₹ 10	3,217,970	4.18	-	-
Renew Surya Uday Private Limited	₹ 10	9,785,162	29.82	5,104,000	15.31
			45.35		**26.66**
			1,816.83		**1,372.36**
			22,300.03		**21,855.56**

WPV - Without Par Value

Notes
forming part of the Standalone Financial Statements for the year ended 31st March 2023

2.4.1 Aggregate Book Value of:

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Quoted Investments	20,483.20	20,483.20
Unquoted Investments	1,816.83	1,372.36
	22,300.03	**21,855.56**
Aggregate Market Value of Quoted Investments	146,124.31	123,253.19

2.5 OTHER INVESTMENTS - NON-CURRENT

₹ in crore

	Face Value	Number of Shares /Securities	As at 31st March 2023	Number of Shares /Securities	As at 31st March 2022
Quoted:					
Investments in Equity Shares:					
Carried at Fair Value through Other Comprehensive Income (FVTOCI) {Note 4.10 A}					
Thai Rayon Public Company Limited, Thailand	Thai Baht 1	13,988,570	156.28	13,988,570	155.48
Hindalco Industries Limited	₹ 1	88,048,812	3,569.06	88,048,812	5,014.38
Vodafone Idea Limited	₹ 10	3,317,566,167	1,924.19	3,317,566,167	3,201.45
Aditya Birla Fashion and Retail Limited	₹ 10	97,593,931	2,091.93	97,593,931	2,948.31
			7,741.46		**11,319.62**
Unquoted:					
Investments in Equity Shares:					
Carried at Fair Value through Other Comprehensive Income (FVTOCI) {Note 4.10 A}					
P.T. Indo Bharat Rayon Co. Limited, Indonesia	USD 100	5,000	676.46	5,000	644.78
Indophil Textile Mills Inc., Philippines	Peso 10	422,496	2.40	422,496	2.73
Birla International Limited - British Virgin Islands	USD 100	2,500	5.46	2,500	5.18
Bhadreshwar Vidyut Private Limited	₹ 10	-	-	5,069,000	0.10
			684.32		**652.79**
Investments in Preference Shares:					
Carried at fair value through Profit or Loss (FVTPL)					
Joint Ventures					
6% Cumulative Redeemable Retractable Non-voting Preferred Shares of AV Group NB Inc., Canada of aggregate value of Canadian Dollar 6.75 Million	WPV	6,750,000	36.45	6,750,000	34.28
1% Redeemable Preference Shares of Aditya Group AB, Sweden of aggregate value of USD 8 Million	WPV	160,000	49.11	160,000	49.88
Others					
8% Cumulative and Redeemable Preference Shares of Aditya Birla Fashion and Retail Limited	₹ 10	500,000	1.02	500,000	0.98
			86.58		**85.14**
Investment in Limited Liability Partnership: Carried at Fair Value through Profit or Loss (FVTPL)					
Clean Max Power 3 LLP			26.60		26.60
Investments In various Mutual Funds units: Carried at Fair Value through Profit or Loss (FVTPL) {Note 4.10 A}			2.16		2.08
			28.76		**28.68**
			799.66		**766.61**
			8,541.12		**12,086.23**

All shares are fully paid-up, unless otherwise stated

WPV - Without Par Value

Notes
forming part of the Standalone Financial Statements for the year ended 31st March 2023

2.5.1 Aggregate Book Value of:

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Quoted Investments	7,741.46	11,319.62
Unquoted Investments	799.66	766.61
	8,541.12	**12,086.23**
Aggregate Market Value of Quoted Investments	7,741.46	11,319.62

2.6 LOANS - NON-CURRENT

(Unsecured, Considered Good, Carried at Amortised Cost, unless otherwise stated)

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Loans to Employees	7.56	9.14
Loans to Related Parties (Note 4.6.3, 2.14.1 and 2.14.2)	92.75	-
	100.31	**9.14**

2.7 OTHER FINANCIAL ASSETS - NON-CURRENT

(Unsecured, Considered Good, Carried at Amortised Cost, unless otherwise stated)

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Fixed Deposits with Banks with maturity more than 12 months #	0.34	1.74
Security Deposits to Related Parties (Note 4.6.3)	35.90	35.90
Receivable towards divested businesses*	44.24	46.26
Less : Provision towards divested businesses	(9.11)	(11.14)
Security Deposits	229.13	194.71
Less: Provision on deposits	(0.44)	(0.44)
Government Grant and Incentives Receivable	45.85	48.09
Less: Provision towards Government Incentives	(6.70)	(3.76)
	339.21	**311.36**

* The Company has to receive from purchaser towards tax refunds of ₹ 35.13 crore (Previous year ₹ 35.12 crore)

Lodged as security with Government Departments

2.8 OTHER NON-CURRENT ASSETS

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Capital Advances for Purchase of Property, Plant and Equipment	757.83	116.05
Other Advances (Deposits with Government Authorities, etc.)	82.30	89.72
	840.13	**205.77**

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2023

2.9 INVENTORIES

(Valued at lower of cost and net realisable value)

₹ in crore

	As at 31st March 2023			As at 31st March 2022		
	In Hand	In Transit	Total	In Hand	In Transit	Total
Raw Materials	1,174.79	1,169.77	2,344.56	1,264.41	970.57	2,234.98
Work-in-Progress	261.90	–	261.90	233.99	–	233.99
Finished Goods	967.94	181.84	1,149.78	740.32	191.64	931.96
Stock-in-trade	42.54	–	42.54	25.04	–	25.04
Stores and Spare Parts	444.98	242.07	687.05	387.72	119.01	506.73
Waste/Scrap (valued at Net Realisable Value)	6.95	–	6.95	8.14	–	8.14
	2,899.10	**1,593.68**	**4,492.78**	**2,659.62**	**1,281.22**	**3,940.84**

2.9.1 The Company follows adequate provisioning policy for writing down the value of Inventories towards slow moving, non-moving and surplus inventories. Write down of Inventories (Net of reversals) for the year ₹ 16.50 crore (Previous year ₹ 18.20 crore).

This is included as part of cost of materials consumed and changes in inventory of finished goods, work in progress and stock in trade in statement of profit and loss. Inventory values shown above are net of the write down.

2.9.2 Working Capital Borrowings are secured by hypothecation of inventories of the Company (refer note 2.19).

2.10 INVESTMENTS – CURRENT

₹ in crore

	Face Value	Number of Shares/ Securities	31st March 2023	Number of Shares/ Securities	31st March 2022
Quoted:					
Investment in Equity Share: Carried at FVTOCI					
Larsen & Toubro Limited	₹ 2	1,495,993	323.76	1,495,993	264.44
Investments in Debentures and Bonds: Carried at FVTOCI					
7.34 % Indian Railway Finance Corporation Limited -Tax-Free Bond – 2028	₹ 1,000	600,000	65.33	600,000	67.97
7.18 % Indian Railway Finance Corporation Limited -Tax-Free Bond – 2023	₹ 1,000	-	–	190,000	19.52
			389.09		**351.93**
Unquoted:					
Investment in various Mutual Funds Units: Carried at FVTPL			2,476.54		4,207.05
Investment in Certificate of Deposits Carried at FVTPL			190.00		190.00
			2,666.54		**4,397.05**
			3,055.63		**4,748.98**

All shares are fully paid-up, unless otherwise stated

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2023

2.10.1 Aggregate Book Value of:

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Quoted Investments	389.09	351.93
Unquoted Investments	2,666.54	4,397.05
	3,055.63	**4,748.98**
Aggregate Market Value of Quoted Investments	389.09	351.93
Aggregate Impairment in Value of Investments	–	–

2.11 TRADE RECEIVABLES *

(Unsecured, Carried at Amortised Cost, unless otherwise stated)

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Considered Good@ (Secured ₹ 50.77 crore, Previous Year ₹ 61.38 crore)	1,597.26	1,690.42
Trade Receivables which have significant increase in credit risk	13.18	5.73
Trade Receivables- credit impaired	33.18	38.70
	1,643.62	**1,734.85**
Less: Allowance for Trade Receivables which have significant increase in credit risk/credit impaired	46.36	44.43
	1,597.26	**1,690.42**
Trade receivables are interest and non-interest bearing and are generally upto 120 days terms.		
@ Includes amount due from related parties (Note 4.6.3)	11.44	9.38
* Includes amount in respect of which the Company holds Deposits and Letters of Credit/Guarantees from Banks	129.05	260.51

2.11.1 (a) Working Capital Borrowings are secured by hypothecation of Book debts of the Company (refer note 2.19).

(b) No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade or other receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

2.11.2 **Trade Receivables ageing schedule**

₹ in crore

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months –1 year	1-2 years	2-3 years	More than 3 years	Total
As at 31st March 2023						
Undisputed Trade receivables – considered good	253.08	6.11	2.80	0.05	–	262.04
Undisputed Trade receivables – which have significant increase in credit risk	0.52	5.12	3.04	0.10	0.05	8.83
Undisputed Trade receivables – credit impaired	–	–	–	1.15	14.33	15.48
Disputed Trade receivables – considered good	0.16	0.14	0.17	–	–	0.47
Disputed Trade receivables – which have significant increase in credit risk	–	0.03	0.45	1.38	2.49	4.35
Disputed Trade receivables – credit impaired	0.08	0.08	0.17	2.16	15.21	17.70
Total (A)						**308.87**
Not Due – Undisputed (B)						**1,334.75**
Less: Allowance for Trade Receivables which have significant increase in credit risk/credit impaired (C)						46.36
Net Total (A+B-C)						**1,597.26**
Add: Unbilled Revenue						–
Grand Total						**1,597.26**

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2023

₹ in crore

Particulars	Outstanding for following periods from due date of payment					
	Less than 6 months	6 months –1 year	1–2 years	2–3 years	More than 3 years	Total
As at 31st March 2022						
Undisputed Trade receivables - considered good	426.80	7.97	3.40	-	-	438.17
Undisputed Trade receivables - which have significant increase in credit risk	-	2.95	2.60	-	-	5.55
Undisputed Trade receivables - credit impaired	-	-	-	11.49	1.51	13.00
Disputed Trade receivables - considered good	0.18	0.15	0.14	-	-	0.47
Disputed Trade receivables - which have significant increase in credit risk	-	0.04	0.14	-	-	0.18
Disputed Trade receivables - credit impaired	-	0.18	0.15	2.73	22.64	25.70
Total (A)						**483.07**
Not Due - Undisputed (B)						**1,251.78**
Less: Allowance for Trade Receivables which have significant increase in credit risk/credit impaired (C)						44.43
Net Total (A+B-C)						**1,690.42**
Add: Unbilled Revenue						-
Grand Total						**1,690.42**

2.12 CASH AND CASH EQUIVALENTS

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Balances with Banks		
In Current Account	6.27	47.29
In Deposit Account – Original Maturity of 3 Months or Less	5.90	-
In EEFC Account	0.61	0.03
Cheques in Hand	2.88	4.43
Cash on Hand	0.82	0.94
	16.48	**52.69**

There are no restrictions with regard to cash and cash equivalents as at the end of reporting period and prior period.

2.13 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Earmarked Balance with Banks		
In Government Treasury Saving Account	0.03	0.03
Unclaimed Dividend (including Unclaimed Fractional Warrants)	18.50	18.28
Bank Deposits (with maturity more than 3 months but less than 12 months)*	439.36	154.33
	457.89	**172.64**
- There are no amounts due and outstanding to be credited to the Investor Education and Protection Fund as at 31st March 2023 and 31st March 2022.		
* Includes		
Lodged as Security with Government Departments	32.27	31.62
Of this the Company is in the process of transferring Fixed Deposits, including interest in its own name	4.50	4.24

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2023

2.14 LOANS – CURRENT

(Unsecured, Considered Good, Carried at Amortised Cost, unless otherwise stated)

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Loans to Related Parties (Note 4.6.3, 2.14.1 and 2.14.2)	-	22.13
Loans to Employees	3.68	4.31
	3.68	**26.44**

2.14.1 Disclosure as per Regulation 34 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186 of the Companies Act, 2013

(a) Loans given to Subsidiaries, Joint Ventures and Associates (Note 2.6 and 2.14):

₹ in crore

Name of Companies	Terms	Maximum Balance Outstanding during the		Amount Outstanding	
		Current Year	Previous Year	Current Year	Previous Year
Subsidiaries:					
ABReL SPV 2 Limited	Interest rate 6.60% to 8.21% p.a., repayment in 3 years	79.92	-	79.92	-
Aditya Birla Solar Limited	Interest rate 8.25% p.a., repayment in 360 days	3.00	9.00		3.00
ABREL Century Energy Limited	Interest rate 8.90% p.a., repayment in 30 Days	26.00	-	-	-
Aditya Birla Renewables Limited	Interest rate 8.25% p.a., repayment in 360 days	3.00	5.00	-	3.00
ABREL Green Energy Limited	Interest rate 9% p.a., repayment in 45 days	25.00	-	-	-
ABREL Solar Power Limited	8.25% & 8.30% – 60 days with option of prepayment	23.89	-	-	-
Joint Venture:					
Birla Advanced Knits Private Limited	Interest rate 8.10% p.a., repayment in 60 days	5.00	5.00	-	-
Associate:					
Aditya Birla Science & Technology Company Private Limited	Interest rate 7.10% p.a., repayment in 3 year with early repayment options	16.13	18.34	12.83	16.13
	Total	**181.94**	**37.34**	**92.75**	**22.13**

The Loans have been utilised for meeting the business requirements by respective companies.

(b) Refer Note 2.4 for Investments in Subsidiaries, Associates and Joint Ventures

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2023

2.14.2 Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties–

₹ in crore

S. No.	Type of Borrower	31st March 2023		31st March 2022	
		Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
1	Related Parties	92.75	89%	22.13	62%

2.15 OTHER FINANCIAL ASSETS – CURRENT

(Unsecured, Considered Good, Carried at Amortised Cost, unless otherwise stated)

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Interest Accrued on Investments	28.45	7.21
Other Receivables from Related Parties (Note 4.6.3)	7.69	0.56
Derivative Assets - Carried at Fair Value	20.85	0.01
Government Incentive Receivable	9.53	26.41
Security Deposits	33.10	42.85
Others (includes Insurance Claim Receivable, etc.)	34.29	18.60
	133.91	**95.64**

2.16 OTHER CURRENT ASSETS

(Unsecured, considered good, unless otherwise stated)

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Balances with Government Authorities	493.26	355.56
Less: Provision towards doubtful dues	(11.33)	(11.33)
Other Receivables from Related Parties (Note 4.6.3)	6.63	1.76
Advances to Suppliers	333.73	294.31
Less: Loss Allowance	(4.48)	(4.62)
Others (includes Prepayments)	144.12	144.46
	961.93	**780.14**

2.17 EQUITY SHARE CAPITAL

2.17.1 Authorised*

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
2,062,500,000 Equity Shares of ₹ 2 each (Previous Year 2,062,500,000 Equity Shares of ₹ 2 each)	412.50	412.50
1,100,000 Redeemable Cumulative Preference Shares of ₹ 100 each (Previous Year 1,100,000 shares of ₹ 100 each)	11.00	11.00
	423.50	**423.50**

* Pursuant to clause 8 of the Scheme of Arrangement between Grasim Premium Fabrics Private Limited and the Company (Scheme), authorized equity share capital of the Company increased to 2,062,500,000 equity shares of ₹ 2 each. Effective Date of the Scheme was 21st June 2021.

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2023

2.17.2 Issued, Subscribed and Fully Paid-up

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
658,432,126 Equity Shares of ₹ 2 each (Previous Year 658,295,426 Equity Shares of ₹ 2 each) fully paid-up	131.68	131.66
Share Capital Suspense		
28,295 Equity Shares of ₹ 2 each (Previous Year 28,295 Equity Shares of ₹ 2 each) to be issued as fully paid-up pursuant to acquisition of Cement Business of Aditya Birla Nuvo Limited under Scheme of Arrangement without payment being received in cash	0.01	0.01
	131.69	**131.67**

Shares kept in Abeyance

Pursuant to provisions of section 126 of the Companies Act 2013, the issue of 61,895 Equity Shares (Previous Year 61,985 Equity Shares) are kept in abeyance.

2.17.3 Reconciliation of the Number of Equity Shares Outstanding (including Share Capital Suspense)

	Number of Shares		₹ in crore	
	31st March 2023	31st March 2022	31st March 2023	31st March 2022
Outstanding as at the beginning of the year	658,323,721	658,073,139	131.67	131.62
Issued during the year under Employee Stock Option Scheme	136,700	250,582	0.02	0.05
Outstanding as at the end of the year	**658,460,421**	**658,323,721**	**131.69**	**131.67**

2.17.4 Rights, Preferences and Restrictions attached to Equity Shares

The Company has only one class of Equity Shares having a par value of ₹ 2 per share. Each holder of the Equity Shares is entitled to one vote per share. The Company declares dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

2.17.5 The Company does not have any Holding Company.

2.17.6 List of Shareholders holding more than 5% Shares in the Equity Share Capital of the Company

		As at 31st March 2023		As at 31st March 2022	
		No. of Shares	% Holding	No. of Shares	% Holding
	Birla Group Holdings Private Limited	125,004,398	18.99%	125,004,398	18.99%
	Life Insurance Corporation of India	61,547,074	9.35%	60,011,298	9.12%
	IGH Holdings Private Limited	42,436,393	6.45%	42,436,393	6.45%
2.17.7	Equity Shares of ₹ 2 each (Previous Year ₹ 2 each) represented by Global Depository Receipts (GDRs) (GDR holders have voting rights as per the Deposit Agreement)	56,853,028	8.63%	56,752,955	8.62%

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2023

2.17.8 Shareholding of Promoters and Promoters group:

Sr. No.	Promoter Name	As at 31st March 2023			As at 31st March 2022		
		No. of Shares	% Holding	% Change during the year	No. of Shares	% Holding	% Change during the year
1	Birla Group Holdings Private Limited	125,004,398	18.99%	0.00%	125,004,398	18.99%	-0.01%
2	IGH Holdings Private Limited	42,436,393	6.45%	0.00%	42,436,393	6.45%	0.68%
3	Hindalco Industries Limited	28,222,468	4.29%	0.00%	28,222,468	4.29%	0.00%
4	Umang Commercial Company Private Limited	26,746,262	4.06%	0.00%	26,746,262	4.06%	0.00%
5	Pilani Investment and Industries Corporation Ltd.	24,714,527	3.75%	0.00%	24,714,527	3.75%	-0.01%
6	P.T. Indo Bharat Rayon*	20,004,020	3.04%	0.00%	20,004,020	3.04%	0.00%
7	Thai Rayon Public Company Limited*	4,774,666	0.73%	0.00%	4,774,666	0.73%	0.00%
8	Anatole Investments Pte Ltd*	4,459,323	0.68%	0.00%	4,459,323	0.68%	0.27%
9	P T Sunrise Bumi Textiles*	1,268,750	0.19%	0.00%	1,268,750	0.19%	0.00%
10	Kumar Mangalam Birla	1,086,993	0.17%	0.00%	1,086,993	0.17%	0.00%
11	P T Elegant Textile Industry*	808,750	0.12%	0.00%	808,750	0.12%	0.00%
12	Birla Institute of Technology and Science	661,205	0.10%	0.00%	661,205	0.10%	0.00%
13	Rajashree Birla	552,850	0.08%	0.00%	552,850	0.08%	0.00%
14	Renuka Investments & Finance Limited	242,185	0.04%	0.00%	242,185	0.04%	0.00%
15	Vasavadatta Bajaj	118,537	0.02%	0.00%	118,537	0.02%	0.00%
16	Aditya Vikram Kumar Mangalam Birla HUF (Karta- Mr. Kumar Mangalam Birla)	89,720	0.01%	0.00%	89,720	0.01%	0.00%
17	Birla Industrial Finance (India) Limited	87,485	0.01%	0.00%	87,485	0.01%	0.00%
18	Birla Consultants Limited	87,382	0.01%	0.00%	87,382	0.01%	0.00%
19	Neerja Birla	73,062	0.01%	0.00%	73,062	0.01%	0.00%
20	Birla Industrial Investments (India) Limited	18,657	0.00%	0.00%	18,657	0.00%	0.00%
21	Surya Kiran Investments Pte Limited*	5,000	0.00%	0.00%	5,000	0.00%	0.00%
22	Vikram Holdings Pvt Ltd	750	0.00%	0.00%	750	0.00%	0.00%
23	Rajratna Holdings Private Limited	670	0.00%	0.00%	670	0.00%	0.00%
24	Vaibhav Holdings Private Limited	670	0.00%	0.00%	670	0.00%	0.00%
	Total	**281,464,723**	**42.75%**	**0.00%**	**281,464,723**	**42.76%**	**0.93%**

* GDRs held by Promoter Group

		No. of Shares As at 31st March 2023	No. of Shares As at 31st March 2022
2.17.9	Shares reserved for issue under options and contracts, including the terms and amounts: For details of Shares reserved for issue under the Employee Stock Options Plan (ESOP) of the Company (refer note 4.9.1)	2,036,941	1,696,470
2.17.10	Aggregate number of Equity Shares issued for consideration other than cash during the period of five years immediately preceding the reporting date		
	Equity Shares of ₹ 2 each issued in the financial year 2017-2018 as fully paid up to the shareholders of Aditya Birla Nuvo Limited (ABNL), pursuant to the Composite Scheme of Arrangement	190,462,665	190,462,665

Notes

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2.18 OTHER EQUITY

₹ in crore

Particulars			As at 31st March 2023	As at 31st March 2022
a)	**Securities Premium**			
	Balance at the beginning of the year		23,731.50	23,713.41
	Add:	ESOP Exercised	7.68	8.90
		Transferred from Employee Stock Option Reserve	2.24	9.19
	Balance at the end of the year		**23,741.42**	**23,731.50**
b)	**General Reserve**			
	Balance at the beginning of the year		11,584.56	11,584.56
	Balance at the end of the year		**11,584.56**	**11,584.56**
c)	**Capital Reserve**			
	Balance at the beginning of the year		3,670.17	3,670.17
	Balance at the end of the year		**3,670.17**	**3,670.17**
d)	**Treasury Shares**			
	Balance at the beginning of the year		(150.93)	(108.53)
	Add:	Purchase of Treasury Shares	(108.04)	(61.95)
	Less:	Issue of Treasury Shares	18.76	19.55
	Balance at the end of the year		**(240.21)**	**(150.93)**
e)	**Employee Stock Option Reserve**			
	Balance at the beginning of the year		70.82	56.71
	Add:	Employee Stock Options Granted (net of lapses)	37.15	32.37
	Less:	Loss on Treasury Shares issued to employees	(8.50)	(9.07)
	Less:	Transfer to Securities Premium on Exercise of Options	(2.24)	(9.19)
	Balance at the end of the year		**97.23**	**70.82**
f)	**Retained Earnings**			
	Balance at the beginning of the year		8,013.25	5,529.53
	Add :	Profit for the year	2,123.73	3,051.27
	Add :	Gain on remeasurement of Defined Benefit Plan (Net of tax)	(2.57)	24.71
	Less :	Dividends paid	(657.65)	(592.26)
	Balance at the end of the year		**9,476.76**	**8,013.25**
g)	**Other Comprehensive Income**			
	(i) Debt Instruments through Other Comprehensive Income			
	Balance at the beginning of the year		6.51	8.54
	Add:	Gain/(Loss) during the year (Net of Tax)	(2.39)	(2.03)
	Balance at the end of the year		**4.12**	**6.51**
	(ii) Equity Instruments through Other Comprehensive Income			
	Balance at the beginning of the year		1,557.69	(1,636.66)
	Add:	Gain/(Loss) during the year (Net of Tax)	(3,079.90)	3,194.35
	Balance at the end of the year		**(1,522.21)**	**1,557.69**
	(iii) Hedging Reserve			
	Balance at the beginning of the year		0.55	(1.49)
	Add:	Gain during the year (Net of Tax)	10.85	2.04
	Balance at the end of the year		**11.40**	**0.55**
	Total		**46,823.24**	**48,484.12**

Notes

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The Description of the nature and purpose of each reserve within equity is as follows:

a. **Securities Premium:** Securities Premium is credited when shares are issued at premium. It can be used to issue bonus shares, write-off equity related expenses like underwriting costs, etc.

b. **General Reserve:** Under the erstwhile Companies Act, 1956, general reserve was created through an annual transfer of net income at a specified percentage in accordance with applicable regulations. The purpose of these transfers was to ensure that if a dividend distribution in a given year is more than 10% of the paid-up capital of the Company for that year, then the total dividend distribution is less than the total distributable results for that year. Consequent to introduction of the Companies Act 2013, the requirement to mandatorily transfer a specified percentage of the net profit to general reserve has been withdrawn. However, the amount previously transferred to the general reserve can be utilised only in accordance with the specific requirements of the Companies Act, 2013.

c. **Capital Reserve:** Capital Reserve is mainly the reserve created during business combination of erstwhile Aditya Birla Chemicals (India) Limited and Aditya Birla Nuvo Limited with the Company.

d. **Treasury Shares :** The reserve for shares of the Company held by the Grasim Employees Welfare Trust (ESOP Trust). The Company has issued employees stock option scheme for its employees. The shares of the Company have been purchased and held by ESOP Trust to issue and allot to employees at the time of exercise of ESOP by Employees.

e. **Employee Share Option Outstanding:** The Company has stock option schemes under which options to subscribe for the Company's shares have been granted to certain employees including key management personnel. The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees, as part of their remuneration.

f. **Retained Earnings:** Amount of retained earnings represents accumulated profit and losses of the Company as on reporting date. Such profits and losses are after adjustment of payment of dividend, transfer to any reserves as statutorily required and adjustment for realised gain/loss on derecognition of equity instruments measured at FVTOCI. Actuarial Gain/(Loss) arising out of Actuarial valuation is immediately transferred to Retained Earnings.

g. **Debt Instrument through OCI:** It represents the cumulative gains/(losses) arising on the fair valuation of debt instruments measured at fair value through OCI, net of amount reclassified to Profit and loss on disposal of such instruments.

h. **Equity Instrument through OCI:** It represents the cumulative gains/(losses) arising on the fair valuation of Equity Shares (other than investments in Subsidiaries, Joint Ventures and Associates, which are carried at cost) measured at fair value through OCI, net of amounts reclassified to Retained Earnings on disposal of such instruments.

i. **Hedging Reserve:** It represents the effective portion of the fair value of forward contracts, designated as cash flow hedge.

2.19 BORROWINGS - NON-CURRENT

(Carried at Amortised Cost, unless otherwise stated)

₹ in crore

Particular	Non-current Portion as at		Current Maturities as at *		Total as at	
	31st March 2023	31st March 2022	31st March 2023	31st March 2022	31st March 2023	31st March 2022
Secured						
Subsidised Government Loan	-	48.82	56.59	66.63	56.59	115.45
Unsecured						
Non-Convertible Debentures	4,241.15	2,945.22	699.97	999.48	4,941.12	3,944.70
Deferred sales tax Loan (refer note 4.8.2)	32.08	40.45	11.71	0.95	43.79	41.40
	4,273.23	**3,034.49**	**768.27**	**1,067.06**	**5,041.50**	**4,101.55**

* Current Maturities of non-current borrowings have been disclosed under "2.24 Borrowings - Current"

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2023

2.19.1 Nature of Security, Repayment Terms and Break-up of Current and Non-Current

I: Secured Borrowings:

₹ in crore

Particular	Note	Rate of Interest Current Year/ (Previous Year)	End of tenure	31st March 2023		31st March 2022	
				Gross	Carrying Value	Gross	Carrying Value
Subsidised Government Loan							
Technology Development Board	(i)	5% / (5%)	01-04-2024	55.60	56.59	111.20	115.45

(i) Term loan (Subsidised Government Loan) secured by way of first *pari passu* charge created by hypothecation of the entire movable Property Plant and Equipments of the Company's Excel Fibre Division Plant at Kharach. Repayment Terms is 9 half yearly instalments from 1st April 2020. Remaining 2 Installments of ₹ 27.80 crore.

Effective cost for the above loans is at 5% per annum. (Previous Year: 5% per annum.)

II: Unsecured Borrowings:

Bank loans contain certain debt covenants relating to limitation on indebtedness, debt-equity ratio, net Borrowings to EBITDA ratio and debt service coverage ratio. The limitation on indebtedness covenant gets suspended if the Company meets certain prescribed criteria. The debt covenant related to limitation on indebtedness remained suspended as of the date of the authorisation of the financial statements. The Company has also satisfied all other debt covenants prescribed in the terms of bank loan. The other bank loans do not carry any financial debt covenant.

(a) Non- Convertible Debentures

₹ in crore

	End of tenure	As at 31st March 2023		As at 31st March 2022	
		Gross	Carrying Value	Gross	Carrying Value
(i) 6.99% Series 21-22/I Non-Convertible Debentures Repayment Terms : Redeemable at par	04-Apr-31	1,000.00	997.45	1,000.00	997.20
(ii) 7.63% Series 22-23/II Non-Convertible Debentures Repayment Terms : Redeemable at par	01-Dec-27	1,000.00	998.50	-	-
(iii) 7.50% Series 22-23/I Non-Convertible Debentures Repayment Terms : Redeemable at par	10-Jun-27	1,000.00	997.50	-	-
(iv) 7.60% Series 19-20/II Non-Convertible Debentures Repayment Terms : Redeemable at par	04-Jun-24	750.00	748.33	750.00	747.26
(v) 7.85% Series 19-20/I Non-Convertible Debentures Repayment Terms : Redeemable at par	15-Apr-24	500.00	499.37	500.00	498.90
(vi) 5.90% 1st Series Non-Convertible Debentures Repayment Terms : Redeemable at par	16-Jun-23	500.00	499.85	500.00	499.82
(vii) 9.00% 30th Series Non-Convertible Debentures Repayment Terms : Redeemable at par	10-May-23	200.00	200.12	200.00	202.03
(viii) 6.65% Series 19-20/III Non-Convertible Debentures Repayment Terms : Redeemable at par	17-Feb-23	-	-	500.00	499.52
(ix) 7.65% Series 18-19/I Non-Convertible Debentures Repayment Terms : Redeemable at par	13-Apr-22	-	-	500.00	499.97
Total		**4,950.00**	**4,941.12**	**3,950.00**	**3,944.70**

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2023

(b) Deferred sales tax Loan

₹ in crore

	Rate of Interest	End of tenure	As at 31st March 2023 Gross	As at 31st March 2023 Carrying Value	As at 31st March 2022 Gross	As at 31st March 2022 Carrying Value
Government of Karnataka	0%	25-Mar-28	8.94	6.54	8.94	6.05
Government of Uttar Pradesh	0%	17-Nov-25	2.95	2.36	2.95	2.16
Government of Uttar Pradesh	0%	17-May-25	5.45	4.65	5.45	4.31
Government of Uttar Pradesh	0%	29-Oct-24	7.68	6.85	7.68	6.34
Government of Uttar Pradesh	0%	25-Dec-23	6.36	6.04	6.36	5.53
Government of Uttar Pradesh	0%	07-Aug-23	5.84	5.67	5.84	5.19
Government of Uttar Pradesh *	0%	27-May-22	–	–	0.95	0.94
Government of Karnataka	0%	17-Jun-27	15.87	11.68	15.87	10.88
Total			**53.09**	**43.79**	**54.04**	**41.40**

* Repaid during the year

2.19.2 Maturity Profile of Non-Current Borrowings (including Current Maturities) is as set out below:

		Maturity Profile @ Not later than 1 year	1 to 5 years	Later than 5 years
Secured				
Subsidised Government Loan		55.60	–	–
Unsecured				
Non-Convertible Debentures		700.00	3,250.00	1,000.00
Deferred Sales Tax Loans (includes amount recognised in Notes 2.23 and 2.28)		12.20	40.89	–
Total	**Current Year**	**767.80**	**3,290.89**	**1,000.00**
	Previous Year	1,056.55	2,069.69	1,000.00

@ The above figures are as per contractual cashflows.

2.20 OTHER FINANCIAL LIABILITIES - NON-CURRENT

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Security and Other Deposits	9.87	2.54
Other Liabilities payable to Related Parties (Note 4.6.3)	0.06	0.05
Other Liabilities	0.68	0.51
	10.61	**3.10**

2.21 PROVISIONS - NON-CURRENT

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
For Employee Benefits (Contractor Workman Gratuity, Pension and other employee benefits)	64.23	54.87
	64.23	**54.87**

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2023

2.22 DEFERRED TAX LIABILITIES (NET)

₹ in crore

	As at 31st March 2022	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	As at 31st March 2023
Deferred Tax Liabilities:				
Property, Plant & Equipment and Intangible Assets	1,609.21	31.38	–	1,640.59
Fair Valuation of Investments, Cash flow hedge, Contractor Gratuity	438.84	3.08	(394.38)	47.54
Others	4.64	(3.48)	–	1.16
	2,052.69	**30.98**	**(394.38)**	**1,689.29**
Deferred Tax Assets:				
Provision allowed under tax on payment basis	126.87	(34.60)	–	92.27
Expenses Allowable in Instalments in Income Tax	6.84	(3.28)	–	3.56
Income offered for tax, to be excluded in future	29.31	(8.20)	–	21.11
Short Term Capital Loss	48.62	(10.05)	–	38.57
Others	(0.33)	(0.69)	–	(1.02)
	211.31	**(56.82)**	**–**	**154.49**
Deferred Tax Liabilities (Net)	**1,841.38**	**87.80**	**(394.38)**	**1,534.80**

₹ in crore

	As at 1st April 2021	Recognised in Statement of Profit and Loss	Recognised in Other Comprehensive Income	As at 31st March 2022
Deferred Tax Liabilities:				
Property, Plant & Equipment and Intangible Assets	1,784.92	(175.71)	–	1,609.21
Fair Valuation of Investments, Cash flow hedge, Contractor Gratuity	197.71	22.61	218.52	438.84
Others	(3.76)	8.40	–	4.64
	1,978.87	**(144.70)**	**218.52**	**2,052.69**
Deferred Tax Assets:				
MAT Credit Receivable	34.63	(34.63)	–	–
Provision allowed under tax on payment basis	101.97	24.90	–	126.87
Expenses Allowable in Instalments in Income Tax	24.12	(17.28)	–	6.84
Income offered for tax, to be excluded in future	29.31	–	–	29.31
Short Term Capital Loss	54.70	(6.08)	–	48.62
Others	0.20	(0.53)	–	(0.33)
	244.93	**(33.62)**	**–**	**211.31**
(i) Deferred Tax Liabilities (Net)	**1,733.94**	**(111.08)**	**218.52**	**1,841.38**

(ii) During current year, the Company has decided to opt for lower tax regime from the financial year 2022-23 in terms of provision of Section 115BAA of Income tax Act, 1961. Provision for current and deferred tax expenses has been recognized accordingly.

(iii) During the previous year considering significant capitalisation of assets, the Company had created deferred tax liability at the applicable concessional tax rate on temporary tax differences of depreciation expected to be reversed in the period after the Company is likely to opt for new tax regime under section 115BAA of Income Tax act, 1961. This has resulted in deferred tax credit of ₹ 197.18 crore in the previous year in the Statement of Profit and Loss.

Notes

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2.23 OTHER NON-CURRENT LIABILITIES

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Deferred Government Subsidy (refer note 4.8.2)	7.08	71.67
	7.08	**71.67**

2.24 BORROWINGS – CURRENT

(Carried at Amortised Cost, unless otherwise stated)

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Loans Repayable on Demand from Banks		
Secured:		
Working Capital Borrowings- Rupee Loans	212.73	19.22
Current Maturities of Long-Term Debts (Note 2.19)	56.59	66.63
Unsecured:		
Current Maturities of Long-Term Debts (Note 2.19)	711.68	1,000.43
Other Loans		
Unsecured:		
Commercial Papers*	–	–
	981.00	**1,086.28**
* Maximum balance outstanding during the year	500.00	850.00

2.24.1 Working Capital Borrowings are secured by hypothecation of stocks and book debts of the Company. And quarterly Stock statements filed by the company with banks or financial institutions are in agreement with the books of account.

2.24.2 The Company had Undrawn Facility of ₹ 900 crore as on 31st March 2023 and ₹ 590 crore as on 31st March 2022.

2.24.3 The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

2.25 SUPPLIER'S CREDIT

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Supplier's Credit	–	183.40
	–	**183.40**

Supplier's Credit represents the extended interest bearing credit offered by the supplier which is secured against Usance Letter of Credit (LC). Under this arrangement, the supplier is eligible to receive payment from negotiating bank prior to the expiry of the extended credit period. The interest for the extended credit period payable to the bank on maturity of the LC has been presented under Finance Cost. Rate of interest during the year was in the range of 5.30% to 7.50% (Previous year 5.30%).

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2.26 TRADE PAYABLES

(Carried at Amortised Cost, unless otherwise stated)

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Total Outstanding due of Micro and Small Enterprises (refer note 4.8.1)	121.41	90.55
Due to Related Parties (Note 4.6.3)	72.18	100.93
Acceptances	1,274.75	1,066.90
Others	3,242.86	3,392.35
	4,711.20	**4,650.73**

2.26.1 Trade Payables ageing schedule

₹ in crore

Particulars	Unbilled (A)	Not Due (B)	Outstanding for following periods from due date of payment: Less than 1 year	1–2 years	2–3 years	More than 3 years	Total (C)	Grand Total (A+B+C)
As at 31st March 2023								
Micro and Small Enterprises	–	115.10	5.22	–	–	–	5.22	120.32
Other than Micro and Small Enterprises	683.27	2,990.18	854.35	–	–	–	854.35	4,527.80
Disputed dues – Micro and Small Enterprises	–	–	1.01	0.08	–	–	1.09	1.09
Disputed dues – Others	2.61	–	21.97	11.78	6.89	18.74	59.38	61.99
Total	**685.88**	**3,105.28**	**882.55**	**11.86**	**6.89**	**18.74**	**920.04**	**4,711.20**
As at 31st March 2022								
Micro and Small Enterprises	–	85.67	2.92	–	–	–	2.92	88.59
Other than Micro and Small Enterprises	640.05	3,013.92	849.50	–	–	–	849.50	4,503.47
Disputed dues – Micro and Small Enterprises	–	–	0.12	0.10	–	1.74	1.96	1.96
Disputed dues – Others	6.05	17.73	6.24	9.46	12.34	4.89	32.93	56.71
Total	**646.10**	**3,117.32**	**858.78**	**9.56**	**12.34**	**6.63**	**887.31**	**4,650.73**

2.27 OTHER FINANCIAL LIABILITIES – CURRENT

(Carried at Amortised Cost, Unless otherwise stated)

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Interest Accrued but not Due on Borrowings	278.57	232.82
Unclaimed Dividends (including Unclaimed Fractional Warrants) $	18.50	18.27
Security and Other Deposits (Trade Deposits)	103.83	94.02
Liability for Capital Goods * #	576.02	355.04
Accrued Expenses Related to Employees	360.74	324.82
Derivative Liability-Carried at Fair Value	8.14	12.37
Other Liabilities payable to Related Parties (Note 4.6.3)	32.77	26.30
Other Payables (including Retention money, Liquidated damages, etc.)	239.25	140.35
	1,617.82	**1,203.99**

*Includes amount of ₹ 105.22 crore (previous year ₹ 35.95 crore) payable related to Micro and Small enterprises.

Includes acceptances of ₹ Nil (previous year ₹ 58.62 crore) towards capital goods.

$ It does not include any amount due and outstanding to be credited to the Investor Education and Protection Fund

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2023

2.28 OTHER CURRENT LIABILITIES

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Statutory Liabilities	330.93	404.64
Contract liability	264.55	379.92
Deferred Government Subsidy	31.09	28.95
Other Current Liabilities-Related Parties (Note 4.6.3)	3.63	3.04
Other Payables (including Legal Claims)	357.84	250.91
	988.04	**1,067.46**

2.29 PROVISIONS – CURRENT

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
For Employee Benefits (Gratuity, Compensated Absences and Pension)	249.40	213.00
For Assets Transfer Cost {Note 2.29.1 (a)}	29.53	29.53
For Warranty Provision {Note 2.29.1 (b)}	0.99	1.82
For Provision against contingent liability {Note 2.29.1 (c)}	42.47	42.70
	322.39	**287.05**

2.29.1 Movement of provisions during the year as required by Ind AS- 37 "Provisions, Contingent Liabilities and Contingent Asset"

a. Provision for Cost of Transfer of Assets:

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Opening Balance	29.53	57.92
Add: Provision during the year	-	-
Less: Utilisation during the year	-	28.39
Closing Balance	**29.53**	**29.53**

During earlier year, provision for asset transfer cost relates to merger of Aditya Birla Nuvo Limited (ABNL) and Aditya Birla Chemical Limited (ABCL) which has been made based on substantial degree of estimation. Outflow against the same is expected at the time of regulatory process of registration of assets owned by ABNL in the name of the Company.

b. Warranty Provision:

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Opening Balance	1.82	1.82
Add: Provision during the year	-	-
Less: Utilisation during the year	-	-
Less: Unused amount reversed	0.83	-
Closing Balance	**0.99**	**1.82**

Considering the past experience of returns and replacements claims, provision recognised in earlier years for expected warranty claims on Insulators product has been reversed during the current year.

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2023

c. Provision against Contingent Liability:

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Opening Balance	42.70	43.05
Add: Provision during the year	-	-
Less: Utilisation during the year	-	0.10
Less: Unused amount reversed	0.23	0.25
Less: Provision classified as liability held for sale	-	-
Closing Balance	**42.47**	**42.70**

During earlier year, as per Ind-AS 103 (Business Combinations) the Company had to recognise on the acquisition date the contingent liability assumed in a business combination if it was a present obligation that had arisen from past events and its fair value could be measured reliably, even if it was not probable that an outflow of resources would be required to settle the obligation.

3.1 REVENUE FROM OPERATIONS

A. Revenue from contracts with customers disaggregated based on nature of product or services

₹ in crore

Particulars			Year Ended 31st March 2023	Year Ended 31st March 2022
Revenue from Sale of Products				
a. Manufactured goods			26,203.96	20,467.66
b. Traded goods			370.25	158.95
		(i)	**26,574.21**	**20,626.61**
Revenue from Sale of Services				
a. Project Management Services			1.40	5.82
b. O&M for Supervision & Monitoring Services and others			0.46	0.50
		(ii)	**1.86**	**6.32**
Revenue From Contract With Customers	**(iii)**	**(i+ii)**	**26,576.07**	**20,632.93**
Other Operating Revenue				
Export Incentives			74.07	81.25
Scrap Sales (Net)			106.65	94.63
Other Miscellaneous Income (Insurance Claims, Sales Tax Incentive, transportation income, etc.)			82.92	48.03
		(iv)	**263.64**	**223.91**
REVENUE FROM OPERATIONS	**(v)**	**(iii+iv)**	**26,839.71**	**20,856.84**

B. Revenue from contracts with customers disaggregated based on geography

₹ in crore

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
a. Domestic	23,027.36	17,066.18
b. Exports	3,548.71	3,566.75
Revenue From Contract With Customers	**26,576.07**	**20,632.93**

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2023

C. Reconciliation of Gross Revenue from Contracts With Customers

₹ in crore

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Gross Revenue	27,280.88	21,592.03
Less : Discount, incentives, price concession, etc.	695.60	955.29
Less : Returns	9.21	3.81
Net Revenue recognised from Contracts with Customers	**26,576.07**	**20,632.93**

Notes:

(i) The amounts receivable from customers become due after expiry of credit period which on an average upto 120 days. There is no significant financing component in any transaction with the customers.

(ii) The Company provides agreed upon performance warranty for all range of products. The amount of liability towards such warranty is immaterial.

(iii) The Company does not have any remaining performance obligation as contracts entered for sale of goods are for a shorter duration. There are no contracts for sale of services wherein, performance obligation is unsatisfied to which transaction price has been allocated.

(iv) Revenue recognised from Contract liability (Advances from Customers):

The Contract liability outstanding at the beginning of the year was ₹ 379.92 crore (Previous year ₹ 97.60 crore), out of which ₹ 327.32 crore (Previous year ₹ 87.76 crore) has been recognised as revenue during the year ended 31st March 2023 and balance amount are refunded during the year.

3.2 OTHER INCOME

₹ in crore

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Interest Income on:		
Non-Current Investments - Debentures or Bonds (measured at FVTOCI)	30.18	9.02
Bank Accounts and Others	76.21	37.11
Unwinding up of Loans and Deposits	10.99	13.30
Dividend Income from:		
Subsidiary Companies (carried at cost)	628.27	611.74
Non-Current Investments - Others (measured at FVTOCI)	37.11	28.59
Current Investments - Others (measured at FVTOCI)	3.29	2.69
Profit on Sale of:		
Investment - Mutual Funds' Units (measured at FVTPL)	45.47	33.48
Gain on Fair Valuation of:		
Preference Shares (measured at FVTPL)	1.43	2.32
Mutual Funds' Units (measured at FVTPL)	116.96	112.16
Miscellaneous Income	68.43	44.90
	1,018.34	**895.31**

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2023

3.3 COST OF MATERIALS CONSUMED

₹ in crore

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Opening Stock	2,234.98	1,184.82
Add : Purchases and Incidental Expenses	12,821.31	10,850.68
Less : Sale of raw material	16.67	6.05
Less : Closing Stock	2,344.55	2,234.98
	12,695.07	**9,794.47**

3.4 PURCHASES OF STOCK-IN-TRADE

₹ in crore

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Purchase of stock-in-trade	466.22	152.90
	466.22	**152.90**

3.5 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

₹ in crore

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Opening Stock		
Finished Goods	931.96	447.18
Stock-in-Trade	25.04	21.35
Work-in-Progress	233.99	184.06
Waste/Scrap	8.14	7.95
	1,199.13	**660.54**
Less : Closing Stock		
Finished Goods	1,149.78	931.96
Stock-in-Trade	42.54	25.04
Work-in-Progress	261.90	233.99
Waste/Scrap	6.95	8.14
	1,461.17	**1,199.13**
(Add) /Less: Stock of trial run production	(0.13)	-
(Increase)/Decrease in Stocks	**(261.91)**	**(538.59)**

3.6 EMPLOYEE BENEFITS EXPENSE

₹ in crore

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Salaries, Wages and Bonus	1,722.62	1,502.33
Contribution to Provident and Other Funds (Notes 4.7.1.3 and 4.7.2)	105.62	97.21
Contribution to Gratuity Fund (Note 4.7.1.1)	41.61	40.30
Staff Welfare Expenses	115.52	99.77
Expenses on Employee Stock Option Scheme including SAR (4.9.6)	38.12	34.68
	2,023.49	**1,774.29**

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2023

3.6.1 Expenses on Employee Stock Option Scheme and Employee SAR Scheme net of recovery from a Subsidiary Company against options granted to the employees of the Subsidiary.

₹ in crore

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Expenses on Employee Stock Option Scheme	–	0.17

3.7 FINANCE COSTS

₹ in crore

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Interest on Debt and Borrowings	357.02	322.44
Finance Cost of Lease Liability	6.84	5.07
Interest on Income tax	4.11	3.89
Interest on Subsidised Government Loan (note 4.8.2)	3.34	3.16
Interest - Others	22.64	9.70
	393.95	**344.26**
Less: Capitalised	26.28	97.02
	367.67	**247.24**

Borrowing costs are capitalised using rates based on specific borrowings ranging from 6.99% to 7.50% per annum (Previous Year: 6.65% to 7.85% per annum)

3.8 DEPRECIATION AND AMORTISATION EXPENSE

₹ in crore

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Depreciation on Property, Plant and Equipment	957.94	802.81
Amortisation of Intangible Assets	88.53	85.91
Depreciation of Right of Use Assets	50.82	25.24
	1,097.29	**913.96**

3.9 OTHER EXPENSES

₹ in crore

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Consumption of Stores, Spare Parts and Components and Incidental Expenses	523.17	435.17
Consumption of Packing Materials	308.48	263.07
Processing and Other Charges	484.91	214.39
Repairs to Buildings	83.63	61.72
Repairs to Machinery	336.53	249.33
Repairs to Other Assets	93.29	75.52
Advertisement	56.62	37.40
Sales Promotion and Other Selling Expenses	182.97	122.29
Freight and Handling Expenses	1,015.77	871.77
Allowance for Doubtful Debts and advances (net)	5.13	(10.43)
Insurance	63.91	49.81
Rent	17.91	16.71

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2023

₹ in crore

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Rates and Taxes	26.91	25.12
Research Contribution and Expenses	32.40	25.54
Directors' Fees	0.50	0.45
Directors' Commission	3.70	4.00
Exchange Rate Difference (Net)	85.15	63.79
Loss on Sale of Property, Plant and Equipments (Net)	10.33	9.48
Business Support Expenses	208.10	141.95
Miscellaneous Expenses	452.53	366.27
	3,991.94	**3,023.35**

3.9.1 Auditors' Remuneration (excluding GST) Charged to the Standalone Statement of Profit and Loss (included under Miscellaneous Expenses)

₹ in crore

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Payments to Statutory Auditors:		
Audit Fee	3.29	3.46
Tax Audit Fee	–	0.33
Fees for Other Services	0.02	0.26
Reimbursement of Expenses	0.11	0.04
Payments to Cost Auditors:		
Audit Fee	0.19	0.17

3.10 EXCEPTIONAL ITEMS

(i) During the year, the Company has provided for Interest payable on custom duty on account of decision to pay custom duty on import of capital goods cleared at zero duty under EPCG scheme in earlier years.

(ii) During the previous year, Company had provided for ₹ 69.11 crore against disputed water charges pertaining to earlier years.

3.11 TAX EXPENSE

(a) Major components of income tax expenses for the year

₹ in crore

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Current Tax		
Current income tax charge	435.27	434.50
Write back of tax relating to prior years	(1.56)	(320.61)
	433.71	**113.89**
Deferred Tax		
Deferred Tax Expense	87.80	71.82
	87.80	**71.82**
Total Tax Expense	**521.51**	**185.71**

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2023

(b) Reconciliation of Effective Tax Rate

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Applicable Tax Rate	25.17%	34.94%
Income not considered for tax purpose	-0.91%	-5.61%
Expenses not allowed for tax purpose (including Exceptional Item)	0.88%	0.54%
Additional Allowances for tax purpose	-6.28%	-7.68%
Effect of change in Tax Rate (DTL reversal) (refer note 2.22(iii))	0.34%	-5.56%
Deferred Tax reversal on Slump Sale of Fertilizer business	-	-5.16%
Tax paid at lower rate	0.09%	11.58%
Others	0.48%	0.17%
Effective Tax Rate	**19.77%**	**23.22%**
Provision for Tax of earlier years written back (refer note below)	-0.06%	-9.04%
Effective Tax Rate after write back	**19.71%**	**14.18%**

During the previous year ended 31st March 2022, pursuant to decision of income tax appeals of earlier years in favour of the Company, the Company has written back tax provision amounting to ₹ 320.61 crore.

3.12 OTHER COMPREHENSIVE INCOME

₹ in crore

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Items that will not be reclassified to Profit and Loss		
Equity Instrument through Other Comprehensive Income	(3,487.20)	3,415.50
Income Tax relating to Equity Instrument through Other Comprehensive Income	407.30	(221.15)
Re-measurement of Defined Benefit Plan	4.61	28.42
Income Tax relating to Re-measurement of Defined Benefit Plan	(7.18)	(3.71)
Items that will be reclassified to Profit and Loss		
Debt Instruments through Other Comprehensive Income	(3.16)	(2.64)
Income Tax relating to Debt Instruments through Other Comprehensive Income	0.77	0.61
Gain on cash flow hedge	17.36	3.14
Income Tax relating to Gain on cash flow hedge	(6.51)	(1.10)
	(3,074.01)	**3,219.07**

3.13 EARNINGS PER EQUITY SHARE (EPS)

₹ in crore

	Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
i	**Net Profit for the Year Attributable to Equity Shareholders Continuing Operations (₹ crore)**	2,123.73	2,695.45
ii	**Net Profit for the Year Attributable to Equity Shareholders Discontinued Operations (₹ crore)**	-	355.82
	Net Profit for the Year Attributable to Equity Shareholders (i+ii)	**2,123.73**	**3,051.27**
	Basic EPS:		
	Weighted-Average Number of Equity Shares Outstanding (Nos.) of Face Value of ₹ 2/- each	658,386,746	658,186,289
	Less: Weighted-Average Number of Equity Shares held by ESOP Trust (Nos.) of Face Value of ₹ 2/- each	1,780,174	1,505,968
	Weighted-Average Number of Equity Shares Outstanding (Nos.) for calculation of Basic EPS (Nos.)	656,606,572	656,680,321
	Basic EPS for Continuing Operations (₹ Per Share)	32.34	41.05
	Basic EPS for Discontinued Operations (₹ Per Share)	-	5.42
	Basic EPS – Continuing and Discontinued Operations (₹ Per Share)	32.34	46.47

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2023

₹ in crore

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Diluted EPS:		
Weighted-Average Number of Equity Shares Outstanding (Nos.)	656,606,572	656,680,321
Add: Weighted-Average Number of Potential Equity Shares on exercise of Options (Nos.)	555,999	870,437
Add: Weighted-Average Number of Equity Shares kept in Abeyance (Nos.)	61,985	61,985
Weighted-Average Number of Equity Shares Outstanding for calculation of Diluted EPS (Nos.)	657,224,556	657,612,743
Diluted EPS for Continuing Operations (₹ Per Share)	32.31	40.99
Diluted EPS for Discontinued Operations (₹ Per Share)	-	5.41
Diluted EPS – Continuing and Discontinued Operations (₹ Per Share)	32.31	46.40

4.1 CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF CLAIMS/DISPUTED LIABILITIES NOT ACKNOWLEDGED AS DEBTS:

₹ in crore

Sr. No.	Nature of Statute	Brief Description of Contingent Liabilities	As at 31st March 2023	As at 31st March 2022
I	Customs Duty - The Customs Act, 1962	- Demand of duty on import of Steam Coal during April 2012 to January 2013 classifying it as Bituminous Coal	13.58	12.99
		- Demand of differential duty on import of Caustic Soda Flakes under project import category	1.66	1.62
		- Demand of duty on project import due to increase in rate of duty in Budget 1986-87	7.52	7.31
		- Various cases - Duty demanded on technical know-how by including it in the value of imported goods and levy of additional duty / countervailing duty etc.	6.85	5.48
II	Excise Duty - The Central Excise Act, 1944, CENVAT Credit Rules, 2002	- Appeal before CESTAT against excise duty demand on freight recovery from customers	12.42	11.58
		- Department's appeal before CESTAT against order of Commissioner allowing exemption under notification 30/2004-CE dated 09.07.2004	15.62	14.73
		- SCN demanding duty alleging that mixing of dyes amounted to manufacture	10.15	9.86
		- Demand disputing classification of "Wipes"	11.98	11.18
		- Duty demanded on clearance of waste and scrap of capital goods	5.98	5.75
		- Duty demanded by including subsidy received from State Government in the assessable value of goods cleared	4.07	2.54
		- SCN disputing CENVAT availed in respect of CVD paid under protest on imported coal pending classification issue	4.87	4.63
		- Demand of excise duty as original payment was made under incorrect registration number.	2.15	3.25
		- Demand notice disputing availment of Cenvat credit on capital goods alleging that the capital goods were exclusively used for manufacture of exempted products.	3.49	3.31
		- Demand disputing quantum of Cenvat Credit reversed on clearance of used capital goods.	2.75	2.63
		- Appeal before CESTAT against denial of cenvat credit taken suo-moto after reversing in response to Departmental audit objection.	2.38	2.26
		- Various cases - Demand of excise duty on removal of capital goods, removal of mercury, disallowance of cenvat credit on packaging material used for exempted goods, eligibility of CENVAT on different issues, etc.	3.01	3.86

Notes

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₹ in crore

Sr. No.	Nature of Statute	Brief Description of Contingent Liabilities	As at 31st March 2023	As at 31st March 2022
III	Service Tax - The Finance Act, 1994	- Denial of Cenvat credit on input services alleging not used for providing output services	50.11	47.18
		- Demand of service tax on goods transportation agency services through payment in cash/ PLA instead of payment made by the company through cenvat balance.	3.99	3.78
		- SCN disputing transfer of cenvat credit by Aditya Birla Minacs IT Services Ltd. and Birla Technologies Limited to Aditya Birla Minacs Worldwide Limited on merger	6.82	6.52
		- Denial of cenvat credit on outward transportation charges	2.31	2.14
		- Appeal before CESTAT against denial of cenvat credit treating exports as exempt output services	1.20	1.20
		- Various cases demanding service tax on scientific and technology service, Cenvat credit of services used for renovation and repairs, rejection of refund claims, reversal of credit under Rule 6 of Cenvat Credit Rules, 2004, Cenvat Credit on Rent a Cab services, outdoor catering, etc.	4.56	4.39
IV	Entry Tax laws of various states	- Department appeal before the Karnataka High Court in the matter of levy of Special Tax on Entry of Goods	14.04	12.89
		- Demand of entry tax in the State of Uttar Pradesh pending before The Allahabad High Court	2.96	2.96
V	Sales Tax Act/ Commercial Tax Act of various states	- Demand towards non submission of various forms, disallowance of input credit, short reversal of credit, valuation issues and other matters	13.83	13.54
VI	Income Tax -Income-tax Act, 1961	- Demand of dividend distribution tax (including interest) alleging that the demerger of the Financial Services Business is not qualifying demerger as per Income Tax Act and treating the value of shares allotted by the resulting Company to the shareholders of the Company in consideration of demerger as dividend distributed by the Company to its shareholders.		
		a) Dividend distribution tax (including interest of ₹ Nil, previous year: ₹ 3,151.38)	-	8,044.82
		b) Capital gain tax (including interest ₹ Nil, previous year: ₹ 2,864.40 crore)	-	8,831.90
		- Various disallowances/additions being contested in appeals (disallowance u/s 14A, disallowance of additional depreciation allowance, transfer pricing adjustments, penalty etc.).	19.61	19.96
VII	Other Statutes/ Other Claims	- CCI demand alleging abuse of dominant position in VSF market (refer note 4.2)	311.61	308.11
		- Demand of water drawl charges and water reservation charges by Irrigation Department.	272.52	242.78
		- Proportionate cost of effluent pipelines charges demanded by GIDC	69.26	69.26
		- Fuel surcharge demand raised by Bihar State Electricity Board.	49.33	49.33
		- Levy of additional surcharge on the consumption of power from source other than distribution licensee of area	58.29	137.96
		- Differential Stamp duty demand on Solaris business takeover	21.70	28.86
		- Labour re-instatement, back wages, workmen compensation, minimum wages issue, increase in retirement age and salary structure cases	11.27	8.95
		- Demand towards contribution to Infrastructure Fund and charges for time limit extension for use of industrial plot	15.44	0.64
		- Demand of water reservation charges from irrigation department.	8.80	8.49
		- Claims by various suppliers and contractors on terms of contract, etc.	6.24	5.72
		- Lease rent demand at increased rate by Kandla Port Trust	11.30	9.59

Notes

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₹ in crore

Sr. No.	Nature of Statute	Brief Description of Contingent Liabilities	As at 31st March 2023	As at 31st March 2022
		- Higher price demanded in respect of land acquired through State Government	13.49	10.63
		- Demand of liquidated damages by Bihar State Industrial Development Corporation	1.90	2.83
		- Demand by Competition Commission of India for supply of Poly Aluminium Chloride	4.39	4.39
		- Dispute on price for supply of bamboo by Government of Kerala	2.06	2.06
		- Various other cases pertaining to Claims by Railways, Electricity Board for lower electricity consumption, Stamp Duty dispute, Property Tax Arrears, Industrial Disputes, Railways license fee demand, Textile Cess on readymade garments, etc.	4.20	6.54
Total			**1,089.70**	**17,990.40**

The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed as contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of the matters stated above to have a material adverse impact on the company's financial condition, results of operations or cash flows. It is not practicable to estimate the timings of cash outflows, if any, in respect of the above pending resolution of the respective proceedings as it is determinable only on receipt of judgements/decisions pending with various forums/authorities.

4.2 Competition Commission of India (CCI) has passed an order dated 16th March 2020 under section 4 of the Competition Act, 2002, imposing a penalty of ₹ 301.61 crore in respect of the Viscose Staple Fibre turnover of the Company. The Company filed an appeal before the National Company Law Appellate Tribunal (NCLAT) and NCLAT, vide Order dated November 04, 2020, stayed the recovery of the penalty amount during the pendency of the Appeal and directed the Company to deposit 10% of the penalty amount by November 19, 2020, which the Company has complied. The Appeal is pending before the NCLAT.

Without considering that an Appeal is already pending against the aforesaid Order, the CCI passed another Order dated 3rd June, 2021, levying a penalty of ₹ 3.49 crores for non-compliance with the Order passed on March 16, 2020. The Company filed Writ Petition before the Hon'ble Delhi High Court against the Order of the CCI. The CCI appeared before the Hon'ble Delhi High Court and assured that no precipitative steps shall be taken against the Company till the disposal of the matter.

Based on legal opinion, Company believes that it has strong grounds against both these said orders, on merit and accordingly no provision has been made in the accounts.

4.3 CAPITAL,FINANCIAL AND OTHER COMMITMENTS

(i) Capital Commitments

₹ in crore

	As at 31st March 2023	As at 31st March 2022
Estimated amount of contracts remaining to be executed on capital account and not provided (Net of Advances paid of ₹ 757.83 crore (Previous Year ₹ 116.05 crore))	3,833.48	1,645.36

(ii) Financial and Other Commitments

₹ in crore

	As at 31st March 2023	As at 31st March 2022
(a) Joint Ventures@	223.78	266.51

@ As per the agreement with the Joint Ventures, the Company is committed to make additional contribution in proportion to their interest in Joint Ventures, if required. These commitments have not been recognised in the financial statements.

Notes

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4.4 ASSETS / DISPOSAL GROUP HELD FOR SALE (IND AS 105)

During the previous year, the Company entered into a Scheme of Arrangement (the Scheme) under sections 230-232 of the Companies Act, 2013 with Indorama India Private Limited (Indorama) for slump sale of its Indo Gulf Fertiliser Business (comprising of manufacture, trading and sale of *inter alia* urea, soil health products and other agri-inputs) to Indorama.

On 1st January 2022, the Company consummated the sale and transfer of Indo Gulf Fertiliser Business to Indorama as contemplated in the Scheme of Arrangement and recognised pre-tax gain of ₹ 540.15 crore for the year ended 31st March 2022, included under discontinued operations as exceptional items. The Company has provided ₹ 29.36 Crore towards outstanding liabilities of land maintenance charges of UPSIDC pertaining to Indo Gulf Fertiliser business, included under discontinued operations as exceptional items.

₹ in crore

		As at 31st December 2021
4.4.1	**Assets / Disposal Group Held for Sale (Ind AS 105)**	
	Group(s) of Assets classified as Held for Sale	1,675.40
	Liabilities associated with the group(s) of Assets classified as Held for Sale	372.55
4.4.2	**Major classes of assets and liabilities classified as Held for Sale:**	
	Property, plant and equipment	472.66
	Capital work-in-progress	70.44
	Other Intangible Assets	111.22
	Right of Use Assets	156.67
	Loans	1.78
	Inventories	72.86
	Other Financial Assets	49.97
	Trade receivables	720.08
	Other assets	19.72
	Total Assets	**1,675.40**
	Trade Payables	278.33
	Lease Liability	8.18
	Security Deposits	43.05
	Other liabilities and Provisions	42.99
	Total Liability	**372.55**
	Net Assets	**1,302.85**

Financial Performance and Cash flow presented are for nine months ended 31st December 2021 (31st March 2022 column)

₹ in crore

		Year Ended 31st March 2022
4.4.3	**Financial performance related to discontinued operations:**	
	Revenue and Other Income	2,437.54
	Expenses	2,281.56
	Profit before tax	**155.98**
	Exceptional items (net) (note 4.4.5)	510.79
	Profit before tax	**666.77**
	Tax expenses	(54.58)
	Tax on sale of Discontinued Operations - Current Tax	(439.27)
	Tax on sale of Discontinued Operations - Deferred Tax	182.90
	Profit after tax	**355.82**

Notes

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₹ in crore

		Year Ended 31st March 2022
4.4.4	**Cash flow disclosure with respect to discontinued operations:**	
	Cash flow from Operating activities	(217.33)
	Cash flow from Investing activities	(48.93)
	Cash flow from Financing activities	-

4.4.5 Exceptional items (net)

₹ in crore

Particulars	Year Ended 31st March 2022
Sale Consideration	1,866.94
Net asset transferred	1,302.85
Gain on Disposal	**564.09**
Less : Transaction cost	(12.80)
Less : Provision against Deferred Considerations	(11.14)
Net Gain on Disposal of Fertiliser Business (A)	**540.15**
Maintenance Charges to UPSIDC pertaining to Fertiliser Business (B)	(29.36)
Net Gain (A + B)	**510.79**

4.5 OPERATING SEGMENTS

4.5.1 Details of products included in each of the segments are as under:

Viscose	- Fibre and Yarn
Chemicals	- Chlor-Alkali, Speciality Chemicals and Chlorine Derivatives
Others	- This segment represents remaining businesses of the Company which are not part of the above segments, which mainly represents Textiles, Insulators, Paints, B2B e-Commerce.

Segment Measures:

The Chief Operating Decision Maker ("CODM") primarily uses Earnings Before Interest, Tax, Depreciation and Amortisation ("EBITDA") as performance measure to assess segment's performance and periodically receives information about the Segment's Revenue, Assets and Liabilities.

During the year, in line with the review process adopted by Chief Operating Decision Maker, the Company has changed its segment disclosure related to the segment's performance measure as per Ind AS 108 - Operating Segments. EBITDA is considered to be the revised measure of segment performance. However, assets pertaining to the segments are considered as part of the segment assets. The corresponding segment information of previous year have been restated accordingly.

Segment Profit and Loss:

Segment's performance is measured based on Segment EBITDA for all the Segments.

Segment Revenue:

For all the segments, the segment revenue is measured in the same way as measured in the Statement of Profit and Loss.

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Segment Assets:

Segment assets are allocated based on the operations of the segment. However, certain assets like 'Investments', 'Current Tax Assets' and 'Deferred Tax Assets', are not considered to be segment assets, since these are being monitored at corporate level, accordingly, forms part of corporate/unallocated assets.

Segment Liabilities:

Segment liabilities are allocated based on the operations of the segment. Certain liabilities identified below are not considered to be part of segment liabilities, since those liabilities are managed at corporate level, accordingly, forms part of corporate/unallocated liabilities:

Segment Liabilities exclusions: Current Tax Liabilities', 'Deferred Tax Liabilities' and 'Borrowings'

Information about Operating Segments for Current Year:

₹ in crore

	Viscose	Chemicals	Others	Eliminations	Total
REVENUE					
Sales (As reported)	15,126.76	8,773.43	2,939.52	–	26,839.71
Sales (Inter-segment)	21.82	1,648.25	–	(1,670.07)	–
Total Sales [Note 3.1(A)]	**15,148.58**	**10,421.68**	**2,939.52**	**(1,670.07)**	**26,839.71**
RESULTS					
Segment Results (EBITDA)	1,031.27	2,271.47	84.91	–	3,387.65
Unallocated Corporate Income/(Expenses)					810.58
Earnings Before Interest, Tax, Depreciation and Amortization					**4,198.23**
Finance Costs					(367.67)
Depreciation and Amortisation Expense					
- Allocated to Segments	(585.20)	(383.57)	(99.46)	–	(1,068.23)
- Unallocated					(29.06)
Depreciation and Amortisation Expense					**(1,097.29)**
Profit Before Exceptional Items and Tax					**2,733.27**
Exceptional Items	(88.03)	–	–	–	(88.03)
Profit Before Tax					**2,645.24**
Current Tax					**433.71**
Deferred Tax					87.80
Profit After Tax					**2,123.73**
OTHER INFORMATION					
Segment Assets	13,413.83	8,635.55	4,944.49	–	26,993.87
Unallocated Corporate Assets					35,183.24
Total Assets					**62,177.11**
Segment Liabilities	3,645.45	1,898.16	1,875.72	–	7,419.33
Unallocated Corporate Liabilities					7,802.85
Total Liabilities					**15,222.18**
Additions to Non-Current Assets	932.65	1,218.17	2,077.18	–	4,228.00
Unallocated Corporate Capital Expenditure					82.13
Total Addition to Non-Current Assets					**4,310.13**
Significant Non-Cash Expenses other than Depreciation and Amortisation	88.03	–	–	–	88.03

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2023

Information about Operating Segments for Previous Year:

₹ in crore

	Viscose	Chemicals	Others	Eliminations	Total
REVENUE					
Sales (As reported)	12,190.15	6,574.29	2,092.40	–	20,856.84
Sales (Inter-segment)	19.70	1,313.59	–	(1,333.29)	–
Total Sales [Note 3.1(A)]	**12,209.85**	**7,887.88**	**2,092.40**	**(1,333.29)**	**20,856.84**
RESULTS					
Segment Results (EBITDA)	1,721.20	1,533.90	141.59	–	3,396.69
Unallocated Corporate Income/(Expenses)					714.78
Earnings Before Interest, Tax, Depreciation and Amortization					**4,111.47**
Finance Costs					(247.24)
Depreciation and Amortisation Expense					
- Allocated to Segments	(474.93)	(330.22)	(94.90)	–	(900.05)
- Unallocated					(13.91)
Depreciation and Amortisation Expense					**(913.96)**
Profit Before Exceptional Items and Tax					**2,950.27**
Exceptional Items	(69.11)	–	–	–	(69.11)
Profit Before Tax					**2,881.16**
Current Tax					113.89
Deferred Tax					71.82
Profit After Tax from Continuing Operations					**2,695.45**
OTHER INFORMATION					
Segment Assets	12,873.84	7,704.95	2,590.21	–	23,169.00
Unallocated Corporate Assets					39,467.22
Total Assets					**62,636.22**
Segment Liabilities	4,171.19	1,890.40	1,161.90	–	7,223.49
Unallocated Corporate Liabilities					6,796.94
Total Liabilities					**14,020.43**
Additions to Non-Current Assets	1,184.28	700.78	614.14	–	2,499.20
Unallocated Corporate Capital Expenditure					10.88
Total Addition to Non-Current Assets					**2,510.08**
Significant Non-Cash Expenses other than Depreciation and Amortisation	69.11	–	–	–	69.11

4.5.2 Geographical Segments

The Company's operating facilities are located in India.

₹ in crore

Segment Revenue (Net Sales)	Current Year	Previous Year
India	23,291.00	17,290.09
Rest of the World	3,548.71	3,566.75
Total	**26,839.71**	**20,856.84**
Addition to Non-Current Assets		
India	4,310.13	2,510.08
Rest of the World	–	–
Total	**4,310.13**	**2,510.08**

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4.5.3 The carrying amount of non-current operating assets by location of assets:

₹ in crore

	As at 31st March 2023	As at 31st March 2022
Non- Current Assets		
India	19,985.45	16,806.26
Rest of the World	-	-
Total	**19,985.45**	**16,806.26**

4.6 RELATED PARTY DISCLOSURE

4.6.1 Parties where control exists

Parties	Relationship
ABNL Investment Limited	Wholly-owned Subsidiary
Aditya Birla Renewables Limited	Wholly-owned Subsidiary
Aditya Birla Solar Limited	Wholly-owned Subsidiary
Samruddhi Swastik Trading and Investments Limited	Wholly-owned Subsidiary
Grasim Business Services Private Limited- w.e.f. 4th January 2023	Wholly-owned Subsidiary
Sun God Trading and Investments Limited (merged with ABNL Investment Limited and subsidiary of ABNL Inv upto 29th June 2021)	Subsidiary's Subsidiary
Aditya Birla Renewables Utkal Limited	Subsidiary's Subsidiary
Aditya Birla Renewables SPV 1 Limited	Subsidiary's Subsidiary
Aditya Birla Renewables Subsidiary Limited	Subsidiary's Subsidiary
Aditya Birla Renewables Solar Limited	Subsidiary's Subsidiary
Aditya Birla Renewables Energy Limited	Subsidiary's Subsidiary
ABReL SPV 2 Limited	Subsidiary's Subsidiary
ABREL Solar Power Limited- w.e.f. 31st August 2021	Subsidiary's Subsidiary
Waacox Energy Private Limited- w.e.f. 5th July 2021	Subsidiary's Subsidiary
ABReL Renewables EPC Limited- w.e.f. 9th March 2022	Subsidiary's Subsidiary
ABReL Century Energy Limited- w.e.f. 10th March 2022	Subsidiary's Subsidiary
ABReL EPCCO Services Limited- w.e.f. 4th April 2022	Subsidiary's Subsidiary
ABREL EPC Limited- w.e.f. 13th June 2022	Subsidiary's Subsidiary
ABReL (Odisha) SPV Limited - w.e.f. 15th June 2022	Subsidiary's Subsidiary
ABRel (MP) Renewables Limited - w.e.f. 16th June 2022	Subsidiary's Subsidiary
ABRel Green Energy Limited - w.e.f. 22nd June 2022	Subsidiary's Subsidiary
ABReL (RJ) Projects Limited - w.e.f. 11th November 2022	Subsidiary's Subsidiary
UltraTech Cement Limited	Subsidiary
UltraTech Cement Lanka Private Limited	Subsidiary's Subsidiary
Harish Cement Limited	Subsidiary's Subsidiary
UltraTech Cement Middle East Investments Limited	Subsidiary's Subsidiary
Star Cement Co LLC, Dubai, UAE	Subsidiary's Subsidiary
Star Cement Co LLC, RAK, UAE	Subsidiary's Subsidiary
Al Nakhla Crusher, LLC, Fujairah, UAE	Subsidiary's Subsidiary
Arabian Cement Industry LLC, Abu Dhabi, UAE	Subsidiary's Subsidiary
UltraTech Cement Co W.L.L, Bahrain	Subsidiary's Subsidiary

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Parties	Relationship
PT UltraTech Mining, Indonesia-struck off w.e.f. 14th June 2022	Subsidiary's Subsidiary
PT UltraTech Investments Indonesia-struck off w.e.f. 14th June 2022	Subsidiary's Subsidiary
PT UltraTech Cement, Indonesia-struck off w.e.f. 14th June 2022	Subsidiary's Subsidiary
PT UltraTech Mining Sumatera-struck off w.e.f. 14th June 2022	Subsidiary's Subsidiary
Gotan Lime Stone Khanji Udyog Private Limited	Subsidiary's Subsidiary
Bhagwati Lime Stone Company Private Limited	Subsidiary's Subsidiary
UltraTech Nathdwara Cement Limited	Subsidiary's Subsidiary
Merit Plaza Limited	Subsidiary's Subsidiary
Swiss Merchandise Infrastructure Limited	Subsidiary's Subsidiary
Bhumi Resources PTE Ltd, Singapore	Subsidiary's Subsidiary
Murari Holdings Ltd, British Virgin Islands - struck off w.e.f. 30th September 2022	Subsidiary's Subsidiary
Star Super Cement Industry LLC, UAE	Subsidiary's Subsidiary
Duqm Cement project International, LLC, Oman - w.e.f. 29th January 2023	Subsidiary's Subsidiary
Binani Cement (Uganda) Limited	Subsidiary's Subsidiary
Binani Cement Tanzania Ltd, Tanzania	Subsidiary's Subsidiary
BC Tradelink Ltd., Tanzania	Subsidiary's Subsidiary
PT Anggana Energy resources, Indonesia	Subsidiary's Subsidiary
Krishna Holdings PTE Ltd, Singapore - upto 24th November 2022	Subsidiary's Subsidiary
Mukundan Holdings Ltd., BVI - struck off w.e.f. 27th April 2022	Subsidiary's Subsidiary
Aditya Birla Capital Limited	Subsidiary
Aditya Birla PE Advisors Private Limited	Subsidiary's Subsidiary
Aditya Birla Capital Technology Services Limited	Subsidiary's Subsidiary
Aditya Birla Trustee Company Private Limited	Subsidiary's Subsidiary
Aditya Birla Money Limited	Subsidiary's Subsidiary
Aditya Birla Financial Shared Services Limited	Subsidiary's Subsidiary
Aditya Birla Finance Limited	Subsidiary's Subsidiary
Aditya Birla Insurance Brokers Limited	Subsidiary's Subsidiary
Aditya Birla Housing Finance Limited	Subsidiary's Subsidiary
Aditya Birla Money Mart Limited	Subsidiary's Subsidiary
Aditya Birla Money Insurance Advisory Services Limited	Subsidiary's Subsidiary
Aditya Birla Sun Life Insurance Company Limited	Subsidiary's Subsidiary
Aditya Birla Sun Life Pension Management Limited	Subsidiary's Subsidiary
ABCAP Trustee Company Private Limited- Struck off w.e.f. 21st January 2023	Subsidiary's Subsidiary
Aditya Birla ARC Limited	Subsidiary's Subsidiary
Aditya Birla Stressed Asset AMC Private Limited	Subsidiary's Subsidiary
3B Binani Glassfibre Sarl (3B)- upto 31st March 2022	Subsidiary's Subsidiary
3B-Fibreglass Srl- upto 31st March 2022	Subsidiary's Subsidiary
3B-FibreGlass A/S, Norway- upto 31st March 2022	Subsidiary's Subsidiary
Tunfib Sarl- upto 31st March 2022	Subsidiary's Subsidiary
Goa Glass Fibre Ltd.- upto 31st March 2022	Subsidiary's Subsidiary
Aditya Birla Health Insurance Co. Limited- upto 20th October 2022	Subsidiary's Subsidiary
Aditya Birla Capital Digital Limited- w.e.f. 23rd March 2023	Subsidiary's Subsidiary

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4.6.2 Other Related Parties where transactions have taken place during the year:

Parties	Relationship
Aditya Birla Sunlife AMC Limited- w.e.f. 7th October 2021	Subsidiary's Associate
Aditya Birla Health Insurance Co. Limited- w.e.f. 21st October 2022	Subsidiary's Joint Ventures
Aditya Group AB, Sweden	Joint Venture
AV Group NB Inc, Canada	Joint Venture
AV Terrace Bay Inc, Canada	Joint Venture
Aditya Birla Power Composites Limited	Joint Venture
Birla Advanced Knits Private Limited- w.e.f. 14th July 2021	Joint Venture
Birla Jingwei Fibres Company Limited	Joint Venture
Renew Surya Uday Private Limited	Associate
Greenyana Sunstream Private Limited- w.e.f. 26th May 2022	Associate
Aditya Birla Science and Technology Company Private Limited	Associate
Dr. Santrupt Misra - Non-Executive Director	Key Management Personnel
Dr. Thomas M. Connelly, Jr. - Independent Director	Key Management Personnel
Shri Adesh Kumar Gupta- Independent Director- w.e.f. 24th May 2021	Key Management Personnel
Shri Cyril Shroff - Independent Director	Key Management Personnel
Shri N. Mohan Raj - Independent Director	Key Management Personnel
Shri Raj Kumar- Non-Executive Director- w.e.f. 12th November 2021	Key Management Personnel
Shri V. Chandrasekaran- Independent Director- w.e.f. 24th May 2021	Key Management Personnel
Shri Vipin Anand - Non-Executive Director- upto 14th October 2021	Key Management Personnel
Shri Arun Thiagarajan - Independent Director- upto 6th May 2021	Key Management Personnel
Smt. Anita Ramachandran - Independent Director	Key Management Personnel
Shri Ashish Adukia - CFO- upto 14th August 2022	Key Management Personnel
Shri Pavan Jain - CFO- w.e.f. 15th August 2022	Key Management Personnel
Smt. Rajashree Birla - Non-Executive Director	Key Management Personnel
Shri O.P. Rungta- Independent Director- upto 24th May 2021	Key Management Personnel
Shri Dilip Gaur - Managing Director- upto 30th November 2021	Key Management Personnel
Shri Kumar Mangalam Birla - Non-Executive Director	Key Management Personnel
Shri Shailendra K Jain - Non-Executive Director- upto 1st February 2023	Key Management Personnel
Shri Harikrishna Agrawal - Managing Director- w.e.f. 1st December 2021	Key Management Personnel
Ms. Ananyashree Birla - Non-Executive Director- w.e.f. 6th February 2023	Key Management Personnel
Shri Aryaman Vikram Birla - Non-Executive Director- w.e.f. 6th February 2023	Key Management Personnel
Shri Yazdi Piroj Dandiwala - Independent Director- w.e.f. 6th February 2023	Key Management Personnel
Century Rayon Employees Provident Fund Trust 1 & 2	Post-Employment Benefit Plan
Jayshree Provident Fund Institution	Post-Employment Benefit Plan
Grasim Industries Limited- Employees Gratuity Fund	Post-Employment Benefit Plan
Grasim Industries Limited-Employees Provident Fund	Post-Employment Benefit Plan
Grasim (Senior Executive & Officers) Superannuation Scheme	Post-Employment Benefit Plan
Birla Institute of Technology and Science Company	Other Related Parties in which Directors are interested
Aditya Birla Education Trust	Other Related Parties in which Directors are interested
Aditya Birla Management Corporation Private Limited*	Other Related Parties in which Directors are interested
Aditya Birla Health Services Private Limited	Other Related Parties in which Directors are interested
Birla Carbon India Private Limited	Other Related Parties in which Directors are interested
Birla Management Centre Services Private Limited- w.e.f. 3rd August 2022	Other Related Parties in which Directors are interested
Birla Group Holdings Private Limited	Other Related Parties in which Directors are interested
Birla Research Institute for Applied Sciences	Other Related Parties in which Directors are interested
Grasim Jana Kalyan Trust	Other Related Parties in which Directors are interested
Jayashree Charity (1962) Trust, Kolkata	Other Related Parties in which Directors are interested
Kalyan Charity Trust, Shahad	Other Related Parties in which Directors are interested
Cyril Amarchand Mangaldas & Co.	Other Related Parties in which Directors are interested
Shardul Amarchand Mangaldas & Co.	Other Related Parties in which Directors are interested
Aditya Birla New Age Private Limited	Other Related Parties in which Directors are interested

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Parties	Relationship
Mulla & Mulla & Craigie Blunt & Caroe- w.e.f. 6th February 2023	Other Related Parties in which Directors are interested
M/s. Shailendra K. Jain & Co. - upto 1st February 2023	Other Related Parties in which Directors are interested
Shri Devrat Jain- upto 1st February 2023	Relatives of KMP
Shri Suvrat Jain- upto 1st February 2023	Relatives of KMP

* The Company is a member of Aditya Birla Management Corporation Private Limited (ABMCPL), a company limited by guarantee formed for the purpose of its members to mutually avail and share common facilities, expertise and other support on an arm's length basis.

4.6.3 Disclosure of Related Party Transactions :

Terms and Conditions of Transactions with Related Parties

The transactions with related parties are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest-free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. The below transactions are as per approval of Audit Committee.

The Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

₹ in crore

A. Nature of Transactions	Year Ended 31st March 2023	Year Ended 31st March 2022
Revenue from Contracts with Customers:		
UltraTech Cement Limited	6.31	1.36
Birla Jingwei Fibres Company Limited	35.72	65.95
Aditya Birla Power Composites Limited	4.35	0.37
Birla Carbon India Private Limited	0.43	0.11
Aditya Birla Management Corporation Private Limited	1.91	0.52
Aditya Birla Renewables Limited	1.56	0.16
Aditya Birla Solar Limited	0.01	0.10
Aditya Birla Renewables SPV1 Limited	0.08	0.12
Aditya Birla Renewables Subsidiary Limited	0.02	0.05
Aditya Birla Renewables Energy Limited	0.03	0.03
Aditya Birla Renewables Utkal Limited	0.02	0.01
Aditya Birla Renewables Solar Limited	0.05	5.74
Waacox Energy Private Limited	0.03	0.11
Total	**50.52**	**74.63**
Interest and Other Income:		
UltraTech Cement Limited	0.17	0.17
Aditya Birla Sun Life AMC Limited	0.04	0.44
Aditya Birla Science and Technology Company Private Limited	1.07	0.75
Aditya Birla Solar Limited	0.01	0.66
ABRel Green Energy Limited	0.27	-
ABReL Solar Power Limited	0.43	-
Aditya Birla Renewables Limited	0.11	0.25
ABReL Century Energy Limited	0.22	-
ABReL SPV 2 Limited	5.25	-
Aditya Birla Management Corporation Private Limited	8.89	8.89
AV Terrace Bay Inc, Canada	0.14	0.31
Birla Carbon India Private Limited	0.05	0.25
Birla Advanced Knits Private Limited	0.05	0.02
Aditya Birla Power Composites Limited	3.30	3.04
Total	**20.00**	**14.78**

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₹ in crore

A. Nature of Transactions	Year Ended 31st March 2023	Year Ended 31st March 2022
Reimbursement /(Recovery) of expenses:		
Aditya Birla Power Composites Limited	(2.20)	(1.43)
Aditya Birla Science and Technology Company Private Limited	6.48	0.25
Aditya Birla Management Corporation Private Limited	1.14	7.75
UltraTech Cement Limited	0.57	(0.04)
Aditya Group AB, Sweden	0.20	-
Birla Jingwei Fibres Company Limited	-	(0.05)
Samruddhi Swastik Trading and Investments Limited	-	0.00
Birla Group Holdings Private Limited	0.18	-
Aditya Birla Sunlife AMC Limited	(0.01)	-
Birla Management Centre Services Private Limited	25.15	-
Aditya Birla Capital Limited	(0.04)	-
Aditya Birla Finance Limited	0.04	-
Aditya Birla Solar Limited	(0.02)	-
Aditya Birla Renewables Limited	0.57	-
Grasim Business Services Private Limited	(0.02)	-
ABNL Investment Limited	(0.58)	(2.31)
Total	**31.46**	**4.17**
Dividend Received:		
UltraTech Cement Limited	628.27	611.74
Dividend Paid:		
Birla Group Holdings Private Limited	125.00	112.50
Finance Cost:		
Aditya Birla Sun Life Insurance Company Limited	2.31	1.92
Purchases of Goods and Services		
UltraTech Cement Limited	14.59	9.38
AV Group NB Inc, Canada	906.58	799.99
Aditya Group AB, Sweden	857.11	586.00
Aditya Birla Power Composites Limited	0.09	-
Aditya Birla Science and Technology Company Private Limited	34.27	33.39
Aditya Birla Sun Life Insurance Company Limited	3.73	6.42
Aditya Birla Health Insurance Co. Limited	0.50	1.05
Aditya Birla Management Corporation Private Limited	208.86	151.37
Aditya Birla Sun Life Pension Management Limited	0.00	0.00
Aditya Birla Health Services Private Limited	-	0.98
Aditya Birla Capital Limited	-	0.05
Birla Jingwei Fibres Company Limited *	(0.18)	(0.01)
AV Terrace Bay Inc, Canada*	(0.04)	(0.02)
Aditya Birla Renewables Limited	12.87	13.37
Aditya Birla Renewables Energy Limited	6.97	-
Aditya Birla Renewables Solar Limited	3.18	-
ABNL Investments Limited	0.38	0.80
Samruddhi Swastik Trading and Investments Limited	-	0.04
Birla Group Holdings Private Limited	0.05	0.21
Birla Management Centre Services Private Limited	14.47	-
Greenyana Sunstream Private Limited	2.77	-
Mulla & Mulla & Craigie Blunt & Caroe	0.11	-
Birla Research Institute for Applied Sciences	0.00	0.93
Birla Institute of Technology and Science Company	0.01	0.03
Cyril Amarchand Mangaldas & Co.	0.09	1.17
Shardul Amarchand Mangaldas & Co.	0.02	0.09

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₹ in crore

A. Nature of Transactions	Year Ended 31st March 2023	Year Ended 31st March 2022
Mr. Suvrat Jain	0.10	0.12
Mr. Devrat Jain	0.00	0.02
Shri Shailendra Jain	-	0.00
M/s. Shailendra K. Jain & Co.	-	0.00
Jayashree Charity (1962) Trust, Kolkata	0.18	0.14
Kalyan Charity Trust, Shahad	0.12	0.11
Grasim Jana Kalyan Trust	-	0.10
Aditya Birla New Age Private Limited	0.07	-
Renew Surya Uday Private Limited	20.67	3.14
Total	**2,087.58**	**1,608.86**
*Recovery of IT expenses		
Contribution for CSR:		
Aditya Birla Education Trust#	10.00	8.00
# In Current year out-off ₹ 10 crore, ₹ 5.50 crore were spent and ₹ 4.50 crore were unspent and it has been subsequently transferred to separate Bank account.		
Payments to Key Management Personnel		
Managerial Remuneration Paid *	17.82	21.48
Commission to Non Executive Directors (KMPs)	3.70	4.00
Sitting fees to Directors	0.50	0.44
Dividend to Directors	1.29	1.66
* Based on the recommendation of the Nomination, Remuneration and Compensation Committee, all decisions relating to the remuneration of the Directors are taken by the Board of Directors of the Company, in accordance with shareholders' approval, wherever necessary.		
Compensation of Key Management Personnel of the Company*		
Short-term Employee benefits	14.01	15.79
Post-Retirement benefits	2.16	2.74
Share-Based Payments	1.65	2.95
Total	**17.82**	**21.48**
* Expenses towards gratuity and leave encashment provisions are determined by actuary on an overall Company basis at the end of each year and, accordingly have not been considered in the above information.		
Loans Provided:		
ABReL SPV 2 Limited	79.92	-
ABReL Century Energy Limited	26.00	-
ABReL Solar Power Limited	38.89	-
ABRel Green Energy Limited	25.00	-
Birla Advanced Knits Private Limited	5.00	5.00
Total	**174.81**	**5.00**
Repayments against Loans Provided:		
Birla Advanced Knits Private Limited	5.00	5.00
Aditya Birla Renewables Limited	3.00	2.00
Aditya Birla Solar Limited	3.00	6.00
ABReL Century Energy Limited	26.00	-
ABRel Green Energy Limited	25.00	-
ABReL Solar Power Limited	38.89	-
Aditya Birla Science and Technology Company Private Limited	3.30	2.21
Total	**104.19**	**15.21**
Deposits Given/ (Refunded):		
Samruddhi Swastik Trading and Investments Limited	-	(0.22)
Aditya Birla Sunlife AMC Limited	(0.71)	-
Total	**(0.71)**	**(0.22)**
Purchase of Non-Convertible Debentures:		
Aditya Birla Sun Life Insurance Company Limited	-	20.00

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₹ in crore

A. Nature of Transactions	Year Ended 31st March 2023	Year Ended 31st March 2022
Investments/(Sale) in Equity Shares:		
Renew Surya Uday Private Limited	–	15.31
Aditya Birla Renewables Limited	374.80	58.20
ABReL Solar Power Limited	40.88	–
Greenyana Sunstream Private Limited	4.18	–
Renew Surya Uday Private Limited	14.51	–
Grasim Business Services Private Limited	0.10	–
ABReL Solar Power Limited	–	5.03
Birla Advanced Knits Private Limited	10.00	15.00
Aditya Birla Power Composites Limited	–	5.18
Total	**444.47**	**98.72**
Purchases/(Sales) of Property, Plant and Equipment/Intangible Assets:		
UltraTech Cement Limited	15.88	6.18
Birla Research Institute for Applied Sciences	–	0.03
Total	**15.88**	**6.21**
Contribution to Post Retirement Funds:		
Grasim Industries Limited Employees' Provident Fund	19.92	16.71
Jayshree Provident Fund Institution	6.03	4.38
Indo Gulf Fertilizer Limited Employee Provident Fund Trust	–	1.08
Century Rayon Employees Provident Fund Trust 1 & 2	10.01	8.87
Grasim (Senior Executive & Officers) Superannuation Scheme	1.11	1.09
Grasim Industries Limited Employees Gratuity Fund	42.64	54.35
Total	**79.71**	**86.48**

₹ in crore

B. Outstanding Balances	As at 31st March 2023	As at 31st March 2022
Other Non-current Liabilities (Financial and non-financial):		
UltraTech Cement Limited	0.06	0.05
Total	**0.06**	**0.05**
Trade Payables:		
Aditya Birla Renewables Energy Limited	1.76	–
Aditya Birla Renewables Solar Limited	0.86	–
Greenyana Sunstream Private Limited	0.16	–
Jayashree Charity (1962) Trust, Kolkata	0.02	–
Aditya Birla Science and Technology Company Private Limited	–	0.44
Aditya Group AB, Sweden	6.91	32.81
AV Group NB Inc, Canada	57.16	63.73
Birla Management Centre Services Private Limited	0.60	–
Renew Surya Uday Private Limited	2.76	3.14
UltraTech Cement Limited	1.36	0.76
Aditya Birla Renewables Limited	0.59	0.03
Aditya Birla Health Insurance Co. Limited	–	0.02
Total	**72.18**	**100.93**
Other Current Liabilities (Financial and Non-financial):		
Aditya Birla Management Corporation Private Limited	28.28	23.31
Aditya Birla Renewables Subsidiary Limited	0.01	–
Aditya Birla Solar Limited	0.01	–
Aditya Birla Sun Life Insurance Company Limited	2.03	–

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₹ in crore

B. Outstanding Balances	As at 31st March 2023	As at 31st March 2022
Aditya Birla Sun Life Pension Management Limited	0.13	0.03
Aditya Group AB, Sweden	0.02	–
Century Rayon Employees Provident Fund Trust 1 & 2	3.13	2.99
Mulla & Mulla & Craigie Blunt & Caroe	0.03	–
Jayshree Provident Fund Institution	2.13	1.98
UltraTech Cement Limited	0.59	0.30
Aditya Birla Finance Limited	0.04	–
Aditya Birla Sun Life AMC Limited	–	0.72
Total	**36.40**	**29.33**
Trade Receivables:		
Aditya Birla Management Corporation Private Limited	0.00	0.02
Aditya Birla Power Composites Limited	3.05	1.94
Aditya Birla Renewables Energy Limited	0.07	0.01
Aditya Birla Renewables Limited	1.83	0.06
Aditya Birla Renewables Solar Limited	0.19	1.90
Aditya Birla Renewables SPV1 Limited	0.15	0.07
Aditya Birla Renewables Subsidiary Limited	0.04	0.02
Aditya Birla Renewables Utkal Limited	0.00	0.01
Aditya Birla Solar Limited	0.00	0.02
Birla Carbon India Private Limited	0.00	–
Birla Jingwei Fibres Company Limited	5.67	5.25
UltraTech Cement Limited	0.38	0.07
Waacox Energy Private Limited	0.06	0.01
Total	**11.44**	**9.38**
Investments in Equity Shares (Note 2.4):		
Subsidiaries	21,471.25	21,055.47
Joint Ventures	783.43	773.43
Associates	45.35	26.66
Total	**22,300.03**	**21,855.56**
Investments in Preference Shares (Note 2.5):		
Joint Ventures	85.56	84.16
Non-Current Financial Assets - Deposits:		
Birla Group Holdings Private Limited	7.37	7.37
Aditya Birla Management Corporation Private Limited	28.53	28.53
Total	**35.90**	**35.90**
Non-Convertible Debentures Issued :		
Aditya Birla Sun Life Insurance Company Limited	30.00	30.00
Current and Non-Current Financial Assets- Loans:		
Aditya Birla Science and Technology Company Private Limited	12.83	16.13
ABReL SPV 2 Limited	79.92	–
Aditya Birla Solar Limited	–	3.00
Aditya Birla Renewables Limited	–	3.00
Total	**92.75**	**22.13**
Other Current Assets (Financial and Non-financial):		
Aditya Birla Health Insurance Co. Limited	0.22	0.31
Aditya Birla Management Corporation Private Limited	0.70	0.03
Aditya Birla Power Composites Limited	5.29	–

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₹ in crore

B. Outstanding Balances	As at 31st March 2023	As at 31st March 2022
ABReL SPV 2 Limited	5.25	-
Aditya Birla Renewables Energy Limited	0.40	-
Aditya Birla Renewables Solar Limited	0.00	-
Aditya Birla Science and Technology Company Private Limited	0.27	-
Aditya Birla Sun Life Insurance Company Limited	1.63	1.42
AV Group NB Inc, Canada	0.01	-
AV Terrace Bay Inc, Canada	0.01	-
Birla Management Centre Services Private Limited	0.27	-
UltraTech Cement Limited	0.25	0.19
Aditya Birla Capital Limited	-	0.05
Aditya Birla Renewables Limited	0.00	0.12
Grasim Business Services Private Limited	0.02	-
Aditya Birla Solar Limited	0.00	0.15
Aditya Birla Sun Life Pension Management Limited	-	0.05
Birla Carbon India Private Limited	-	0.00
Total	**14.32**	**2.32**

4.7. RETIREMENT BENEFITS:

4.7.1 Defined Benefit Plans as per Actuarial Valuation:

Gratuity (funded by the Company):

The Company operates a Gratuity plan through a trust for its all employees. The Gratuity plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of service, whichever is earlier, of an amount equivalent to 15 to 30 days' salary for each completed year of service as per rules framed in this regard. Vesting occurs upon completion of five continuous years of service in accordance with Indian law. In case of majority of employees, the Company's scheme is more favourable as compared to the obligation under payment of Gratuity Act, 1972.

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method as prescribed by the Ind AS-19 - 'Employee Benefits', which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up final obligation.

Inherent Risk:

The plan is defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, this exposes the Company to actuarial risk such as adverse salary growth, changes in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to any longevity risk.

Pension:

The Company provides pension to few retired employees as approved by the Board of Directors of the Company.

Inherent Risk:

The plan is of a defined benefit in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, there is a risk for the Company that any adverse increase in salary increases for serving employees/pension increase for pensioners or adverse demographic experience can result in an increase in cost of providing these benefits to employees in future. In this case the pension is paid directly by the Company (instead of pension being bought out from an insurance company) during the lifetime of the pensioners/beneficiaries and hence the plan carries the longevity risks.

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4.7.1.1. Gratuity and Pension:

₹ in crore

		Gratuity (Funded)		Pension	
		Current Year	Previous Year	Current Year	Previous Year
(i)	**Reconciliation of Present Value of the Obligation:**				
	Opening Defined Benefit Obligation	627.63	646.71	29.55	32.90
	Adjustments of:				
	Current Service Cost	47.18	46.83	-	4.65
	Interest Cost	42.00	41.36	1.98	2.07
	Actuarial Loss/(Gain)	(10.07)	(4.88)	1.87	(2.12)
	Benefits Paid	(43.18)	(54.35)	(4.71)	(7.95)
	Liability related to Discontinued operations		(48.04)	-	-
	Closing Defined Benefit Obligation	**663.56**	**627.63**	**28.69**	**29.55**
(ii)	**Reconciliation of Fair Value of the Plan Assets:**				
	Opening Fair Value of the Plan Assets	707.78	698.62	-	-
	Adjustments of:				
	Return on Plan Assets	47.39	44.68	-	-
	Actuarial Gain/(Loss)	(9.78)	12.52	-	-
	Contributions by the Employer	42.64	54.35	4.71	7.95
	Benefits Paid	(43.18)	(54.35)	(4.71)	(7.95)
	Liability related to Discontinued operations		(48.04)		
	Closing Fair Value of the Plan Assets	**744.85**	**707.78**	**-**	**-**
(iii)	**Net Liabilities/(Assets) recognised in the Balance Sheet:**				
	Present Value of the Defined Benefit Obligation at the end of the year	663.56	627.63	28.69	29.55
	Fair Value of the Plan Assets	744.85	707.78	-	-
	Net Liabilities/(Assets) recognised in the Balance Sheet	**(81.29)**	**(80.15)**	**28.69**	**29.55**
(iv)	**Amount recognised in Salary and Wages under Employee Benefits Expense in the Statement of Profit and Loss:**				
	Current Service Cost	47.18	46.83	-	4.65
	Past Service Cost	-	-	-	-
	Interest on Defined Benefit Obligations (Net)	(5.37)	(3.32)	1.98	2.07
	Net Cost	41.81	43.51	1.98	6.72
	Capitalised as Pre-Operative Expenses in respect of Projects and other Adjustments	(0.20)	(1.20)	-	-
	Net Charge to the Statement of Profit and Loss*	41.61	42.31	1.98	6.72
	* Charge towards Discontinued operations included in above number	-	2.01	-	-
(v)	**Amount recognised in Other Comprehensive Income (OCI) for the Year:**				
	Changes in Financial Assumptions	(9.91)	(12.79)	(0.72)	(0.43)
	Changes in Demographic Assumptions	-	-	-	-
	Experience Adjustments	(0.16)	7.91	2.59	(1.69)
	Actual return on Plan Assets less Interest on Plan Assets	9.78	(12.52)	-	-
	Recognised in OCI for the year	(0.29)	(17.40)	1.87	(2.12)
(vi)	**Maturity profile of Defined Benefit Obligation:**				
	Within next 12 months (next annual reporting period)	65.90	60.41	6.27	6.79
	Between 1 and 5 years	208.80	180.68	18.44	20.94
	Between 6 and 9 years	265.74	238.16	10.81	13.84
	10 years and above	999.50	894.11	7.23	9.85

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₹ in crore

	Gratuity (Funded)		Pension	
	Current Year	Previous Year	Current Year	Previous Year
(vii) Quantitative sensitivity analysis for significant assumptions:				
Increase/(decrease) on present value of defined benefit obligation at the end of the year				
50 bps increase in discount rate	(29.26)	(28.43)	(0.62)	(0.70)
50 bps decrease in discount rate	31.59	30.73	0.65	0.73
50 bps increase in salary escalation rate	31.19	28.87	–	–
50 bps decrease in salary escalation rate	(27.02)	(26.99)	–	–
Increase in Life Expectancy by one year	–	–	0.84	0.98
Decrease in Life Expectancy by one year	–	–	(0.74)	(0.86)
(viii) The major categories of Plan Assets as a % of total plan:				
Government of India Securities	6.93%	10.78%	N.A.	N.A.
Corporate Bonds	0.64%	0.66%	N.A.	N.A.
Insurer Managed Fund	92.31%	88.37%	N.A.	N.A.
Others	0.12%	0.19%	N.A.	N.A.
Total	**100.00%**	**100.00%**	**N.A.**	**N.A.**
(ix) Principal Actuarial Assumptions:				
Discount Rate	7.25%	6.70%	7.25%	6.70%
Salary Escalation rate	8.00%	6.00%-8.00%	–	–
Mortality Tables	Indian Assured Lives Mortality (2012-14) Ult.	Indian Assured Lives Mortality (2012-14) Ult.	S1PA annuity rates adjusted suitably	S1PA annuity rates adjusted suitably
Retirement Age:				
Management	60 Yrs.	60 Yrs.		
Non-Management	58 Yrs.	58 Yrs.		
(x) Weighted Average Duration of Defined Benefit obligation:	10 Yrs.	10 Yrs.	4 Yrs.	5 Yrs.

(xi) There are no amounts included in the Fair Value of Plan Assets for:

a) Company's own financial instrument

b) Property occupied by or other assets used by the Company

(xii) Basis used to determine Discount Rate:

Discount rate is based on the prevailing market yields of Indian Government securities as at the balance sheet date, applicable to the period over which the obligation is to be settled.

(xiii) Asset Liability matching Strategy:

The money contributed by the Company to the fund to finance the liabilities of the plan has to be invested.

The trustees of the plan are required to invest the funds as per the prescribed pattern of investments laid out in the income tax rules for such approved schemes. Due to the restrictions in the type of investments that can be held by the fund, it is not possible to explicitly follow an asset-liability matching strategy to manage risk actively.

There is no compulsion on the part of the Company to fully pre fund the liability of the Plan. The Company's philosophy is to fund the benefits based on its own liquidity and tax position as well as level of under funding of the plan.

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(xiv) Salary Escalation Rate:

The estimates of future salary increases are considered taking into account inflation, seniority, promotion, increments and other relevant factors.

(xv) Sensitivity Analysis:

Sensitivity Analysis have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market condition at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analysis.

(xvi) The best estimate of the expected Contribution for the next year amounts to Nil (Previous Year Nil).

4.7.1.2 Compensated Absences:

The obligation for compensated absences is recognised in the same manner as gratuity, amounting to charge of ₹ 51.58 crore (Previous Year: ₹ 33.59 crore) which includes compensated absences of discontinued operations was Nil crore (previous year: ₹ 2.61 crore).

4.7.1.3 The details of the Company's Defined Benefit Plans in respect of the Company managed Provident Fund Trust:

Contribution to the recognised provident fund are substantially defined contribution plan. The Company is liable for any shortfall in the fund assets based on the Government specified rate of return. Such shortfall, if any, is recognised in the Statement of Profit and Loss as an expense in the year of incurring the same. The Company does not expect any shortfall.

Amount recognised as expense and included in the Note 3.6 as "Contribution- Company owned Provident Fund" is ₹ 34.36 crore (Previous Year ₹ 30.03 crore) and Amount recognized as preoperative expense and included in note 2.1.5 as "Contribution- Company owned Provident Fund" is ₹ 1.60 crore (Previous Year ₹ 1.02 crore).

₹ in crore

Particulars	Provident Fund (Funded)	
	Current Year	Previous Year
(i) Reconciliation of Present Value of the Obligation:		
Opening Defined Benefit Obligation	1,303.63	1,311.87
Adjustments of:		
Current Service Cost	37.70	31.05
Interest Cost	88.03	77.72
Actuarial Loss/(Gain)	15.11	15.02
Contributions by the Employees	78.50	76.15
Benefits Paid	(66.20)	(85.13)
Liabilities assumed /(settled)	(29.47)	(1.98)
Liability transferred related to Discontinued operations	–	(121.07)
Closing Defined Benefit Obligation	**1,427.30**	**1,303.63**

Notes

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₹ in crore

Particulars		Provident Fund (Funded)	
		Current Year	Previous Year
(ii)	**Reconciliation of Fair Value of the Plan Assets:**		
	Opening Fair Value of the Plan Assets	1,321.97	1,333.66
	Adjustments of:		
	Expected Return on Plan Assets	88.03	77.72
	Actuarial Gain/(Loss)	17.13	26.80
	Contributions by the Employer	35.96	31.05
	Contributions by the Employee	78.50	76.15
	Benefits Paid	(66.20)	(85.13)
	Assets transferred related to Discontinued operations	-	(129.58)
	Assets acquired/(settled)	(30.56)	(8.70)
	Closing Fair Value of the Plan Assets	**1,444.83**	**1,321.97**
(iii)	**Net Liabilities/(Assets) recognised in the Balance Sheet:**		
	Present Value of the Defined Benefit Obligation at the end of the period	1,427.30	1,303.63
	Fair Value of the Plan Assets	1,444.83	1,321.97
	Surplus Available over Defined Benefit Obligation	**(17.53)**	**(18.34)**
(iv)	**Amount recognised in Salary and Wages under Employee Benefits Expense in the Statement of Profit and Loss:**		
	Current Service Cost	37.70	31.05
	Interest on Defined Benefit Obligations (Net)	88.03	77.72
	Net Cost	125.73	108.77
	Expected return on plan assets	88.03	77.72
	Net Charge to the Statement of Profit and Loss	**37.70**	**31.05**
(v)	**Actual return on plan assets:**		
	Expected return on plan assets	88.03	77.72
	Actuarial gain on plan assets	17.13	26.80
	Actual return on plan assets	**105.16**	**104.52**
(vi)	**Asset information:**		
	Government Securities	632.37	573.81
	Private Sector Bonds	642.93	615.31
	Equity/insurer managed funds/mutual funds	99.92	79.11
	Others	69.61	53.74
	Total assets at the end of the year	**1,444.83**	**1,321.97**
(vii)	**Principal actuarial assumptions used:**		
	Discounted rate (per annum)	7.25%	6.70%
	Expected rate of return on plan assets (per annum)	7.23%-7.73%	7.33%-7.93%
	Average Historic Yield on Investment Portfolio	7.76%- 8.29%	7.98%- 8.42%
	Guaranteed Interest Rate	8.15%	8.10%

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4.7.2 Defined Contribution Plans:

₹ in crore

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Amount recognized as an expense and included in note 3.6 as " Contribution to Provident and Other Funds"	71.26	67.18
Amount recognized as pre-operative expense and included in note 2.1.5 as "Contribution to Provident and Other Funds"	0.02	1.46
Total Contribution to Provident and Other Funds	**71.28**	**68.64**

Note: Contribution to Provident and Other Funds of Discontinued operations were Nil for 31st March2023 and ₹ 4.02 crore for 31st March 2022.

4.8 ADDITIONAL INFORMATION

4.8.1 Information relating to Micro and Small Enterprises, as per the Micro, Small and Medium Enterprises Development Act, 2006:

₹ in crore

Particulars		Year Ended 31st March 2023	Year Ended 31st March 2022
(a)	the principal amount overdue and the interest thereon ₹ 1.61 crore (Previous Year ₹ 0.95 crore) remaining unpaid to any supplier at the end of each accounting year;	7.76	5.34
(b)	the amount of interest paid by the buyer in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	0.04	0.01
(c)	the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Development Act, 2006;	8.67	5.22
(d)	the amount of interest accrued and remaining unpaid at the end of each accounting year; and	1.02	1.48
(e)	the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under Section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

4.8.2 Government Grant (Ind AS 20)

As at 31st March 2023, the Company has outstanding interest-free loans of ₹ 43.79 crore (Contractual Value ₹ 53.09 crore) from a State Government, repayable in full in next one to five years. Company has done the initial recognition of loan at fair value Using prevailing market interest rate for an equivalent loan. As at 31st March 2023, the difference of ₹ 9.30 crore between contractual Value and fair value of loan is the government grant which will be recognised in the Statement of Profit and Loss over the remaining period of loan.

4.8.3 Corporate Social Responsibility

The Company has spent ₹ 54.19 crore on Corporate Social Responsibility Projects/initiatives during the year (Previous Year ₹ 42.47 crore) which are included in different heads of expenses in the Statement of Profit and Loss.

The amount required to be spent under Section 135 of the Companies Act, 2013 for the year ended 31st March 2023 is ₹ 29.95 crore (Previous Year ₹ 35.97 crore) i.e. 2% of average net profits for last three financial years, calculated as per Section 198 of the Companies Act, 2013.

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₹ in crore

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Amount required to be spent by the company during the year,	29.95	35.97
Amount of expenditure incurred *	54.19	42.47
Amount spent on construction/ acquisition of asset	–	–
Balance carried forward	–	–
Shortfall at the end of the year	–	–
Total of previous years shortfall	**–**	**–**

*Amount does not includes CSR of ₹ 4.50 crore which remains unspent and it has been transferred to separate bank account in April 2023.

Reason for shortfall : Not applicable

Nature of CSR activities :

Education, Health Care, Sustainable Livelihoods, Infrastructure Development, Social Empowerment, Rural Development & COVID related CSR.

Details of related party transactions: Aditya Birla Education Trust of ₹ 10 crore (out of which ₹ 4.5 crore remains unspent CSR)

4.8.4 Distribution made and proposed (Ind AS 1):

₹ in crore

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Cash dividend declared and paid on equity shares :		
Final dividend for the year ended on 31st March 2022: ₹ 5 per share and ₹ 5 per share Special Dividend of face value of ₹ 2 each (31st March 2021: ₹ 5 per share and ₹ 4 per share Special Dividend of face value of ₹ 2 each)	658.32	592.26
Proposed dividend on Equity shares:		
Final dividend for the Year ended on 31st March 2023:₹ 10 per share of face value of ₹ 2 each (31st March 2022: ₹ 5 per share and ₹ 5 per share Special Dividend of face value of ₹ 2 each)	658.46	658.32

4.9 SHARE BASED PAYMENTS

4.9.1 2,036,941 Equity Shares of Face Value of ₹ 2 each (Previous Year 1,696,470 Equity Shares of Face Value of ₹ 2 each) are reserved for issue under Employee Stock Option Scheme-2006 (ESOS-2006)

Employee Stock Option Scheme, 2013 (ESOS-2013) and Employee Stock Option Scheme, 2018 (ESOS-2018).

a. Under the ESOS-2006, the Company has granted 56,005 Options to its eligible employees, the details of which are given hereunder:

Particulars	Options
	Tranche V
No. of Options Granted	56,005
Grant Date	18-Oct-2013
Grant Price (₹ Per Share)#	532
Market Price on the Date of Grant (₹)	543
Fair Value on the Date of Grant of Option (₹ Per Share)	197
Method of Settlement	Equity
Method of Accounting	Intrinsic value for options vested before 1st April 2015, and Fair value for options vested after 1st April 2015
Graded Vesting Plan	25% every year, commencing after one year from the date of grant
Normal Exercise Period	5 years from the date of vesting

The Grant Price in respect of Tranche V has been revised in the earlier Financial Year post-demerger of Financial Service business of Grasim to ABCL, resulted in reduction of ₹ 14 per share from the earlier Exercise Price, i.e. Face value of ABCL's share X 1.4 (share entitlement ratio).

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b. Under the ESOS-2013, the Company has granted 964,960 Options and Restricted Stock Units (RSUs) to the eligible employees of the Company and its subsidiary, the details of which are given hereunder:

Particulars	Options			RSU's				
	Tranche I	**Tranche III**	**Tranche IV**	**Tranche I**	**Tranche II**	**Tranche III**	**Tranche IV**	**Tranche V**
No. of Options / RSU Granted	627,015	121,750	30,440	93,495	40,420	31,010	16,665	4,165
Grant Date	18-Oct-2013	15-Jan-2016	02-Apr-2016	18-Oct-2013	21-Nov-2013	29-Jan-2014	15-Jan-2016	02-Apr-2016
Grant Price (₹ Per Share)#	529	686	757	2	2	2	2	2
Market Price on the Date of Grant (₹)#	529	686	757	529	522	686	757	757
Fair value on the date of Grant of option (₹ per share)	199	274	291	520	498	495	687	750
Method of Settlement	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity
Method of Accounting	Intrinsic value for options vested before 1st April 2015 and Fair value for options vested after 1st April 2015			Fair Value	Fair Value	Fair Value	Fair Value	Fair Value
Graded Vesting Plan	25% every year, commencing after one year from the date of grant			Bullet vesting at the end of three years from the date of grant				
Normal Exercise Period	5 years from the date of vesting			5 years from the date of vesting				

The Grant Price and Market Price in respect of Tranches I, III and IV has been revised in the previous Financial Year post- demerger of Financial Service business of Grasim to ABCL, resulting in reduction of ₹ 14 per share from the earlier Exercise Price i.e. Face value of ABCL's share X 1.4 (share entitlement ratio).

c. Under the ESOS-2018, the Company has granted 3,088,085 Options and Restricted Stock Units (RSUs) to the eligible employees of the Company, the details of which are given hereunder:

Particulars	Options										
	Tranche I	**Tranche II**	**Tranche III**	**Tranche IV**	**Tranche V**	**Tranche VI**	**Tranche VII**	**Tranche VIII**	**Tranche IX**	**Tranche X**	**Tranche XI**
No. of Options / RSU Granted	1,077,312	26,456	53,480	254,141	68,784	296,220	41,361	65,025	9,357	371,520	196,308
Grant Date	17-Dec-2018	24-Dec-2019	13-Mar-2020	12-Feb-2021	12-Feb-2021	13-Aug-2021	01-Sep-2021	12-Nov-2021	24-May-2022	12-Aug-2022	14-Nov-2022
Grant Price (₹ Per Share)	847.20	742.35	559.85	1,235.45	1,235.45	1,492.30	1,500.40	1,844.35	1,457.40	1,600.05	1,708.45
Market Price on the Date of Grant (₹)#	847.20	742.35	559.85	1,235.45	1,235.45	1,492.30	1,500.40	1,844.35	1,457.40	1,600.05	1,708.45
Fair value on the date of Grant of option (₹ per share)	422.53	347.48	266.70	524.74	596.77	618.78	624.41	763.33	647.01	747.44	800.97
Method of Settlement	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity
Method of Accounting	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value
Graded Vesting Plan	25% every year, commencing after one year from the date of grant			Bullet vesting at the end of one years from the date of grant	25% every year, commencing after one year from the date of grant	33% every year, commencing after one year from the date of grant					
Normal Exercise Period	5 years from the date of vesting										

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Particulars	RSUs											
	Tranche I	Tranche II	Tranche III	Tranche IV	Tranche V	Tranche VI	Tranche VII	Tranche VIII	Tranche IX	Tranche X	Tranche XI	Tranche XII
No. of Options / RSU Granted	206,320	66,179	5,066	28,393	13,172	36,243	54,674	5,007	8,344	9,500	13,030	1,134
Grant Date	17-Dec-2018	27-Mar-2019	24-Dec-2019	13-Mar-2020	12-Feb-2021	13-Aug-2021	13-Aug-2021	01-Sep-2021	01-Sep-2021	12-Nov-2021	12-Nov-2021	24-May-2022
Grant Price (₹ Per Share)	2	2	2	2	2	2	2	2	2	2	2	2
Market Price on the Date of Grant (₹)#	847.20	836.70	742.35	559.85	1,235.45	1,492.30	1,492.30	1,500.40	1,500.40	1,844.35	1,844.35	1,457.40
Fair value on the date of Grant of option (₹ per share)	832.64	822.29	726.19	547.29	1,210.08	1,451.10	1,457.59	1,458.98	1,478.63	1,793.79	1,817.99	1,417.18
Method of Settlement	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity
Method of Accounting	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value
Graded Vesting Plan	Bullet vesting at the end of three years from the date of grant						Graded 50% vesting each year over two years from the date of grant	Bullet vesting at the end of three years from the date of grant	Graded 50% vesting each year over two years from the date of grant	Bullet vesting at the end of three years from the date of grant	Graded 50% vesting each year over two years from the date of grant	Bullet vesting at the end of three years from the date of grant
Normal Exercise Period	5 years from the date of vesting											

Particulars	RSUs	
	Tranche XIII	Tranche XIV
No. of Options / RSU Granted	143,764	37,295
Grant Date	12-Aug-2022	14-Nov-2022
Grant Price (₹ Per Share)	2	2
Market Price on the Date of Grant (₹)#	1,600.05	1,708.45
Fair value on the date of Grant of option (₹ per share)	1,572.04	1,678.65
Method of Settlement	Equity	Equity
Method of Accounting	Fair Value	Fair Value
Graded Vesting Plan	Bullet vesting at the end of three years from the date of grant	
Normal Exercise Period	5 years from the date of vesting	

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4.9.2 Under the Employee Stock Options Scheme – 2018 (ESOS-2018), the Company has granted 155,492 SAR.

The details are as under:

Particulars	SAR's (Linked with the Company's market price)								SAR's (Linked with Aditya Birla Capital Limited's market price)
	Tranche - I Options	Tranche - III Options	Tranche - V Options	Tranche - I RSU	Tranche - II RSU	Tranche - IV RSU	Tranche - V RSU	Tranche - VI RSU	Tranche - IV Options
Number of SAR's	82,144	23,815	4,206	20,657	1,116	504	1,006	2,939	13,065
Method of Accounting	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value
Vesting Plan	Graded Vesting - 25% every year	Bullet Vesting -1 Year from the date of Grant	Bullet Vesting-end of 3 year from grant date	Bullet Vesting-end of 3 year from grant date	Bullet Vesting-end of 3 year from grant date	Bullet Vesting-end of 3 year from grant date	Bullet Vesting-end of 3 year from grant date	Bullet Vesting-end of 3 year from grant date	Bullet Vesting -1 Year from the date of Grant
Exercise Period	3 Years from the date of Vesting or 6 years from the date of grant whichever is earlier	3 Years from the date of Vesting	3 Years from the date of Vesting or 6 years from the date of grant whichever is earlier	3 Years from the date of Vesting or 6 years from the date of grant whichever is earlier	3 Years from the date of Vesting or 6 years from the date of grant whichever is earlier	3 Years from the date of Vesting or 6 years from the date of grant whichever is earlier	3 Years from the date of Vesting or 6 years from the date of grant whichever is earlier	3 Years from the date of Vesting	3 Years from the date of Vesting
Grant Date	17-Dec-2018	12-Feb-2021	17-Dec-2018	17-Dec-2018	27-Mar-2019	27-Mar-2019	27-Mar-2019	24-May-2022	12-Feb-2021
Grant Price (₹ Per Share)	847.2	1,235.45	1,492.30	2	2	2	2	2	10

4.9.3 Movement of Options and RSUs Granted along with Weighted Average Exercise Price (WAEP)

4.9.3.1 For options referred to in 4.9.1 (a) (b) & (c)

Particulars	Number of Options and RSUs			
	Current Year		Previous Year	
	Nos.	WAEP (₹)	Nos.	WAEP (₹)
Outstanding at the beginning of the year	1,696,470	872	1,712,882	684
Granted during the year	759,378	1,243	529,404	1,179
Exercised during the year	309,869	576	391,232	435
Lapsed during the year	109,038	991	154,584	940
Outstanding at the end of the year	2,036,941	1,049	1,696,470	872
Options: Unvested at the end of the year	1,092,397	1,202	831,569	1,011
Exercisable at the end of the year	944,544	873	864,901	739

The weighted average share price at the date of exercise for options was ₹ 1,564.09 per share (31st March 2022 ₹ 1,598.94 per share) and weighted average remaining contractual life for the share options outstanding as at 31st March 2023 was 2.17 years (31st March 2022 : 2.35 years).

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4.9.3.2 For options referred to in 4.9.2

Particulars	Number of SAR's			
	Current Year		Previous Year	
	Nos.	WAEP (₹)	Nos.	WAEP (₹)
Outstanding at the beginning of the year	147,401	742	138,327	717
Granted during the year	2,939	742	16,078	858
Lapsed during the year	203	742	7,004	521
Exercised during the year	25,744	771	-	-
Outstanding at the end of the year	124,393	718	147,401	742
Options: Unvested at the end of the year	3,811	1,265	32,684	891
Exercisable at the end of the year	120,582	719	114,717	699

4.9.4 Fair Valuation

The fair value of options has been done by an independent firm of Chartered Accountants on the date of grant using Black-Scholes Model and Binomial Model.

The Key Assumptions in Black-Scholes Model and Binomial Model for calculating fair value as on the date of grant are:

4.9.4.1 For options referred to in 4.9.1(a), (b) and (c)

ESOS-2006	Options
	Tranche V
Method used	Black - Scholes Model
Risk-Free Rate	8.58%
Option Life (Years)	Vesting Period (1 Year) + Average of Exercise Period
Expected Volatility *	24.01%
Dividend Yield	1.03%

The weighted-average fair value of the option, as on the date of grant, works out to ₹ 211 per stock option.

ESOS-2013	Options			RSUs				
	Tranche I	Tranche III	Tranche IV	Tranche I	Tranche II	Tranche III	Tranche IV	Tranche V
Method used	Black - Scholes Model			Black - Scholes Model				
Risk-Free Rate	8.58%	7.87%	7.60%	8.66%	8.90%	9.00%	7.96%	7.78%
Option Life (Years)	Vesting Period (1 Year) + Average of Exercise Period			5.50	5.50	5.50	5.50	5.50
Expected Volatility *	24.01%	28.26%	27.96%	24.01%	23.76%	23.47%	28.52%	28.41%
Dividend Yield	1.03%	0.36%	0.52%	1.34%	1.40%	1.43%	0.34%	0.51%

The weighted-average fair value of the option and RSU, as on the date of grant, works out to ₹ 215 per stock option and ₹ 539 per RSU.

* Expected volatility on the Company's stock price on National Stock Exchange based on the data commensurate with the expected life of the options/RSUs upto the date of grant.

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ESOS-2018	Options										
	Tranche I	Tranche II	Tranche III	Tranche IV	Tranche V	Tranche VI	Tranche VII	Tranche VIII	Tranche IX	Tranche X	Tranche XI
Method used	Binomial Model	Binomial Model	Binomial Model	Binomial Model	Binomial Model	Binomial Model	Binomial Model	Binomial Model	Binomial Model	Binomial Model	Binomial Model
Risk-Free Rate	7.60%	6.74%	6.85%	5.59%	5.82%	6.06%	6.23%	6.31%	7.14%	7.05%	7.24%
Option Life (Years)	Vesting Period (1 Year) + Average of Exercise Period										
Expected Volatility *	32.06%	32.35%	32.78%	36.68%	36.68%	29.81%	28.79%	28.62%	30.26%	33.27%	31.87%
Dividend Yield	0.52%	0.66%	0.66%	0.65%	0.65%	0.89%	0.89%	0.89%	0.89%	0.56%	0.56%

ESOS-2018	RSUs											
	Tranche I	Tranche II	Tranche III	Tranche IV	Tranche V	Tranche VI	Tranche VII	Tranche VIII	Tranche IX	Tranche X	Tranche XI	Tranche XII
Method used	Binomial Model	Binomial Model	Binomial Model	Binomial Model	Binomial Model	Binomial Model	Binomial Model	Binomial Model	Binomial Model	Binomial Model	Binomial Model	Binomial Model
Risk-Free Rate	7.65%	7.48%	6.74%	6.85%	5.93%	6.33%	6.06%	6.22%	6.23%	6.31%	6.06%	7.26%
Option Life (Years)	Vesting Period (3 years) + Average of Exercise Period											
Expected Volatility *	32.06%	31.48%	32.35%	32.78%	36.68%	28.84%	29.81%	28.65%	28.79%	28.62%	30.05%	30.26%
Dividend Yield	0.52%	0.52%	0.66%	0.66%	0.65%	0.89%	0.89%	0.89%	0.89%	0.89%	0.89%	0.89%

ESOS-2018	RSUs	
	Tranche XIII	Tranche XIV
Method used	Binomial Model	Binomial Model
Risk-Free Rate	7.19%	7.30%
Option Life (Years)	Vesting Period (3 years) + Average of Exercise Period	
Expected Volatility *	30.49%	29.74%
Dividend Yield	0.56%	0.56%

The weighted-average fair value of the option and RSU, as on the date of grant, works out to ₹ 549.92 per stock option, ₹ 1184.86 per RSU.

* Expected volatility on the Company's stock price on National Stock Exchange based on the data commensurate with the expected life of the options/RSUs upto the date of grant.

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4.9.4.2 For options referred to in 4.9.2

ESOS-2018	SAR's (Linked with the Company's market price)			SAR's (Linked with Aditya Birla Capital Limited's market price)
	Tranche - I Options	Tranche - III Options	Tranche - V Options	Tranche - IV Options
Method used	Binomial Model	Binomial Model	Binomial Model	Binomial Model
Risk-Free Rate	7.16%	7.10%	7.20%	5.61%
Option Life (Years)	Vesting Period (3 years) + Average of Exercise Period			Vesting Period (3 years) + Average of Exercise Period
Expected Volatility *	27.88%	25.71%	29.37%	43.05%
Dividend Yield	0.67%	0.67%	0.67%	0.58%
Weighted average fair value of SARs on 31st March 2023	843.13	536.66	449.11	73.51

ESOS-2018	SAR's (Linked with the Company's market price)				
	Tranche - I RSU	Tranche - II RSU	Tranche - IV RSU	Tranche - V RSU	Tranche - VI RSU
Method used	Binomial Model	Binomial Model	Binomial Model	Binomial Model	Binomial Model
Risk-Free Rate	7.11%	7.09%	7.20%	7.19%	7.21%
Option Life (Years)	Vesting Period (3 years) + Average of Exercise Period				
Expected Volatility *	26.32%	25.96%	29.37%	28.08%	29.39%
Dividend Yield	0.67%	0.67%	0.67%	0.67%	0.67%
Weighted average fair value of SARs on 31st March 2023	1,630.80	1,557.38	1,570.92	1,610.73	1,275.82

* Expected volatility on the Company's stock price on National Stock Exchange based on the data commensurate with the expected life of the options/RSUs upto the date of grant.

4.9.5 Details of Liabilities arising form company's cash settled share-based payment transactions

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Other non-current financial liability	0.21	0.18
Other current financial liability	10.55	11.97
	10.76	**12.15**

4.9.6 Employee Stock Option expenses (including SAR) recognised in the statement of Standalone Profit and Loss ₹ 38.12 crore (Previous Year ₹ 34.68 crore) and recognised in pre-operative expense ₹ 0.19 crore (Previous Year ₹ 0.32 crore) Apart from above Employee Stock Option expenses (including SAR) towards discontinued operations were ₹ NIL (Previous year ₹ 0.19 crore).

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4.10 FINANCIAL INSTRUMENTS-DISCLOSURE, ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS (IND AS 107)

A. Disclosure of Financial Instruments:

i. Investments in Equity Instruments (Other than Subsidiaries, Joint Ventures and Associates) designated at FVTOCI

These investments have been designated on initial recognition to be measured at FVTOCI as these are strategic investments and are not intended for sale.

ii. Investment in Debentures and Bonds measured at FVTOCI

Investments in Debentures or Bonds meet the contractual cash flow test as required by Ind AS 109- Financial Instruments. However, the business Model of the Company is such that it does not hold these investments till maturity as the Company intends to sell these investments as and when need arises. Hence, the same have been measured at FVTOCI.

iii. Investment in Mutual Fund Units and Preference Shares measured at FVTPL

Preference Shares and Mutual Funds have been measured on initial recognition at FVTPL as these financial assets do not pass the contractual cash flow test as required by Ind AS 109- Financial Instruments, for being measured at amortised cost or FVTOCI, hence, classified at FVTPL.

B. Classification and Measurement of Financial Assets and Liabilities:

₹ in crore

Particulars	31st March 2023		31st March 2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets at Amortised Cost				
Trade Receivables	1,597.26	1,597.26	1,690.42	1,690.42
Loans	103.99	103.99	35.58	35.58
Cash and Bank Balances	474.37	474.37	225.33	225.33
Other Financial Assets	452.27	452.27	406.99	406.99
Financial Assets at Fair value through Other Comprehensive Income				
Investments (Current and Non-Current)	8,814.87	8,814.87	12,324.34	12,324.34
Financial Assets at Fair value through Profit or Loss				
Investments (Current and Non-Current)	2,781.88	2,781.88	4,510.87	4,510.87
Hedging Instruments measured at Fair value				
Derivative Assets	20.85	20.85	0.01	0.01
Total	**14,245.49**	**14,245.49**	**19,193.54**	**19,193.54**
Financial Liabilities at Amortised Cost				
Subsidised Government Loan	56.59	55.22	115.45	114.06
Deferred Sales Tax Loans	43.79	43.79	41.40	41.40
Non-Convertible Debentures	4,941.12	4,944.66	3,944.70	3,959.87
Rupee Loans (Current)	212.73	212.73	19.22	19.22
Lease Obligation (Current and Non-Current)	97.37	97.37	79.76	79.76
Supplier's Credit	-	-	183.40	183.40
Trade Payables	4,711.20	4,711.20	4,650.73	4,650.73
Other Financial Liabilities	1,620.29	1,620.29	1,194.72	1,194.72
Hedging Instruments measured at fair value				
Derivative Liabilities	8.14	8.14	12.37	12.37

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₹ in crore

Particulars	31st March 2023		31st March 2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Total	**11,691.23**	**11,693.40**	**10,241.75**	**10,255.53**

C. Fair Value Measurements (Ind AS 113):

The fair values of the Financial Assets and Liabilities are included at the amount, at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments based on the input that is significant to the fair value measurement as a whole:

Level 1: This hierarchy uses quoted (unadjusted) prices in active markets for identical assets or liabilities. The fair value of all Equity Shares which are traded on the stock exchanges, is valued using the closing price at the reporting date.

Level 2: The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on company specific estimates. The mutual fund units are valued using the closing Net Asset Value. Investments in Debentures or Bonds are valued on the basis of dealer's quotation based on fixed income and money market association (FIMMDA).

If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

For assets and Liabilities which are measured at fair value as at Balance sheet date, the classification of fair value calculation by category is summarised below:

₹ in crore

Quantitative disclosures fair value measurement hierarchy for assets and liabilities	Level 1	Level 2	Level 3	Total
Year Ended 31st March 2023				
Financial Assets				
1. Measured at Fair Value through Other Comprehensive Income				
Investments in Debentures or Bonds	–	65.33	–	65.33
Investment in Equity Instruments (other than Subsidiaries, Joint Ventures and Associates)	8,065.22	–	684.32	8,749.54
2. Measured at fair value through Profit or Loss				
Investments in Mutual Funds and deposits	–	2,668.70	–	2,668.70
Investments in Preference Shares	–	–	86.58	86.58
Investments in Limited Liability Partnership			26.60	26.60
Derivative Assets	–	20.85	–	20.85
Financial Liabilities				
1. Measured at Amortised cost for which fair values are disclosed				
Borrowings	–	4,944.66	99.01	5,043.67
2. Measured at Fair value through Profit or Loss				
Derivative Liabilities	–	8.14	–	8.14
Year Ended 31st March 2022				
Financial Assets				
1. Measured at Fair Value through Other Comprehensive Income				
Investments in Debentures or Bonds	–	87.49	–	87.49
Investment in Equity Instruments (other than Subsidiaries, Joint Ventures and Associates)	11,584.06	–	652.79	12,236.85
2. Measured at Fair value through Profit or Loss				
Investments in Mutual Funds and deposits	–	4,399.13	–	4,399.13
Investments in Preference Shares	–	–	85.14	85.14
Investments in Limited Liability Partnership			26.60	26.60
Derivative Assets	–	0.01	–	0.01
Financial Liabilities				
1. Measured at Amortised cost for which Fair values are disclosed				
Borrowings	–	3,959.87	155.46	4,115.33
2. Measured at Fair value through Profit or Loss				
Derivative Liabilities	–	12.37	–	12.37

The management assessed that cash and bank balances, trade receivables, loans, trade payables, borrowings (cash credits, commercial papers, foreign currency loans, working capital loans) and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

During the reporting year ending 31st March 2023 and 31st March 2022, there was no transfer between level 1 and level 2 fair value measurement.

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4.10.1 Key Inputs for Level 1 and 2 Fair valuation Technique :

1. Mutual Funds : Based on Net Asset Value of the Scheme (Level 2)
2. Debentures or Bonds: Based on market yield for instruments with similar risk profile/maturity etc. (Level 2)
3. Listed Equity Investments (other than Subsidiaries, Joint Ventures and Associates): Quoted Bid Price on Stock Exchange (Level 1)
4. Derivative Liabilities (Level 2)
   (a) The fair value of interest rate swaps is calculated as the present value of estimated future cash flows based on observable yield curves and an appropriate discount factor.
   (b) The fair value of forward foreign exchange contracts is calculated as the present value determined using forward exchange rates and interest rate curve of respective currencies.
   (c) The fair value of currency swap is calculated as the present value determined using forward exchange rates, currency basis spreads between the respective currencies, interest rate curves and an appropriate discount factor.

4.10.2 Description of Significant Unobservable Inputs used for Financial Instruments (Level 3)

The following table shows the valuation techniques used for financial instruments :

Investments in Preference Shares	Discounted cash flow method using risk adjusted discount rate
Equity Investments - Unquoted (Other than Subsidiaries, Joint Ventures and Associates)	Discounted cash flow method using risk adjusted discount rate/Net worth of Investee Co.
Other Financial Assets (Non-current)	Discounted cash flow method using risk adjusted discount rate
Other Financial Liabilities (Non-current)	Discounted cash flow method using risk adjusted discount rate
Long-Term Borrowings - Deferred Sales Tax Loans and Non-convertible Debentures	Discounted cash flow method using risk adjusted discount rate

4.10.3 The following table shows a reconciliation from the opening balances to the closing balances for level 3 fair values :

	₹ in crore
Balance as at 1st April 2021	698.14
Add: Fair value Profit recognised in the Statement of Profit and Loss	2.32
Less: Sale/Redemption of Investments	-
Add: Purchase of Investments	10.69
Add/(Less): Fair value gain recognised in OCI	53.38
Balance as at 31st March 2022	**764.53**
Add: Fair value Profit recognised in the Statement of Profit and Loss	1.43
Less: Sale/Redemption of Investments	(0.10)
Add: Purchase of Investments	-
Add/(Less): Fair value gain recognised in OCI	31.64
Balance as at 31st March 2023	**797.50**

4.10.4 Relationship of Unobservable Inputs to Level 3 fair values (Recurring):

A. Equity Investments – Unquoted:

A 100 bps increase/decrease in the net worth, the carrying value of the shares would increase/decrease by ₹ 6.76 crore (as at 31st March 2022: decrease by ₹ 7.49 crore or increase by ₹ 7.82 crore using Weighted Average Cost of Capital (WACC) or discount rate used while all other variables were held constant).

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B. Preference Shares:

A 100 bps increase/decrease in the discount rate used while all the other variables were held constant, the carrying value of the shares would decrease by ₹ 1.68 crore or increase by ₹ 1.64 crore (as at 31st March 2022:decrease by ₹ 3.97 crore or increase by ₹ 3.74 crore).

4.11 FINANCIAL RISK MANAGEMENT OBJECTIVES (IND AS 107)

The Company's principal financial liabilities, other than derivatives, comprise of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets, other than derivatives, include trade and other receivables, investments and cash and cash equivalents that arise directly from its operations.

The Company's activities expose it to market risk, liquidity risk and credit risk and foreign exchange.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments, including investments and deposits, foreign currency receivables, payables and borrowings.

The Company's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Company. The Company uses derivative financial instruments, to hedge foreign currency risk exposure. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

The sources of risks which the Company is exposed to and their management are given below:

Risks	Exposure Arising From	Measurement	Management
Market Risk:			
- Foreign Exchange Rate Risk	Committed commercial transactions, Financial Assets and Liabilities not denominated in INR	Cash Flow Forecasting, Sensitivity Analysis	Forward foreign exchange contracts & currency swaps
- Interest Rate Risk	Long-Term Borrowings at variable rates, Investments in Debt Schemes of Mutual Funds and Other Debt Securities	Sensitivity Analysis, Interest rate Movements	Interest Rate swaps Portfolio Diversification and Duration Management for Mutual Fund Schemes
- Equity Price Risk	Investments (other than Subsidiaries, Joint Ventures and Associates which are carried at cost)	Financial Performance of the Investee Company and its price in equity market	Investments are long term in nature and in Companies with sound management with leadership positions in their respective businesses
Credit Risk	Trade Receivables, Investments, Derivative Financial Instruments, ICDs	Ageing analysis, Credit Rating, Counter party credit evaluation	Diversification of mutual fund investments and portfolio credit monitoring, credit limit and credit worthiness monitoring, criteria based approval process
Liquidity Risk	Borrowings and Other Liabilities	Rolling Cash Flow Forecasts, Long range business forecast	Adequate unused credit lines and borrowing facilities, sufficient cash and marketable securities

The Management updates the Audit Committee / Risk Management Committee/ Board of Directors on a quarterly basis about the implementation of the above policies. It also updates on periodical basis about various risk to the business and the status of various activities planned to mitigate such risks.

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Details relating to the risks are provided here below:

A. Foreign Exchange Rate Risk:

Foreign exchange risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates to import of fuels, raw materials and spare parts, plant and equipment, exports, foreign currency borrowings and net investment in foreign subsidiaries /Joint ventures.

The Company regularly evaluates exchange rate exposure arising from foreign currency transactions. The Company follows the established risk management policies and standard operating procedures. It uses derivative instruments like forward covers to hedge exposure to foreign currency risk.

When a derivative is entered into for the purpose of hedge, the Company negotiates the terms of those derivatives to match the terms of the foreign currency exposure.

(i) Foreign Currency Sensitivity:

The sensitivities are based on financial assets and liabilities held at 31st March 2022 that are not denominated in Indian Rupees. The sensitivities do not take into account the Company's sales and costs and the results of the sensitivities could change due to other factors such as changes in the value of financial assets and liabilities as a result of non-foreign exchange influenced factors.

₹ in crore

	USD	EUR	GBP	JPY	CAD	CNY/CNH	AUD	CHF	Total
Effect as 31st March 2023									
Effect of 5% strengthening of INR									
On Profit	75.22	25.33	(2.17)	(4.37)	(2.04)	(0.25)	35.81	0.01	127.54
On Equity	(5.11)	(2.71)	(2.26)	0.02	-	-	1.63	(0.10)	(8.53)
Effect of 5% Diminishing of INR									
On Profit	(75.22)	(25.33)	2.17	4.37	2.04	0.25	(35.81)	(0.01)	(127.54)
On Equity	5.11	2.71	2.26	(0.02)	-	-	(1.63)	0.10	8.53
Effect as 31st March 2022									
Effect of 5% strengthening of INR									
On Profit	97.66	20.68	(1.91)	35.23	(2.04)	0.17	33.01	0.02	182.81
On Equity	(4.15)	(0.47)	(1.22)	-	-	-	1.24	(0.10)	(4.70)
Effect of 5% Diminishing of INR									
On Profit	(97.66)	(20.68)	1.91	(35.23)	2.04	(0.17)	(33.01)	(0.02)	(182.81)
On Equity	4.15	0.47	1.22	-	-	-	(1.24)	0.10	4.70

(ii) Hedging Activities and Derivatives:

The Company evaluates exchange rate exposure arising from foreign currency transactions. The Company uses various derivative financial instruments, such as foreign exchange forward contracts, option contracts, future contracts and currency swaps to manage and mitigate its exposure to foreign exchange risk. The Company reports periodically to its risk management committee, the foreign exchange risk and compliance of the policies to manage its foreign exchange risk.

The Company assesses hedge effectiveness based on the following criteria:

(i) an economic relationship between the hedged item and the hedging instrument;

(ii) the effect of credit risk; and

(iii) assessment of the hedge ratio

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The Company designates the forward exchange contracts to hedge its currency risk and generally applies a hedge ratio of 1:1. The Company's policy is to match the tenor of the forward exchange contracts with the hedged item.

(a) Cash Flow Hedge

Sr. No.	Type of Hedges and Risks	Foreign currency Amount (in crore)		Weighted average Foreign Exchange Rate (in ₹)		Nominal Value (₹ in crore)		Carrying amount of Hedging Instrument (₹ in crore)		Maturity Date-Range	Change in Fair Value of hedging instrument (₹ in crore)
		Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities		
	Foreign Exchange Risk										
1)	**Foreign exchange forward contracts Outstanding as on 31st March 2023**										
a	USD	10.20	1.93	83.38	83.11	850.47	160.62	2.16	0.32	10-04-2023 To 20-03-2024	1.78
b	EUR	0.25	5.81	86.85	87.41	21.85	507.85	0.76	(17.47)	20-04-2023 To 27-02-2024	18.19
c	GBP	-	0.45	-	100.02	-	45.45	-	1.40	27-04-2023 To 28-02-2024	(2.37)
d	AUD	0.57	-	57.03	-	32.72	-	(0.05)	-	23-02-2024 To 22-03-2024	0.18
e	JPY	-	89.36	-	0.64	-	56.79	-	0.42	28-02-2024	(0.42)
2)	**Cross Currency Interest Rate Swaps Outstanding as on 31st March 2023**										
a	USD	-	-	-	-	-	-	-	-	-	-

Sr. No.	Type of Hedges and Risks	Foreign currency Amount (in crore)		Weighted average Foreign Exchange Rate (in ₹)		Nominal Value (₹ in crore)		Carrying amount of Hedging Instrument (₹ in crore)		Maturity Date-Range	Change in Fair Value of hedging instrument (₹ in crore)
		Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities		
	Foreign Exchange Risk										
1)	**Foreign exchange forward contracts Outstanding as on 31st March 2022**										
a	USD	0.14	1.07	76.50	76.99	10.71	82.38	(0.08)	(0.14)	05-04-2022 To 21-02-2023	(0.17)
b	EUR	0.16	0.27	87.88	87.44	14.06	23.61	(0.53)	(0.53)	11-04-2022 To 19-12-2022	1.02
c	GBP	-	0.24	-	105.92	-	25.42	-	(0.62)	25-04-2022 To 29-12-2022	0.84
e	AUD	0.44	-	58.34	-	25.67	-	0.12	-	08-04-2022 to 24-03-2023	0.21
2)	**Cross Currency Interest Rate Swaps Outstanding as on 31st March 2022**										
a	USD*	-	-	-	-	-	-	-	-	-	1.24

* It has been repaid on 31st August 2021.

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2023

(b) Fair Value Hedge

Sr. No.	Type of Hedges and Risks	Foreign currency Amount (in crore)		Weighted average Foreign Exchange Rate (in ₹)		Nominal Value (₹ in crore)		Carrying amount of hedging instrument Amount (₹ in crore)		Maturity Date-Range
		Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	
	Foreign Exchange Risk									
1)	**Foreign exchange forward contracts outstanding as on 31st March 2023**									
a	USD	15.40	1.32	83.24	83.18	1,281.84	110.16	(4.44)	1.20	05-04-2023 To 29-12-2023
b	CNY/RMB/CNH	0.22	0.78	12.03	12.13	2.66	9.50	(0.03)	0.12	28-04-2023 To 29-12-2023
c	EUR	3.08	1.37	88.84	89.18	273.36	122.52	0.91	(6.45)	28-04-2023 To 07-02-2024
d	GBP	–	0.22	–	98.13	–	21.25	(0.97)	–	27-04-2023 To 28-11-2023
e	CHF	–	0.01	–	89.62	–	0.46	–	0.00	28-04-2023
f	AUD	5.51	–	56.46	–	311.12	–	–	3.85	05-04-2023 To 07-03-2024

Sr. No.	Type of Hedges and Risks	Foreign currency Amount (in crore)		Weighted average Foreign Exchange Rate (in ₹)		Nominal Value (₹ in crore)		Carrying amount of hedging instrument Amount (₹ in crore)		Maturity Date-Range
		Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	
	Foreign Exchange Risk									
1)	**Foreign exchange forward contracts Outstanding as on 31st March 2022**									
a	USD	30.41	0.40	76.71	75.96	2,332.72	30.36	(4.59)	12.56	05-04-2022 to 30-09-2022
b	JPY	0.50	–	0.66	–	0.33	–	–	0.02	31-05-2022
c	CNY/RMB/CNH	0.48	0.07	11.95	11.95	5.73	0.84	–	(0.01)	29-04-2022
d	EUR	2.79	1.34	89.79	86.98	250.32	116.94	0.42	1.02	25-04-2022 to 27-09-2022
e	GBP	–	0.19	–	104.50	–	20.24	0.81	–	25-04-2022 to 27-09-2022
f	CHF	–	0.03	–	83.26	–	2.86	–	–	30-06-2022
g	AUD	5.03	–	57.08	–	287.09	–	–	(3.79)	08-04-2022 to 24-03-2023

(c) Fair Value Hedge of Interest rate outstanding on Receive Floating and Pay Fix contracts:

₹ in crore

Particular	As at	Average contracted fixed interest rate	Nominal Amount	Fair Value Assets (Liabilities)
0 to 6 years	31st March 2023	6.99%	250	(2.25)
0 to 6 years	31st March 2022	–	–	–

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2023

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 prevailing market interest rates. For all long-term borrowings in foreign currency with floating interest rates, the risk of variation in the interest rates is mitigated through interest rate swaps. The Company constantly monitors the credit markets and revisits its financing strategies to achieve an optimal maturity profile and financing cost.

Interest Rate Exposure:

₹ in crore

Particulars	Total Borrowings	Floating Rate	at Fixed Rate	Non-Interest Bearing
INR Borrowings	5,254.23	250.00	4,960.44	43.79
Total as at 31st March 2023	**5,254.23**	**250.00**	**4,960.44**	**43.79**
INR Borrowings	4120.77	–	4,079.37	41.40
Total as at 31st March 2022	**4,120.77**	**–**	**4,079.37**	**41.40**

Note: Long term borrowing of ₹ 250 crore with Fixed interest rate is hedged with floating interest rate swap and shown as floating rate borrowing above.

Interest rate sensitivities for floating rate borrowings (impact of increase/(decrease) in 1%):

Interest rate sensitivity has been calculated assuming the borrowings outstanding at the reporting date have been outstanding for the entire reporting period. Increase/decrease in interest rates at the balance sheet date would result in an impact (decrease/increase in case of net income and increase/decrease in case of net loss) for the respective year(s) is as below.

₹ in crore

Effect on Profit Before Tax	Basis Point	31st March 2023	31st March 2022
INR - Increase	100	(2.50)	(0.10)
INR - Decrease	100	2.50	0.10

The Company manages its interest rate risk by having a balanced portfolio of fixed and variable rate borrowings, which is monitored on continuous basis. For foreign currency long-term borrowings with floating rates, the risk of variation in the interest rates is mitigated through interest rate swaps. These swaps are designated to hedge underlying debt obligations. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

C. Equity Price Risk:

The Company is exposed to equity price risk arising from Equity Investments (other than Subsidiaries, Joint Ventures and Associates, which are carried at cost).

Equity Price Sensitivity Analysis:

The Sensitivity analysis below has been determined based on the exposure to equity price risk at the end of the reporting period.

If equity prices of the quoted investments increase/decrease by 5%, Other Comprehensive income for the year ended 31st March 2023 would increase/decrease by ₹ 400.29 crore (for the year ended 31st March 2022 by ₹ 579.20 crore).

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2023

D. Credit Risk:

Credit risk arises when a customer or counterparty does not meet its obligations under a customer contract or financial instrument, leading to a financial loss. The Company is exposed to credit risk from its operating activities primarily trade receivables and from its financing/ investing activities, including deposits with banks, mutual fund investments, investments in debt securities and foreign exchange transactions. The Company has no significant concentration of credit risk with any counterparty.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets.

(i) Trade Receivables:

Trade receivables are consisting of a large number of customers. The Company has credit evaluation policy for each customer and, based on the evaluation, credit limit of each customer is defined. Wherever the Company assesses the credit risk as high, the exposure is backed by either bank, guarantee/letter of credit or security deposits.

Total Trade receivables as on 31st March 2023 is ₹ 1597.26 crore (31st March 2022 is ₹ 1,690.42 crore)

The Company does not have higher concentration of credit risks to a single customer.

Single largest customers of the Company have exposure of 5.31% of total sales (31st March 2022: 4.51%) and in receivables 3.48% (31st March 2022: 4.22%).

The ageing analysis of the receivables (net of provision) has been considered from the date the invoice falls due, refer note 2.11.2.

As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default in payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk. However, total write off against receivables are ₹ 1.99 crore of the outstanding receivables for the current year (Previous Year ₹ 0.22 crore).

Movement of Allowance for Doubtful Debts:

₹ in crore

Particulars	Current Year	Previous Year
Opening provision	**44.43**	**63.78**
Add: Provided during the year	6.91	8.02
Less: Utilised during the year	(1.09)	(1.15)
Less: Written back during the year	(3.89)	(26.22)
Closing Provision	**46.36**	**44.43**

(ii) Investments, Derivative Instruments, Cash and Cash Equivalents and Bank Deposits:

Credit Risk on cash and cash equivalents, deposits with the banks/financial institutions is generally low as the said deposits have been made with the banks/financial institutions, who have been assigned high credit rating by international and domestic rating agencies. Credit Risk on Derivative Instruments is generally low as the Company enters into the Derivative Contracts with the reputed Banks.

Investments of surplus funds are made only with approved Financial Institutions/Counterparty. Investments primarily include investment in units of quoted Mutual Funds, quoted Bonds, Non-Convertible Debentures issued by Government/Semi-Government Agencies/PSU Bonds/High Investment grade Corporates etc. These Mutual Funds and Counterparties have low credit risk.

The Company has standard operating procedures and investment policy for deployment of surplus liquidity, which allows investment in debt securities and mutual fund schemes of debt and arbitrage categories and restricts the exposure in equity markets.

Compliances of these policies and principles are reviewed by internal auditors on periodical basis.

Total Non-current and current investments as on 31st March 2023 is ₹ 33,897 crore (31st March 2022 ₹ 38,691 crore).

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2023

E. Liquidity Risk:

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's treasury team is responsible for managing liquidity, funding as well as settlement. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts and long range business forecasts on the basis of expected cash flows.

The table below provides details of financial liabilities and Financial assets at the reporting date

₹ in crore

As at 31st March 2023	Less than 1 Year	1 to 5 Years	More than 5 Years	Total
Financial Liabilities:				
Borrowings (including current maturities) *	980.53	3,290.89	1,000.00	5,271.42
Trade Payables	4,711.20	–	–	4,711.20
Interest Accrued but not Due on Borrowings	278.57	–	–	278.57
Other Financial Liabilities (excluding Derivative Liability)	1,331.11	10.61	–	1,341.72
Derivative Liability	8.14	–	–	8.14
Lease liability *	28.16	69.55	30.58	128.29
Financial Assets:				
Derivative Asset	20.85	–	–	20.85
Surplus Investments in Mutual Funds, Bonds, Fixed Deposit with Corporates, ICDs and Larsen & Toubro shares etc.	3,472.11	2.16	–	3,474.27

* Contractual amount

₹ in crore

As at 31st March 2022	Less than 1 Year	1 to 5 Years	More than 5 Years	Total
Financial Liabilities:				
Borrowings (including current maturities) *	1,075.77	2,069.69	1,000.00	4,145.46
Supplier's Credit	183.40	–	–	183.40
Trade Payables	4,650.73	–	–	4,650.73
Interest Accrued but not Due on Borrowings	232.82	–	–	232.82
Other Financial Liabilities (excluding Derivative Liability)	958.80	3.10	–	961.90
Derivative Liability	12.37	–	–	12.37
Lease liability *	25.22	84.62	6.31	116.15
Financial Assets:				
Derivative Asset	0.01	–	–	0.01
Surplus Investments in Mutual Funds, Bonds, Fixed Deposit with Corporates, ICDs and Larsen & Toubro shares etc.	4,854.98	2.08	–	4,857.06

* Contractual amount

F. Capital Management:

The Company's objectives when managing capital are to (a) maximise shareholder value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital.

For the purposes of the Company's capital management, capital includes issued capital, securities premium and all other equity reserves attributable to the equity holders.

The Company monitors capital using debt-equity ratio, which is total debt less investments divided by total equity.

₹ in crore

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2023

Particulars	As at 31st March 2023	As at 31st March 2022
Total Debt (Bank and other borrowings including Supplier's Credit)	5,254.23	4,304.17
Less: Liquid Investments (Bonds, Mutual Funds, Fixed Deposits with Corporates, ICDs and Investment in Larsen & Toubro)	3,474.27	4,857.06
Net Debt/(Surplus)	1,779.96	(552.89)
Equity	46,954.93	48,615.79
Net Debt to Equity	**0.04**	**(0.01)**

In addition, the Company has financial covenants relating to the borrowing facilities that it has taken from the lenders like interest coverage service ratio, Debt to EBITDA, Outside liabilities to Net Worth etc. which is maintained by the Company.

4.12 KEY STANDALONE RATIOS

Particulars	Numerator	Denominator	Unit	As at 31st March 2023	As at 31st March 2022	% of Change	Reason for Variance
Current Ratio	Current Assets	Current Liabilities (excluding current borrowings)	Times	1.30	1.46	-11%	
Debt-Equity Ratio	Total Debt	Total Equity	Times	0.11	0.08	32%	Due to Increase in Debt and reduction in Equity on account of decrease in fair value of Investments measured at FVTOCI.
Debt Service Coverage Ratio	Profit after Tax + Deferred Tax + Depreciation + Finance cost + Loss on Sale of asset + ESOP expenses -Unrealised gain on investment	Finance cost + Interest Capitalised + Lease payment + Principal repayment of long term debt	Times	2.43	8.47	-71%	Due to Decline in Profit after Tax and increase in repayment of Long term debt as compare to Previous year.
Return on Equity Ratio	Profit After Tax	Shareholder's Equity Average	%	4.44	6.66	-33%	Due to Decline in Profit after Tax as compare to Previous year.
Inventory Turnover Ratio	Cost of Goods Sold	Average Inventories	Times	4.62	4.62	0%	
Trade Receivables Turnover Ratio	Sale of Products and services	Average Trade Receivables	Times	16.17	13.74	18%	
Trade Payables Turnover Ratio	Cost of Goods Sold	Average Trade Payables	Times	4.16	3.87	7%	
Net Capital Turnover Ratio	Revenue from Operations	Working Capital	Times	10.99	5.74	91%	Ratio has improved due to increase in sales and better Working Capital management.
Net Profit Ratio	Profit After Tax (-) Profit from Discontinued operations	Revenue from Operations	%	7.91%	12.92%	-39%	Due to Decline in Profit after Tax as compare to Previous year.
Return on Capital employed	Earnings Before Interest and Taxes (EBIT)	Tangible Net Worth + Total Debt + Deferred Tax Liability	%	5.77%	5.86%	-2%	
Return on Investment	Treasury Income	Average Treasury Investment	%	4.86%	4.92%	-1%	

Notes

forming part of the Standalone Financial Statements for the year ended 31st March 2023

4.13 OTHER STATUTORY INFORMATION

(i) Disclosure related to relationship of the Company with a company which is Struck off under Section 248 of the Companies Act, 2013 or Section 530 of Companies Act, 1956 as at 31st March 2023 are as follows:

Sr. No.	Name of struck off Company	Nature of Transactions with struck-off Company	Balance as at 31st March 2023	Balance as at 31st March 2022	Relationship with Struck off company, if any
1	Greenhandle Products Private Limited	Purchase of Goods and services	-	-	Not Related
2	Bluepeter Shipping Private Limited	Purchase of Goods and services	-	-	Not Related

(ii) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(iii) As on 31st March 2023 there is no unutilised amounts in respect of any issue of securities and long term borrowings from banks and financial institutions. The borrowed funds have been utilised for the specific purpose for which the funds were raised.

(iv) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(v) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

(vi) The Company has not any such transaction which is not recorded in the books of account 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 is in compliance with the number of layers prescribed under Clause (87) of Section 2 of the Companies Act read with the Companies (Restriction on number of Layers) Rules, 2017.

(viii) 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.

(ix) 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

4.14 AUTHORISATION OF FINANCIAL STATEMENTS:

The financial statements for the year ended 31st March 2023 were approved by the Board of Directors on 26th May 2023.

Signatures to Notes '1' to '4'

For B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248W/W-100022

For KKC & Associates LLP
Chartered Accountants
Firm Registration No.: 105146W/W100621

For and on behalf of the Board of Directors of
GRASIM INDUSTRIES LIMITED
CIN-L17124MP1947PLC000410

Vikas R Kasat
Partner
Membership No.: 105317

Gautam Shah
Partner
Membership No.: 117348

Harikrishna Agarwal
Managing Director
DIN: 09288720

N. Mohan Raj
Independent Director
DIN: 00181969

Dr. Santrupt Misra
Non-Executive Director
DIN: 00013625

Mumbai
Dated: 26th May 2023

Pavan K. Jain
Chief Financial Officer

Sailesh Kumar Daga
Company Secretary
Membership No.: F 4164

Mumbai
Dated: 26th May 2023

Independent Auditor's Report

To the Members of
Grasim Industries Limited

REPORT ON THE AUDIT OF THE CONSOLIDATED FINANCIAL STATEMENTS

Opinion

We have audited the consolidated financial statements of Grasim Industries Limited (hereinafter referred to as the "Holding Company" or the "Parent" or "the Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group"), its associates and its joint ventures, which comprise the consolidated balance sheet as at 31st March 2023, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of the one of the joint auditors of the Parent and other auditors on separate/consolidated financial statements /financial information of such subsidiaries, associates and joint ventures as were audited by the one of the joint auditors of the Parent and other auditors, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and joint ventures as at 31st March 2023, of its consolidated profit and other comprehensive loss, consolidated changes in equity and consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, its associates and joint ventures in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of reports of the one of the joint auditors of the Parent and other auditors referred to in paragraph (a) and (b) of the "Other Matters" section below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Emphasis of Matters

a. We draw attention to Note 4.1.2 (a) of the consolidated financial statements which refer to Orders dated 31st August 2016 (Penalty of ₹ 1,449.51 crore) and 19th January 2017 (Penalty of ₹ 68.30 crore) of the Competition Commission of India ('CCI') against which Ultratech Cement Limited ("Ultratech"), a subsidiary of the Parent had filed appeal. Upon the National Company Law Appellate Tribunal ("NCLAT") disallowing its appeal against the CCI order dated 31st August 2016, Ultratech has filed an appeal before the Hon'ble Supreme Court of India, which has by its order dated 5th October 2018, granted a stay against the NCLAT order. Consequently, Ultratech has deposited an amount of ₹ 144.95 crore equivalent to 10% of the penalty of ₹ 1,449.51 crore recorded as asset. Ultratech, backed by legal opinions, believes that it has a good case in both the matters basis which no provision has been recognized in the books of account. Our opinion is not modified in respect of this matter.

b. We draw attention to Note 4.1.2 (a) of the consolidated financial statements, where in case of UltraTech Nathdwara Cement Limited ("UNCL"), a wholly-owned subsidiary of Ultratech, one of the joint auditors of the Company has audited the financial statements and without modifying their opinion on the audited consolidated financial statements of UNCL for the year ended 31st March 2023 reported that the Order dated 31st August 2016 (penalty of ₹ 167.32 crore) was passed by the Competition Commission of India ('CCI') against which UNCL had filed appeal. Upon the NCLAT disallowing its appeal against the CCI order dated 31st August 2016, UNCL filed an appeal before the Hon'ble Supreme Court of India, which has by its order dated 5th October 2018, granted a stay against the NCLAT order. Consequently, UNCL has deposited an amount of ₹ 16.73 crore equivalent to 10% of the penalty of ₹ 167.32 crore recorded as asset in the consolidated annual financial results. Based on the legal opinion obtained by Ultratech on a similar matter, UNCL believes that it has a good case in this matter basis which, no provision has been recognised in the books of account of UNCL. Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment and based on the consideration of reports of the one of the joint auditors of the Parent and other auditors on separate/consolidated financial statements of components audited by them, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Description of Key Audit Matters:

Assessment of impairment of Goodwill and Other Intangibles

See Notes 2.3 and 2.4 to consolidated financial statements

The key audit matters	How the matter was addressed in our audit
• As disclosed in note 2.3 and 2.4 of consolidated financial statements, the Group has goodwill of ₹ 20,137.55 crore and other intangible assets of ₹ 8,591.89 crore as at 31st March 2023 which represents goodwill/ intangibles assets acquired through various business combinations and allocated to cash generating units ("CGU"). • A cash generating unit to which goodwill has been allocated and to which intangible assets belong to is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. • As disclosed in note 2.3.1, impairment of goodwill and intangible assets is determined by assessing the recoverable amount of each CGU to which these assets relate. • We have identified the annual impairment assessment as key audit matter because of the amounts involved, complexity in assessment, judgemental by nature, significant changes in business environment and further, is based following key assumptions: A. projected future cash inflows B. expected growth rate, discount rate, terminal growth rate C. benchmarking of price and market multiples	Our audit procedures included: • Tested the design and the operating effectiveness of internal controls over the impairment assessment process including assessment of valuation models used in assessment of impairment in the value of Goodwill and Other Intangibles. • Obtained an understanding of the process followed by the management in determining the CGU to which goodwill/intangible assets are allocated and determination of recoverable amounts of CGU. • Evaluated the competence, capabilities and independence of the specialist engaged by the Company and reviewed the valuation reports issued by such specialist. • Evaluated the model used in determining the value in use of each CGU. • Engaged valuation expert to assist in evaluating the key assumptions of the valuations. • Tested the arithmetical accuracy of the computation of recoverable amounts of each CGU. • Assessed the disclosures provided by the Group in relation to its annual impairment test in note 2.3.1 to consolidated financial statements.

KAM reported in standalone financial statements of the Holding Company

Litigation pertaining to matters related to Competition Commission of India

See Note 4.1 to consolidated financial statements

The key audit matters	How the matter was addressed in our audit
As disclosed in note 4.1 of the consolidated financial statements, the Company has pending litigation with regards to order issued by the Competition Commission of India ("CCI") on the Viscose Staple Fiber ("VSF") business amounting to ₹ 301.61 crore alleging the Company for abuse of dominant position and consequent violations of Competition Act, 2002. We considered the above as key audit matter as the Company applies significant judgment in estimating the likelihood of the future outcome based on legal opinion, when considering whether, and how much to provide or in determining the required disclosure for the potential exposure of this matter. This is due to highly complex nature along with the fact that CCI proceedings may span over multiple years and may involve protracted negotiations or litigation. These estimates could change substantially over time.	Our audit procedures included the following: • Tested the design and operating effectiveness of internal controls related to the assessment of the likely outcome of regulatory and provision made, if any. • Obtained and read the details of legal matters. Further, read the latest correspondence between the Company and various regulatory authorities (including filling made to these authorities). • Considered evaluation made by the management and assessed management's position through discussions on both the probability of success and the magnitude of any potential loss. • Read correspondences as applicable between Management and Legal counsel for CCI matters. • Obtained and evaluated independent confirmations from the Legal counsel representing the Company before the Legal authority • Assessed the disclosures in note 4.1 made in relation to the CCI matter for compliance with disclosure requirements.

KAM as reported by the auditors of UltraTech

Revenue recognition – Discounts, incentives and rebates

See Notes 3.1 to consolidated financial statements

The key audit matters	How the matter was addressed in our audit
• Revenue is measured net of discounts, incentives, rebates etc. given to the customers on the UltraTech's sales. • UltraTech's presence across different marketing regions within the country and the competitive business environment makes the assessment of various types of discounts, incentives and rebates as complex and judgemental. • Therefore, there is a risk of revenue being misstated as a result of variations in the assessment of discounts, incentives and rebates. • Given the complexity and judgement required to assess the provision for discounts, incentives and rebates, this is a key audit matter.	The Procedures performed by the auditors, as reported by them, included the following: • Assessed the UltraTech's accounting policies relating to revenue, discounts, incentives and rebates by comparing with applicable accounting standards. • We have assessed the design and implementation and tested the operating effectiveness of UltraTech's internal controls over the provisions, approvals and disbursements of discounts, incentives and rebates. • Assessed the UltraTech's computations for accrual of discounts, incentives and rebates, on a sample basis, and compared the accruals made with the approved schemes and underlying documents. • Verified, on a sample basis, the underlying documentation for discounts, incentives and rebates recorded and disbursed during the year. • Compared the historical trend of payments and reversal of discounts, incentives and rebates to provisions made to assess the current year accruals. • Examined the manual journals posted to discounts, rebates and incentives to identify unusual or irregular items.

Regulations – Litigations and claims

See Notes 4.1 to consolidated financial statements

The key audit matters	How the matter was addressed in our audit
• UltraTech operates in various States within India and is exposed to different Central and State/Local laws, regulations and interpretations thereof. Due to a complex regulatory environment, there is an inherent risk of litigations and claims. • Consequently, provisions and contingent liability disclosures may arise from indirect tax proceedings, legal proceedings, including regulatory and other government/ department proceedings, as well as investigations by authorities and commercial claims. • UltraTech applies significant judgement in estimating the likelihood of the future outcome in each case and in determining the provisions or disclosures required for each matter. • Resolution of tax and legal proceedings may span over multiple years due to the highly complex nature and magnitude of the legal matters involved and may involve protracted negotiation or litigation. • These estimates could change significantly over time as new facts emerge and each legal case progresses. • Given the inherent complexity and magnitude of potential exposures and the judgement necessary to estimate the amount of provisions required or to determine required disclosures, this is a key audit matter.	The Procedures performed by the auditors, as reported by them, included the following: • Understood the processes, evaluated the design and implementation of controls and tested the operating effectiveness of the UltraTech's controls over the recording and re-assessment of uncertain legal positions, claims (including claims receivable) and contingent liabilities. • Gained an understanding of outstanding litigations against UltraTech from the UltraTech's inhouse legal counsel and other key managerial personnel who have knowledge of these matters. • Read the correspondence between the UltraTech and the various indirect tax/legal authorities and the legal opinions of external legal advisors, where applicable, for significant matters. • Tested the completeness of the litigations and claims by examining, on a sample basis, the UltraTech's legal expenses and minutes of the board meetings. • Challenged the UltraTech's estimate of the possible outcome of the disputed cases based on applicable indirect tax laws and legal precedence by involving our tax specialists. • Assessed the adequacy of the UltraTech's disclosures in respect of contingent liabilities for indirect tax and legal matters.

KAM as reported by the auditors of Aditya Birla Capital Limited

Impairment of testing of goodwill

See Notes 2.3 to consolidated financial statements

The key audit matters	How the matter was addressed in our audit
• Aditya Birla Capital Limited ("ABCL") Group has goodwill of ₹ 554.83 crore as of 31st March 2023 which represents goodwill acquired through various business combinations and allocated to Cash Generating Units ("CGU"). • As per ABCL's Group's policy, a CGU to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication of the unit may be impaired. • Impairment of goodwill is determined by assessing the recoverable amount of each CGU to which these assets relate. • The Statutory auditors of ABCL have identified the annual impairment assessment as a key audit matter because of its complexity, being an area of estimate and judgment, exposed to significant changes in external business environment and is based on following key assumptions like: i. projected future cash inflows; ii. expected growth rate, discount rate, terminal growth rate; and iii. price and market multiples.	The Procedures performed by the auditors, as reported by them, included the following: **Design and Controls** • Tested the design and the operating effectiveness of internal controls over the impairment assessment process including valuation methodology used in impairment assessment on the carrying value of goodwill; and • Obtained an understanding of the process followed by the Holding Company in determining the CGU to which goodwill is allocated and determination of recoverable amount of each CGU. **Substantive Procedures** • Compared the Holding Company's assumptions to externally sourced/available data in relation to key inputs such as long-term growth rates and discount rates; • Assessed the forecasted cash flows based on our understanding of the business; • Assessed historical forecasting accuracy, by comparing previously forecasted cash flows to actual results achieved; • Involved valuation specialists to test and evaluate Holding Company's key assumptions used in the valuation methodology; • Performed sensitivity analysis in relation to the key assumptions; and • Tested the arithmetical accuracy of computation of recoverable a mounts of each CGU. • Assessing the completeness and accuracy of the consolidated financial statements disclosures made by the Group as per applicable Ind AS.

The statutory joint auditors of Aditya Birla Health Insurance Company Limited ('ABHICL'), which was a subsidiary of ABCL until 20th October 2022 and became a joint venture with effect from 21st October 2022, have reported a key audit matter on IT systems and Controls, which is reproduced below:

The key audit matters	How the matter was addressed in our audit
• ABHICL operates and is dependent on technology considering significant number of transactions that are processed daily across multiple and discrete Information Technology ('IT') systems, some of which are integrated. The audit approach relies extensively on several reports generated by interface of these IT systems and in-built automated controls therein • The major IT systems concerning the financial reporting process include: – Core Policy administration system – Distribution Management system – SAP Investment Module – SAP Core Accounting system – Interface/interplay of one or more of above systems in building up or generating required reports • IT general and application controls are critical to ensure that changes to applications and underlying data are made in an appropriate manner. Adequate controls contribute to mitigating the risk of potential fraud or errors as a result of changes to the applications and data. • Management of the ABHICL continuously works on the process of implementing several remediation activities, including 'Mission Transformation'(which aims at integrating all the possible business functions for seamless transition/ recording of data, less manual intervention and automation based reporting framework) that are expected to contribute to reducing the risk over IT applications in the financial reporting process, which includes implementation of preventive and detective controls across critical applications and infrastructure, as also integration of the systems to the best possible extent. • Due to the pervasive nature, in our preliminary risk assessment, we planned our audit by assessing the risk of a material misstatement arising from the technology as significant for the audit, hence identified IT systems as Key Audit Matters.	The Procedures performed by the auditors, as reported by them, included the following: • Review of the report of IS testing pertaining to IT systems general controls including access rights over applications, operating systems and databases relied upon for financial reporting. • Obtaining suitable representations from the management about satisfactory operations of controls built in the systems. • In the course of our audit, testing of the key IT general controls by our IT personnel and seeking management's views on identified issues Our audit tests were designed to cover the following: • Understanding the ABHICL's IT control environment and key changes in the course of our audit that were considered relevant to the financial reporting & audit; • Reviewed the workflow of core transactions as captured by the IT systems; • Selectively tested key automated and manual business cycle controls including logic for system generated reports relevant to the financial reporting; • Selectively recomputing workings of several data processing results critical to be used in the financial reporting • Selectively re-evaluating masters updating, interface with resultant reports; • Selective testing of the interface of policy admin system with other allied IT systems.

The statutory joint auditors of Aditya Birla Finance Limited ('ABFL'), a subsidiary of ABCL, have reported a key audit matter on Allowances for Expected Credit Losses (ECL)

The key audit matters	How the matter was addressed in our audit
• As at 31st March 2023, the carrying value of loan assets measured at amortised cost, aggregated ₹ 7,884,950.10 lakh (net of allowance of expected credit loss ₹ 160,328.71 lakh) constituting approximately 94% of the Company's total assets. Significant judgement is used in classifying these loan assets and applying appropriate measurement principles. ECL allowance on such loan assets measured at amortised cost is a critical estimate involving a greater level of management judgement. • As part of our risk assessment, we determined that the allowance for ECL on loan assets has a high degree of estimation uncertainty, with a potential range of reasonable outcomes for the financial statements. • The elements of estimating ECL which involved increased level of audit focus are the following : – Qualitative and quantitative factors used in staging the loan assets measured at amortised cost. – Basis used for estimating Probabilities of Default ("PD"), Loss Given Default ("LGD") and Exposure at Default ("EAD") at product level with past trends; – Judgements used in projecting economic scenarios and probability weights applied to reflect future economic conditions; and – Adjustments to model driven ECL results to address emerging trends.	The Procedures performed by the auditors, as reported by them, included the following: • Examined the policies approved by the Board of Directors of ABFL that articulate the objectives of managing each portfolio and their business models. Verified the methodology adopted for computation of ECL ("ECL Model") that addresses policies approved by the Board of Directors, procedures and controls for assessing and measuring credit risk on all lending exposures measured at amortised cost. • Additionally, Confirmed that adjustments to the output of the ECL Model is consistent with the documented rationale and basis for such adjustments and that the amount of adjustment have been approved by the Audit Committee of the Board of Directors. Our audit procedures related to the allowance for ECL included the following, among others: • Testing the design and operating effectiveness of the following: – Completeness and accuracy of the Exposure at Default ("EAD") and the classification thereof into stages consistent with the definitions applied in accordance with the policy approved by the Board of Directors including the appropriateness of the qualitative factors to be applied. – Completeness, accuracy and appropriateness of information used in the estimation of the PD and LGD for the different stages depending on the nature of the portfolio; and – Accuracy of the computation of the ECL estimate including reasonableness of the methodology used to determine macro-economic overlays and adjustments to the output of the ECL Model. • Test of details on a sample in respect of the following: – Tested accuracy and completeness of the input data such as ratings and period of default and other related information used in estimating the PD – Completeness and accuracy of the staging of the loans and the underlying data based on which the ECL estimates have been computed. – Evaluated reasonableness of LGD estimates by comparing actual recoveries post the loan asset becoming credit impaired with estimates of LGD; and – Evaluated the incorporation of the applicable assumptions into the ECL Model and tested the mathematical accuracy and computation of the allowances by using the same input data used by the Company. • Evaluated the adequacy of the adjustment after stressing the inputs used in determining the output as per the ECL Model and ensured that the adjustment was in conformity with the a mount approved by the Audit Committee. • Assessed the disclosures made In relation to the ECL allowance to confirm compliance with the provisions of Ind AS 107

The statutory joint auditors of Aditya Birla Finance Limited ('ABFL'), a subsidiary of ABCL, have reported a key audit matter on Information Technology and General Controls

The key audit matters	How the matter was addressed in our audit
• ABFL is dependent on its Information Technology ("IT") systems due to the significant number of transactions that are processed daily across such multiple and discrete IT systems. • Also, IT application controls are critical to ensure that changes to applications and underlying data are made in an appropriate manner and under controlled environments. Appropriate controls contribute to mitigating the risk of potential fraud or errors as a result of changes to applications and data. • On account of the pervasive use of its IT systems, the testing of the general computer controls of the key IT systems used in financial reporting was considered to be a Key Audit Matter	The Procedures performed by the auditors, as reported by them, included the following: • With the assistance of ABFL IT specialists, obtained an understanding of the ABFL's IT applications, databases and operating systems relevant to financial reporting and the control environment. For these elements of the IT infrastructure the areas of our focus included access security (including controls over privileged access), programme change controls, database management and network operations. • In particular: – Tested the design, implementation and operating effectiveness of the ABFL's general IT controls over the key IT systems relevant to financial reporting. This included evaluation of ABFL's controls over segregation of duties and access rights being provisioned / modified based on duly approved requests, access for exit cases being revoked in a timely manner and access of all users being recertified during the period of audit; – Tested key automated business cycle controls and logic for the reports generated through the IT infrastructure that were relevant for financial reporting or were used in the exercise of internal financial controls with reference to financial statements. Our tests included testing of the compensating controls or alternate procedures to assess whether there were any unaddressed IT risks that would materially impact the financial statements.

The auditors of Aditya Birla Housing Finance Limited ('ABHFL'), a subsidiary of ABCL, have reported a key audit matter on Provisioning based on Expected Credit Loss model (ECL) under IND AS 109 and testing of Impairment of assets, more particularly the Loan Book of ABHFL

The key audit matters	How the matter was addressed in our audit
Subjective Estimates • Under Ind AS 109, "Financial instruments" allowance for loan losses are determined using expected credit loss ('ECL') estimation model. The estimation of ECL on financial instruments involves significant judgement and estimates and therefore increased levels of audit focus in the ABHFL's estimation of ECLs, which are as under: – Data inputs - The application of ECL model requires several data inputs. This increases the risk of completeness and accuracy of the data that has been used to create assumptions in the model. – Model estimations - Inherently judgemental models are used to estimate ECL which involves determining Probabilities of Default ("PD"), Loss Given Default ("LGD"), and Exposures at Default ("EAD"). The PD and the LGD are the key drivers of estimation complexity in the ECL and as a result are considered the most significant judgemental aspect of the ABHFL's modelling approach. – Economic scenarios - Ind AS 109 requires the Company to measure ECLs on an unbiased forward-looking basis reflecting a range of future economic indicators. Significant management judgement is applied in determining the economic scenarios used and the probability weights applied to them. • The effect of these matters is that, as part of our risk assessment, we determined that the impairment of loans and advances to customers, involving estimations and judgements, with a potential range of reasonable outcomes greater than our materiality for the Ind AS Financial Statements as a whole.	The Procedures performed by the auditors, as reported by them, included the following: Review of Policy/procedures & design/controls • Minutely going through the Board approved Policy and approach note concerning the assessment of credit and other risks and ascertainment/ageing of 'default' by the borrowers and procedures in relation to stages and ECL computation. • Testing key controls relating to selection and implementation of material macro economic variables and the controls over the scenario selection and application of probability weights. • Assessing the design, implementation and operating effectiveness of key internal financial controls including monitoring process of overdue loans (including those which became overdue after the reporting date), measurement of provision, stage wise classification of loans, identification of NPA accounts, assessing the reliability of management information. • Understanding management's approach, interpretation, systems and controls implemented in relation to probability of default and stage-wise bifurcation of product-wise portfolios for timely ascertainment of stress and early warning signals. • Testing and review of controls over measurement of provisions and disclosures in the Ind AS Financial Statements. • Involvement of Information system resource to obtain comfort over data integrity and process of report generation through interface of various systems. Walk through the processes which involve manual work to ascertain existence of maker-checker controls • Understanding of models and general economic indicator criteria used for regression testing over data of the loan book. **Substantive verification** • Sample testing over key inputs, data and assumptions impacting ECL calculations to assess the completeness, accuracy and relevance of data and reasonableness of economic forecasts, weights, and model assumptions applied. • Model calculations testing through selective re- performance, wherever possible. • Assessing disclosures - Assessed whether the disclosures on key judgements, assumptions and quantitative data with respect to impairment loans (including restructuring related disclosures) in the Ind AS Financial Statements are appropriate and sufficient as also aligned to regulatory requirements.

The auditors of Aditya Birla Housing Finance Limited ('ABHFL'), a subsidiary of ABCL, have reported a key audit matter on Information Technology IT systems and controls

The key audit matters	How the matter was addressed in our audit
IT systems and controls • ABHFL's financial reporting processes are dependent on technology considering significant number of transactions that are processed daily across multiple and discrete Information Technology ('IT') systems. The Financial accounting system of the ABHFL is interfaced with several other IT systems including Loan Management & Originating systems and several other systemic workflows. • IT general and application controls are critical to ensure that changes to applications and underlying data are made in an appropriate manner. Adequate controls contribute to mitigating the risk of potential fraud or errors as a result of changes to the applications and data. These includes implementation of preventive and detective controls across critical applications and infrastructure. • Due to the pervasive nature of role of information technology systems in financial reporting, in our preliminary risk assessment, we planned our audit by assessing the risk of a material misstatement arising from the technology as significant for the audit, hence the Key Audit Matter.	The Procedures performed by the auditors, as reported by them, included the following: • In course of audit, our focus was on user access management, change management, segregation of duties, system reconciliation controls and system application controls over key financial accounting and reporting systems. We performed a range of audit procedures, which included: • Review of the report of IS Audit carried in earlier year(s) by an independent firm of Chartered Accountants pertaining to IT systems general controls including access rights over applications, operating systems and databases relied upon for financial reporting. • Deployed our internal experts to carry out IT general and specific application Controls testing and identifying gaps, if any. • Our other processes include: - Selectively recomputing interest calculations and maturity dates; - Selectively re-evaluating masters updation, interface with resultant reports like LTV Report, SUD Report, Portfolio movement Report; - Selective testing of the interface of SAP FA module with other IT systems like Loan Management System and other workflows. - Testing of the system generated reports and accounting entries manually for core financial reporting matters (i.e. verification around the computer system) - Evaluating the design, implementation and operating effectiveness of the significant accounts-related IT automated controls which are relevant to the accuracy of system calculation, and the consistency of data transmission. - Other areas that were independently assessed included password policies, system configurations, system interface controls, controls over changes to applications and databases

The auditors of Aditya Birla Money Limited ('ABML'), a subsidiary of ABCL, have reported a key audit matter on Information Technology and General Controls

The key audit matters	How the matter was addressed in our audit
• The financial accounting and reporting systems of the Company are fundamentally reliant on IT systems and IT controls to process significant transaction volumes. • Due to the complexity, large volume of transactions processed daily and reliance on automated and IT dependent manual controls, matter pertaining to adequacy and effectiveness of IT control environment is considered as a Key Audit Matter. • Our areas of audit focus included user access management, developer access to the production environment and changes to the IT environment. These are key to ensuring that IT dependent and application based controls are operating effectively.	The Procedures performed by the auditors, as reported by them, included the following: • Understood and assessed the overall IT control environment and the controls in place which included controls over access to systems and data, as well as system changes. • Tested the design and operating effectiveness of IT access controls over the information systems that are important to financial reporting and various interfaces, configuration and other identified application controls. • Tested IT general controls (logical access, changes management and aspects of IT operational controls). This included testing that requests for access to systems were appropriately reviewed and authorised. • Tested the Company's periodic review of access rights. We also inspected requests of changes to systems for appropriate approval and authorisation. In addition to the above, we tested the design and operating effectiveness of certain automated and IT dependent manual controls that were considered as key internal controls over financial reporting. • Tested the design and operating effectiveness compensating controls in case deficiencies were identified and, where necessary, extended the scope of our substantive audit procedures.

The statutory joint auditors of Aditya Birla Sun Life Insurance Company Limited ('ABSLICL"), subsidiary of ABCL, have reported a key audit matter on Information Technology Systems

The key audit matters	How the matter was addressed in our audit
• ABSLICL is dependent on its Information Technology ("IT") systems due to the significant number of transactions that are processed daily across such multiple and discrete IT systems. Also, IT application controls are critical to ensure that changes to applications and underlying data are made in an appropriate manner and under controlled environments. Appropriate controls contribute to mitigating the risk of potential fraud or errors as a result of changes to applications and data. On account of the pervasive use of its IT systems, the testing of the general computer controls of the IT systems used in financial reporting was considered to be a Key Audit Matter.	The Procedures performed by the auditors, as reported by them, included the following: • With the assistance of ABSLICL IT specialists, we obtained an understanding of the ABSLICL 's IT applications, databases and operating systems relevant to financial reporting and the control environment. For these elements of the IT infrastructure the areas of our focus included access security (including controls over privileged access), programme change controls, database management and network operations. • In Particular: - Tested the design, implementation, and operating effectiveness of the ABSLICL's general IT controls over the IT systems relevant to financial reporting. This included evaluation of ABSLICL's controls over segregation of duties and access rights being provisioned/ modified based on duly approved requests, access for exit cases being revoked in a timely manner and access of all users being recertified during the period of audit. - Tested key automated business cycle controls and logic for the reports generated through the IT infrastructure that were relevant for financial reporting or were used in the exercise of internal financial controls with reference to financial statements. Our tests included testing of the compensating controls or alternate procedures to assess whether there were any unaddressed IT risks that would materially impact the Financial Statements.

The auditors of Aditya Birla Sun Life AMC Limited ('ABSLAMCL'), an associate of ABCL, have reported a key audit matter on Revenue from Asset Management and Advisory Fees and Management Fees from Portfolio Management and Other Services

The key audit matters	How the matter was addressed in our audit
• Revenue from operations is the most significant balance in the Statement of Profit and Loss. It majorly comprises of: - Asset Management and Advisory Fees amounting to ₹ 118,200.57 lakh. - Management Fees from Portfolio Management and Other Services amounting to ₹ 4,459.98 lakh. • The Asset Management and Advisory Fees is based on certain percentage of the applicable daily Assets Under Management ('AUM') in accordance with guidelines prescribed under SEBI (Mutual Fund) Regulations, 1996 as amended from time to time. There are inherent risks in computing such revenue streams including computation of applicable AUM and manual input of key contractual terms, which could result in errors. Considering the complexity in contractual terms involving multiple schemes, it requires monitoring to ensure completeness. • Accordingly, we have considered revenue from asset management and advisory fees and management fees from portfolio management and other services as a key audit matter. Any discrepancy in such computation could give rise to a material misstatement in the financial statements.	The Procedures performed by the auditors, as reported by them, included the following: • Obtained and read the accounting policy for revenue recognition. • Obtained an understanding of the significant revenue items and identified where there is a higher risk of error due to manual processes, complex contractual terms, and areas of judgement. • Test checked the design and operating effectiveness of key controls in place across the Company over recognition of Management Fees. Obtained and assessed independent assurance reports for the relevant controls at the third-party administrators. • Obtained and read the investment management fee report, issued by statutory auditors of mutual fund schemes and reconciled the certified amounts with the accounting records of the ABSLAMCL. • On a sample basis, obtained and tested arithmetical accuracy of revenue calculation and the reconciliation with the accounting records. • On sample basis, verified the input of contractual terms with rates approved by the management. • On a sample basis, checked the receipts of such income in bank statements. • Re-calculated Portfolio Management Services Fees in respect of certain sample contracts and compared with the actual fees charged by the ABSLAMCL for such contracts. • Evaluated the disclosure relating to management fee income earned by the ABSLAMCL.

The auditors of Aditya Birla ARC Limited ('ABARCL'), a subsidiary of ABCL, have reported a key audit matter on Fair Valuation of financial instruments – Security Receipts (SRs)	
The key audit matters	**How the matter was addressed in our audit**
• ABCL has invested in SRs issued by various trust incorporated by the it for acquisition of distressed credit Business. Depending on the arrangement such Investments are in the range of 100%- 15% of the total SRs issued by the various trust. The said SRs are subsequently measured at Fair Value through Profit and Loss (FVTPL) as per the business model of the ABCL and considered as level 3 in the valuation hierarchy. Total investment in SRs outstanding as on 31st March 2023 is ₹ 47,582.65 Lakhs. • ABCL determines the fair value of SRs based on the Net Assets Value (NAV) report provided by the trust. The NAV of the said investment can only be estimated by the trusts using a combination of the recovery range provided by the external rating agency, estimated cash flows, collateral values, discount rate used and various other assumptions. • Considering the complexities involved and various assumptions and significant judgements made by the trust in deriving Net Assets Value of such SRs, we have considered the valuation of these investments as a key audit matter.	The Procedures performed by the auditors, as reported by them, included the following: • Tested the design and effectiveness of internal controls implemented by the management in respect of valuation of the investments including those relating to assessment of recovery plan by Asset Acquisition Committee for determination of appropriate recovery rate based on the range provided by the External Rating Agency. • Assessment of the valuation inputs; – Analysed reasonableness of the estimated cash flows and recovery rate, the other relevant judgements and estimates, if any; and – Assessed the information used to determine the key assumptions; – Compared the historical estimates of the cash flows with the actual recoveries and obtained explanations for the variations, if any; – Compared the management's assumption of discount rate with the supporting internal/ external evidence; – Valuation report of collateral values

Other Information

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the financial statements and auditor's report thereon. The Holding Company's annual report is expected to be made available to us after the date of this auditor's report.

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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Holding Company's annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit/ loss and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associates and joint ventures in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and of its associates and joint ventures and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Board of Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its associates and joint ventures are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and the respective Management and Board of Directors and of its associates and joint ventures are responsible for overseeing the financial reporting process of the Group and of its associates and joint ventures.

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

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

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associates and joint ventures 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 associates and joint ventures to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial statements/financial information of such entities or business activities within the Group and its associates and joint ventures of which we are the independent auditors and whose financial information we have audited, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements/financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by one of the joint auditors of the Parent and other auditors, such one of the joint auditors of the Parent and other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in

this regard are further described in paragraph (a) and (b) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

Other Matters

(a) The consolidated financial statements include the audited financial statements of:

i. 55 subsidiaries and 1 entity which was a subsidiary until 20th October 2022, whose financial statements/ financial information reflect Group's share of total assets (before consolidation adjustments) of ₹ 214,214.29 crore as at 31st March 2023, Group's share of total revenue (before consolidation adjustments) of ₹ 31,952.47 crore, Group's share of total net profit after tax (before consolidation adjustments) of ₹ 4,505.64 crore and Group's share of net cash outflow (before consolidation adjustments) of ₹ 116.47 crore for the year ended on that date, as considered in the consolidated financial statements, which have been audited singly by one of us or other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on the report of other auditors.

ii. 6 joint ventures and 8 associates and 1 entity which became a joint venture with effect from 21st October 2022, whose financial statements/ financial information include the Group's share of total net profit after tax (before consolidation adjustments) of ₹ 282.74 crore for the year ended 31st March 2023, as considered in the consolidated financial statements, which have been audited singly by one of us or 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 joint ventures and associates, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid joint ventures and associates, is based solely on the report of such auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of above matters with respect to our reliance on the work done and the reports of the one of the joint auditors of the Parent and other auditors.

(b) One of the joint ventures is located outside India whose financial statements/ financial information have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Parent Company's management has converted the financial statements of such joint venture located outside India from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Parent Company's management.

Our opinion in so far as it relates to the balances and affairs of such joint venture located outside India is based on the report of other auditor and the conversion adjustments prepared by the management of the Parent Company and audited by us.

(c) The consolidated financial statements include the unaudited financial statements of:

i. 13 subsidiaries, whose financial statements/ financial information reflect Group's share of total assets (before consolidation adjustments) of ₹ Nil crore as at 31st March 2023, Group's share of total revenue (before consolidation adjustments) of ₹ Nil and Group's share of total net profit after tax (before consolidation adjustments) of ₹ Nil crore and Group's share of net cash flows (before consolidation adjustments) of ₹ Nil crore for the year ended on that date, as considered in the consolidated financial statements.

ii. 5 joint ventures and 4 associates whose financial statements/ financial information reflect Group's share of total net loss after tax (before consolidation adjustments) of ₹ 139.28 crore for the year ended 31st March 2023, as considered in the consolidated financial statements.

These unaudited financial statements/financial information have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, joint ventures and associate and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to the aforesaid subsidiaries, joint ventures and associate, is based solely on such unaudited financial statements / financial information. In our opinion and according to the information and explanations given to us by the Management, these financial statements / financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of above matter with respect to the financial statements/financial information certified by the Management.

(d) The consolidated financial statements of the Company for the quarter ended 31st March 2022 and year to date results for the period from 1st April 2021 to 31st March 2022 were audited by the then Joint auditor B S R & Co. LLP and SRBC& CO LLP, whose report dated 24th May 2022 had expressed an unmodified opinion.

(e) The statutory auditor of Aditya Birla Capital Limited ("ABCL"), a subsidiary company, without modifying their opinion on the audited consolidated annual financials results of ABCL have stated that the joint auditors of Aditya Birla Health Insurance Co. Limited, vide their report dated 26th April 2023, have reported in the Other Matter section that:

The actuarial valuation of liabilities in respect of Incurred but Not Reported (IBNR) and Incurred but Not Enough Reported (IBNER) included under claims outstanding and Premium Deficiency Reserve (PDR) as at 31st March 2023 has been duly certified by the Appointed Actuary of the Company. The Appointed Actuary has also certified that the assumptions considered for such valuation are in accordance with the guidelines and norms prescribed by the IRDAI and the Institute of Actuaries of India.

The statutory auditors of the respective subsidiary of ABCL have relied upon Appointed Actuary's certificate and representation made in this regard for forming their opinion on the aforesaid mentioned items.

Our Opinion is not modified in respect of this matter based on the conclusion drawn by the statutory auditors of ABCL and their subsidiary auditor.

(f) The statutory auditor of ABCL, a subsidiary company, without modifying their opinion on the audited consolidated annual financials results of ABCL have stated that the joint auditors of Aditya Birla Sunlife Insurance Company Limited, vide their report dated 25th April 2023, have reported in the Other Matter section that:

'Determination of the following is the responsibility of the Company's Appointed Actuary (the "Appointed Actuary"):

i. The actuarial valuation of liabilities for life policies in force and for policies in respect of which premium has been discontinued but liability exists as at 31st March 2023. The actuarial valuation of these liabilities has been duly certified by the Appointed Actuary and in his opinion, the assumptions for such valuation are in accordance with the guidelines and norms issued by the Insurance Regulatory and Development Authority of India ("IRDAI") and the Institute of Actuaries of India in concurrence with the IRDAI;

ii. Other adjustments as at 31st March 2023 / for the year ended 31st March 2023 for the purpose of Reporting Pack confirmed by the Appointed Actuary in accordance with Indian Accounting Standard 104 – Insurance Contracts:

a. Assessment of contractual liabilities based on classification of contracts into insurance contracts and investment contracts;

b. Valuation and classification of deferred acquisition cost and deferred origination fees on investment contracts;

c. Grossing up and classification of the Reinsurance Assets and;

d. Liability Adequacy test as at the reporting dates and,

e. Disclosures as mentioned in Note No. 54 to the Reporting Pack

The statutory auditors of the respective subsidiary of ABCL have relied upon Appointed Actuary's certificate in this regard for forming their opinion on the aforesaid mentioned items.

Our Opinion is not modified in respect of this matter based on the conclusion drawn by the statutory auditors of ABCL and their subsidiary auditor.

Report on Other Legal and Regulatory Requirements

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

2 A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the one of the joint auditors of the Parent and other auditors on separate/consolidated financial statements of such subsidiaries, associates and joint ventures as were audited by the one of the joint auditors of the Parent and other auditors, as noted in the "Other Matters" paragraph, we report, to the extent applicable, that:

a. We/the other auditors whose report we have relied upon have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the one of the joint auditors of the Parent and other auditors.

c. The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

e. On the basis of the written representations received from the directors of the Holding Company as on 31st March 2023 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, associate companies and joint ventures incorporated in India, none of the directors of the Group companies, its associate companies and joint ventures incorporated in India is disqualified as on 31st 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 and its subsidiary companies, associate companies and joint ventures incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".

B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the one of the joint auditors of the Parent and other auditors on separate/ consolidated financial statements of the subsidiaries, associates and joint ventures, as noted in the "Other Matters" paragraph:

a. The consolidated financial statements disclose the impact of pending litigations as at 31st March 2023 on the consolidated financial position of the Group, its associates and joint ventures. Refer Note 4.1 to the consolidated financial statements.

b. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses, on long-term contracts including derivative contracts. Refer Note 4.10 to the consolidated financial statements in respect of such items as it relates to the Group, its associates and joint ventures.

c. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies, associate companies and joint ventures company incorporated in India during the year ended 31st March 2023.

d (i) The respective management of the Holding Company and its subsidiary companies, associate companies and joint ventures incorporated in India whose financial statements/financial information have been audited under the Act have represented to us, one of the joint auditors of the Parent and the other auditors of such subsidiary companies, associate companies and joint ventures respectively that, to the best of their knowledge and belief, other than as disclosed in the Note 4.16 to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company or any of such subsidiary companies, associate companies and joint ventures to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company or any of such subsidiary companies, associate companies and joint ventures ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(ii) The respective management of the Holding Company and its subsidiary companies, associate companies and joint ventures incorporated in India whose financial statements/financial information have been audited under the Act have represented to us, one of the joint auditors of the Parent and the other auditors of such subsidiary companies, associate companies and joint ventures respectively that, to the best of their knowledge and belief, other than as disclosed in the Note 4.16 to the consolidated financial statements, no funds have been received by the Holding Company or any of such subsidiary companies, associate companies and joint ventures from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company or any of such subsidiary companies, associate companies and joint ventures shall directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(iii) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiary companies, associate companies and joint ventures incorporated in India whose financial statements/ financial information have been audited under the Act, nothing has come to our, one of the joint auditors of the Parent or other auditors notice that has caused us, one of the joint auditors of the Parent or the other auditors to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (i) and (ii) above, contain any material misstatement.

e. The final dividend paid by the Holding Company and its subsidiary companies, associate companies and joint ventures incorporated in India during the year, in respect of the same declared for the previous year, is in accordance with Section 123 of the Act to the extent it applies to payment of dividend.

As stated in Note 4.15 to the consolidated financial statements, the respective Board of Directors of the Holding Company and its subsidiary companies, associate companies and joint ventures incorporated in India have proposed final dividend for the year which is subject to the approval of the respective members at the ensuing Annual General Meeting. The dividend declared is in accordance with Section 123 of the Act to the extent it applies to declaration of dividend.

f. As proviso to rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Holding Company and its subsidiary companies, associate companies and joint ventures incorporated in India only with effect from 1st April 2023, reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is not applicable.

C. With respect to the matter to be included in the Auditor's Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us and based on the consideration of reports of the one of the joint auditors of the Parent and statutory auditors of such subsidiary companies, associate companies and joint ventures incorporated in India which were not audited by us, the remuneration paid during the current year by the Holding Company and its subsidiary companies, associate companies and joint ventures to its directors is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director by the Company/the Holding Company and its subsidiary companies, associate companies and joint ventures is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Vikas R Kasat
Partner
Membership No: 105317
ICAI UDIN : 23105317BGVTOQ6867

Mumbai
Date: 26th May 2023

For **KKC & Associates LLP**
Chartered Accountants
(formerly known as Khimji Kunverji & Co LLP)
Firm's Registration No.: 105146W/W100621

Gautam Shah
Partner
Membership No: 117348
ICAI UDIN : 23117348BGSZ1Q1713

Mumbai
Date: 26th May 2023

Annexure A

To the Independent Auditor's Report on the Consolidated Financial Statements of Grasim Industries Limited for the year ended 31st March 2023

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(xxi) In our opinion and according to the information and explanations given to us, following company incorporated in India and included in the consolidated financial statements, has unfavourable remarks, qualification or adverse remarks given by the respective auditor in their report under the Companies (Auditor's Report) Order, 2020 (CARO):

Sr. No.	Name of the entity	CIN	Relation with company	Clause number of the CARO report which is unfavourable or qualified or adverse
1	Bhaskarpara Coal Company Limited	U10100CT2008PLC020943	Subsidiary's Joint Venture	Clause xix
2	ABReL Green Energy Limited	U40200MH2022PLC385194	Subsidiary's Associate	Clause vii
3	Aditya Birla Renewables SPV 1 Limited	U40300MH2017PLC296313	Subsidiary's Associate	Clause vii
4	AB Insurance Brokers Limited	U99999GJ2001PLC062239	Step Down Subsidiary	Clause iii (e)
5	Aditya Birla Sun Life Pension Management Limited	U66000MH2015PLC260801	Step Down Subsidiary	Clause xvii
6	Aditya Birla ARC Limited	U65999MH2017PLC292331	Step Down Subsidiary	Clause iii (c) and iii (e)
7	Aditya Birla Finance Limited	U65990GJ1991PLC064603	Step Down Subsidiary	Clause ii (b), iii (c), and iii (d)
8	Aditya Birla Housing Finance Limited	U65922GJ2009PLC083779	Step Down Subsidiary	Clause iii (c), and iii (d)
9	AB Money Limited	L65993GJ1995PLC064810	Step Down Subsidiary	Clause iii (c), and iii (f) and vii (a)
10	Aditya Birla Solar Limited	U40106MH2016PLC280762	Subsidiary	Clause ix(a)
11	ABRel Century Energy Limited	U40106MH2022PLC378261	Step Down Subsidiary	Clause vii(a)
12	ABRel SPV 2 Limited	U40108MH2020PLC352631	Step Down Subsidiary	Clause i(b) & vii(a)
13	Waacox Energy Private Limited	U40300MH2015PTC268114	Step Down Subsidiary	Clause vii(a)
14	ABRel (Odisha) SPV Limited	U40109MH2022PLC384633	Step Down Subsidiary	Clause vii(a)
15	ABRel EPC Limited	U40106MH2022PLC384431	Step Down Subsidiary	Clause vii(a)
16	ABRel Renewables EPC Ltd	U40107MH2022PLC378167	Step Down Subsidiary	Clause vii(a)
17	ABRel Solar Power Limited	U40106MH2021PLC366642	Step Down Subsidiary	Clause vii(a)
18	Aditya Birla Renewables Utkal Limited	U40300MH2019PLC325878	Step Down Subsidiary	Clause vii(a)
19	ABREL (MP) Renewables Limited	U40106MH2022PLC384701	Step Down Subsidiary	Clause vii(a)
20	Aditya Birla Renewables Solar Limited	U40106MH2020PLC339323	Step Down Subsidiary	Clause vii(a)
21	Aditya Birla Renewables Limited	U40300MH2015PLC267263	Step Down Subsidiary	Clause vii(a)
22	ABReL EPCCO Services Limited	U40108MH2022PLC379924	Step Down Subsidiary	Clause vii(a)

The above does not include comments, if any, in respect of the following entities as the CARO report relating to them has not been issued by its auditor till the date of principal auditor's report.

Name of the entities	CIN	Associate
Madanpur (North) Coal Company Private Limited	U10101CT2007PTC020161	Associate

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Vikas R Kasat
Partner
Membership No: 105317
ICAI UDIN: 23105317BGVTOQ6867

Mumbai
Date: 26th May 2023

For **KKC & Associates LLP**
Chartered Accountants
(formerly known as Khimji Kunverji & Co LLP)
Firm's Registration No.: 105146W/W100621

Gautam Shah
Partner
Membership No: 117348
ICAI UDIN: 23117348BGSZ1Q1713

Mumbai
Date: 26th May 2023

Annexure B

To the Independent Auditor's Report on the consolidated financial statements of Grasim Industries Limited for the year ended 31st March 2023

Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of sub-section 3 of Section 143 of the Act

(Referred to in paragraph 2(A)(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Opinion

In conjunction with our audit of the consolidated financial statements of Grasim Industries Limited (hereinafter referred to as "the Holding Company") as of and for the year ended 31st March 2023, we have audited the internal financial controls with reference to financial statements of the Holding Company and such companies incorporated in India under the Act which are its subsidiary companies, its associate companies and joint ventures, as of that date.

In our opinion and based on the consideration of reports of the one of the joint auditors of the Parent and other auditors on internal financial controls with reference to financial statements/financial information of subsidiary companies, associate companies and joint ventures, as were audited by the one of the joint auditors of the Parent and other auditors, the Holding Company and such companies incorporated in India which are its subsidiary companies, its associate companies and joint ventures, have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls were operating effectively as at 31st March 2023, based on the internal financial controls with reference to financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the "Guidance Note").

Management's and Board of Directors' Responsibilities for Internal Financial Controls

The respective Company's Management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to financial statements criteria established by the respective Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the one of the joint auditors of the Parent and other auditors of the relevant subsidiary companies, associate companies and joint ventures in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to financial statements.

Meaning of Internal Financial Controls with Reference to Financial Statements

A Company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated 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 consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with 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 consolidated financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Other Matter

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements/financial information insofar as it relates to 56 subsidiary companies, 8 associate companies and 5 joint ventures, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India. Our opinion is not modified in respect of this matter.

For **B S R & Co. LLP**
Chartered Accountants
Firm's Registration No.: 101248W/W-100022

Vikas R Kasat
Partner
Membership No: 105317
ICAI UDIN: 23105317BGVTOQ6867

Mumbai
Date: 26th May 2023

For **KKC & Associates LLP**
Chartered Accountants
(formerly known as Khimji Kunverji & Co LLP)
Firm's Registration No.: 105146W/W100621

Gautam Shah
Partner
Membership No: 117348
ICAI UDIN: 23117348BGSZ1Q1713

Mumbai
Date: 26th May 2023

Consolidated Balance Sheet

as at 31st March 2023

₹ in crore

	Note No.	As at 31st March 2023		As at 31st March 2022
ASSETS				
Non-Current Assets				
Property, Plant and Equipment	2.1	63,753.53		58,148.57
Capital Work-in-Progress	2.1	7,730.18		6,572.18
Investment Property	2.2	14.37		14.81
Goodwill	2.3	20,137.55		20,058.50
Other Intangible Assets	2.4	8,591.89		8,895.41
Intangible Assets Under Development	2.4	47.50		42.94
Right of Use Assets	2.5	2,399.03		1,878.83
Investment in Equity Accounted Investees	2.6	11,016.84		7,050.17
Financial Assets				
Investments				
- Investments of Insurance Business	2.7	39,523.43		30,952.64
- Other Investments	2.8	9,502.90		13,881.17
Asset Held to Cover Linked Liabilities of Life Insurance Business	2.9	26,842.95		26,137.33
Trade Receivables	2.10	6.82		-
Loans	2.11	70,871.12		51,954.12
Other Financial Assets	2.12	3,759.70		2,458.00
Deferred Tax Assets (Net)	2.13	382.26		246.04
Non-Current Tax Assets (Net)		826.38		989.16
Other Non-Current Assets	2.14	4,276.22		3,347.27
Total - Non-Current Assets			**269,682.67**	**232,627.14**
Current Assets				
Inventories	2.15	11,159.15		9,536.42
Financial Assets				
Investments				
- Investments of Insurance Business	2.16	900.69		2,339.22
- Other Investments	2.17	13,905.64		12,382.87
Asset Held to Cover Linked Liabilities of Life Insurance Business	2.18	3,662.84		4,022.72
Trade Receivables	2.19	5,915.10		5,429.36
Cash and Cash Equivalents	2.20	2,312.56		2,240.70
Bank Balances other than Cash and Cash Equivalents	2.21	1,400.82		1,011.85
Loans	2.22	22,342.08		14,247.01
Other Financial Assets	2.23	2,348.92		2,773.76
Current Tax Assets (Net)		3.27		0.11
Other Current Assets	2.24	3,553.27		2,774.14
Total - Current Assets			**67,504.34**	**56,758.16**
Non-Current Assets/ Disposal Group Held for Sale	4.4		18.02	9.53
TOTAL ASSETS			**337,205.03**	**289,394.83**

Consolidated Balance Sheet (Contd.)

as at 31st March 2023

₹ in crore

	Note No.	As at 31st March 2023		As at 31st March 2022
EQUITY AND LIABILITIES				
Equity				
Equity Share Capital	2.25	131.69		131.67
Other Equity	2.26	78,610.30		75,566.56
Equity Attributable to Owners of the Company			**78,741.99**	**75,698.23**
Non-Controlling Interest			44,170.83	40,476.48
Total Equity			**122,912.82**	**116,174.71**
Liabilities				
Non-Current Liabilities				
Financial Liabilities				
Borrowings	2.27	66,712.46		46,545.96
Lease Liabilities	2.5	1,410.73		1,319.38
Policyholder's Liabilities	2.28	67,012.03		57,705.64
Other Financial Liabilities	2.29	398.57		428.74
Provisions	2.30	765.81		732.94
Deferred Tax Liabilities (Net)	2.13	8,443.38		8,526.67
Other Non-Current Liabilities	2.31	16.24		76.32
Total - Non-Current Liabilities			**144,759.22**	**115,335.65**
Current Liabilities				
Financial Liabilities				
Borrowings	2.32	34,635.46		26,457.29
Lease Liabilities	2.5	279.91		238.16
Supplier's Credit	2.33	-		183.40
Policyholder's Liabilities	2.34	2,077.90		3,167.74
Trade Payables	2.35			
- Total Outstanding Dues of Micro and Small Enterprises		351.52		244.28
- Total Outstanding Dues of Creditors other than Micro and Small Enterprises		13,001.75		11,149.16
Other Financial Liabilities	2.36	9,859.01		8,166.09
Other Current Liabilities	2.37	6,438.15		6,445.02
Provisions	2.38	722.47		815.74
Current Tax Liabilities (Net)		2,166.82		1,017.59
Total - Current Liabilities			**69,532.99**	**57,884.47**
Liabilities directly associated with Non-Current Assets Held for Sale	4.4		-	-
TOTAL EQUITY AND LIABILITIES			**337,205.03**	**289,394.83**

Significant Accounting Policies and Key Accounting Estimates and Judgements 1

The accompanying Notes are an integral part of the Consolidated Financial Statements

In terms of our report on even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248W/W-100022

For KKC & Associates LLP
Chartered Accountants
Firm Registration No.: 105146W/W100621

For and on behalf of the Board of Directors of
GRASIM INDUSTRIES LIMITED
CIN-L17124MP1947PLC000410

Vikas R Kasat
Partner
Membership No.: 105317

Gautam Shah
Partner
Membership No.: 117348

Harikrishna Agarwal
Managing Director
DIN: 09288720

N. Mohan Raj
Independent Director
DIN: 00181969

Dr. Santrupt Misra
Non-Executive Director
DIN: 00013625

Mumbai
Dated: 26th May 2023

Pavan K. Jain
Chief Financial Officer

Sailesh Kumar Daga
Company Secretary
Membership No.: F 4164

Mumbai
Dated: 26th May 2023

Consolidated Statement of Profit and Loss

for the year ended 31st March 2023

₹ in crore

	Note No.	Year Ended 31st March 2023	Year Ended 31st March 2022
Continuing Operations			
INCOME			
Revenue from Operations	3.1	117,627.08	95,701.13
Other Income	3.2	3,612.05	821.34
Total Income (I)		**121,239.13**	**96,522.47**
EXPENSES			
Cost of Materials Consumed	3.3	21,622.26	16,889.60
Purchases of Stock-in-Trade	3.4	1,824.35	1,404.56
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	3.5	(834.66)	(921.74)
Employee Benefits Expense	3.6	7,193.86	6,327.71
Power and Fuel		23,168.73	15,520.70
Freight and Handling Expenses		15,024.93	12,584.10
Change in Valuation of Liability in respect of Insurance Policies		7,451.57	4,240.83
Benefits Paid - Insurance Business		5,467.75	6,702.55
Finance Cost relating to NBFC/HFC's Business	3.7	4,723.46	3,480.30
Other Finance Costs	3.8	1,320.27	1,295.70
Depreciation and Amortisation Expenses	3.9	4,551.59	4,161.07
Other Expenses	3.10	15,119.24	12,521.45
Total Expenses (II)		**106,633.35**	**84,206.83**
Profit from Continuing Operations Before Share in Profit of (I - II) Equity Accounted Investees, Exceptional Items and Tax		14,605.78	12,315.64
Share in Profit of Equity Accounted Investees	2.40	208.96	380.33
Profit from Continuing Operations Before Tax and Exceptional Items		**14,814.74**	**12,695.97**
Exceptional Items	3.11	(88.03)	(69.11)
Profit from Continuing Operations Before Tax		**14,726.71**	**12,626.86**
Tax Expense of Continuing Operations (Net)	3.12		
Current Tax		3,432.67	1,954.40
Deferred Tax		215.84	(18.09)
Total Tax Expense		**3,648.51**	**1,936.31**
Profit for the Year from Continuing Operations (III)		**11,078.20**	**10,690.55**
Discontinued Operations			
Profit Before Tax from Discontinued Operations	4.4	-	352.52
Exceptional Items	3.11	-	670.71
Tax Expenses of Discontinued Operations		-	(440.07)
Less: Reversal / (Provision) of Impairment of Assets Classified as Held for Sale		-	(67.42)
Profit for the Year from Discontinued Operations (IV)		**-**	**515.74**
Profit for the Year (V = III + IV)		**11,078.20**	**11,206.29**
Other Comprehensive Income	3.13		
A (i) Items that will not be reclassified to Profit or Loss		(3,444.28)	3,442.16
(ii) Income Tax relating to items that will not be reclassified to Profit or Loss		387.85	(221.77)
B (i) Items that will be reclassified to Profit or Loss		(182.04)	63.88
(ii) Income Tax relating to items that will be reclassified to Profit or Loss		57.69	(3.47)
Other Comprehensive Income for the Year (VI)		**(3,180.78)**	**3,280.80**
Total Comprehensive Income for the Year (V + VI)		**7,897.42**	**14,487.09**

Consolidated Statement of Profit and Loss (Contd.)

for the year ended 31st March 2023

₹ in crore

	Note No.	Year Ended 31st March 2023	Year Ended 31st March 2022
Profit from Continuing Operations Attributable to:			
Owners of the Company		6,827.26	7,102.37
Non-Controlling Interest		4,250.94	3,588.18
		11,078.20	**10,690.55**
Profit Attributable to:			
Owners of the Company		6,827.26	7,549.78
Non-Controlling Interest		4,250.94	3,656.51
		11,078.20	**11,206.29**
Other Comprehensive Income Attributable to:			
Owners of the Company		(3,104.23)	3,281.85
Non-Controlling Interest		(76.55)	(1.05)
		(3,180.78)	**3,280.80**
Total Comprehensive Income Attributable to:			
Owners of the Company		3,723.03	10,831.63
Non-Controlling Interest		4,174.39	3,655.46
		7,897.42	**14,487.09**
Earnings Per Equity Share (Face Value ₹ 2 each) - Continuing Operations	3.14		
Basic (₹)		103.98	108.16
Diluted (₹)		103.88	108.00
Earnings Per Equity Share (Face Value ₹ 2 each) - Discontinued Operations	3.14		
Basic (₹)		-	6.82
Diluted (₹)		-	6.80
Earnings Per Equity Share (Face Value ₹ 2 each) - Continuing and Discontinued Operations	3.14		
Basic (₹)		103.98	114.98
Diluted (₹)		103.88	114.80

Significant Accounting Policies and Key Accounting Estimates and Judgements 1

The accompanying Notes are an integral part of the Consolidated Financial Statements

In terms of our report on even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248W/W-100022

For KKC & Associates LLP
Chartered Accountants
Firm Registration No.: 105146W/W100621

For and on behalf of the Board of Directors of
GRASIM INDUSTRIES LIMITED
CIN-L17124MP1947PLC000410

Vikas R Kasat
Partner
Membership No.: 105317

Gautam Shah
Partner
Membership No.: 117348

Harikrishna Agarwal
Managing Director
DIN: 09288720

N. Mohan Raj
Independent Director
DIN: 00181969

Dr. Santrupt Misra
Non-Executive Director
DIN: 00013625

Mumbai
Dated: 26th May 2023

Pavan K. Jain
Chief Financial Officer

Sailesh Kumar Daga
Company Secretary
Membership No.: F 4164

Mumbai
Dated: 26th May 2023

Consolidated Statement of Changes in Equity

for the year ended 31st March 2023

A. EQUITY SHARE CAPITAL

For the year ended 31st March 2023

₹ in crore

Balance as at 1st April 2022	Changes in Equity Share Capital during the year (Note 2.25.4)	Balance as at 31st March 2023
131.67	0.02	131.69

For the year ended 31st March 2022

₹ in crore

Balance as at 1st April 2021	Changes in Equity Share Capital during the year (Note 2.25.4)	Balance as at 31st March 2022
131.62	0.05	131.67

B. OTHER EQUITY

For the year ended 31st March 2023

₹ in crore

Particulars	Attributable to Owners of the Company															Non-Controlling Interest	Total
	Equity Component of Other Financial Instruments	Reserves and Surplus									Other Comprehensive Income (OCI)				Total		
		Capital Reserve	Legal Reserve	Securities Premium	General Reserve	Debenture Redemption Reserve	Special Reserve Fund	Treasury Shares Held by ESOP Trust	Retained Earnings	Employee Share Options Outstanding	Debt Instruments through OCI	Equity Instruments through OCI	Hedging Reserve	Foreign Currency Translation Reserve			
Opening Balance as at 1st April 2022	3.00	146.31	0.31	27,229.59	35,419.61	35.32	584.20	(239.30)	10,159.72	301.83	0.45	1,568.89	6.81	349.82	75,566.56	40,476.48	116,043.04
Profit for the Year	-	-	-	-	-	-	-	-	6,827.26	-	-	-	-	-	6,827.26	4,250.94	11,078.20
Other Comprehensive Income for the Year (Note 3.13)	-	-	-	-	-	-	-	-	@ 49.01	-	(49.85)	(3,082.05)	(112.46)	91.12	(3,104.23)	(76.55)	(3,180.78)
Total Comprehensive Income for the Year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**6,876.27**	**-**	**(49.85)**	**(3,082.05)**	**(112.46)**	**91.12**	**3,723.03**	**4,174.39**	**7,897.42**
Purchase of Treasury Shares	-	-	-	-	-	-	-	(173.63)	-	-	-	-	-	-	(173.63)	(48.94)	(222.57)
Issue of Treasury Shares	-	-	-	-	-	-	-	25.61	-	(3.88)	-	-	-	-	21.73	5.11	26.84
Transfer from Retained Earnings to General Reserve	-	-	-	-	3,000.00	-	-	-	(3,000.00)	-	-	-	-	-	-	-	-
Transfer from Retained Earnings to Special Reserve Fund	-	-	-	-	-	-	387.20	-	(387.20)	-	-	-	-	-	-	-	-
Employee Stock Options Exercised	-	-	-	26.50	-	-	-	-	-	(12.63)	-	-	-	-	13.87	2.54	16.41
Employee Stock Options Granted (Net of Lapses)	-	-	-	-	-	-	-	-	-	128.65	-	-	-	-	128.65	-	128.65
Transfer to General Reserve on account of Lapse of Vested Options	-	-	-	-	1.84	-	-	-	-	(3.40)	-	-	-	-	(1.56)	1.56	-
Dividend Paid	-	-	-	-	-	-	-	-	(657.65)	-	-	-	-	-	(657.65)	-	(657.65)
Dividend Paid to Non-Controlling Interest by a Subsidiary Company	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(497.04)	(497.04)
Issue of Equity Shares to Non-Controlling Interest by a Subsidiary Company	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	294.11	294.11

Consolidated Statement of Changes in Equity (Contd.)

for the year ended 31st March 2023

₹ in crore

Particulars	Attributable to Owners of the Company															Non-Controlling Interest	Total
	Equity Component of Other Financial Instruments	Reserves and Surplus									Other Comprehensive Income (OCI)				Total		
		Capital Reserve	Legal Reserve	Securities Premium	General Reserve	Debenture Redemption Reserve	Special Reserve Fund	Treasury Shares Held by ESOP Trust	Retained Earnings	Employee Share Options Outstanding	Debt Instruments through OCI	Equity Instruments through OCI	Hedging Reserve	Foreign Currency Translation Reserve			
Stake Dilution in Subsidiary Companies	-	-	-	-	-	-	-	-	(10.85)	-	-	-	-	-	(10.85)	10.85	-
Realised Gain/(Loss) on Sale of Equity Instrument at FVTOCI Transferred to Retained Earnings	-	-	-	-	-	-	-	-	1.37	-	-	(1.37)	-	-	-	-	-
De-recognition of Non-controlling interest on conversion of Aditya Birla Health Insurance Co. Limited from Subsidiary to Joint Venture (note 4.12.5)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(283.75)	(283.75)
On Acquisition (note 4.3 A)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	47.86	47.86
On account of Liquidation of Subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	0.13	0.13	0.22	0.35
Other Including subvention money	-	-	(0.02)	-	-	-	-	-	(1.62)	-	1.66	-	-	-	0.02	(12.56)	(12.54)
Closing Balance as at 31st March 2023	**3.00**	**146.31**	**0.29**	**27,256.09**	**38,421.45**	**35.32**	**971.40**	**(387.32)**	**12,980.04**	**410.57**	**(47.74)**	**(1,514.53)**	**(105.65)**	**441.07**	**78,610.30**	**44,170.83**	**122,781.13**

@ Represents remeasurement of Defined Benefits Plan.

For the year ended 31st March 2022

₹ in crore

Particulars	Attributable to Owners of the Company															Non-Controlling Interest	Total
	Equity Component of Other Financial Instruments	Reserves and Surplus									Other Comprehensive Income (OCI)				Total		
		Capital Reserve	Legal Reserve	Securities Premium	General Reserve	Debenture Redemption Reserve	Special Reserve Fund	Treasury Shares Held by ESOP Trust	Retained Earnings	Employee Share Options Outstanding	Debt Instruments through OCI	Equity Instruments through OCI	Hedging Reserve	Foreign Currency Translation Reserve			
Opening Balance as at 1st April 2021	3.00	146.31	0.54	27,201.51	32,663.01	145.92	393.45	(152.93)	6,021.21	274.49	15.84	(1,628.09)	(16.84)	295.02	65,362.44	37,067.54	102,429.98
Profit for the Year	-	-	-	-	-	-	-	-	7,549.78	-	-	-	-	-	7,549.78	3,656.51	11,206.29
Other Comprehensive Income for the Year (Note 3.13)	-	-	-	-	-	-	-	-	@23.18	-	(15.39)	3,195.61	23.65	54.80	3,281.85	(1.05)	3,280.80
Total Comprehensive Income for the Year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**7,572.96**	**-**	**(15.39)**	**3,195.61**	**23.65**	**54.80**	**10,831.63**	**3,655.46**	**14,487.09**
Purchase of Treasury Shares	-	-	-	-	-	-	-	(114.17)	-	-	-	-	-	-	(114.17)	(38.97)	(153.14)
Issue of Treasury Shares	-	-	-	-	-	-	-	27.80	-	-	-	-	-	-	27.80	6.15	33.95
Transfer from Retained Earnings to General Reserve	-	-	-	-	2,752.48	-	-	-	(2,752.48)	-	-	-	-	-	-	-	-
Transfer from Retained Earnings to Special Reserve Fund	-	-	-	-	-	-	190.75	-	(190.75)	-	-	-	-	-	-	-	-

Consolidated Statement of Changes in Equity (Contd.)

for the year ended 31st March 2023

₹ in crore

Particulars	Attributable to Owners of the Company															Non-Controlling Interest	Total
	Equity Component of Other Financial Instruments	Reserves and Surplus								Other Comprehensive Income (OCI)					Total		
		Capital Reserve	Legal Reserve	Securities Premium	General Reserve	Debenture Redemption Reserve	Special Reserve Fund	Treasury Shares Held by ESOP Trust	Retained Earnings	Employee Share Options Outstanding	Debt Instruments through OCI	Equity Instruments through OCI	Hedging Reserve	Foreign Currency Translation Reserve			
Transfer from Debenture Redemption Reserve to Retained Earnings	-	-	-	-	-	(110.60)	-	-	110.60	-	-	-	-	-	-	-	-
Employee Stock Options Exercised	-	-	-	28.08	-	-	-	-	-	(35.97)	-	-	-	-	(7.89)	8.02	0.13
Employee Stock Options Granted (Net of Lapses)	-	-	-	-	-	-	-	-	-	70.91	-	-	-	-	70.91	11.07	81.98
Transfer to General Reserve on account of Lapse of Vested Options	-	-	-	-	4.12	-	-	-	-	(7.60)	-	-	-	-	(3.48)	3.48	-
Dividend Paid	-	-	-	-	-	-	-	-	(592.26)	-	-	-	-	-	(592.26)	-	(592.26)
Dividend Paid to Non-Controlling Interest by a Subsidiary Company	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(473.29)	(473.29)
Issue of Equity Shares to Non-Controlling Interest by a Subsidiary Company	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	222.61	222.61
Stake Dilution in Subsidiary Companies	-	-	-	-	-	-	-	-	(14.82)	-	-	-	-	-	(14.82)	14.82	-
Realised Gain/(Loss) on Sale of Equity Instrument at FVTOCI Transferred to Retained Earnings	-	-	-	-	-	-	-	-	(1.37)	-	-	1.37	-	-	-	-	-
Other movements during the Year	-	-	(0.23)	-	-	-	-	-	6.63	-	-	-	-	-	6.40	(0.41)	5.99
Closing Balance as at 31st March 2022	**3.00**	**146.31**	**0.31**	**27,229.59**	**35,419.61**	**35.32**	**584.20**	**(239.30)**	**10,159.72**	**301.83**	**0.45**	**1,568.89**	**6.81**	**349.82**	**75,566.56**	**40,476.48**	**116,043.04**

@ Represents remeasurement of Defined Benefits Plan.

Significant Accounting Policies and Key Accounting Estimates and Judgements- Refer Note 1

The accompanying Notes are an integral part of the Consolidated Financial Statements

In terms of our report on even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248W/W-100022

Vikas R Kasat
Partner
Membership No.: 105317

Mumbai
Dated: 26th May 2023

For KKC & Associates LLP
Chartered Accountants
Firm Registration No.: 105146W/W100621

Gautam Shah
Partner
Membership No.: 117348

For and on behalf of the Board of Directors of
GRASIM INDUSTRIES LIMITED
CIN-L17124MP1947PLC000410

Harikrishna Agarwal
Managing Director
DIN: 09288720

N. Mohan Raj
Independent Director
DIN: 00181969

Dr. Santrupt Misra
Non-Executive Director
DIN: 00013625

Pavan K. Jain
Chief Financial Officer

Sailesh Kumar Daga
Company Secretary
Membership No.: F 4164

Mumbai
Dated: 26th May 2023

Consolidated Statement of Cash Flows

for the year ended 31st March 2023

₹ in crore

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
A. Cash Flow from Operating Activities		
Profit Before Tax after Exceptional Items and before Share in Profit/(Loss) of Equity Accounted Investees	14,517.75	12,246.53
Adjustments for Continuing Operations:		
Exceptional Items	88.03	69.11
Depreciation and Amortisation Expenses	4,551.59	4,161.07
Finance Costs	1,320.27	1,295.70
Interest Income	(380.58)	(219.62)
Dividend Income	(40.40)	(31.28)
Employee Stock Options and Stock Appreciation Rights Expenses	118.34	66.65
Allowance for Credit Losses on Advances/Debts (Net)	9.78	(15.97)
Changes in Valuation of Liabilities in respect of Insurance Policies in force	7,451.57	4,240.83
Impairment on Financial Instruments	983.46	731.33
Excess Provision Written Back (Net)	(143.82)	(145.51)
Loss on Sale/Discard of Property, Plant and Equipment (Net)	10.64	7.71
Profit on Sale of Investments (Net)	(78.57)	(220.44)
Unrealised Gain and Fair Value Adjustments on Investments measured at Fair Value through Profit and Loss (Net)	(339.86)	(640.06)
Unrealised Exchange (Gain)/Loss (Net)	(102.43)	(55.77)
Gain on control establishment on Associate	-	(7.88)
Fair Value Adjustments to Borrowings	(50.26)	(74.44)
Other Non-Cash Items	3.77	-
Gain on account of Fair Value of Investment in Aditya Birla Health Insurance Co. Limited on conversion from Subsidiary to Joint Venture (note 4.12.5)	(2,754.27)	-
Operating Profit Before Working Capital Changes	**25,165.01**	**21,407.96**
Adjustment for:		
Trade Receivables	(455.24)	(1,074.49)
Loans of Financing Business	(27,972.19)	(7,100.48)
Financial and Other Assets	(1,251.53)	(1,322.62)
Inventories	(1,598.39)	(3,340.81)
Trade Payables, Other Liabilities and Provision	3,008.57	4,830.48
Investments of Life Insurance Policyholders	(7,486.55)	(3,396.75)
Cash Generated from Operations	**(10,590.32)**	**10,003.29**
Income Taxes Paid (Net of Refund)	(2,094.82)	(2,965.64)
Net Cash generated from Operating Activities (A)	**(12,685.14)**	**7,037.65**
B. Cash Flow from Investing Activities		
Purchase of Property, Plant and Equipment and other Intangible Assets	(12,036.16)	(8,587.68)
Proceeds from Disposal of Property, Plant and Equipment	111.49	82.56
Acquisition of Equity Shares in Subsidiaries	(19.34)	(41.60)
Investments in Joint Ventures and Associates	(858.73)	(35.16)
Sale of Mutual Fund Units, Shares and Bonds (Non-Current)	6,858.23	14,386.13
Purchase of Mutual Fund Units, Shares and Bonds (Non-Current)	(7,605.95)	(6,613.64)
Proceeds from (Purchase)/Sale of Investments and Shareholders' Investment of Life Insurance Business (Current) {Net}	104.76	(4,176.52)
Proceeds on disposal of subsidiaries	3.49	-
Purchase of Other Non-Current Investments	(70.19)	(64.77)
Proceeds from Sale of Other Non-Current Investment	0.10	-

Consolidated Statement of Cash Flows (Contd.)

for the year ended 31st March 2023

₹ in crore

	Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
	Redemption/(Investment) in Other Bank Deposits	(689.17)	1,264.97
	Expenditure for Cost of Assets Transferred	–	(94.57)
	Loans and Advances given to other Companies	(106.61)	(16.75)
	Receipt against Loans and Advances given to Other Companies	–	12.55
	Loans and Advances Given to Joint Ventures and Associates	–	(5.00)
	Receipt Against Loans and Advances Given to Associates	112.69	7.20
	Interest Received	312.01	191.18
	Dividend Received	196.67	147.92
	Net Cash Used in Investing Activities (B)	**(13,686.71)**	**(3,543.18)**
C.	**Cash Flow from Financing Activities**		
	Proceeds from Issue of Share Capital under ESOP Scheme	16.62	8.95
	Treasury Shares Acquired by ESOP Trust	(222.57)	(153.14)
	Proceeds from Issue of Treasury Shares	18.23	19.15
	Equity Infusion by Minority Shareholders in Subsidiary Companies	327.96	229.78
	Transaction cost on equity shares of a Subsidiary Company and share Issue Expenses	(3.95)	-
	Proceeds from Non-Current Borrowings	39,810.27	15,178.98
	Repayment of Non-Current Borrowings	(16,403.82)	(21,014.15)
	Proceeds/(Repayments) of Current Borrowings (Net)	5,748.28	1,544.38
	Proceeds of Supplier's Credit	(183.40)	183.40
	Proceeds from Inter-Corporate Loans	28.60	60.93
	Repayment of Inter-Corporate Loans	(3.00)	(50.43)
	Repayment of Lease Liabilities (including Interest)	(319.73)	(352.93)
	Interest and Finance Charges Paid	(1,193.80)	(1,322.55)
	Dividend Paid	(1,150.56)	(1,065.50)
	Net Cash Used in Financing Activities	**26,469.13**	**(6,733.13)**
D.	**Net Increase/(Decrease) in Cash and Cash Equivalents from Continuing Operations**	97.28	(3,238.67)
E.	**Net Cash Flow Transferred from Discontinued Operations to Continuing Operations**	–	2,491.02
F.	**Cash and Cash Equivalents as at the beginning of the Year from Continuing Operations**	2,240.70	2,988.74
G.	**Add: Cash and Cash Equivalents Received on acquisition of controlling Stake in Waacox**	–	0.08
H.	**Adjustment on account of conversion of Aditya Birla Health Insurance Co. Limited from Subsidiary to Joint Venture**	(24.81)	-
I.	**Add: Effect of Exchange Rate on Consolidation of Foreign Subsidiaries**	(0.61)	(0.47)
	Cash and Cash Equivalents at the end of the Year from Continuing Operations	**2,312.56**	**2,240.70**
J.	**Cash Flow from Discontinued Operations**		
	Opening Cash and Cash Equivalents	–	-
	Cash Flows generated from/(Used in) Operating Activities	–	(217.33)
	Cash Flows generated from/(Used in) Investing Activities	–	(48.93)
	Cash Flows generated from/(Used in) Financing Activities	–	901.48
	Proceeds from Divestment of Fertiliser Business	–	1,855.80
	Net Increase in Cash and Cash Equivalents from Discontinuing Operations	**–**	**2,491.02**
	Net Cash Flow Transferred from Discontinued Operations to Continuing Operations	–	(2,491.02)
	Cash and Cash Equivalents from Discontinued Operations	**–**	**–**
	Less: Reclassified to Assets Held for Sale	–	–
	Cash and Cash Equivalents at the end of the Year from Discontinued Operations	**–**	**–**
K.	**Cash and Cash Equivalents at the end of the Year**	**2,312.56**	**2,240.70**

Consolidated Statement of Cash Flows (Contd.)

for the year ended 31st March 2023

Notes :

(i) Statement of Cash Flows has been prepared under the indirect method as set out in Indian Accounting Standard (Ind AS) -7 "Statement of Cash Flows" prescribed under the Companies Act (Indian Accounting Standards) Rules, 2015 of the Companies Act, 2013.

(ii) Purchase of Property, Plant and Equipment includes cash flows of Capital Work-in-Progress (including Capital Advances) and movement in Creditors for Capital Expenditure.

(iii) Changes in Liabilities arising from Financing Activities :

₹ in crore

Particulars	As at 1st April 2022	Cash Flows	Non-Cash Changes: Debt Issuance Cost	Non-Cash Changes: Fair Value Adjustments (including Foreign Exchange Rate Movements)	As at 31st March 2023
Non-Current Borrowings *	60,047.41	23,406.45	(3.46)	20.77	83,471.17
Current Borrowings	12,955.84	5,773.88	-	(852.97)	17,876.75
Supplier's Credit	183.40	(183.40)		-	-

* Including current maturities of Non-Current Borrowings

₹ in crore

Particulars	As at 1st April 2021	Cash Flows	Non-Cash Changes: Debt Issuance Cost	Non-Cash Changes: Fair Value Adjustments (including Foreign Exchange Rate Movements)	As at 31st March 2022
Non-Current Borrowings *	66,008.25	(5,835.17)	(8.13)	(117.54)	60,047.41
Current Borrowings	11,400.96	1,554.88	-	-	12,955.84
Supplier's Credit	-	183.40		-	183.40

* Including current maturities of Non-Current Borrowings

(iv) Refer Note 2.5.B for cash outflows for Lease Liabilities.

Significant Accounting Policies and Key Accounting Estimates and Judgements - Refer Note 1

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In terms of our report on even date attached

For B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248W/W-100022

Vikas R Kasat
Partner
Membership No.: 105317

Mumbai
Dated: 26th May 2023

For KKC & Associates LLP
Chartered Accountants
Firm Registration No.: 105146W/W100621

Gautam Shah
Partner
Membership No.: 117348

For and on behalf of the Board of Directors of
GRASIM INDUSTRIES LIMITED
CIN-L17124MP1947PLC000410

Harikrishna Agarwal
Managing Director
DIN: 09288720

N. Mohan Raj
Independent Director
DIN: 00181969

Dr. Santrupt Misra
Non-Executive Director
DIN: 00013625

Pavan K. Jain
Chief Financial Officer

Sailesh Kumar Daga
Company Secretary
Membership No.: F 4164

Mumbai
Dated: 26th May 2023

Notes

forming part of the Consolidated Financial Statements for the year ended 31st March 2023

CORPORATE INFORMATION

Grasim Industries Limited ("the Group" or "the Company") is a limited company incorporated and domiciled in India. The registered office is at Birlagram, Nagda - 456 331, Dist. Ujjain (M.P.), India. The Company is a public limited company and its shares are listed on the BSE Limited, India, and the National Stock Exchange of India Limited, India, and the Company's Global Depository Receipts are listed on the Luxembourg Stock Exchange.

The Group along with Subsidiaries, Joint Ventures and Associates is engaged primarily in Viscose (Pulp, Fibre and Yarn), Chemicals (Caustic Soda, Speciality and allied Chemicals), Cement, Financial Services and Others (Insulators, Textiles, Paints, B2B e-commerce and Solar Power).

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 Statement of Compliance:

These consolidated financial statements are prepared and presented in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015, as amended from time to time as notified under section 133 of Companies Act, 2013, the relevant provisions of the Companies Act, 2013 ("the Act") and the guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable. The accounting policies have been applied consistently to all periods presented in the financial statements.

1.2 Basis of Preparation:

The financial statements have been prepared and presented on the going concern basis and at historical cost, except for the following assets and liabilities, which have been measured as indicated below:

i. Derivative Financial Instruments measured at fair value (covered under para 1.24);

ii. Certain financial assets and liabilities at fair value (refer accounting policy regarding financial instruments (covered under para 1.25);

iii. Assets held for disposal - measured at the lower of its carrying amount and fair value less costs to sell;

iv. Employee's Defined Benefit Plan as per actuarial valuation; and

v. Assets and liabilities acquired under Business Combination measured at fair value; and

vi. Employee share-based payments measured at fair value

On account of the regulatory restrictions on transfer of surplus / funds from the life insurance fund to shareholders, no proportion of the surplus relating to life insurance fund (including in respect of contracts without discretionary participating features) arising out of the adjustments due to application of Ind AS principles can be attributed to shareholders. Therefore, the differences arising from the application of the Ind AS principles to the assets and liabilities of the life insurance fund be retained within the "Life Insurance Policyholders' Fund".

Further all income and expenses pertaining to the life insurance fund have been clubbed with respective income and expenses. Assets and Liabilities of Life Insurance fund have been clubbed with respective assets and liabilities.

1.3 Principles of Consolidation:

The Consolidated Financial Statements (CFS) comprises the Financial Statements of Grasim Industries Limited ("the Company") and its Subsidiaries (herein after referred together as "the Group"), Joint Ventures and Associates. The CFS of the Group have been prepared in accordance with the Indian Accounting Standards on "Consolidated Financial Statements" (Ind AS 110), "Joint Arrangements" (Ind AS 111), "Disclosure of Interest in Other Entities" (Ind AS 112), "Investment in Associates and Joint Ventures" (Ind AS 28) notified under Section 133 of the Companies Act, 2013.

(i) Subsidiaries:

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which controls commences until the date on which control ceases.

(ii) Non-Controlling Interest (NCI):

Non-controlling interest in the net assets of the consolidated subsidiaries consists of:

a) The amount of equity attributable to non-controlling shareholders at the date on which the investments in the subsidiary companies were made.

b) The non-controlling share of movements in equity since the date the Parent-Subsidiary relationship comes into existence.

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The total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interest having deficit balance.

(iii) Loss of Control:

When the Group loses control over a subsidiary, it de-recognises the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognised in the Statement of Profit and Loss.

(iv) Equity Accounted Investees:

An associate is an entity over which the Group has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining whether significant influence or joint control are similar to those necessary to determine control over the subsidiaries.

The Group's investments in its associates and joint ventures are accounted for using the equity method. Under the equity method, the investment in an associate or a joint venture is initially recognised at cost. The carrying amount of the investment is adjusted to recognise changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment.

When the Group's share of losses of an equity accounted investee exceed the Group's interest in that associate or joint venture (which includes any long-term interest that, in substance, form part of Group's net investment in the associate or joint venture), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligation or made payments on behalf of the associate or joint venture.

Unrealised gains resulting from the transaction between the Group and joint ventures are eliminated to the extent of the interest in the joint venture, and deferred tax is made on the same.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investment in its associate or joint venture. At each reporting date, the Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognises the loss as 'Share of profit of an associate and a joint venture' in the Statement of Profit and Loss.

Upon loss of significant influence over the associate or joint control over the joint venture, the Group measures and recognises any retained investment at its fair value. Any difference between the carrying amount of the associate or joint venture upon loss of significant influence or joint control and the fair value of the retained investment and proceeds from disposal is recognised in profit or loss.

(v) Transaction Eliminated on Consolidation:

The financial statements of the Company, its Subsidiaries, Joint Ventures and Associates used in the consolidation procedure are drawn upto the same reporting date, i.e., 31st March 2023.

The financial statements of the Company and its subsidiary companies are combined on a line-by-line basis by adding together of like items of assets, liabilities, income and expenses, after eliminating material intra-group balances and intra-group transactions and resulting unrealised profits or losses on intra-group transactions. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

1.4 Functional and Presentation Currency:

The financial statements are presented in Indian Rupees, which is the functional currency of the Group and the currency of the primary economic environment in which the Group operates and all values are rounded to the nearest crore, utpo 2 decimal places except otherwise indicated.

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1.5 Business Combination and Goodwill:

The Company uses the acquisition method of accounting to account for business combinations. The acquisition date is the date on which control is transferred to the acquirer. Judgement is applied in determining the acquisition date and determining whether control is transferred from one party to another. Control exists when the Company is exposed to or has rights to variable returns from its involvement with the entity and has the ability to affect those returns through power over the entity. In assessing control, potential voting rights are considered only if the rights are substantive.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed, and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the re-assessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in Other Comprehensive Income (OCI) and accumulated in other equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in other equity as capital reserve, without routing the same through OCI.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the Company to the previous owners of the acquiree, and equity interests issued by the Company. Consideration transferred also includes the fair value of any contingent consideration. Consideration transferred does not include amounts related to the settlement of pre-existing relationships. Any goodwill that arises on account of such business combination is tested annually for impairment.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not re-measured and the settlement is accounted for within other equity. Otherwise, other contingent consideration is re-measured at fair value at each reporting date and subsequent changes in the fair value of the contingent consideration are recorded in the Statement of Profit and Loss.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably. On an acquisition-by-acquisition basis, the Company recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. Transaction costs that the Company incurs in connection with a business combination, such as Stamp Duty for title transfer in the name of the Company, finder's fees, legal fees, due diligence fees, and other professional and consulting fees, are expensed as incurred.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when, there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro - rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognised at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

1.6 Classification of Assets and Liabilities as Current and Non-Current:

All assets and liabilities are classified as current or non-current as per the Group's normal operating cycle as per Ind AS 1 and other criteria set out in Division II of Schedule III of the Companies Act, 2013. Based on the nature of products and the time lag between the acquisition of assets for processing and their realisation in cash and cash equivalents, 12 months period has been considered by the Group as its normal operating cycle.

1.7 Property, Plant and Equipment (PPE):

On transition to Ind AS, the Group has elected to continue with the carrying value of all its property plant and equipment recognized as at 1st April 2015 measured as per the previous GAAP, and use that carrying value as the deemed cost of the property, plant and equipment.

Property, plant and equipment are stated at acquisition or construction cost less accumulated depreciation and impairment loss. Cost comprises the purchase price and any attributable cost of bringing the asset to its location and working condition for its intended use, including relevant borrowing costs and any expected costs of decommissioning.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

The cost of an item of PPE is recognised as an asset if, and only if, it is probable that the economic benefits associated with the item will flow to the Group in future periods, and the cost of the item can be measured reliably. Expenditure incurred after the PPE have been put into operations, such as repairs and maintenance expenses, are charged to the Statement of Profit and Loss during the period in which they are incurred.

Items such as spare parts, standby equipment and servicing equipment are recognised as PPE when it is held for use in the production or supply of goods or services, or for administrative purpose, and are expected to be used for more than one year. Otherwise, such items are classified as inventory.

An item of PPE is de-recognised upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss, arising on the disposal or retirement of an item of PPE, is determined as the difference between the sales proceeds and the carrying amount of the asset, and is recognised in the Statement of Profit and Loss.

Capital work-in-progress includes cost of property, plant and equipment under installation/under development as at the reporting date.

1.8 Treatment of Expenditure during Construction Period:

Expenditure, net of income earned, during the construction (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) period is included under capital work-in-progress, and the same is allocated to the respective PPE on the completion of construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other Non-Current Assets".

1.9 Depreciation:

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life, and is provided on a straight-line basis, except for Viscose Staple Fibre Division (excluding Power Plants), Nagda, and Corporate Finance Division, Mumbai for which it is provided on written down value method, over the useful lives as prescribed in Schedule II of the Companies Act, 2013, or as per technical assessment.

Depreciable amount for PPE is the cost of PPE less its estimated residual value. The useful life of PPE is the period over which PPE is expected to be available for use by the Group, or the number of production or similar units expected to be obtained from the asset by the Group.

The Group has used the following useful lives of the property, plant and equipment to provide depreciation.

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A. Major assets class where useful life considered as provided in Schedule II:

Sr. No.	Nature of the Assets	Estimated Useful Life of the Assets
1.	Plant and Machinery - Continuous Process Plant	25 years
2.	Reactors	3 years
3.	Vessel/Storage Tanks	20 years
4.	Factory Buildings	30 years
5.	Buildings (other than Factory Buildings) RCC Frame Structures	60 years
6.	Electric Installations and Equipment (at Factory)	10 years
7.	Computer and other Hardwares	3 years
8.	General Laboratory Equipment	10 years
9.	Railway Sidings	15 years
10.	Carpeted Roads- Reinforced Cement Concrete (RCC) Carpeted Roads- other than RCC Non - Carpeted Roads	10 years 5 years 3 years
11.	Fences, Wells and Tube Wells	5 years

In case of certain class of assets, the Group uses different useful life than those prescribed in Schedule II of the Companies Act, 2013. The useful life has been assessed based on technical advice, taking into account the nature of the asset, the estimated usage of the asset on the basis of the management's best estimation of getting economic benefits from those classes of assets. The Group uses its technical expertise along with historical and industry trends for arriving the economic life of an asset.

Also, useful life of the part of PPE which is significant to the total cost of PPE, has been separately assessed and depreciation has been provided accordingly.

B. Assets where useful life differs from Schedule II:

Sr. No.	Nature of the Assets	Useful Life as Prescribed by Schedule II of Companies Act, 2013	Estimated Useful Life of the Assets
1.	Plant and Machinery:		
1.1	Other than Continuous Process Plant (Single Shift)	15 years	15 - 20 years
1.2	Other than Continuous Process Plant (Double Shift)	Additional 50% depreciation over single shift (10 years)	20 years
1.3	Other than Continuous Process Plant (Triple Shift)	Additional 100% depreciation over single shift (7.5 years)	7.5 - 15 years
2.	Motor Vehicles	6-10 years	4 - 5 years
3.	Electrically Operated Vehicles	8 years	5 years
4.	Electronic Office Equipment	5 years	3 - 7 years
5.	Furniture, Fixtures and Electrical Fittings	10 years	2 - 12 years
6.	Buildings (other than Factory Buildings) other than RCC Frame Structures	30 years	3 - 60 years
7.	Power Plants	40 years	25 years
8.	Servers and Networks	6 years	3 - 5 years
9.	Spares in the nature of PPE		10 - 30 years
10.	Assets individually costing less than or equal to ₹ 10,000/-		Fully depreciated in the year of purchase
11.	Separately identified Component of Plant and Machinery		2 - 30 years

The estimated useful lives, residual values and the depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

Continuous process plants, as defined in Schedule II of the Companies Act, 2013, have been classified on the basis of technical assessment and depreciation is provided accordingly.

Depreciation on additions is provided on a pro-rata basis from the month of installation or acquisition and, in case of a new Project, from the date of commencement of commercial production. Depreciation on deductions/disposals is provided on a pro-rata basis upto the month preceding the month of deduction/disposal.

1.10 Intangible Assets acquired separately and Amortisation:

On transition to Ind AS, the Group has elected to continue with the carrying value of all its Intangible Assets recognised as at 1st April 2015 measured as per the previous GAAP and use that carrying value as the deemed cost of the Intangible Assets.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of

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acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses, if any.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment, whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset. Intangible assets are amortised on a straight-line basis over their estimated useful lives.

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

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in the Statement of Profit and Loss when the asset is derecognised.

Intangible Assets and their Useful Lives are as under:

Sr. No.	Nature of the Assets	Estimated Useful Life of the Assets
1.	Computer Software	2 - 6 years
2.	Trademarks, Technical Know-how	5 - 10 years
3.	Value of License/Right to use infrastructure	10 years
4.	Mining Rights	Over the period of the respective mining agreement
5.	Mining Reserve	On the basis of material extraction (proportion of material extracted per annum to total mining reserve)
6.	Jetty Rights	Over the period of the relevant agreement such that the cumulative amortisation is not less than the cumulative rebate availed by the Group.
7.	Customer Relationship	15-25 years
8.	Brands	10 years
9.	Production Formula	10 years
10.	Distribution Network (inclusive of Branch/Franchise/Agency network and Relationship)	5 - 25 years
11.	Right to Manage and operate Manufacturing Facility	15 years
12.	Value- in- Force	15 years
13.	Group Management Rights	Indefinite
14.	Investment Management Rights	Over the period of 10 years
15.	Order Backlog	3 months - 1 year
16.	Non- Compete fees	3 years
17.	Surface rights	Over period of respective mining agreement

1.11 Internally Generated Intangible Assets – Research and Development Expenditure:

Revenue expenditure on research is expensed under the respective heads of the account in the period in which it is incurred. Development expenditure is capitalised as an asset, if the following conditions can be demonstrated:

a) The technical feasibility of completing the asset so that it can be made available for use or sell.

b) The Group has intention to complete the asset and use or sell it.

c) In case of intention to sale, the Group has the ability to sell the asset.

d) The future economic benefits are probable.

e) The Group has ability to measure the expenditure attributable to the asset during its development reliably.

Other development costs, which do not meet the above criteria, are expensed out during the period in which they are incurred.

PPE procured for research and development activities are capitalised.

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1.12 Discontinued Operations and Non-Current Assets (or Disposal Groups) Classified as Held for Sale:

A discontinued operation is a component of the group's business, the operations and cashflows of which can be clearly distinguished from those of the rest of the group and which represent a separate major line of business or geographical area of operations and

- Is a part of single coordinated plan to dispose of a separate major line of business or geographical area of operations; or
- Is a subsidiary acquired exclusively with a view to re-sale.

Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier.

When an operation is classified as a discontinued operation, the comparative Statement of Profit and Loss is represented as if the operation had been discontinued from the start of the comparative period.

Non-current assets and disposal groups are classified as held for sale if their carrying amount is intended to be recovered principally through a sale (rather than through continuing use) when the asset (or disposal group) is available for immediate sale in its present condition subject only to terms that are usual and customary for sale of such asset (or disposal group) and the sale is highly probable and is expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets and disposal groups classified as held for sale are measured at lower of their carrying amount and fair value less costs to sell.

1.13 Impairment of Non-Financial Assets:

At the end of each reporting period, the Group reviews the carrying amounts of non-financial assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units, for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication then the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but, so that, the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in the prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.14 Inventories:

Inventories are valued at the lower of cost and net realisable value.

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

Raw materials, stores and spare parts, and packing materials are considered to be realisable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost. The cost is computed on weighted-average basis which includes expenditure incurred for acquiring inventories like purchase price, import duties, taxes (net of tax credit) and other costs incurred in bringing the inventory to the present location and condition.

Cost of finished goods and work-in-progress includes cost of raw material, cost of conversion based on normal capacity and other costs incurred in bringing the inventories to their present location and condition. The cost of finished goods and work-in-progress is computed on weighted-average basis.

In the absence of cost, waste/scrap is valued at estimated net realisable value.

Obsolete, defective, slow moving and unserviceable inventories, if any, are duly provided for.

Proceeds, in respect of sale of raw materials/stores, are credited to the respective heads.

1.15 Product Classification of Insurance Business

Insurance contracts are those contracts when the Group (the insurer) has accepted significant insurance risk from another party (the policyholders) by agreeing to compensate the policyholders, if a specified uncertain future event (the insured event) adversely affects the policyholders. As a general guideline, the Group determines whether it has significant insurance risk, if the benefit payable on death is higher by at least 5% of the fund value at any time during the term of the contract for unit- linked products, or the benefit payable on death is higher by at least 5% of the premium at any time during the term of the contract for other than unit-linked products. Investment contracts are those contracts which are not Insurance Contracts.

1.16 Cash and Cash Equivalents:

Cash and Cash Equivalents comprise cash on hand and cash at bank including fixed deposits with original maturity period of three months or less and short-term highly liquid investments with an original maturity of three months or less.

1.17 Cash Flow Statement:

Cash flows are reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

1.18 Employee Benefits:

Short-term Employee Benefits:

Short-term employee benefits are recognised as an expense on accrual basis.

Defined Contribution Plan:

Contribution payable to the recognised Provident Fund and approved Superannuation Scheme, which are substantially defined contribution plans, is recognised as expense in the statement of Profit and Loss, when employees have rendered the service entitling them to the contribution.

The Provident Fund contribution as specified under the law is paid to the Regional Provident Fund Commissioner.

Defined Benefit Plans:

The obligation in respect of defined benefit plans, which covers Gratuity, Pension and other post-employment medical benefits, are provided for on the basis of an actuarial valuation at the end of each financial year, using project unit credit method. Gratuity is funded with an approved Trust.

In respect of certain employees, Provident Fund contributions are made to a Trust, administered by the Group. The interest rate payable to the members of the Trust shall not be lower than the statutory rate of interest declared by the Central Government, under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952, and shortfall, if any, shall be made good by the Group. The Group's liability is actuarially determined (using the Projected Unit Credit Method) at the end of the year, and any shortfall in the Fund size, maintained by the Trust set-up by the Group, is additionally provided for.

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in OCI in the period in which they occur.

Re-measurement recognised in OCI is reflected immediately in retained earnings and will not be re-classified to profit or loss in the statement of profit and loss except with respect to life insurance business which relates to restricted life insurance fund relating to Revenue Account of Life Insurance Policyholders, the same has been transferred under "Life insurance contract liabilities and other financial liabilities of the life insurance fund" in the Balance Sheet and the same

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will not be reclassified to revenue account of insurance business. Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements);
- net interest expense or income; and
- Re-measurement.

The Group presents the first two components of defined benefit costs in the statement of Profit and Loss in the line item 'Employee Benefits Expense'.

The present value of the defined benefit plan liability is calculated using a discount rate, which is determined by reference to market yields at the end of the reporting period on government bonds.

The retirement benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the Group's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in the future contribution to the plans.

Other employee benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Liabilities recognised in respect of other long-term employee benefits are measured using the projected unit credit method by a qualified independent actuary at the end of each annual reporting period, at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date. Remeasurement gains / losses are recognised in the Statement of Profit and Loss in the period in which they arise.

Other long term benefits

Long-term compensated absences are provided for on the basis of an actuarial valuation at the end of each financial year. Actuarial gains/losses, if any, are recognised immediately in the Consolidated Statement of Profit and Loss.

1.19 Employee Share-based Payments:

Equity-settled transactions:

Equity-settled share-based payments to employees are measured by reference to the fair value of the equity instruments at the grant date using Black - Scholes Model and Binomial Model.

The fair value determined at the grant date of the equity-settled share-based payments, is charged to statement of profit and loss on a systematic basis over the vesting period of the option, based on the Group's estimate of equity instruments that will eventually vest, with a corresponding increase in other equity.

At the end of each reporting period, the Company revises its estimate of the number of equity instruments expected to vest. The impact of the revision of the original estimates, if any, is recognised in the Statement of Profit and Loss such that the cumulative expense reflects the revised estimate, with a corresponding adjustment to the equity-settled employee benefits reserve.

In case of forfeiture/lapse stock option, which is not vested, amortised portion is reversed by credit to employee compensation expense. In a situation where the stock option expires unexercised, the related balance standing to the credit of the Employee Stock Options Outstanding Account is transferred within other equity.

Cash-settled Transactions:

The cost of cash-settled transactions is measured initially at fair value at the grant date using a Black Scholes Merton Formula. This fair value is expensed over the period until the vesting date with recognition of a corresponding liability. The liability is remeasured to fair value at each reporting date upto and, including the settlement date, with changes in fair value recognised in employee benefits expense.

1.20 Treasury Shares:

The Company has created an Employee Benefit Trust (EBT) for providing share-based payment to its employees. The Company uses EBT as a vehicle for distributing shares to employees under the Employee stock option scheme. The EBT purchase shares of the Company from the market, for giving shares to employees. The Company treats EBT as its extension and shares held by EBT are treated as treasury shares.

Own equity instruments that are re-acquired (treasury shares) are recognised at cost and deducted from other equity. No gain or loss is recognised in the statement of profit and loss on the purchase, sale, issue or cancellation of the company's own equity instruments. Share options whenever exercised, would be settled from such treasury shares.

1.21 Foreign Currency Transactions:

In preparing the financial statements of the Group, transactions in foreign currencies, other than the Group's functional currency, are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary assets and liabilities denominated in foreign currencies are translated at the rate prevailing at that date. Non-monetary items that are measured in terms of historical cost in a foreign currency are not re-translated.

Exchange differences on monetary items are recognised in the Statement of Profit and Loss in the period in which these arise, except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;
- exchange differences relating to qualifying effective cash flow hedges and
- Exchange difference arising on re-statement of long-term monetary items that in substance forms part of Group's net investment in foreign operations, is accumulated in Foreign Currency Translation Reserve (component of OCI) until the disposal of the investment, at which time such exchange difference is recognised in the Statement of Profit and Loss.

1.22 Foreign Operations:

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition are translated into Indian Rupees, the functional currency of the Group, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into Indian Rupee at the exchange rates at the dates of the transactions or an average rate, if the average rate approximates the actual rate at the date of the transaction.

Exchange differences are recognised in OCI and accumulated in other equity (as exchange differences on translating the financial statements of a foreign operation), except to the extent that the exchange differences are allocated to non-controlling interest.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount of exchange differences related to that foreign operation recognised in OCI, is re-classified to the Statement of Profit and Loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary, but retains control, then the relevant proportion of the cumulative amount of foreign exchange differences is re-allocated to NCI. When the Group disposes of only a part of its interest in an Associate or a Joint Venture, while retaining significant influence or joint control, the relevant proportion of the cumulative amount of foreign exchange differences is re-classified to Statement of Profit and Loss.

1.23 Derivative Financial Instruments and Hedge Accounting:

The Group enters into forward contracts to hedge the foreign currency risk of firm commitments and highly probable forecast transactions. Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently re-measured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in the Statement of Profit and Loss immediately, unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in the Statement of Profit and Loss depends on the nature of the hedging relationship and the nature of the hedged item.

The Group enters into derivative financial instruments, viz., foreign exchange forward contracts, interest rate swaps and cross currency swaps to manage its exposure to interest rate, foreign exchange rate risks and commodity prices. The Group does not hold derivative financial instruments for speculative purposes.

Hedge Accounting:

The Group designates certain hedging instruments in respect of foreign currency risk, interest rate risk and commodity price risk as cash flow hedges. At the inception of a hedge relationship, the Group formally designates and documents the hedge relationship to which the Group wishes to apply hedge accounting and the risk management objective and

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

The effective portion of changes in the fair value of the designated portion of derivatives that qualify as cash flow hedges is recognised in OCI and accumulated under the heading of cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in the Statement of Profit and Loss.

Amounts previously recognised in other comprehensive income and accumulated in other equity relating to (effective portion as described above) are re-classified to the Statement of Profit and Loss in the periods when the hedged item affects profit or loss. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in OCI and accumulated in other equity at that time remains in other equity, and is recognised when the forecast transaction is ultimately recognised in Statement of Profit and Loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in other equity is recognised immediately in the Statement of Profit and Loss.

1.24 Fair Value Measurement:

The Group measures financial instruments, such as investments (other than equity investments in Subsidiaries, Joint Ventures and Associates) and derivatives at fair values at each Balance Sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

In the principal market for the asset or liability, or

In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities (for which fair value is measured or disclosed in the financial statements) are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable other than quoted prices included in level 1.

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

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For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Management determines the policies and procedures for both recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value, and for non-recurring measurement, such as assets held for disposal in discontinued operations.

At each reporting date, Management analyses the movements in the values of assets and liabilities, which are required to be remeasured or re-assessed as per the Group's accounting policies. For this analysis, the Management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

1.25 Financial Instruments:

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial Assets

Initial Recognition and Measurement:

All financial assets are recognised initially at fair value. However, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset are added to the fair value. However, trade receivables that do not contain a significant financing component are measured at transaction price (net of variable consideration). Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the marketplace (regular way trades) are recognised on the trade date, i.e., the date that the Group commits to purchase or sell the asset.

Subsequent measurement:

For the purposes of subsequent measurement, financial assets are classified in four categories:

- Debt instruments at amortised cost
- Debt instruments at Fair Value through Other Comprehensive Income (FVTOCI)
- Debt instruments, derivatives and equity instruments, mutual funds at Fair Value through Profit or Loss (FVTPL)
- Equity instruments measured at FVTOCI

Debt Instruments at Amortised Cost:

A 'debt instrument' is measured at amortised cost, if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and

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

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

Debt instrument at FVTOCI:

A 'debt instrument' is classified at FVTOCI, if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets; and

b) The asset's contractual cash flows represent SPPI on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognised in the OCI. However, the Group recognises interest income, impairment losses and reversals, and foreign exchange gain or loss in the Statement of Profit and Loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to the Statement of Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

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Debt Instrument at FVTPL:

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Group may elect to designate a debt instrument, which otherwise meets amortised cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss, except for changes with respect to Policyholders' investments under the life insurance business (except for assets held to cover linked liabilities) relating to Revenue Account of Life Insurance Policyholders, wherein the fair value movements are included under "Life insurance contract liabilities and other financial liabilities of the life insurance fund" in the Balance Sheet.

Equity Investments

Investment in Associates and Joint ventures are out of scope of Ind AS 109 and it is accounted as per Ind AS 28.

All other equity investments are measured at fair value. Equity instruments, which are held for trading, are classified as at FVTPL. For equity instruments, other than held for trading, the Group has irrevocable option to present in OCI subsequent changes in the fair value. The Group makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Where the Group classifies equity instruments as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts of profit or loss from OCI to Statement of Profit and Loss, even on sale of investment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss, except for changes with respect to Policyholders' investments under the life insurance business (except for assets held to cover linked liabilities) relating to Revenue Account of Life Insurance Policyholders, wherein the fair value movements are included under "Life insurance contract liabilities and other financial liabilities of the life insurance fund" in the Balance Sheet.

Impairment of Financial Assets:

The Group recognises loss allowances for ECLs on the following financial instruments that are not measured at FVTPL:

- Loans and advances to customers;
- Debt investment securities;
- Trade and other receivable;
- Lease receivables;
- Irrevocable loan commitments issued; and
- Financial guarantee contracts issued.

With the exception of POCI financial assets (which are considered separately below), ECLs are required to be measured through a loss allowance at an amount equal to:

- 12-month ECL, i.e. that result from those default events on the financial instrument that are possible within 12 months after the reporting date, (referred to as Stage 1); or
- full lifetime ECL, i.e. that result from all possible default events over the life of the financial instrument, (referred to as Stage 2 and Stage 3).

A loss allowance for full lifetime ECL is required for a financial instrument if the credit risk on that financial instrument has increased significantly since initial recognition (and consequently for credit impaired financial assets). For all other financial instruments, ECLs are measured at an amount equal to the 12-month ECL.

The Group's policy is always to measure loss allowances for lease receivables as lifetime ECL.

ECLs are a probability-weighted estimate of the present value of credit losses. These are measured as the present value of the difference between the cash flows due to the Group under the contract and the cash flows that the Group expects to receive arising from the weighting of multiple future economic scenarios, discounted at the asset's EIR.

- for undrawn loan commitments, the ECL is the difference between the present value of the difference between the contractual cash flows that are due to the Group if the holder of the commitment draws down the loan and the cash flows that the Group expects to receive if the loan is drawn down; and
- for financial guarantee contracts, the ECL is the difference between the expected payments to reimburse the holder of the guaranteed debt instrument less any amounts that the Group expects to receive from the holder, the debtor or any other party.

The Group measures ECL on an individual basis, or on a collective basis for portfolios of loans that share similar economic risk characteristics. The measurement of the loss allowance is based on the present value of the asset's expected cash flows using the asset's original EIR, regardless of whether it is measured on an individual basis or a collective basis.

Credit-impaired financial assets

A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Credit-impaired financial assets are referred to as Stage 3 assets. Evidence of credit-impairment includes observable data about the following events:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or past due event;
- the lender of the borrower, for economic or contractual reasons relating to the borrower's financial difficulty, having granted to the borrower a concession that the lender would not otherwise consider;
- the disappearance of an active market for a security because of financial difficulties; or
- the purchase of a financial asset at a deep discount that reflects the incurred credit losses.

It may not be possible to identify a single discrete event—instead, the combined effect of several events may have caused financial assets to become credit-impaired. The Group assesses whether debt instruments that are financial assets measured at amortised cost or FVTOCI are credit-impaired at each reporting date. To assess if corporate debt instruments are credit impaired, the Group considers factors such as bond yields, credit ratings and the ability of the borrower to raise funding.

A loan is considered credit-impaired when a concession is granted to the borrower due to a deterioration in the borrower's financial condition, unless there is evidence that as a result of granting the concession the risk of not receiving the contractual cash flows has reduced significantly and there are no other indicators of impairment. For financial assets where concessions are contemplated but not granted the asset is deemed credit impaired when there is observable evidence of credit-impairment including meeting the definition of default. The definition of default (see below) includes unlikeliness to pay indicators and a back-stop if amounts are overdue for 90 days or more.

Purchased or originated credit-impaired (POCI) financial assets

POCI financial assets are treated differently because the asset is credit-impaired at initial recognition. For these assets, the Group recognises all changes in lifetime ECL since initial recognition as a loss allowance with any changes recognised in Statement of Profit and Loss. A favourable change for such assets creates an impairment gain.

Definition of default

Critical to the determination of ECL is the definition of default. The definition of default is used in measuring the amount of ECL and in the determination of whether the loss allowance is based on 12-month or lifetime ECL, as default is a component of the probability of default (PD) which affects both the measurement of ECLs and the identification of a significant increase in credit risk.

The Group considers the following as constituting an event of default:

- the borrower is past due more than 90 days on any material credit obligation to the Group; or
- the borrower is unlikely to pay its credit obligations to the Group in full.

The definition of default is appropriately tailored to reflect different characteristics of different types of assets.

When assessing if the borrower is unlikely to pay its credit obligation, the Group takes into account both qualitative and quantitative indicators. The information assessed depends on the type of the asset, for example in corporate lending a qualitative indicator used is the admittance of bankruptcy petition by National Company Low Tribunal (NCLT), which is not relevant for retail lending. Quantitative indicators, such as overdue status and non-payment on another obligation of the same counterparty are key inputs in this analysis. The Group uses a variety of sources of information to assess default which are either developed internally or

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obtained from external sources. The definition of default is applied consistently to all financial instruments unless information becomes available that demonstrates that another default definition is more appropriate for a particular financial instrument.

Significant increase in credit risk

The Group monitors all financial assets, issued irrevocable loan commitments and financial guarantee contracts that are subject to the impairment requirements to assess whether there has been a significant increase in credit risk since initial recognition. If there has been a significant increase in credit risk the Group will measure the loss allowance based on lifetime rather than 12-month ECL. The Group's accounting policy is not to use the practical expedient that financial assets with 'low' credit risk at the reporting date are deemed not to have had a significant increase in credit risk. As a result, the Group monitors all financial assets, issued irrevocable loan commitments and financial guarantee contracts that are subject to impairment for significant increase in credit risk.

In assessing whether the credit risk on a financial instrument has increased significantly since initial recognition, the Group compares the risk of a default occurring on the financial instrument at the reporting date based on the remaining maturity of the instrument with the risk of a default occurring that was anticipated for the remaining maturity at the current reporting date when the financial instrument was first recognised. In making this assessment, the Group considers both quantitative and qualitative information that is reasonable and supportable, including historical experience and forward-looking information that is available without undue cost or effort, based on the Group's historical experience and expert credit assessment.

Given that a significant increase in credit risk since initial recognition is a relative measure, a given change, in absolute terms, in the probability of default (PD) will be more significant for a financial instrument with a lower initial PD than compared to a financial instrument with a higher PD.

Modification and derecognition of financial assets

A modification of a financial asset occurs when the contractual terms governing the cash flows of a financial asset are renegotiated or otherwise modified between initial recognition and maturity of the financial asset. A modification affects the amount and/or timing of the contractual cash flows either immediately or at a future date. In addition, the introduction or adjustment of existing covenants of an existing loan may constitute a modification even if these new or adjusted covenants do not yet affect the cash flows immediately but may affect the cash flows depending on whether the covenant is or is not met (e.g. a change to the increase in the interest rate that arises when covenants are breached).

The Group renegotiates loans to customers in financial difficulty to maximise collection and minimise the risk of default. A loan forbearance is granted in cases where although the borrower made all reasonable efforts to pay under the original contractual terms, there is a high risk of default or default has already happened and the borrower is expected to be able to meet the revised terms. The revised terms in most of the cases include an extension of the maturity of the loan, changes to the timing of the cash flows of the loan (principal and interest repayment), reduction in the amount of cash flows due (principal and interest forgiveness) and amendments to covenants.

When a financial asset is modified the Group assesses whether this modification results in derecognition. In accordance with the Group's policy a modification results in derecognition when it gives rise to substantially different terms. To determine if the modified terms are substantially different from the original contractual terms the Group considers the following:

- Qualitative factors, such as contractual cash flows after modification are no longer SPPI
- change in currency or change of counterparty
- the extent of change in interest rates, maturity, covenants
- If these do not clearly indicate a substantial modification, then;

In the case where the financial asset is derecognised the loss allowance for ECL is remeasured at the date of derecognition to determine the net carrying amount of the asset at that date. The difference between this revised carrying amount and the fair value of the new financial asset with the new terms will lead to a gain or loss on derecognition. The new financial asset will have a loss allowance measured based on 12-month ECL except in the rare occasions where the new loan is considered to be originated-credit impaired. This applies only in the case where the fair value of the new loan is recognised at a significant discount to its revised par amount because there remains a high risk of default which has not been reduced by the modification. The Group monitors credit risk of modified financial assets by evaluating qualitative and

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quantitative information, such as if the borrower is in past due status under the new terms.

When the contractual terms of a financial asset are modified and the modification does not result in derecognition, the Group determines if the financial asset's credit risk has increased significantly since initial recognition by comparing:

- the remaining lifetime PD estimated based on data at initial recognition and the original contractual terms; with
- the remaining lifetime PD at the reporting date based on the modified terms.

For financial assets modified, where modification did not result in derecognition, the estimate of PD reflects the Group's ability to collect the modified cash flows taking into account the Group's previous experience of similar forbearance action, as well as various behavioural indicators, including the borrower's payment performance against the modified contractual terms. If the credit risk remains significantly higher than what was expected at initial recognition the loss allowance will continue to be measured at an amount equal to lifetime ECL. The loss allowance on forborne loans will generally only be measured based on 12-month ECL when there is evidence of the borrower's improved repayment behaviour following modification leading to a reversal of the previous significant increase in credit risk.

Where a modification does not lead to derecognition the Group calculates the modification gain/loss comparing the gross carrying amount before and after the modification (excluding the ECL allowance). Then the Group measures ECL for the modified asset, where the expected cash flows arising from the modified financial asset are included in calculating the expected cash shortfalls from the original asset.

The Group derecognises a financial asset only when the contractual rights to the asset's cash flows expire (including expiry arising from a modification with substantially different terms), or when the financial asset and substantially all the risks and rewards of ownership of the asset are transferred to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. 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.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain/loss that had been recognised in OCI and accumulated in equity is recognised in the Statement of Profit and Loss, with the exception of equity investment designated as measured at FVTOCI, where the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to the Statement of Profit and Loss.

On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amount allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain/loss allocated to it that had been recognised in OCI is recognised in the Statement of Profit and Loss. A cumulative gain/loss that had been recognised in OCI is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts. This does not apply for equity investments designated as measured at FVTOCI, as the cumulative gain/loss previously recognised in OCI is not subsequently reclassified to the Statement of Profit and Loss.

Write off

Loans and debt securities are written off when the Group has no reasonable expectations of recovering the financial asset (either in its entirety or a portion of it). This is the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. A write-off constitutes a derecognition event. The Group may apply enforcement activities to financial assets written off. Recoveries resulting from the Group's enforcement activities will result in impairment gains.

Presentation of allowance for ECL in the Balance Sheet

Loss allowances for ECL are presented in the Balance Sheet as follows:

- for financial assets measured at amortised cost: as a deduction from the gross carrying amount of the assets;

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- for debt instruments measured at FVTOCI: no loss allowance is recognised in the Balance Sheet as the carrying amount is at fair value.

where a financial instrument includes both a drawn and an undrawn component, and the Group cannot identify the ECL on the loan commitment component separately from those on the drawn component: The Group presents a combined loss allowance for both components. The combined amount is presented as a deduction from the gross carrying amount of the drawn component.

Financial Liabilities and Equity Instruments:

Classification as Debt or Equity:

Debt and equity instruments, issued by the Group, are classified as either financial liabilities or as equity, in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

Equity Instruments:

An equity instrument is any contract that evidences a residual interest in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Financial Liabilities:

Financial liabilities are classified, at initial recognition as fair value through profit or loss:

- Loans and borrowings,
- Payables, or
- as derivatives designated as hedging instruments in an effective hedge, as appropriate.

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

The Group's financial liabilities include trade and other payables, loans and borrowings, including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent Measurement:

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

Financial Liabilities at FVTPL:

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL. Financial liabilities are classified as held for trading, if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Group, that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109. Separated embedded derivatives are also classified as held for trading, unless they are designated as effective hedging instruments.

Gains or losses on liabilities held for trading are recognised in the Statement of Profit and Loss.

Financial liabilities, designated upon initial recognition at FVTPL, are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied.

Loans and Borrowings:

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) method. Gains and losses are recognised in the Statement of Profit and Loss, when the liabilities are derecognised as well as through the EIR amortisation process.

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

Financial Guarantee Contracts:

Financial guarantee contracts issued by the Group, are those contracts that require a payment to be made to reimburse the holder for a loss it incurs, because the specified debtor fails to make a payment when due, in accordance with the terms of a debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per the impairment requirements of Ind AS 109, and the amount recognised less cumulative amortisation.

De-recognition of Financial Liabilities:

The Group de-recognises financial liabilities when and only when, the Group's obligations are discharged, cancelled or

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have expired. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in Statement of Profit and Loss.

Embedded Derivatives:

An embedded derivative is a component of a hybrid (combined) instrument, that also includes a non-derivative host contract – with the effect that some of the cash flows of the combined instrument vary in a way similar to a stand-alone derivative. An embedded derivative causes some or all of the cash flows that would otherwise be required by the contract to be modified according to a specified interest rate, financial instrument price, commodity price, foreign exchange rate, index of prices or rates, credit rating or credit index, or other variable, provided in the case of a non-financial variable, that the variable is not specific to a party to the contract. Re-assessment only occurs if there is either a change in the terms of the contract that significantly modifies the cash flows, that would otherwise be required or a re-classification of a financial asset out of the fair value through profit or loss. If the hybrid contract contains a host that is a financial asset within the scope of Ind AS 109, the Company does not separate the embedded derivatives. Rather, it applies the classification requirements contained in Ind AS 109 to the entire hybrid contract. Derivatives embedded in all other host contracts are accounted for as separate derivatives and recorded at fair value, if their economic characteristics and risks are not closely related to those of the host contracts, and the host contracts are not held for trading or designated at fair value though profit or loss. These embedded derivatives are measured at fair value with changes in fair value recognised in profit or loss, unless designated as effective hedging instruments.

Offsetting of Financial Instruments:

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

1.26 Revenue Recognition:

(a) Revenue from Contracts with Customers

- Revenue is recognized when Company satisfies a performance obligation on the basis of approved contracts regarding the transfer of goods or services to a customer. This is achieved when control of the product has been transferred to customer.
- The Company considers the terms of the contract in determining the transaction price. The transaction price is based upon the amount the Company expects to be entitled to in exchange for transferring of promised goods and services to the customer after deducting incentive programs, including but not limited to discounts, volume rebates etc. Transaction price excludes taxes and duties collected on behalf of the government.
- Variable consideration - This includes incentives, volume rebates, discounts etc. It is estimated at contract inception considering the terms of various schemes with customers and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. It is reassessed at end of each reporting period.
- Significant financing component - Generally, the Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

(b) Revenue from services are recognised as they are rendered based on agreements/arrangements with the concerned parties and recognised net of Service Tax or Goods and Service Tax (GST).

(c) If only one service is identified, the Group recognises revenue when the service is performed. If an ongoing service is identified, as a part of the agreement the period over which revenue is recognised for that service generally determined by the terms of agreement with the customer. For practical purposes, where services are performed by an indeterminate number of acts over a specified period of time, revenue is recognised on a straight-line basis over the specified period unless there is evidence that some other method better represents the stage of completion. When a specific act in much more significant than any other acts, the recognition of revenue is postponed until the significant act is executed.

(d) Dividend income is accounted for when the right to receive the income is established.

(e) For all financial instruments measured at amortised cost or at fair value through Other Comprehensive Income, interest

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income is recorded using the effective interest rate (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset.

(f) Insurance, railway and other claims, where quantum of accruals cannot be ascertained with reasonable certainty, are accounted on acceptance basis.

For Life Insurance Business, Revenue is recognised as follows:

Premium Income of Insurance Business:

Premium income on Insurance contracts and Investment Contracts with Discretionary Participative Feature (DPF) is recognised as income when due from policyholders. For unit-linked business, premium income is recognised when the associated units are created. Premium on lapsed policies is recognised as income when such policies are reinstated. In case of linked business, top - up premium paid by policyholders are considered as single premium and are unitised as prescribed by the regulations. This premium is recognised when the associated units are created.

Fees and Commission Income of Insurance Business:

Insurance and investment contract policyholders are charged for policy administration services, investment management services, surrenders and other contract fees. These fees are recognised as revenue over the period in which the related services are performed. If the fees are for services provided in future periods, then they are deferred and recognised over those future periods.

Re-insurance Premium

Reinsurance premium ceded is accounted for at the time of recognition of the premium income in accordance with the terms and conditions of the relevant treaties with the re-insurers. Impact on account of subsequent revisions to or cancellations of premium is recognised in the year in which they occur.

Income from items other than to which Ind AS 109 Financial Instruments and Ind AS 104 Insurance contracts are applicable

Revenue (other than for those items to which Ind AS 109 Financial Instruments are applicable) is measured at fair value of the consideration received or receivable. Ind AS 115 Revenue from contracts with customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes current revenue recognition guidance found within Ind ASs.

The Group recognises revenue from contracts with customers based on a five step model as set out in Ind AS 115:

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Group allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Group expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Group satisfies a performance obligation.

1.27 Leases:

The Group assesses whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration, To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether

- the contract involves the use of identified asset;
- the Company has substantially all of the economic benefits from the use of the asset through the period of lease and;
- the Company has the right to direct the use of the asset.

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As a lessee

The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the 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 estimated useful lives of right-of-use assets are determined on the same basis as those of property and equipment. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, company's incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate.

- Lease payments included in the measurement of the lease liability comprise the following:
- Fixed payments, including in-substance fixed payments;
- Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- Amounts expected to be payable under a residual value guarantee; and
- The exercise price under a purchase option that the company is reasonably certain to exercise, lease payments in an optional renewal period if the company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the company is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the company's estimate of the amount expected to be payable under a residual value guarantee, or if company changes its assessment of whether it will exercise a purchase, extension or termination option.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

Covid-19 related Rent Concessions

The amendments provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under Ind AS 116 if the change were not a lease modification. The amendments are applicable for annual reporting periods beginning on or after the 1st April 2020.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for short-term leases that have a lease term of 12 months or lower and leases of low value assets. The company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

Leasehold Assets Depreciation

Leasehold Land and Buildings	Over the period of Lease

1.28 Contract Liability

Contract liability is recognised when a payment for customer is already received before a related performance obligation is satisfied. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is received.

As these are contracts that the Company expects, and has the ability, to fulfil through delivery of a non-financial item, these are presented as advance from customers and are recognised as revenue as and when control of respective commodities is transferred or service is provided to the customers under the agreements.

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1.29 Benefits Paid (Including Claims):

Claims and Benefits Paid

Gross benefits and claims for life insurance contracts and for investment contracts with DPF include the cost of all claims arising during the year including internal and external claims handling costs that are directly related to the processing and settlement of claims and policyholder bonuses declared on DPF contracts as well as changes in the gross valuation of insurance and investment contract liabilities with DPF.

Death and other claims are accounted for, when notified. Survival and maturity benefits are accounted when due. Surrenders/Withdrawals under linked - policies are accounted in the respective schemes when the associated units are cancelled. Repudiated claims disputed before judicial authorities are provided for based on Management prudence considering the facts and evidences available, in respect of such claims.

Reinsurance Claims:

Reinsurance claims are recognised when the related gross insurance claim is recognised according to the terms of the relevant contract.

1.30 Acquisition Costs:

Acquisition costs are costs that vary with and are primarily related to acquisition of insurance contracts. Acquisition costs mainly consists of commission, medical costs, policy printing expenses, stamp duty and other related expenses. These costs are expensed in the year in which they are incurred. Claw-back of the first year commission paid, if any, in future is accounted in the year in which it is recovered.

1.31 Policy Liabilities:

Insurance Contracts:

The policy liabilities are calculated in accordance with the accepted actuarial practice, requirements of Insurance Act, 1938, Regulations notified by the Insurance Regulatory and Development Authority of India, and Practice Standards prescribed by the Institute of Actuaries of India.

Investment Contracts:

Liability in respect on Investment Contracts is recognised in accordance with IND AS 104 Insurance Contracts, taking into account accepted actuarial practices.

1.32 Deferred Acquisition Cost (DAC)/Deferment Origination Fees (DOF):

The Group has identified commission, rewards and recognition paid to its agents pertaining to 1st year as acquisition costs. Such acquisition costs are amortised over the period of the policy contract.

The origination fees for Investment Contracts, being premium allocation charges pertaining to the 1st, 2nd and 3rd year have been deferred over the period of the policy contract.

Acquisition cost and Origination fees is deferred only for Investment Contracts.

1.33 Re-insurance Assets:

Reinsurance Asset, being net contractual rights receivable under re-insurance contract, has been recognised on the basis of Actuarial valuation.

1.34 Borrowing Costs:

Borrowing cost includes interest expense, amortisation of discounts, hedge - related cost incurred in connection with foreign currency borrowings, ancillary costs incurred in connection with borrowing of funds and exchange difference, arising from foreign currency borrowings, to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, that are attributable to the acquisition or construction or production of a qualifying asset, are capitalised as part of the cost of such asset till such time the asset is ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognised as an expense in the period in which they are incurred.

Investment income earned on the temporary investment of specific borrowings, pending their expenditure on qualifying assets, is deducted from the borrowing costs eligible for capitalisation. All other borrowing costs are recognized in the Statement of Profit and Loss in the period in which they are incurred.

1.35 Government Grants and Subsidies:

Government grants are recognised when there is a reasonable assurance that the same will be received and all attached conditions will be complied with. When the grant relates to

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an expense item, it is recognised in the Statement of Profit and Loss by way of a deduction to the related expense on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income on a systematic basis over the expected useful life of the related asset.

Government grants, that are receivable towards capital investments under State Investment Promotion Scheme, are recognised in the Statement of Profit and Loss when they become receivable.

The benefit of a government loan at a below-market rate of interest is treated as a government grant, measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates, and is being recognised in the Statement of Profit and Loss.

When the Group receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset.

1.36 Provision for Current and Deferred Tax:

Current Income Tax:

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date, in the countries where the Group operates and generates taxable income. Interest expenses are included in finance cost and Interest income, if any, related to income tax is included in other income.

Current income tax, relating to items recognised outside of statement of profit and loss, is recognised outside profit or loss (either in Other Comprehensive Income or in other equity). Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in other equity. The management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and established provisions, where appropriate.

Deferred Tax:

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities, and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available, against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no

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longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date, and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws), that have been enacted or substantively enacted at the reporting date.

Deferred tax, relating to items recognised outside profit or loss, is recognised outside profit or loss (either in Other Comprehensive Income or in other equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in other equity. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities, and the deferred taxes relate to the same taxable entity and the same taxation authority.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, are recognised subsequently if new information about facts and circumstances change. Acquired deferred tax benefits recognised within the measurement period reduce goodwill related to that acquisition if they result from new information obtained about facts and circumstances existing at the acquisition date. If the carrying amount of goodwill is zero, any remaining deferred tax benefits are recognised in OCI / capital reserve depending on the principle explained for bargain purchase gains. All other acquired tax benefits realised are recognised in profit or loss.

1.37 Minimum Alternate Tax (MAT):

MAT is recognised as an asset only when and to the extent there is convincing evidence that the Group will pay normal Income Tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised, it is credited to the Statement of Profit and Loss and is considered as MAT Credit Entitlement. The Group reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent that there is no longer convincing evidence to the effect that the Group will pay normal Income Tax during the specified period. Minimum Alternate Tax (MAT) Credit are in the form of unused tax credits that are carried forward by the Group for a specified period of time, hence, it is presented with Deferred Tax Asset.

1.38 Provisions and Contingent Liabilities:

Provisions are recognised when the Group has a present obligation (legal or constructive), as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows to the net present value using an appropriate pre-tax discount rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

A present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of the Group.

Claims against the Group, where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset, and is recognised.

Warranty Provisions:

Provisions for warranty-related costs are recognised as an expense in the statement of profit and loss when the product is sold or service provided to the customer. Initial recognition is based on historical experience. The initial estimate of warranty-related costs is revised annually.

1.39 Mines Restoration Provisions:

An obligation for restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the development or ongoing extraction from mines. Costs, arising from restoration at closure of the mines and other site preparation work, are provided for based on their discounted net present value, with a corresponding amount being capitalised at the start of each project. The amount provided for is recognised, as soon as the obligation to incur such costs arises. These costs are charged to the Statement of Profit and Loss over the life of the operation through the depreciation of the asset and the unwinding of the discount on the provision. The costs are reviewed periodically and are adjusted to reflect known developments, which may have an impact on the cost or life of operations. The cost of the related asset is adjusted for changes in the provision due to factors such as updated cost estimates, new disturbance and revisions to discount rates. The adjusted cost of the asset is depreciated prospectively over the lives of the assets to which they relate. The unwinding of the discount is shown as a finance cost in the Statement of Profit and Loss.

1.40 Segment Reporting:

Identification of Segments:

Operating Segments are identified based on monitoring of operating results by the chief operating decision maker (CODM) separately for the purpose of making decision about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss, and is measured consistently with profit or loss of the Group.

Operating Segment is identified based on the nature of products and services, the different risks and returns, and the internal business reporting system.

Segment Policies:

The Group prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Group as a whole.

Further, inter-segment revenue has been accounted for based on the transaction price agreed to between segments, which is primarily market based.

Unallocated Corporate Items include general corporate income and expenses, which are not attributable to segments.

1.41 Goodwill on Consolidation:

Goodwill represents the difference between the Group's share in the net worth of Subsidiaries and Joint Ventures and the cost of acquisition at each point of time of making the investment in the Subsidiaries and Joint Ventures. For this purpose, the Group's share of net worth is determined on the basis of the latest financial statements, prior to the acquisition after making necessary adjustments for material events between the date of such financial statements and the date of respective acquisition.

Goodwill that arises out of consolidation is tested for impairment at each reporting date. For the purpose of impairment testing, goodwill is allocated to the respective cash generating unit ('CGU'). The impairment loss is recognised if the recoverable amount of the CGU is higher of its value in use and fair value less cost to sell. Impairment losses are immediately recognized in the Statement of Profit and Loss.

1.42 Earnings Per Share (EPS):

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders by the weighted-average number of equity shares outstanding during the period. The weighted-average number of equity shares outstanding during the period and for all periods presented is adjusted for events such as bonus issue; bonus element in a rights issue to existing shareholders; share split; and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted-average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.43 Significant Accounting Judgements, Estimates and Assumptions:

The preparation of financial statements, in conformity, with the Ind AS requires the judgements, estimates and assumptions to be made, that affect the reported amounts of assets and liabilities on the date of the financial statements, the reported amounts of revenues and expenses during the reporting period and the disclosures relating to contingent liabilities as of the date of the financial statements. Although these estimates are based on the Management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in outcomes different from the estimates. Difference between actual results and estimates are recognized in the period in which the results are known or materialise. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to the accounting estimates is recognised prospectively in the current and future periods.

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The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of asset and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

(a) Judgements:

In the process of applying the Group's accounting policies, the Management has made the following judgements, which have the most significant effect on the amounts recognised in the Consolidated Financial Statements.

Classification of Aditya Birla Sun Life AMC Limited, Aditya Birla Sun Life Trustee Company Private Limited, Aditya Birla Wellness Limited and Aditya Birla Power Composites Limited as Joint Ventures.

1. Aditya Birla Capital Limited, a subsidiary of the Company, holds either directly or through its subsidiaries, more than half of the equity shareholding in the following entities. However, as per the shareholders' agreement, the Group needs to jointly decide with other shareholders of the respective entity on certain relevant activities. Hence, these entities have been consolidated as per equity method of accounting:

   a) Aditya Birla Sun Life AMC Limited

   b) Aditya Birla Sun Life Trustee Company Private Limited

   c) Aditya Birla Wellness Limited.

2. The Company holds more than half of the equity shareholding in the Aditya Birla Power Composites Limited. However, as per the shareholders' agreement, the Company needs to jointly decide with other shareholders of the respective entity on certain relevant activities. Hence, these entities have been consolidated as per equity method of accounting:

   a) Aditya Birla Power Composites Limited

Classification of Madanpur (North) Coal Company Limited as Investment in an Associate:

A Joint Venture Company (JV), "Madanpur (North) Coal Company Limited", was formed by allocatees of Madanpur North Coal Block. As per Ind AS 111, when all the parties or a group of parties considered collectively are able to direct the activities that significantly affect the returns of the arrangement (i.e. the relevant activities), the parties control the arrangement collectively. Also, joint control exists only when decisions about the relevant activities require the unanimous consent of all the parties. In terms of the JV agreement between the parties, each JV partner has the right to nominate one director on the Board of the Joint Venture Company and major decisions shall be taken by a majority of 75% of the directors' present. Since there is no unanimous consent required from the parties, in the judgement of the Management the Company does not have joint control over the JV. However, considering the Company's representation in the Board and the extent of its ability to exercise the influence over the decision over the relevant activities, the JV has been considered as an associate and accounted under the equity method.

(b) Estimates and Assumptions:

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of asset and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

i. Estimation of uncertainties relating to global health pandemic from COVID-19:

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables, intangibles, investments and other assets. In developing the assumptions relating to the possible future uncertainties in the economic conditions because of this pandemic, the Company has used internal and external sources

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of information. The Company has reviewed the assumptions used and based on current estimates expects the carrying amount of these assets will be recovered. The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements and the Company will continue to closely monitor any material changes to future economic conditions.

ii. Classification of Lease Ind AS 116:

Ind AS 116 Leases requires a lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying lease to the Company's operations taking into account the location of the underlying asset and the availability of the suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

iii. Useful Lives of Property, Plant and Equipment & Intangible Assets:

The Group uses its technical expertise along with historical and industry trends for determining the economic life of an asset/component of an asset. The useful lives are reviewed by the Management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the assets.

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

v. Measurement of Defined Benefit Obligation:

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

vi. Deferred Tax Assets/Deferred Tax Liability:

Pursuant to the announcement of the changes in the corporate tax regime, the Companies have an option to either opt for the new tax regime or continue to pay taxes as per the old applicable tax structure together with the other benefits available to the companies including utilisation of the MAT credit available. This requires significant estimation in determining in which year the Company would migrate to the new tax regime basis future year's taxable profits including the impact of ongoing expansion plans of the Company and consequential utilisation of available MAT credit. Accordingly, in accordance with IND AS 12 - Income Taxes, deferred tax assets and liabilities are required to be measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

vii. Recognition and Measurement of Provisions and Contingencies:

Key assumptions about the likelihood and magnitude of an outflow of resources.

viii. Fair Value Measurement of Financial Instruments:

When the fair value of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair values are measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable market where possible, but where this is not feasible,

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a degree of judgement is required in establishing fair values. Judgements include consideration of input such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

ix. Share-based Payments:

The Group measures the cost of equity-settled transactions with employees using Black-Scholes Model to determine the fair value of the liability incurred on the grant date. Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model, which is dependent on the terms and conditions of the grant.

This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in Note 4.5.

x. Disposal Groups:

The Company has used comparable market multiple approach to assess the fair value of the disposal group of assets / liability.

Under the market multiple approach value of the equity shares of a company is arrived at by using multiples derived from valuations of comparable companies, as manifested through stock market valuations of listed companies for which the Company has considered Enterprise Value/ Revenue and Enterprise value / EBITDA multiples based on their market price and latest published financials.

xi. Litigation and Contingencies:

The Company has ongoing litigations with various regulatory authorities. Where an outflow of funds is believed to be probable and a reliable estimate of the outcome of the dispute can be made based on management's assessment of specific circumstances of each dispute and relevant external advice, management provides for its best estimate of the liability. Such accruals are by nature complex and can take number of years to resolve and can involve estimation uncertainty. Information about such litigations is provided in notes to the financial statements.

xii. Assessment of Impairment of investments in Equity Accounted Investees:

The Company reviews its carrying value of investments in Equity Accounted Investees annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for. Determining whether the investments in equity accounted investees is impaired requires an estimate in the value in use of investments. The Management carries out impairment assessment for each investment by comparing the carrying value of each investment with the net worth of each company based on audited financials, comparable market price and comparing the performance of the investee companies with projections used for valuations, in particular those relating to the cash flows, sales growth rate, pre-tax discount rate and growth rates used and approved business plans.

xiii. Impairment of Non-Current Assets (non-financial):

At the end of each reporting period, the Group reviews the carrying amount of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount, which is the higher of the value in use or fair value less cost to sell, of the asset or cash- generating unit, as the case may be, is estimated and impairment loss (if any) is recognised and the carrying amount is reduced to its recoverable amount. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risk specific to the assets for which the estimates of future cash flows have not been adjusted. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit to which the asset belongs.

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When an impairment loss subsequently reverses, the carrying amount of the asset or a cash generating unit is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined has no impairment loss been recognised for the asset (or cash-generating unit) earlier.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

xiv. Impairment of Financial Assets:

The measurement of impairment losses across all categories of financial assets requires judgement, in particular, the estimation of the amount and timing of future cash flows and collateral values when determining impairment losses and the assessment of a significant increase in credit risk. These estimates are driven by a number of factors, changes in which can result in different levels of allowances.

The Company's ECL calculations are outputs of complex models with a number of underlying assumptions regarding the choice of variable inputs and their interdependencies. Elements of the ECL models that are considered accounting judgements and estimates include:

a. The Company's internal credit grading model, which assigns PDs to the individual grades

b. The Company's criteria for assessing if there has been a significant increase in credit risk and so allowances for financial assets should be measured on a LTECL basis and the qualitative assessment

c. The segmentation of financial assets when their ECL is assessed on a collective basis

d. Development of ECL models, including the various formulas and the choice of inputs

e. Determination of associations between macroeconomic scenarios and, economic inputs, such as unemployment levels and collateral values, and the effect on PDs, EADs and LGDs

f. Selection of forward-looking macroeconomic scenarios and their probability weightings, to derive the economic inputs into the ECL models

It has been the Company's policy to regularly review its models in the context of actual loss experience and adjust when necessary.

xv. Business Combination:

For the purpose of accounting of business combination, following key judgements are made:

(a) Fair Valuation of Intangible Assets:

The Company has used income approach (example relief from royalty, multi - period excess earnings method and incremental cash flows, etc.) for value analysis of intangible assets. The method estimates the value of future cash flows over the life of the Intangible assets accruing to the Company, by virtue of the transaction. The resulting post tax cashflows for each of the years are recognised at their present value using a Weighted Average Cost of Capital ('WACC') adjusted for risk of achieving the intangible assets projected savings.

(b) Fair Valuation of Tangible Assets:

Freehold land: Freehold land is fair valued using the sales comparison method using prevailing rates of similar plots of land, circle rates provided by relevant regulatory authorities and other acceptable valuation techniques.

Leasehold Land: Leasehold land is valued basis the leasehold interest for the remaining duration of the lease.

Other Assets: The cost approach has been adopted for fair valuing all the assets. The cost approach includes calculation of replacement cost using price trends

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applied to historical cost and capitalisation of all the indirect cost, these trends are on the basis of price indices obtained from recognised sources.

(c) ***Fair Valuation of Loans:***

The fair value of loans given/borrowed has been estimated by considering the cash flows, future credit losses and the rate of prepayments for each loan. Projected annual cash flows were then discounted to the present value based on a market rate for similar loans.

The allowance for loan losses, associated with the acquired loans, were evaluated by the management and recorded.

(d) ***Fair Valuation of Current Assets and Liabilities:***

The Current Assets and Liabilities are taken at fair value on the date of acquisition.

1.44 Cash Dividend to Equity Holders of the Group:

The Group recognises a liability to make cash distributions to equity holders of the Group when the distribution is authorised and the distribution is no longer at the discretion of the Group. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in other equity.

1.45 Recent accounting pronouncements:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 31st March 2023, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2023, as below:

Ind AS 1 – Presentation of Financial Statements – This amendment requires the entities to disclose their material accounting policies rather than their significant accounting policies. Accounting policy information, together with other information, is material when it can reasonably be expected to influence decisions of primary users of general purpose financial statements.

Ind AS 8 – Accounting Policies, Changes in Accounting Estimates and Errors – This amendment has introduced a definition of 'accounting estimates' and included amendments to Ind AS 8 to help entities distinguish changes in accounting policies from changes in accounting estimates. Under the new definition, accounting estimates are "monetary amounts in financial statements that are subject to measurement uncertainty". Entities develop accounting estimates if accounting policies require items in financial statements to be measured in a way that involves measurement uncertainty.

Ind AS 12 – Income Taxes – The amendments clarify how companies account for deferred tax on transactions such as leases and decommissioning obligations. This amendment has narrowed the scope of the initial recognition exemption so that it does not apply to transactions that give rise to equal and offsetting temporary differences.

Impact of the above amendments is being evaluated in the Consolidated Financial Statements.

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2.1 PROPERTY, PLANT AND EQUIPMENT (PPE)

Year ended 31st March 2023

₹ in crore

Particulars	Gross Block						Accumulated Depreciation						Net Block
	As at 1st April 2022	Additions	Derecognition on conversion from Subsidiary to Joint Venture Refer Note. 4.12.5	Translation Difference Add/(Less)	Deductions/ Adjustments	As at 31st March 2023	As at 1st April 2022	For the Year	Derecognition on conversion from Subsidiary to Joint Venture Refer Note. 4.12.5	Translation Difference Add/(Less)	Deductions/ Adjustments	As at 31st March 2023	As at 31st March 2023
TANGIBLE ASSETS*@													
Freehold Land	8,073.32	305.48	-	0.40	(20.49)	8,358.71	-	-	-	-	-	-	8,358.71
Leasehold Land	1,178.64	31.73	-	-	(60.30)	1,150.07	238.68	54.89	-	-	(3.05)	290.52	859.55
Leasehold Improvements	43.64	33.27	(17.87)	-	(11.77)	47.27	15.82	13.38	(8.63)	-	(11.40)	9.17	38.10
Buildings	8,436.20	706.92	-	19.27	(6.26)	9,156.13	1,793.95	334.46	-	4.74	(1.63)	2,131.52	7,024.61
Plant and Equipment						-						-	-
- Own	55,841.04	7,900.19	(25.54)	139.80	(185.46)	63,670.03	14,713.68	2,960.69	(17.85)	45.67	(100.65)	17,601.54	46,068.49
- Given on Lease	199.05	-	-	-		199.05	81.17	4.61	-	-	-	85.78	113.27
Furniture and Fixtures	230.47	44.83	(2.96)	0.97	(16.94)	256.37	155.54	27.60	(1.99)	0.76	(13.27)	168.64	87.73
Vehicles	346.83	127.48	(4.71)	0.39	(49.90)	420.09	184.03	57.18	(1.45)	0.19	(34.56)	205.39	214.70
Office Equipment	651.03	146.05	(6.90)	0.10	(32.57)	757.71	351.31	98.41	(5.19)	0.12	(31.51)	413.14	344.57
Salt Pans, Reservoir and Condensers	7.41	-	-	-	-	7.41	7.04	-	-	-	-	7.04	0.37
Railway Sidings	1,010.81	22.73	-	0.01	(0.68)	1,032.87	328.65	61.25	-	-	(0.46)	389.44	643.43
Total Tangible Assets	**76,018.44**	**9,318.68**	**(57.98)**	**160.94**	**(384.37)**	**85,055.71**	**17,869.87**	**3,612.47**	**(35.11)**	**51.48**	**(196.53)**	**21,302.18**	**63,753.53**
Capital Work-in-Progress (including Pre-Operative Expenses)													7,730.18
Total PPE													**71,483.71**

Year ended 31st March 2022

₹ in crore

Particulars	Gross Block						Accumulated Depreciation						Net Block
	As at 1st April 2021	Additions $	Classified as Discontinued Operation (Note 4.4)	Translation Difference Add/(Less)	Deductions/ Adjustments/ Held for Disposal	As at 31st March 2022	As at 1st April 2021	For the Year	Classified as Discontinued Operation (Note 4.4)	Translation Difference Add/(Less)	Deductions/ Adjustments/ Held for Disposal	As at 31st March 2022	As at 31st March 2022
TANGIBLE ASSETS*@													
Freehold Land	7,421.34	660.82	-	0.17	(9.01)	8,073.32	-	-	-	-	-	-	8,073.32
Leasehold Land	1,126.65	53.64	-	0.01	(1.66)	1,178.64	179.58	59.42	-	-	(0.32)	238.68	939.96
Leasehold Improvements	35.09	18.87	-	-	(10.32)	43.64	18.76	6.99	-	-	(9.93)	15.82	27.81
Buildings	7,528.48	918.40	(3.02)	6.48	(20.18)	8,436.20	1,476.07	325.05	(0.36)	0.54	(8.07)	1,793.95	6,642.25
Plant and Equipment						-						-	
- Own	50,227.82	5,701.82	(0.31)	43.97	(132.88)	55,841.04	12,118.93	2,668.14	(0.11)	6.09	(79.59)	14,713.68	41,127.36
- Given on Lease	174.64	24.41	-	-	-	199.05	70.26	10.91	-	-	-	81.17	117.88
Furniture and Fixtures	213.23	30.65	-	0.33	(13.74)	230.47	140.57	26.92	-	0.21	(12.16)	155.54	74.93
Vehicles	304.26	93.46	-	0.03	(50.92)	346.83	172.87	47.63	-	0.05	(36.52)	184.03	162.81
Office Equipment	490.25	183.51	(0.04)	(0.33)	(22.44)	651.03	287.55	84.06	(0.03)	(0.32)	(20.01)	351.31	299.72
Salt Pans, Reservoir and Condensers	7.41	-	-	-	-	7.41	7.04	-	-	-	-	7.04	0.37
Railway Sidings	979.30	34.86	-	(0.01)	(3.34)	1,010.81	269.51	59.74	-	-	(0.60)	328.65	682.16
Total Tangible Assets	**68,508.47**	**7,720.44**	**(3.37)**	**50.65**	**(264.49)**	**76,018.44**	**14,741.14**	**3,288.86**	**(0.50)**	**6.57**	**(167.20)**	**17,869.87**	**58,148.57**
Capital Work-in-Progress (including Pre-Operative Expenses)													6,572.18
Total PPE													**64,720.75**

* Net Block of Tangible Assets amounting to ₹ 8,320.37 crore (Previous Year ₹ 7,605.69 crore) is pledged as security against the secured borrowings. (Note 2.27)

@ Gross Block of Tangible Assets includes Land which the Group is in the process of getting registered in its name, which is currently under dispute, but the Management expects a favourable outcome in this matter.

$ Additions for the year ended 31st March 2022 includes addition on account of business combination. (Refer note 4.3 B)

Notes

forming part of the Consolidated Financial Statements for the year ended 31st March 2023

Notes:

₹ in crore

		As at 31st March 2023	As at 31st March 2022
2.1.1	The title of immovable assets are in the process of being transferred in the name of the Company / subsidiaries (Gross Block):	2,726.70	3,025.56
2.1.2	Property, Plant and Equipment includes assets not owned by the Group (Gross Block)	480.92	528.28
2.1.3	Property, Plant and Equipment includes assets held on Co-ownership with other Companies (the Group's share)		
	Buildings	72.76	72.76
	Plant and Equipment	0.40	0.40
	Furniture and Fixtures	5.19	2.17
	Vehicles	0.07	0.07
	Office Equipment	8.26	2.21
		86.68	**77.61**
2.1.4	Buildings include (Gross Block):		
	Cost of Debentures and Shares in a Company entitling the right of exclusive occupancy and use of certain premises	48.33	48.33
2.1.5	Pre-Operative Expenses Pending Allocation included in Capital Work-in-Progress:		
	Expenditure incurred during the Year:		
	Raw Materials Consumed	17.21	21.08
	Salaries, Wages and Bonus	131.81	127.48
	Contribution to Provident and Other Funds	1.62	2.48
	Contribution to Gratuity Fund	0.20	0.41
	Expenses on Employee Stock Options Scheme	0.19	0.33
	Rent and Hire Charges	0.04	1.39
	Power and Fuel	51.44	7.23
	Insurance	3.34	2.39
	Depreciation on PPE	10.11	8.19
	Depreciation on RoU	1.19	3.79
	Borrowing Costs	51.77	158.24
	Consumption of Stores, Spare Parts and Components, Packing Materials, etc.	0.01	1.60
	Repairs and Maintenance	0.23	6.01
	Other Expenses	151.29	113.13
		420.45	**453.75**
	Add: Pre-Operative Expenditure incurred up to Previous Year	449.51	432.81
	Less: Stock of Trial Run Production	0.13	-
	Less: Trial-Run Production Transferred to Inventory	25.69	2.18
	Less: Sale of Trial Run Production	14.94	24.99
	Less: Capitalised/Charged during the Year	452.89	409.88
	Total Pre-Operative Expenses Pending Allocation	**376.31**	**449.51**

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2.1.6 Capital-Work-in Progress (CWIP)

CWIP aging schedule:

As at 31st March 2023

₹ in crore

CWIP	Amount in CWIP for a period of				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in Progress	6,050.47	1,351.45	130.15	145.44	7,677.51
Projects Temporarily Suspended	-	-	-	52.67	52.67
Total	**6,050.47**	**1,351.45**	**130.15**	**198.11**	**7,730.18**

As at 31st March 2022

₹ in crore

CWIP	Amount in CWIP for a period of				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Projects in Progress	5,507.14	505.31	322.92	184.14	6,519.51
Projects Temporarily Suspended	-	-	-	52.67	52.67
Total	**5,507.14**	**505.31**	**322.92**	**236.81**	**6,572.18**

Year ended 31st March 2023

₹ in crore

	Gross Block			Accumulated Depreciation				Net Block
	As at 1st April 2022	Deductions	As at 31st March 2023	As at 1st April 2022	For the Year	Deductions	As at 31st March 2023	As at 31st March 2023
Building	16.87	-	16.87	2.06	0.44	-	2.50	14.37

2.2 INVESTMENT PROPERTY

Year ended 31st March 2022

₹ in crore

	Gross Block			Accumulated Depreciation				Net Block
	As at 1st April 2021	Deductions	As at 31st March 2022	As at 1st April 2021	For the Year	Deductions	As at 31st March 2022	As at 31st March 2022
Building	16.87	-	16.87	1.63	0.43	-	2.06	14.81

Information regarding Income & Expenditure of Investment property

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Rental Income Derived from Investment Property	0.50	0.50
Direct Operating Expenses (including Repairs and Maintenance) associated with Rental Income	(0.06)	(0.06)
Profit Arising from Investment Property before Depreciation and Indirect Expenses	**0.44**	**0.44**
Depreciation for the Year	(0.44)	(0.43)
Profit/(Loss) arising from Investment Property before Indirect Expenses	**-**	**0.01**

The Group has carried out the valuation through the Independent Valuer to assess fair value of its Investment Property. As per report provided by Independent Valuer, the fair value is ₹ 18.07 crore as on 31st March 2023 (Previous Year ₹ 19.02 crore).

The fair value of Investment Property has been derived using the Direct Comparison Method based on recent market prices without any significant adjustments being made in observable data. Accordingly, fair value estimates for Investment Property is classified as Level 3.

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The Group has no restrictions on the realisability of its Investment Property and has no contractual obligations to purchase, construct or develop Investment Property.

2.3 GOODWILL

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Balance at the beginning of the Year	**20,058.50**	**20,013.86**
Goodwill arising on account of Business Combination (Note 4.3)	0.01	14.28
Effects of Foreign Currency Exchange Differences	79.04	30.36
Balance at the end of the Year	**20,137.55**	**20,058.50**

2.3.1 Impairment Testing of Goodwill

Goodwill acquired in business combinations has been allocated to the following Segments/Cash Generating Units (CGUs):

₹ in crore

Segment	As at 31st March 2023	As at 31st March 2022
Cement	8,238.54	8,159.49
Financial Services	11,871.63	11,871.63
Others (Textile, Solar Power and other Subsidiaries)	27.38	27.38
	20,137.55	**20,058.50**

Goodwill is not amortised, instead it is tested for impairment annually or more frequently if indicators of impairment exist. Potential impairment is identified by comparing the recoverable value of a cash-generating units to its carrying value. The Company estimates the recoverable value based on fair value less cost to sell approach following income approach and market approach. The determination of recoverable value using the income and market approaches requires the use of estimates and assumptions related to selection of multiples and control premium for the market approach and sales volumes and prices, costs to produce, capital spending and discount rate for the income approach. Under income approach, the recoverable amount is determined based on value-in-use calculation which require the use of certain assumptions. The calculation uses cash flow projections based on financial budgets approved by the Management covering three to five years period depending upon segments/CGUs' financial budgeting process. Cash flow beyond these financial budget periods is extrapolated using the estimated growth rates. Under market approach, recoverable amount is determined based on average of comparable companies multiple suitable for the industry to which business relates.

During the current year, the Company has carried out the Impairment testing of Goodwill allocated to its business segments.

A. Cement and Others (Textile, Investment and Solar Power Subsidiaries)

The goodwill allocated to Cement Segment and others segments are evaluated based on their actual performance against the budget approved by the Management covering three to five years period. Based on evaluation their recoverable amount exceeds their carrying amounts, hence, no goodwill impairment was identified.

B. Financial Services

The key assumption used in the estimation of the recoverable amount of various CGUs is set out below. The values assigned to the key assumptions represents the Management 's assessment of future trends in the relevant sector and have been based on historical and external data from both external and internal sources.

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Financial Services Business	Key Assumptions	As at 31st March 2023	As at 31st March 2022
Aditya Birla Money Limited (ABML), Aditya Birla Insurance Brokers Limited (ABIB) (i)	Discount Rate	14.75%	12.25% - 13.5%
	Terminal Growth Rate	5%	5%
Aditya Birla Housing Finance Limited (ABHFL) and Aditya Birla Finance Limited (ABFL) (ii)	Market Price to Adjusted Book Value	1.3 - 2.9 times (Based on average of comparable companies multiple)	1.4- 1.7 times (Based on average of comparable companies multiple)
Aditya Birla Sun Life Insurance Limited (ABSLI)# (iii)	Market Capitalisation (-) Embedded Value /VNB	10.9 times (Based on average of comparable companies multiple)	3.2 times (Based on average of comparable companies multiple)

March 2022 has been computed based on Market Capitalisation / Embedded Value, however VNB (value of its new business) margin essentially determines the profitability of new insurance contracts hence for March 2023 VNB has been added in computation of multiple.

(i) For ABML the recoverable amount is determined based on fair value less cost to sell and the projected cash flows are discounted to the present value using a post tax weighted-average cost of capital (Discount Rate). The discount rate commensurate to with the risk inherent in the projected cash flows and reflect the rate of return required by an investor in the current economic conditions. The Group uses specific growth assumptions for each CGU based on historical and economic condition (Terminal Growth Rate). For current year ABIB's recoverable amount has been determined based on consideration value of stake sale announced on 27th March 2023.

As a result of impairment test for the year ended 31st March 2023, no goodwill impairment was identified as the recoverable amount of the CGUs to which goodwill was allocated was higher than their carrying amount (Previous Year ₹ Nil).

(ii) For ABHFL and ABFL, based on our result of value analysis on the basis of price to adjusted book value multiple of comparable companies, the fair value of the CGUs, to whom goodwill was allocated, is higher than the respective carrying amount.

As a result of impairment test for the year ended 31st March 2023, no goodwill impairment was identified as the fair value of the CGUs to whom goodwill was allocated exceeded their respective carrying amount. (Previous Year ₹ Nil).

(iii) ABSLI, based on our result of value analysis on the basis of key assumptions as stated above, the fair value of CGU exceeds the carrying amount of assets of the CGU.

As a result of impairment test for the year ended 31st March 2023, no goodwill impairment was identified as the fair value of the CGUs to whom goodwill was allocated exceeded their respective carrying amount.

An analysis of the sensitivity of the changes in key parameters (Operating Margins, Discount Rate and Long-Term Average Growth Rate), based on reasonable probable assumptions, does not result in any probable scenario in which the recoverable amount of the CGUs would decrease below the carrying amount.

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2.4 OTHER INTANGIBLE ASSETS

Year ended 31st March 2023

₹ in crore

Particulars	Gross Block							Accumulated Amortisation						Net Block
	As at 1st April 2022	Additions	On Acquisition – Refer Note 4.3 (A)	Translation Difference Add/(Less)	Derecognition on conversion from Subsidiary to Joint Venture Refer Note. 4.12.5	Deductions/ Adjustments	As at 31st March 2023	As at 1st April 2022	For the Year	Translation Difference Add/(Less)	Derecognition on conversion from Subsidiary to Joint Venture Refer Note. 4.12.5	Deductions/ Adjustments	As at 31st March 2023	As at 31st March 2023
INTANGIBLE ASSETS (other than internally generated)														
Computer Software	758.55	156.85	-	-	(185.59)	(8.16)	721.65	457.20	138.10	-	(80.56)	(7.53)	507.21	214.44
Value of License/Right to use Infrastructure	97.02	-	-	-	-	-	97.02	43.42	8.41	-	-	-	51.83	45.19
Power Purchase Agreements	43.89	-	-	-	-	-	43.89	6.58	1.76	-	-	-	8.34	35.55
Power Line Rights	59.35	-	-	5.00	-	-	64.35	26.60	2.46	2.28	-	-	31.34	33.01
Rights to Manage and Operate Manufacturing Facilities	666.50	-	-	-	-	-	666.50	184.52	44.49	-	-	-	229.01	437.49
Group Management Rights	197.70	-	-	-	-	-	197.70	-		-	-	-	-	197.70
Customer Relationship	369.90	-	-	-	-	-	369.90	77.01	16.84	-	-	-	93.85	276.05
Distribution Network	1,533.03	-	-	-	-	-	1,533.03	613.19	133.68	-	-	-	746.87	786.16
Value in Force	1,649.00	-	-	-	-	-	1,649.00	522.18	109.93	-	-	-	632.11	1,016.89
Order Back Log	16.70	-	-	-	-	-	16.70	16.70	-	-	-	-	16.70	-
Technical Know-how	27.24	-	-	-	-	-	27.24	9.82	2.42	-	-	-	12.24	15.00
Trade Mark and Brands	223.17	-	-	-	-	-	223.17	188.90	7.82	-	-	-	196.72	26.45
Mining Rights	266.37	13.80	-	-	-	-	280.17	91.12	18.91	-	-	-	110.03	170.14
Non-Compete fees	21.50	-	-	-	-	-	21.50	21.50	-	-	-	-	21.50	-
Mining Reserve	5,486.86	-	148.16	-	-	-	5,635.02	458.82	127.21	-	-	-	586.03	5,048.99
Jetty Rights	246.80	53.43	-	-	-	(24.66)	275.57	50.60	16.27	-	-	(0.75)	66.12	209.45
Surface Rights	-	84.52	-	-	-	-	84.52	-	5.14	-	-	-	5.14	79.38
Total Intangible Assets	**11,663.58**	**308.60**	**148.16**	**5.00**	**(185.59)**	**(32.82)**	**11,906.93**	**2,768.17**	**633.44**	**2.28**	**(80.56)**	**(8.28)**	**3,315.04**	**8,591.89**
Intangible Assets Under Development														47.50
Total Intangible Assets														**8,639.39**

Notes
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Year ended 31st March 2022

₹ in crore

Particulars	Gross Block					Accumulated Amortisation					Net Block
	As at 1st April 2021	Additions	Translation Difference Add/(Less)	Deductions/ Adjustments /Held for Disposal	As at 31st March 2022	As at 1st April 2021	For the Year	Translation Difference Add/(Less)	Deductions/ Adjustments /Held for Disposal	As at 31st March 2022	As at 31st March 2022
INTANGIBLE ASSETS (other than internally generated)											
Computer Software	610.88	152.59	-	(4.92)	758.55	331.30	130.12	-	(4.22)	457.20	301.35
Value of License/Right to use Infrastructure	62.99	34.03	-	-	97.02	37.51	5.91	-	-	43.42	53.60
Power Purchase Agreements	42.10	1.79	-	-	43.89	4.85	1.73	-	-	6.58	37.31
Power Line Rights	57.27	-	2.08	-	59.35	22.00	3.73	0.87	-	26.60	32.75
Rights to Manage and Operate Manufacturing Facilities	666.50	-	-		666.50	140.06	44.46	-	-	184.52	481.98
Group Management Rights	197.70	-	-	-	197.70	-	-	-	-	-	197.70
Customer Relationship	369.90	-	-	-	369.90	60.17	16.84	-	-	77.01	292.89
Distribution Network	1,533.03	-	-	-	1,533.03	479.49	133.70	-	-	613.19	919.84
Value in Force	1,649.00	-		-	1,649.00	412.24	109.94	-	-	522.18	1,126.82
Order Back Log	16.70	-		-	16.70	16.70	-	-	-	16.70	-
Technical Know-how	27.24	-	-	-	27.24	7.27	2.55	-	-	9.82	17.42
Trade Mark and Brands	223.14	0.03	-	-	223.17	181.02	7.88	-	-	188.90	34.27
Mining Rights	233.69	32.68	-	-	266.37	60.60	30.52	-	-	91.12	175.25
Non-Compete fees	21.50	-			21.50	21.50	-	-	-	21.50	-
Mining Reserves	5,486.86	-	-	-	5,486.86	352.98	105.84	-	-	458.82	5,028.04
Jetty Rights	224.42	22.38	-	-	246.80	40.75	9.85	-	-	50.60	196.20
Total Intangible Assets	**11,422.92**	**243.50**	**2.08**	**(4.92)**	**11,663.58**	**2,168.44**	**603.07**	**0.87**	**(4.22)**	**2,768.17**	**8,895.41**
Intangible Assets Under Development											42.94
Total Intangible Assets											**8,938.35**

2.4.1 Based on written down value, the balance amortisation period of Material Intangible Assets:

Intangible Assets	As at 31st March 2023	As at 31st March 2022
Distribution Network	0.25 - 19.25 Years	1.25 - 20.25 Years
Mining Reserve	Over the period of the respective mining agreement	Over the period of the respective mining agreement
Value in Force	9.25 Years	10.25 Years

Notes
forming part of the Consolidated Financial Statements for the year ended 31st March 2023

2.4.2 Intangible Assets Under Development

Intangible Assets Under Development Ageing Schedule :

As at 31st March 2023

₹ in crore

Intangible Assets Under Development	Amount in Intangible Assets Under Development for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	42.92	4.49	0.09	-	47.50
Projects Temporarily Suspended	-	-	-	-	-
Total	**42.92**	**4.49**	**0.09**	**-**	**47.50**

As at 31st March 2022

₹ in crore

Intangible Assets Under Development	Amount in Intangible Assets Under Development for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Projects in Progress	34.15	8.61	-	0.18	42.94
Projects Temporarily Suspended	-	-	-	-	-
Total	**34.15**	**8.61**	**-**	**0.18**	**42.94**

2.5 LEASES

A. Right of Use Assets

Year ended 31st March 2023

₹ in crore

Particulars	Gross Block						Accumulated Depreciation						Net Block
	As at 1st April 2022	Derecognition on conversion from Subsidiary to Joint Venture Refer Note. 4.12.5	Additions	Other Adjustments	Deductions	As at 31st March 2023	As at 1st April 2022	Derecognition on conversion from Subsidiary to Joint Venture Refer Note. 4.12.5	For the Year	Other Adjustments	Deductions	As at 31st March 2023	As at 31st March 2023
Land #	826.40	-	509.31	5.95	(0.25)	1,341.41	95.89	-	48.08	1.41	(0.05)	145.33	1,196.08
Buildings #	820.31	(57.05)	257.57	-	(76.91)	943.92	331.62	(29.98)	130.72	-	(23.94)	408.42	535.50
Plant and Machinery	211.76	-	34.47	13.99	-	260.22	78.64	-	37.31	10.45	-	126.40	133.82
Software Platform	-	-	10.81	-	-	10.81	-	-	1.99	-	-	1.99	8.82
Ships	718.53	-	72.03	2.66	-	793.22	192.02	-	75.86	0.53	-	268.41	524.81
Total	**2,577.00**	**(57.05)**	**884.19**	**22.60**	**(77.16)**	**3,349.58**	**698.17**	**(29.98)**	**293.96**	**12.39**	**(23.99)**	**950.55**	**2,399.03**
Less: Depreciation Transferred to CWIP									(1.19)				
Net Depreciation Charged to the Statement of Profit and Loss									**292.77**				

Year ended 31st March 2022

₹ in crore

Particulars	Gross Block						Accumulated Depreciation						Net Block
	As at 1st April 2021	Transfer from Discontinued Operations	Additions	Other Adjustments	Deductions	As at 31st March 2022	As at 1st April 2021	Transfer from Discontinued Operations	For the Year	Other Adjustments	Deductions	As at 31st March 2022	As at 31st March 2022
Land #	741.73	47.34	36.91	1.88	(1.46)	826.40	65.54	3.48	27.40	0.26	(0.79)	95.89	730.51
Buildings #	716.90	-	199.81	-	(96.40)	820.31	247.95	-	121.60	-	(37.93)	331.62	488.69
Plant and Machinery	208.03	-	30.07	5.88	(32.22)	211.76	66.17	-	20.52	4.16	(12.21)	78.64	133.12
Ships	830.11	-	0.71	(27.04)	(85.25)	718.53	145.22	-	74.23	(15.59)	(11.84)	192.02	526.51
Total	**2,496.77**	**47.34**	**267.50**	**(19.28)**	**(215.33)**	**2,577.00**	**524.88**	**3.48**	**243.75**	**(11.17)**	**(62.77)**	**698.17**	**1,878.83**
Less: Depreciation Transferred to CWIP									(3.79)				
Net Depreciation Charged to the Statement of Profit and Loss									**239.96**				

Includes gross block of Leasehold Land of ₹ 142.57 crore (Previous Year ₹ 142.57 crore) & Leasehold Building of ₹ 16.80 crore (Previous Year ₹ 16.80 crore) having co-ownership with other companies.

(B) Analysis of Lease Liabilities

(B1) The following is the movement in lease liabilities during the year ended 31st March:

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Opening Lease Liabilities	1,557.54	1,668.61
Finance Cost Accrued during the Year (including revaluation of Lease Liabilities)	153.66	144.12
Additions during the Year (Net)	329.74	97.74
Less : Adjustment of ABHI's lease on account of conversion from Subsidiary to Joint Venture	(30.57)	-
Payment of Lease Liabilities (Including Interest)	(319.73)	(352.93)
Closing Lease Liabilities	**1,690.64**	**1,557.54**

(B2) Maturity Analysis of Lease Liabilities

₹ in crore

Maturity Analysis – Contractual Undiscounted Cash Flows	As at 31st March 2023	As at 31st March 2022
Less than one year	337.22	293.07
One to five years	1,052.37	997.68
More than five years	915.31	932.53
Total Undiscounted Lease Liabilities	**2,304.90**	**2,223.28**
Lease Liabilities included in the Statement of Financial Position	**1,690.64**	**1,557.54**
Current	**279.91**	**238.16**
Non-Current	**1,410.73**	**1,319.38**

Notes

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(B3) Amount recognised in the Statement of Profit and Loss, not included in the Measurement of Lease Liabilities:

₹ in crore

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Variable Lease Payments not included in the Measurement of Lease liabilities	98.67	73.59
Expenses relating to Short-Term Leases	219.86	157.58
Expenses relating to Leases of Low-Value Assets, excluding Short-Term Leases of Low Value Assets	41.73	43.37
(Gains) or Losses arising from Modification of Lease Agreements and Others	18.79	2.19

(C) Income from sub-leasing of Right-to-Use Assets is ₹ 13.65 crore (Previous Year ₹ 5.46 crore).

(D) The total cash outflow for leases for the year is ₹ 319.73 crore (Previous Year ₹ 352.93 crore).

(E) The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities, as and when they fall due.

2.6 NON-CURRENT ASSETS – INVESTMENT IN EQUITY ACCOUNTED INVESTEES

Investments in Equity Accounted Investees

₹ in crore

Particulars		As at 31st March 2023	As at 31st March 2022
Joint Ventures (Note 4.14 and Note 2.40 (B))			
Share in Net Assets	4,040.67		978.00
Goodwill	5.15		5.15
Equity Investments in Joint Ventures - At Cost	**4,045.82**		**983.15**
Impairment in Value of Investments	(1.65)		(1.65)
Share in Profit/Reserves of Joint Ventures (Post Acquisition)	339.15		428.67
		4,383.32	**1,410.17**
Associates (Note 4.14)			
Share in Net Assets	3,672.85		2,814.49
Goodwill	1,891.74		1,891.74
Equity Investments in Associates - At Cost	**5,564.59**		**4,706.23**
Impairment in Value of Investments	(0.22)		(0.22)
Share in Profit/Reserves of Joint Ventures (Post Acquisition)	1,069.15		933.99
		6,633.52	**5,640.00**
		11,016.84	**7,050.17**

2.6.1 The investments in the Company's Joint Ventures, namely AV Group NB Inc., AV Terrace Bay Inc., Birla Jingwei Fibres Company Limited and Aditya Group AB are subject to maintenance of specified holding by the Company, until the credit facility provided by certain lenders to the respective companies is outstanding. Without guaranteeing the repayments to the lenders, the Company has also agreed that the affairs of the Joint Ventures will be managed through its nominee directors on the Boards of respective borrowing companies, in a manner that they are able to meet their respective financial obligations.

Notes

forming part of the Consolidated Financial Statements for the year ended 31st March 2023

2.7 INVESTMENTS OF INSURANCE BUSINESS – NON-CURRENT

₹ in crore

Particulars		As at 31st March 2023	As at 31st March 2022
Investments in Equity Instruments			
Carried at FVTPL #	2,624.66		1,739.89
Carried at FVTPL	202.78		196.99
Carried at FVTOCI #	75.31		91.99
Carried at FVTOCI	0.85		0.83
		2,903.60	**2,029.70**
Investments in Government or Trust Securities			
Carried at Amortised Cost #	17,855.29		12,357.47
Carried at FVTOCI #	5,738.00		5,469.53
		23,593.29	**17,827.00**
Investments in Debentures			
Carried at Amortised Cost #	6,918.45		5,853.74
Carried at FVTOCI #	6,055.48		5,216.34
Carried at FVTPL #	52.61		25.86
		13,026.54	**11,095.94**
		39,523.43	**30,952.64**
# Quoted Investments			
2.7.1 Aggregate Book Value of :			
Quoted Investments		39,319.80	30,754.82
Unquoted Investments		203.63	197.82
		39,523.43	**30,952.64**
Aggregate Market Value of Quoted Investments		39,263.24	31,004.04

2.8 OTHER INVESTMENTS – NON-CURRENT

(Fully Paid-up)

₹ in crore

	Face Value	Units		As at 31st March 2023	As at 31st March 2022
Investments in Equity Instruments					
Carried at FVTOCI {Note 4.9 (A)}					
Thai Rayon Public Company Limited, Thailand #	Thai Baht 1	13,988,570	156.28		155.48
P.T. Indo Bharat Rayon Co. Limited, Indonesia	USD 100	5,000	676.46		644.78
Vodafone Idea Limited #	₹ 10	3,317,566,167	1,924.19		3,201.45
Hindalco Industries Limited #	₹ 1	88,048,812	3,569.06		5,014.38
Indophil Textile Mills Inc., Philippines	Peso 10	422,496	2.40		2.73
Birla International Limited - British Virgin Islands	USD 100	2,500	5.46		5.18
Aditya Birla Fashion and Retail Limited #	₹ 10	97,671,271	2,093.59		2,950.65
Birla Management Centre Services Private Limited	₹ 10	9,000	13.90		10.58
Bhadreshwar Vidyut Private Limited			-		0.10
				8,441.34	**11,985.33**

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₹ in crore

	Face Value	Units		As at 31st March 2023	As at 31st March 2022
Carried at FVTPL {Note 4.9 (A)}					
MOIL Limited#	₹ 10	24,490	0.35		0.45
Amplus Sunshine Private Limited	₹ 10	3,867,848	4.80		4.80
Amplus Coastal Power Private Limited	₹ 10	1,712,279	1.76		1.76
Amplus Dakshin Private Limited (Previous Year 11,690,777 Shares)	₹ 10	12,185,777	12.19		11.69
Lalganj Power Private Limited (Previous Year 13,032,882 Shares)	₹ 10	14,832,882	19.61		17.20
Raj Mahal Coal Mining Limited	₹ 10	1,000,000	1.00		1.00
Green Infra Wind Power Generation Limited	₹ 10	192,000	0.19		0.19
NU Power Wind Farm Limited (Equity shares of ₹ 10 each aggregating to CY: ₹1000 (LY: ₹ 20,000))	₹ 10	100	–		–
Watsun Infrabuild Private Limited	₹ 10	642,600	0.64		0.64
VSN Onsite Private Limited	₹ 10	7,852,649	10.15		10.15
Solbridge Energy Private Limited	₹ 10	1,738,490	2.21		2.21
Sunroot Energy Private Limited (Previous Year 510,000 Shares)	₹ 10	8,606,393	8.61		0.51
VSV Offsite Private Limited	₹ 10	388,890	0.53		0.53
Amplus Alpha Solar Private Limited (Previous Year 2,598,864 Shares)	₹ 10	2,973,864	2.97		2.60
Clean Max Theia Private Limited	₹ 10	22,891,488	41.20		–
Ostro Alpha Wind Private Limited	₹ 10	6,966,635	8.36		–
Renew Surya Spark Private Limited	₹ 10	7,160,946	7.16		–
				121.73	**53.73**
Investments in Preference Shares					
Carried at FVTPL {Note 4.9 (A)}					
Joint Ventures					
6% Cumulative Redeemable Retractable, Non-Voting Preferred Shares of AV Group NB Inc., Canada, of aggregate value of Canadian Dollar 6.75 million	WPV	6,750,000	36.45		34.28
1% Redeemable Preference Shares of Aditya Group AB, Sweden, of aggregate value of USD 8 million	WPV	160,000	49.11		49.88
Others					
7% Non-Cumulative Non-Convertible Redeemable Preference Shares of Aditya Birla Health Services Limited	₹ 100	5,600,000	57.91		57.80
8% Redeemable and Cumulative Preference Shares of Aditya Birla Fashion and Retail Limited	₹ 10	500,000	1.02		0.98
8.10% Preference Share of Kotak Mahindra Bank	₹ 5	70,000,000	35.00		35.00
				179.49	**177.94**
Investments in Debentures or Bonds and Other Investments {Note 4.9 (A)} #					
Carried at FVTPL					
Tax-Free Bonds			162.07		282.75
Taxable Corporate Bonds			280.89		290.83
				442.96	**573.58**

Notes

forming part of the Consolidated Financial Statements for the year ended 31st March 2023

₹ in crore

	Face Value	Units		As at 31st March 2023	As at 31st March 2022
Investments in Bonds/Debentures					
Carried at Amortised Cost #	₹ 257	1,000,000	106.97		55.34
Carried at Amortised Cost	₹ 75	10,000,000	29.23		80.31
				136.20	**135.65**
Other Investments					
Carried at Amortised Cost					
Investments in Security Receipts			13.18	13.18	–
Carried at FVTPL					
Investments in Security Receipts			124.93		178.78
Investments in Alternate Funds			9.98		81.89
Investments in Limited Liability Partnership			26.60		26.60
				161.51	**287.27**
Carried at FVTPL					
Investments in Mutual Funds {Note 4.9 (A)}				6.49	667.67
				9,502.90	**13,881.17**

WPV - Without Par Value

Quoted Investments

2.8.1 Aggregate Book Value of :

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Quoted Investments	8,293.40	11,951.33
Unquoted Investments	1,209.50	1,929.84
	9,502.90	**13,881.17**
Aggregate Market Value of Quoted Investments	8,293.40	11,951.33

2.8.2 Category wise Other Non-Current Investments:

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Quoted		
Financial Investments Measured at FVTOCI		
Equity Shares	7,743.12	11,321.96
Sub-Total (a)	**7,743.12**	**11,321.96**
Financial Investments Measured at FVTPL		
Debentures or Bonds	442.96	573.58
Equity Shares	0.35	0.45
Sub-Total (b)	**443.31**	**574.03**
Financial Investments Measured at Amortised Cost		
Debentures or Bonds	106.97	55.34
Sub-Total (c)	**106.97**	**55.34**
Total (d) [a + b + c]	**8,293.40**	**11,951.33**

Notes

forming part of the Consolidated Financial Statements for the year ended 31st March 2023

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Unquoted		
Financial Investments Measured at FVTOCI		
Equity Shares	698.22	663.37
Sub-Total (e)	**698.22**	**663.37**
Financial Investments Measured at FVTPL		
Equity Shares	121.38	53.28
Mutual Funds	6.49	667.67
Preference Shares	179.49	177.94
Private Equity Investment Funds	161.51	287.27
Sub-Total (f)	**468.87**	**1,186.16**
Financial Investments Measured at Amortised Cost		
Private Equity Investment Funds	13.18	-
Government or Trust Securities	29.23	80.31
Sub-Total (g)	**42.41**	**80.31**
Total (h) [e + f + g]	**1,209.50**	**1,929.84**
Total (d + h)	**9,502.90**	**13,881.17**

2.9 ASSETS HELD TO COVER LINKED LIABILITIES OF LIFE INSURANCE BUSINESS – NON-CURRENT

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Carried at Fair Value through Profit or Loss		
Quoted Investments		
Mutual Funds	337.82	583.30
Equity Instruments	13,795.91	13,028.13
Government or Trust Securities	6,311.66	5,926.28
Debentures	6,372.52	6,574.62
Unquoted Investments		
Other Non-Current Investments	25.04	25.00
	26,842.95	**26,137.33**
2.9.1 Aggregate Book Value of Quoted Investments	26,817.91	26,112.33
2.9.2 Aggregate Market Value of Quoted Investments	26,817.91	26,112.33
2.9.3 Aggregate Value of Unquoted Investments	25.04	25.00

2.10 TRADE RECEIVABLES – NON-CURRENT

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Considered Good *	6.82	-
	6.82	**-**

* Trade Receivables ageing schedule - All amount are Not Due

Notes

forming part of the Consolidated Financial Statements for the year ended 31st March 2023

2.11 LOANS -NON-CURRENT

(Unsecured, Considered Good, Carried at Amortised Cost, unless otherwise stated)

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Secured, Considered Good	54,836.40	43,671.62
Unsecured, Considered Good	14,384.69	6,981.74
Secured, receivables which have significant increase in credit risk	2,353.72	1,956.03
Unsecured, receivables which have significant increase in credit risk	599.30	258.29
Less: Expected Credit Loss Allowance	(1,729.07)	(1,223.85)
Loans to Related Parties (Note 4.7.2)	12.83	-
Loans against Insurance Policies	396.47	291.55
Loans to Employees	16.78	18.74
	70,871.12	**51,954.12**

2.12 OTHER FINANCIAL ASSETS -NON-CURRENT

(Unsecured, Considered Good, Carried at Amortised Cost, unless otherwise stated)

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Security Deposits	530.88	447.46
Less: Provision on Deposits	(0.44)	(0.44)
Deposits to Related Party (Note 4.7.2)	70.78	35.93
Derivative Assets - Carried at Fair Value	446.97	371.33
Government Grant Receivables	527.83	578.05
Less: Provision towards Government Incentive	(6.70)	(3.76)
Fixed Deposits with Banks with maturity more than 12 months *	481.39	90.47
Receivables towards Divested Business $	44.24	46.26
Less: Provision towards Divested Businesses	(9.11)	(11.14)
Reinsurance Assets	921.90	892.05
Advances to Body Corporates	740.53	-
Other Receivables	11.43	11.79
	3,759.70	**2,458.00**

* Includes:		
Lodged as security with Government Departments	0.67	2.17
Lien Marked in favour of Insurance Regulatory Development Authority of India (IRDA) and Banks	10.05	1.31

$ The Company has to receive from purchaser ₹ 35.13 crore (Previous Year ₹ 35.12 crore) towards Tax Refund.

Notes

forming part of the Consolidated Financial Statements for the year ended 31st March 2023

2.13 (A) DEFERRED TAX ASSETS (NET)

₹ in crore

Current Year	As at 1st April 2022	Recognised in Profit or Loss	Recognised in OCI	As at 31st March 2023
Deferred Tax Assets:				
Provision allowed under Tax on Payment Basis	29.67	(18.20)	(2.76)	8.71
Unabsorbed Losses	142.22	69.26	(1.65)	209.83
Unrealised Profits arising on Intragroup Stock Transfers	15.09	(17.34)	-	(2.25)
Expected Credit Loss Allowance	283.80	169.96	-	453.76
Others	30.90	2.09	(1.61)	31.38
	501.68	**205.77**	**(6.02)**	**701.43**
Deferred Tax Liabilities:				
Impact of difference between Tax Depreciation and Depreciation/ Amortisation charged for financial reporting	244.98	64.50	-	309.48
Others (Fair Value of Borrowings and Contingent Liabilities)	10.66	(1.84)	0.87	9.69
	255.64	**62.66**	**0.87**	**319.17**
Deferred Tax Assets (Net)	**246.04**	**143.11**	**(6.89)**	**382.26**

₹ in crore

Previous Year	As at 1st April 2021	Recognised in Profit or Loss	Recognised in OCI	As at 31st March 2022
Deferred Tax Assets:				
Provision allowed under Tax on Payment Basis	40.35	(2.62)	(8.06)	29.67
Unabsorbed Losses	97.57	44.65	-	142.22
Unrealised Profits arising on Intragroup Stock Transfers	9.00	6.09	-	15.09
Expected Credit Loss Allowance	260.62	23.18	-	283.80
Others	32.34	(0.87)	(0.57)	30.90
	439.88	**70.43**	**(8.63)**	**501.68**
Deferred Tax Liabilities:				
Impact of difference between Tax Depreciation and Depreciation/ Amortisation charged for financial reporting	215.67	29.31	-	244.98
Others (Fair Value of Borrowings and Contingent Liabilities)	18.77	(8.61)	0.50	10.66
	234.44	**20.70**	**0.50**	**255.64**
Deferred Tax Assets (Net)	**205.44**	**49.73**	**(9.13)**	**246.04**

Notes

forming part of the Consolidated Financial Statements for the year ended 31st March 2023

2.13 (B) DEFERRED TAX LIABILITIES (NET)

₹ in crore

Current Year	As at 1st April 2022	Recognised in Profit or Loss	Recognised in OCI	As at 31st March 2023
Deferred Tax Liabilities:				
Accumulated Depreciation and Amortisation	8,055.86	374.90	-	8,430.76
Fair Valuation of Investments	490.29	(35.84)	(394.37)	60.08
Fair Valuation of Land, Inventories and Investments Acquired on Merger	435.19	(20.89)	(11.63)	402.67
Others (including Ind AS 116 transition impact)	356.55	22.27	0.72	379.54
	9,337.90	**340.44**	**(405.28)**	**9,273.05**
Deferred Tax Assets:				
Accrued Expenses Allowable on Payment Basis	11.66	2.08	(0.06)	13.68
Expenses Allowable in Instalments in Income Tax	6.84	(3.28)	-	3.56
Provisions Allowed Under Tax on Payment Basis	361.44	(31.81)	0.01	329.64
Unabsorbed Depreciation	177.48	15.33	-	192.81
Income Tax Interest Offered for Tax, to be claimed in future	29.31	(8.20)	-	21.11
MAT Credit Entitlement	0.07	(0.01)	-	0.06
Others (including Ind AS 116 transition impact)	224.43	7.38	37.01	268.82
	811.23	**(18.51)**	**36.96**	**829.67**
Deferred Tax Liabilities (Net)	**8,526.67**	**358.95**	**(442.24)**	**8,443.38**

₹ in crore

Previous Year	As at 1st April 2021	Recognised in Profit or Loss	Recognised in OCI	As at 31st March 2022
Deferred Tax Liabilities:				
Accumulated Depreciation and Amortisation	8,145.30	(89.44)	-	8,055.86
Fair Valuation of Investments	310.80	(37.50)	216.99	490.29
Fair Valuation of Land, Inventories and Investments Acquired on Merger	473.62	(43.49)	5.06	435.19
Others (including Ind AS 116 transition impact)	324.82	30.21	1.53	356.55
	9,254.54	**(140.22)**	**223.58**	**9,337.90**
Deferred Tax Assets:				
Accrued Expenses Allowable on Payment Basis	9.39	2.24	0.03	11.66
Expenses Allowable in Instalments in Income Tax	24.12	(17.28)	-	6.84
Provisions Allowed Under Tax on Payment Basis	337.48	23.96	-	361.44
Unabsorbed Depreciation	158.95	18.53	-	177.48
Income Tax Interest Offered for Tax, to be claimed in future	29.31	-	-	29.31
MAT Credit Entitlement	35.31	(35.24)	-	0.07
Others (including Ind AS 116 transition impact)	203.33	21.94	(0.84)	224.43
	797.89	**14.15**	**(0.81)**	**811.23**
Deferred Tax Liabilities (Net)	**8,456.65**	**(154.37)**	**224.39**	**8,526.67**

*includes reversal of Deferred Tax on account of discontinued operations of ₹ 186 crore.

In respect of Deferred Taxes, all items are attributable to origination and reversal of temporary differences.

Notes

forming part of the Consolidated Financial Statements for the year ended 31st March 2023

2.13.1 Considering significant capitalisation of assets in the previous year, the Group has created deferred tax liability at the applicable concessional tax rate on temporary tax differences of depreciation expected to be reversed in the period after the Company is likely to opt for new tax regime under Section 115BAA of Income-Tax Act, 1961. This has resulted in Deferred Tax Credit of ₹ 197.18 crore in the previous year in the Statement of Profit and Loss.

2.13.2 During current year, the Company has decided to opt for lower tax regime from the financial year 2022-23 in terms of provision of Section 115BAA of Income tax Act, 1961. Provision for current and deferred tax expenses has been recognized accordingly.

2.13.3 During the previous year ended 31st March2022, pursuant to completion of prior income tax assessments, the Subsidiary has accrued Minimum Alternate Tax Credit Entitlement of ₹ 1,213.94 crore which has been utilised against the previous year tax expense.

2.13.4 The Group has not recognized Deferred Tax Assets on the unabsorbed depreciation, business losses, long-term capital loss and other temporary differences amounting to ₹ 1101.55 crore (Previous Year ₹ 1,055.73 crore), since it is not probable that future taxable income will be available wherein such Deferred Tax Assets can be realized in normal course of business.

2.14 OTHER NON-CURRENT ASSETS

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Capital Advances		
Unsecured, Considered Good	3,442.32	2,585.78
Unsecured, Considered Doubtful	12.36	12.36
Less: Allowance for Doubtful	(12.36)	(12.36)
Balances with Government Authorities		
Unsecured, Considered Good	742.40	650.40
Prepaid Expenses	8.80	20.06
Deferred Acquisition Costs	1.54	1.64
Other Advances	81.16	89.39
	4,276.22	**3,347.27**

2.15 INVENTORIES

(Valued at lower of cost and net realisable value, unless otherwise stated)

₹ in crore

	As at 31st March 2023			As at 31st March 2022		
	In Hand	In Transit	Total	In Hand	In Transit	Total
Raw Materials	1,943.46	1,230.15	3,173.61	1,862.58	1,096.59	2,959.17
Work-in-Progress	1,592.29	–	1,592.29	1,177.01	-	1,177.01
Finished Goods	1,526.51	294.73	1,821.24	1,204.28	257.78	1,462.06
Stock-in-Trade	121.76	2.52	124.28	39.77	2.85	42.62
Stores and Spare Parts	3,764.87	665.00	4,429.87	3,232.23	644.33	3,876.56
Waste/Scrap (valued at Net Realisable Value)	17.86	–	17.86	19.00	-	19.00
	8,966.75	**2,192.40**	**11,159.15**	**7,534.87**	**2,001.55**	**9,536.42**

The Company follows the policy for writing down the Value of Inventories towards slow moving, non-moving and surplus inventories. Write down of inventories (net of reversals) for the year is ₹ 68.19 crore (Previous Year ₹ 68.85 crore). Inventory values shown above are net of write down.

2.15.1 **Working Capital Borrowings are secured by hypothecation of inventories of the respective companies.**

Notes

forming part of the Consolidated Financial Statements for the year ended 31st March 2023

2.16 NVESTMENTS OF INSURANCE BUSINESS – CURRENT

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Investments in Mutual Funds		
Carried at Fair Value through Profit or Loss (FVTPL) #	–	126.82
Carried at Fair Value through Profit or Loss (FVTPL)	1.27	-
Investments in Government or Trust Securities		
Carried at Amortised Cost #	14.35	7.60
Carried at FVTOCI #	99.29	168.00
Investments in Debentures/Bonds		
Carried at Amortised Cost #	127.81	112.37
Carried at FVTOCI #	132.68	450.55
Less: impairment	–	(1.66)
Other Current Investments		
Carried at Amortised Cost #	417.04	979.81
Carried at Amortised Cost	10.28	-
Carried at FVTOCI #	97.97	490.42
Carried at FVTOCI	–	5.31
	900.69	**2,339.22**

Quoted Investments

2.16.1 Aggregate Book Value of:

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Quoted Investments	889.14	2,333.91
Unquoted Investments	11.55	5.31
	900.69	**2,339.22**
Aggregate Market Value of Quoted Investments	889.89	2,280.18
Aggregate Impairment in Value of Investments	–	1.66

2.17 OTHER INVESTMENTS – CURRENT

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Investments in Equity Shares: Carried at FVTOCI		
Larsen & Toubro Limited# (1,495,993 Shares of Face Value ₹ 2 each fully paid-up) (Previous Year 1,495,993 Shares)	323.76	264.44
Investments in Mutual Funds:		
Carried at FVTPL	8,315.44	9,283.16
Investments in Government Securities		
Carried at FVTPL #	33.14	119.80
Investments in Bonds		
Carried at FVTPL #	534.69	90.97
Carried at FVTPL	414.11	436.02
Carried at FVTOCI #	65.33	87.50

Notes

forming part of the Consolidated Financial Statements for the year ended 31st March 2023

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Investments in Debentures		
Carried at FVTPL	3,835.25	1,573.94
Carried at FVTPL #	74.83	-
Other Investments		
Carried at FVTPL (Certificate of Deposits)	190.00	190.00
Carried at Amortised Cost (Fixed Deposit with Financial Institutions with maturity less than twelve months)	119.09	337.04
	13,905.64	**12,382.87**

Quoted Investments

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
2.17.1 Aggregate Book Value of:		
Quoted Investments	1,031.75	562.71
Unquoted Investments	12,873.89	11,820.16
	13,905.64	**12,382.87**
2.17.2 Aggregate Market Value of Quoted Investments	1,031.75	562.71

2.18 ASSETS HELD TO COVER LINKED LIABILITIES OF LIFE INSURANCE BUSINESS – CURRENT

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Carried at Fair Value through Profit or Loss		
Quoted Investments		
Mutual Funds	–	15.10
Government or Trust Securities	1,675.63	1,085.84
Debentures	567.08	1,215.29
Other Current Investments	1,314.20	1,855.99
Other Current Assets	(39.81)	(165.49)
Unquoted Investments		
Other Current Investments	145.74	15.99
	3,662.84	**4,022.72**
2.18.1 Aggregate Book Value of Quoted Investments	3,517.10	4,006.73
2.18.2 Aggregate Market Value of Quoted Investments	3,517.10	4,006.73
2.18.3 Aggregate Value of Unquoted Investments	145.74	15.99

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2.19 TRADE RECEIVABLES

₹ in crore

Particulars		As at 31st March 2023	As at 31st March 2022
Secured, Considered Good*@	935.51		758.35
Unsecured*@			
Considered Good	4,979.59		4,671.39
Trade Receivables which have significant increase in Credit Risk	124.14		19.00
Credit Impaired	33.18		182.43
		6,072.42	**5,631.17**
Less: Loss Allowance		157.32	201.81
		5,915.10	**5,429.36**
Trade receivables are interest and non-interest bearing, and are generally up to 180 days terms.			
* Includes amount in respect of which the Company holds Letters of Credit/Guarantees from Banks.		129.05	260.51
@ Includes amount due from Related Parties (Note 4.7.2)		17.17	10.15

2.19.1 Working Capital Borrowings are secured by hypothecation of book debts of the Company.

2.19.2 Trade Receivables include pass through amounts representing dues from client and exchange forward transactions not fully settled as at the reporting date of stock and security broking business.

2.19.3 Trade Receivable includes amount receivable from customers pertaining to amount funded to them for settlement of trade as part of normal business activity.

2.19.4 No trade or other receivables are due from Directors or other Officers of the Company, either severally or jointly with any other person. Nor any trade or other receivables are due from firms or private companies, respectively in which any Director is a partner, a Director or a Member.

2.19.5 Trade Receivables ageing schedule

As at 31st March 2023

₹ in crore

Particulars	Outstanding for the following periods from the due date of payment					Total
	Less than 6 Months	6 months – 1 Year	1-2 Years	2-3 Years	More than 3 Years	
Undisputed Trade Receivables – Considered Good	1,545.01	30.37	21.84	0.19	3.15	1,600.56
Undisputed Trade Receivables – which have significant increase in Credit Risk	1.32	11.54	13.21	0.13	0.68	26.88
Undisputed Trade Receivables – Credit Impaired	2.30	1.41	18.79	5.20	35.90	63.60
Disputed Trade Receivables – Considered Good	0.16	0.40	0.74	–	5.54	6.84
Disputed Trade Receivables – which have significant increase in Credit Risk	–	0.15	3.34	1.38	2.49	7.36
Disputed Trade Receivables – Credit Impaired	0.08	4.39	3.58	3.13	48.30	59.48
Total (A)						**1,764.72**
Not Due (B)						**4,284.62**
Less: Loss Allowance (C)						**157.32**
Net Total (A+B-C)						**5,892.02**
Add: Unbilled Revenue						**23.08**
Grand Total						**5,915.10**

Notes

forming part of the Consolidated Financial Statements for the year ended 31st March 2023

As at 31st March 2022

₹ in crore

Particulars	Outstanding for the following periods from the due date of payment Less than 6 Months	6 months – 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
Undisputed Trade Receivables – Considered Good	1,653.18	35.45	7.30	3.55	2.97	1,702.45
Undisputed Trade Receivables – which have significant increase in Credit Risk	1.12	10.67	8.52	0.22	0.19	20.72
Undisputed Trade Receivables – Credit Impaired	0.39	2.92	3.09	33.10	30.89	70.39
Disputed Trade Receivables – Considered Good	1.69	2.11	0.57	0.48	2.03	6.88
Disputed Trade Receivables – which have significant increase in Credit Risk	-	0.05	2.07	-	-	2.12
Disputed Trade Receivables – Credit Impaired	-	0.18	0.25	55.44	52.71	108.58
Total (A)						**1,911.14**
Not Due (B)						**3,699.91**
Less: Loss Allowance (C)						**201.81**
Net Total (A+B-C)						**5,409.24**
Add: Unbilled Revenue						**20.12**
Grand Total						**5,429.36**

2.20 CASH AND CASH EQUIVALENTS

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Balances with Banks		
In Current Account	1,550.36	1,629.64
In Deposit Account – Original Maturity of 3 Months or Less	641.22	504.43
In EEFC Account	0.61	0.03
Cheques in Hand	82.82	99.06
Cash on Hand	37.55	7.54
	2,312.56	**2,240.70**

2.20.1 There is no restriction with regard to cash and cash equivalents as at the end of each reporting period and prior periods.

2.21 BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENTS

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Earmarked Balance with Banks		
In Government Treasury Savings Account	0.03	0.03
Unclaimed Dividend (Including Unclaimed Fractional Warrants)	32.80	31.16
Bank Deposits (with maturity more than 3 months but less than 12 months) $	1,367.99	980.66
	1,400.82	**1,011.85**
$ Bank Deposits include:		
Earmarked for specific purpose	161.78	161.68
Lodged as Security with Government Departments	32.89	32.50
Margin Money with Exchange	94.11	292.78
Towards Issue of Bank Guarantee	12.09	111.15
The Company is in the process of transferring Fixed Deposits in its own name	4.50	4.24

Notes

forming part of the Consolidated Financial Statements for the year ended 31st March 2023

2.21.1 There are no amounts due and outstanding to be credited to the Investors Education and Protection Fund as at 31st March 2023 and 31st March 2022.

2.22 LOANS – CURRENT

(Unsecured, Considered Good, Carried at Amortised Cost, unless otherwise stated)

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Loans against House Property (Secured by way of Title Deeds)	–	0.05
Loans and Advances of Financial Services		
Secured	8,447.11	7,995.30
Unsecured	13,999.71	6,288.10
Less: Expected Credit Loss Allowance	(125.35)	(84.39)
Loans against Insurance Policies	9.26	2.51
Inter-Corporates Deposits	–	18.00
Loans to Related Parties (Note 4.7.2)	–	16.13
Others (include Loans to Employees, etc.)	11.35	11.31
	22,342.08	**14,247.01**

2.23 OTHERS FINANCIAL ASSET – CURRENT

(Unsecured, Considered Good, Carried at Amortised Cost, unless otherwise stated)

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Derivative Assets – Carried at Fair Value	62.38	52.47
Interest Accrued on Investments	61.18	49.02
Unclaimed Amount of Policyholders*	197.52	256.69
Government Grants Receivable	829.01	1,045.24
Reinsurance Assets	353.02	364.73
Other Receivables from Related Parties (Note 4.7.2)	12.62	21.24
Security Deposits	220.55	218.81
Others (Insurance Claims, Railways Claims and other Receivables)	612.64	765.56
	2,348.92	**2,773.76**

* As per the IRDAI circular, a separate fund is to be formed for unclaimed amount of Policyholders.

2.24 OTHER CURRENT ASSETS

(Unsecured, Considered Good, unless otherwise stated)

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Balances with Government Authorities	1,284.39	1,049.04
Less: Loss Allowance	(59.59)	(59.59)
Advances to Suppliers	1,523.04	1,147.11
Less: Loss Allowance	(4.48)	(4.62)
Deferred Acquisition Costs	0.71	0.94
Advance to Related Parties (Note 4.7.2)	2.49	15.54
Others (include Prepayments, etc.)	806.71	625.72
	3,553.27	**2,774.14**

Notes

forming part of the Consolidated Financial Statements for the year ended 31st March 2023

2.25 EQUITY SHARE CAPITAL

₹ in crore

	Particulars	As at 31st March 2023	As at 31st March 2022
2.25.1	**Authorised ***		
	2,062,500,000 Equity Shares of ₹ 2/- each (Previous Year 2,062,500,000 Shares of ₹ 2/- each)	412.50	412.50
	1,100,000 Redeemable Cumulative Preference Shares of ₹ 100 each (Previous Year 1,100,000 Shares of ₹ 100 each)	11.00	11.00
		423.50	**423.50**

* Pursuant to clause 8 of the Scheme of Arrangement between Grasim Premium Fabrics Private Limited and the Company (Scheme), authorized equity share capital of the Company increased to 2,062,500,000 equity shares of ₹ 2 each. Effective Date of the Scheme was 21st June 2021

₹ in crore

	Particulars	As at 31st March 2023	As at 31st March 2022
2.25.2	**Issued, Subscribed and Fully Paid-up**		
	658,432,126 Equity Shares of ₹ 2 each (Previous Year 658,295,426 Equity Shares of ₹ 2 each) fully paid-up	131.68	131.66
	Share Capital Suspense		
	28,295 Equity Shares of ₹ 2/- each (Previous Year 28,295 of ₹ 2/- each) to be issued as fully paid-up pursuant to acquisition of Cement Business of Aditya Birla Nuvo Limited under the Scheme of Arrangement without payment being received in cash	0.01	0.01
		131.69	**131.67**

2.25.3 Shares Kept in Abeyance

Pursuant to provision of Section 126 of the Companies Act, 2013, the issue of 61,985 Equity Shares (Previous Year 61,985 Equity Shares) are kept in abeyance.

2.25.4 Reconciliation of the Number of Equity Shares Outstanding (including Share Capital Suspense)

Particulars	Number of Shares		₹ in crore	
	31st March 2023	31st March 2022	31st March 2023	31st March 2022
Outstanding as at the beginning of the year	658,323,721	658,073,139	131.67	131.62
Issued during the year under Employee Stock Options Scheme	136,700	250,582	0.02	0.05
Outstanding as at the end of the year	**658,460,421**	**658,323,721**	**131.69**	**131.67**

2.25.5 Rights, Preferences and Restrictions attached to Equity Shares

The Company has only one class of Equity Shares having a par value of ₹ 2/- per Share. Each holder of the Equity Shares is entitled to one vote per share. The Company declares dividend in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the Company, the holders of Equity Shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

2.25.6 The Company does not have any Holding Company.

Notes

forming part of the Consolidated Financial Statements for the year ended 31st March 2023

₹ in crore

	Particulars	As at 31st March 2023		As at 31st March 2022	
		No. of Shares	% Holding	No. of Shares	% Holding
2.25.7	Equity Shares of ₹ 2/- each (Previous Year ₹ 2/- each) represented by Global Depository Receipts (GDRs) (GDR holders have voting rights as per the Deposit Agreement)	56,853,028	8.63%	56,752,955	8.62%

2.25.8 List of Shareholders holding more than 5% Shares in the Equity Share Capital of the Company

Particulars	As at 31st March 2023		As at 31st March 2022	
	No. of Shares	% Holding	No. of Shares	% Holding
Birla Group Holdings Private Limited	125,004,398	18.99%	125,004,398	18.99%
Life Insurance Corporation of India	61,547,074	9.35%	60,011,298	9.12%
IGH Holdings Private Limited	42,436,393	6.45%	42,436,393	6.45%

2.25.9 Shareholding of Promoters and Promoters Group:

Sr. No.	Name of the Promoter	As at 31st March 2023			As at 31st March 2022		
		No. of Shares	% Holding	% Change during the year	No. of Shares	% Holding	% Change during the year
1	Birla Group Holdings Private Limited	125,004,398	18.99%	0.00%	125,004,398	18.99%	-0.01%
2	IGH Holdings Private Limited	42,436,393	6.45%	0.00%	42,436,393	6.45%	0.68%
3	Hindalco Industries Limited	28,222,468	4.29%	0.00%	28,222,468	4.29%	0.00%
4	Umang Commercial Company Private Limited	26,746,262	4.06%	0.00%	26,746,262	4.06%	0.00%
5	Pilani Investment and Industries Corporation Limited	24,714,527	3.75%	0.00%	24,714,527	3.75%	-0.01%
6	P.T. Indo Bharat Rayon*	20,004,020	3.04%	0.00%	20,004,020	3.04%	0.00%
7	Thai Rayon Public Company Limited*	4,774,666	0.73%	0.00%	4,774,666	0.73%	0.00%
8	Anatole Investments Pte Ltd*	4,459,323	0.68%	0.00%	4,459,323	0.68%	0.27%
9	P T Sunrise Bumi Textiles*	1,268,750	0.19%	0.00%	1,268,750	0.19%	0.00%
10	Kumar Mangalam Birla	1,086,993	0.17%	0.00%	1,086,993	0.17%	0.00%
11	P T Elegant Textile Industry*	808,750	0.12%	0.00%	808,750	0.12%	0.00%
12	Birla Institute of Technology and Science	661,205	0.10%	0.00%	661,205	0.10%	0.00%
13	Rajashree Birla	552,850	0.08%	0.00%	552,850	0.08%	0.00%
14	Renuka Investments & Finance Limited	242,185	0.04%	0.00%	242,185	0.04%	0.00%
15	Vasavadatta Bajaj	118,537	0.02%	0.00%	118,537	0.02%	0.00%
16	Aditya Vikram Kumar Mangalam Birla HUF (Karta- Mr. Kumar Mangalam Birla)	89,720	0.01%	0.00%	89,720	0.01%	0.00%
17	Birla Industrial Finance (India) Limited	87,485	0.01%	0.00%	87,485	0.01%	0.00%
18	Birla Consultants Limited	87,382	0.01%	0.00%	87,382	0.01%	0.00%
19	Neerja Birla	73,062	0.01%	0.00%	73,062	0.01%	0.00%
20	Birla Industrial Investments (India) Limited	18,657	0.00%	0.00%	18,657	0.00%	0.00%
21	Surya Kiran Investments Pte Limited*	5,000	0.00%	0.00%	5,000	0.00%	0.00%
22	Vikram Holdings Pvt. Ltd.	750	0.00%	0.00%	750	0.00%	0.00%
23	Rajratna Holdings Private Limited	670	0.00%	0.00%	670	0.00%	0.00%
24	Vaibhav Holdings Private Limited	670	0.00%	0.00%	670	0.00%	0.00%
		281,464,723	**42.75%**	**0.00%**	**281,464,723**	**42.76%**	**0.93%**

* GDRs held by Promoter Group

Notes

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₹ in crore

	Particulars	As at 31st March 2023	As at 31st March 2022
2.25.10	Shares reserved for issue under options and contracts, including the terms and amounts	2,036,941	1,696,470
	For details of Shares reserved for issue under the Employee Stock Options Plan (ESOP) of the Company (Note 4.5)		
2.25.11	Aggregate number of Equity Shares issued for consideration other than cash during the period of five years immediately preceding the reporting date		
	Equity Shares of ₹ 2 each issued in the financial year 2017-2018 as fully paid-up to the shareholders of Aditya Birla Nuvo Limited (ABNL), pursuant to the Composite Scheme of Arrangement	190,462,665	190,462,665

2.26 OTHER EQUITY - ATTRIBUTABLE TO OWNERS OF THE COMPANY

₹ in crore

	Particulars	As at 31st March 2023	As at 31st March 2022
a)	Equity Component of Other Financial Instruments	3.00	3.00
b)	Capital Reserve	146.31	146.31
c)	Legal Reserve	0.29	0.31
d)	Securities Premium	27,256.09	27,229.59
e)	General Reserve	38,421.45	35,419.61
f)	Debenture Redemption Reserve	35.32	35.32
g)	Special Reserve Fund	971.40	584.20
h)	Treasury Shares held by ESOP Trust	(387.32)	(239.30)
i)	Retained Earnings	12,980.04	10,159.72
j)	Employee Share Options Outstanding	410.57	301.83
k)	Debt Instruments through OCI	(47.74)	0.45
l)	Equity Instruments through OCI	(1,514.53)	1,568.89
m)	Hedging Reserve	(105.65)	6.81
n)	Foreign Currency Translation Reserve	441.07	349.82
		78,610.30	**75,566.56**

Movement of each item of other equity is presented statement of changes in equity

The Description of the nature and purpose of each reserve within other equity is as follows:

a. Equity Component of Other Financial Instruments: Inter-Corporate Deposits (ICD) are recorded at fair value on initial recognition under Ind AS while carried at transaction value under previous GAAP. The impact (i.e., difference between IGAAP and Ind AS) represents a capital contribution.

b. Capital Reserve : Capital Reserves are mainly the reserves created during various business combination carried out by the Group for the gain arising on bargain purchase.

c. Legal Reserve: Legal Reserve represents profit transferred as per the legal requirements in a Joint Venture of the Company.

d. Securities Premium: Securities Premium is credited when shares are issued at premium. It can be used to issue bonus shares, write-off equity related expenses like underwriting costs, etc.

e. General Reserve: The Company has transferred a portion of net profit of the Company before declaring dividend to General Reserve, pursuant to the earlier provision of the Companies Act, 1956. Mandatory transfer to General Reserve is not required under the Companies Act, 2013.

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f. Debenture Redemption Reserve (DRR): The Group has issued redeemable Non-Convertible Debentures. Accordingly, the Companies (Share Capital and Debentures) Rules, 2014 (as amended), requires to create DRR out of the profits available for payment of dividend. DRR is required to be created for an amount which is equal to 25% of the value of debentures issued. However, as per the amendment in the Companies (Share Capital and Debentures) Rules, 2014, vide dated 16th August 2019, this requirement is no more applicable excluding unlisted companies which are required to create DRR at 10% of the value outstanding of the debentures.

g. Special Reserve Fund: Special Reserve represents the reserve created pursuant to the Reserve Bank of India Act, 1934 (the "RBI Act"). In terms of Section 45-IC of the RBI Act, a Non-Banking Finance Company is required to transfer an amount not less than 20 percent of its net profit to a Reserve Fund before declaring any dividend. Appropriation from this Reserve Fund is permitted only for the purposes specified by RBI. Further, as per Section 29C(i) of the National Housing Bank Act, 1987, the Housing Finance subsidiary of the Company is required to transfer at least 20% of its net profit every year to a reserve before any dividend is declared. For this purpose, any special reserve created by the Company under Section 36(1) (viii) of the Income tax Act, 1961, is considered to be an eligible transfer.

h. Treasury Shares held under ESOP Trust: The Group has formed an Employee Welfare Trust for purchasing Group's shares to be allotted to eligible employees under Employees Stock Options Scheme, 2018 (ESOS 2018). As per Ind AS 32 - Financial Instruments: Presentation, re-acquired Equity Shares of the Group are called Treasury Shares and deducted from equity.

i. Retained Earnings: Amount of retained earnings represents accumulated profit and losses of the Group as on reporting date. Such profits and losses are after adjustment of payment of dividend, transfer to any reserves as statutorily required and adjustment for realised gain/loss on derecognition of equity instruments measured at FVTOCI. Actuarial Gain/(Loss) arising out of Actuarial valuation is immediately transferred to Retained Earnings.

j. Employee Share Option Outstanding: The Company has share option schemes, under which options to subscribe for the Company's shares have been granted to certain employees including key managerial personnel. The share-based payment reserve is used to recognise the value of equity-settled share-based payments provided to employees, including Key Management Personnel, as part of their remuneration.

k. Debt Instrument through OCI: It represents the cumulative gains/(losses) arising on the fair valuation of debt instruments measured at fair value through OCI, net of amount reclassified to profit or loss on disposal off such instruments.

l. Equity Instrument through OCI: It represents the cumulative gains/(losses) arising on the fair valuation of Equity Shares (other than Investments in Subsidiaries, Joint Ventures and Associates, which are carried at cost) measured at fair value through OCI.

m. Hedging Reserve: It represents the effective portion of the fair value of forward contracts, designated as cash flow hedge.

n. Foreign Currency Translation Reserve: Foreign Currency Translation Reserve represents the exchange rate variation in opening equity share capital and reserves and surplus, in respect of Joint Ventures of the Company and Subsidiaries of UltraTech, being foreign operations.

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forming part of the Consolidated Financial Statements for the year ended 31st March 2023

2.27 BORROWINGS - NON-CURRENT

(Carried at Amortised Cost, except otherwise stated)

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Secured		
Non-Convertible Debentures {Note (a)}	15,864.93	11,392.39
Term Loans from Banks		
Rupee Term Loans from Banks {Note (b)}	36,578.83	21,632.67
Foreign Currency Loans {Note (c)}	1,931.24	2,404.34
Subsidised Government Loans {Note (d)}	168.10	207.86
Term Loans from Others {Note (e)}	-	0.41
Unsecured		
Non-Convertible Debentures {Note (f)}	7,920.18	7,700.51
Term Loans from Banks		
Foreign Currency Loans {Note (g)}	821.74	-
Term Loans from Others {Note (h)}	17.59	12.18
Subsidised Government Loans {Note (i)}	111.86	152.71
Preference Shares classified as Liability {Note (j)}	11.19	11.19
Foreign Currency Bonds {Note (k)}	3,286.80	3,031.70
	66,712.46	**46,545.96**

2.27.1 Nature of Security, Repayment Terms and Break-up of Current and Non-Current:

₹ in crore

Secured Long-Term Borrowings:	Repayment Terms	As at 31st March 2023	As at 31st March 2022
(a)	**Non-Convertible Debentures (NCDs)**		
(i)	NCDs of NBFCs and NHFCs		
	Debentures Secured by way of mortgage on the immovable property and first pari-passu charge on certain financial assets of the fellow Subsidiary Companies:		
	Repayment Terms : Maturing within 1 year, Rate of Interest 6.25% to 9.29% p.a.	2,586.02	3,123.00
	Repayment Terms : Maturing between 1 to 3 years, Rate of Interest 5.12% to 9.29% p.a.	8,438.80	5,528.30
	Repayment Terms : Maturing after 3 years, Rate of Interest 6.25% to 11.50% p.a.	6,926.13	5,364.09
(ii)	Other NCDs *		
	7.53% NCDs (Redeemable at par on 21st August 2026)	500.00	500.00
		18,450.95	**14,515.39**
	Less: Amount disclosed as current maturities of long-term debts under the head		
	'Current Borrowings' (Note 2.32)	2,586.02	3,123.00
		15,864.93	**11,392.39**

* The NCDs are secured by way of first charge, having pari-passu rights, on the Subsidiary's PPE (save and except stocks and book debts), both present and future, situated at certain locations, in favour of Debenture Trustees.

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₹ in crore

Secured Long-Term Borrowings:	Repayment Terms	As at 31st March 2023	As at 31st March 2022
Term Loans from Banks			
(b)	**Rupee Term Loans $**		
(bi)	Borrowings of NBFCs and NHFCs		
	Repayment Terms : Maturing within 1 year, Rate of Interest 2.94% to 8.80% p.a.	12,237.71	7,234.52
	Repayment Terms : Maturing between 1 to 3 years, Rate of Interest 2.94% to 8.80% p.a.	21,703.08	15,636.65
	Repayment Terms : Maturing after 3 years, Rate of Interest 2.94% to 9.15% p.a.	12,417.76	6,044.91
$ The term loan from banks are secured by way of first *pari passu* charge on the receivables of the respective subsidiaries Company.			
(bii)	Other Borrowings ^^		
RBL Bank Ltd.	Repaid during the Year	-	10.13
RBL Bank Ltd.	The loan is repayable in 76 structured quarterly instalments beginning from 30th November 2023. The letter of credit on its maturity will be converted into a term loan with Axis Bank having the repayment terms as mentioned above. The maturity of the loan is 25th November 2042. Rate of Interest 5.05% to 8.30% p.a.	18.49	18.18
RBL Bank Ltd.	The loan is repayable in 76 structured quarterly instalments beginning from 31st March 2023. The letter of credit on its maturity will be converted into a term loan with RBL Bank having the repayment terms as mentioned above. The maturity of the loan is 31st December 2041. Rate of Interest 4.75% to 8.18% p.a.	74.36	21.72
ICICI Bank Ltd.	Repayable in structured quarterly instalments beginning from 31st December 2019 not exceeding beyond 31st December 2038.-Rate of Interest 7.80% to 7.85% p.a.	84.99	78.97
Axis Bank Ltd.	The loan is repayable in 78 structured quarterly instalments beginning from 31st March 2024 last installment falling due in June 2043.-Rate of Interest 8.00% to 9.10% p.a.	190.88	11.02
ICICI Bank Ltd.	Repaid during the Year	-	12.19
ICICI Bank Ltd.	The loan is repayable in 76 equal quarterly instalments beginning from 31st March 2019. The Company has opted for moratorium for repayment of principal and interest falling due to the bank from March 2020 to May 2020 granted by Reserve Bank of India as a relief measure for COVID -19.-Rate of Interest 7.40% to 7.45% p.a.	55.29	59.50
ICICI Bank Ltd.	The loan is repayable in 70 quarterly instalments starting from 31st December 2021 last installment falling due in March 2039.-Rate of Interest 7.80% to 8.10% p.a.	12.32	1.10
Kotak Bank Ltd.	Repayable in 70 quarterly instalments beginning 31st December 2021.-Rate of Interest 6.45% to 8.70% p.a.	112.84	88.43
Citibank N.A.	Repayable in 74 quarterly instalments beginning February 2019.-Rate of Interest 4.48% to 8.20% p.a.	20.29	21.76
ICICI Bank Ltd.	The loan is repayable in 74 quarterly instalments which should not exceed the maturity date i.e., 31st March 2038. -Rate of Interest 7.40% to 8.80% p.a.	22.08	23.65
Axis Bank Ltd.	The loan is repayable in 60 quarterly instalments at the % repayment agreed in the loan agreement which should not exceed the maturity date i.e., 31st March 2036. The letter of credit on its maturity will be converted into a term loan having the repayment terms as mentioned above.-Rate of Interest 5.30% to 7.25% p.a.	11.40	12.13
Axis Bank Ltd.	The loan is repayable in 60 quarterly instalments at the % repayment agreed in the loan agreement which should not exceed the maturity date i.e., 31st March 2036. On its maturity will be converted into a term loan having the repayment terms as mentioned above.-Rate of Interest 6.59% to 11.22% p.a.	15.91	14.66
Axis Bank Ltd.	The loan is repayable in 58 structured quarterly instalments beginning from 31st December 2022. The letter of credit on its maturity will be converted into a term loan with Axis Bank having the repayment terms as mentioned above. The maturity of the loan is 31st March 2037.-Rate of Interest 5.28% to 8.50% p.a.	84.09	84.13

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₹ in crore

Secured Long-Term Borrowings:	Repayment Terms	As at 31st March 2023	As at 31st March 2022
Axis Bank Ltd.	The loan is repayable in 58 structured quarterly instalments beginning from 31st December 2022 and ending on 31st March 2037 with bullet of 20% on 31st March 2037. The letter of credit on its maturity will be converted into a term loan having the repayment terms as mentioned above.-Rate of Interest 5.30% to 8.50% p.a.	23.19	23.18
Axis Bank Ltd.	The loan is repayable in 58 structured quarterly instalments beginning from 31st December 2022 and ending on 31st March 2037.-Rate of Interest 7.75% to 8.75% p.a.	5.70	6.42
Kotak Bank Ltd.	Repayable in such structured quarterly instalments beginning from 31st December 2021 not exceeding beyond 31st March 2037.-Rate of Interest 6.45% to 8.70% p.a.	14.04	14.43
Axis Bank Ltd.	The loan is repayable in 58 structured quarterly instalments beginning from 31st December 2022 last installment falling due in March 2037.-Rate of Interest 7.75% to 9.30% p.a.	2.39	0.15
Axis Bank Ltd.	The loan is repayable in 58 structured quarterly instalments beginning from 31st December 2022. The letter of credit on its maturity will be converted into a term loan with Axis Bank having the repayment terms as mentioned above. The maturity of the loan is 31st March 2037.-Rate of Interest 5.30% to 8.50% p.a.	5.33	5.33
Axis Bank Ltd.	The loan is repayable in 57 structured quarterly instalments beginning from 31st March 2023 last installment falling due in March 2037.-Rate of Interest 7.75% to 9.30% p.a.	10.90	2.57
RBL Bank Ltd.	Repaid during the Year	-	29.56
Axis Bank Ltd.	The loan is repayable in 58 structured quarterly instalments beginning from 30th June 2022. The letter of credit on its maturity will be converted into a term loan with Axis Bank having the repayment terms as mentioned above. The maturity of the loan is 30th September 2036.-Rate of Interest 5.25% to 8.50% p.a.	22.46	22.46
Axis Bank Ltd.	The loan is repayable in 58 structured quarterly instalments beginning from 30th June 2022. The suppliers credit on its maturity will be converted into a term loan with Axis Bank having the repayment terms as mentioned above. The maturity of the loan is 30th September 2036.-Rate of Interest 5.05% to 5.20% p.a.	28.89	26.96
Bank of Baroda	Repayable in structured quarterly instalments as per the loan agreements up to September 2034.-Rate of Interest 7.70% to 9.70% p.a.	191.01	206.20
Federal Bank	The loan is repayable in 36 structured quarterly instalments after the end of moratorium period as per the loan agreement which shall not exceed 27th December 2029. Rate of Interest 8.10% to 8.70% p.a.	335.53	345.70
Standard Chartered Bank	The facility is repayable by January 2025 as the maturity date of the credit instrument. Rate of Interest 5.86% to 10.98% p.a.	44.74	118.44
Standard Chartered Bank	The facility is repayable between 14th November 2022 - 5th December 2022 as the maturity date of the credit instrument. Rate of Interest 6.93% to 6.96% p.a.	52.27	145.28
ICICI Bank Ltd.	The loan is repayable in 78 structured quarterly instalments beginning from 31st March 2024. The letter of credit on its maturity will be converted into a term loan with ICICI Bank having the repayment terms as mentioned above. The maturity of the loan is 30th June 2043.-'Rate of Interest 7.10% to 7.90% p.a.	111.94	-
RBL Bank Limited	The loan is repayable in 76 structured quarterly instalments beginning from 31st March 2023. The letter of credit on its maturity will be converted into a term loan with Ratnakar Bank Limited having the repayment terms as mentioned above. The maturity of the loan is 31st December 2041.-'Rate of Interest 5.60% to 8.05% p.a.	15.50	-
ICICI Bank Ltd.	The loan is repayable in 78 structured quarterly instalments beginning from 31st March 2024. The letter of credit on its maturity will be converted into a term loan with ICICI Bank having the repayment terms as mentioned above. The maturity of the loan is 30th June 2043. Rate of Interest 7.80% to 7.90% p.a.	15.78	-

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₹ in crore

Secured Long-Term Borrowings:	Repayment Terms	As at 31st March 2023	As at 31st March 2022
RBL Bank Limited	The loan is repayable in 69 structured quarterly instalment after the end of moratorium period as per the loan agreement which shall not exceed 31st March 2041.The letter of credit on its maturity will be converted into a term loan having the repayment terms as mentioned above. Rate of Interest 7.15% to 8.16% p.a.	52.81	-
Kotak Mahindra Bank	Term Loan shall be repaid in 70 structured quarterly instalments starting 31st December 2022 and ending on 31st March 2040. Rate of Interest 8.30% to 8.85% p.a.	162.88	-
RBL Bank Limited	The loan is repayable in 69 structured quarterly instalment after the end of moratorium period as per the loan agreement which shall not exceed 31st March 2041. Rate of Interest 8.95% to 9.64% p.a.	18.97	-
Deutsche Bank AG	The loan is repayable from the date of first drawdown beginning from 30th January 2024. Rate of Interest 9.07% to 9.89% p.a.	227.37	-
Federal Bank	The loan is repayable in 76 structured quarterly instalments after the end of moratorium period as per the loan agreement which shall not exceed 31st January 2043. Rate of Interest 8.40%	5.17	-
ICICI Bank Ltd.	The loan is repayable in 78 structured quarterly instalments beginning from 31st March 2024. The maturity of the loan is 30th June 2043. Rate of Interest 8.10% to 8.65% p.a.	81.54	-
IndusInd Bank	The loan is repayable in 76 structured quarterly instalments beginning from 30th June 2024 last installment falling due in March 2043. Rate of Interest 7.85% to 8.96% p.a.	616.48	-
Federal Bank	The loan is repayable in 76 structured quarterly instalments after the end of moratorium period as per the loan agreement which shall not exceed 31st January 2043. Rate of Interest 8.37%	1.99	-
		49,108.37	**30,320.32**
Less: Amount disclosed as current maturities of long-term debts under the head 'Current Borrowings' (Note 2.32)		12,529.54	8,687.65
		36,578.83	**21,632.67**

^^ The above-mentioned loans are secured by way of first charge, having *pari passu* rights, on the Subsidiary's Property Plant and Equipments, both present and future, situated at certain locations, in favour of Subsidiary's lenders.

₹ in crore

Secured Long-Term Borrowings:	Repayment Terms	As at 31st March 2023	As at 31st March 2022
(c) Term Loan from Banks in Foreign Currency			
External Commercial Borrowing		1,931.24	2,404.34
		1,931.24	**2,404.34**
(d) Subsidised Government Loans			
Department of Industries and Commerce, Karnataka -Sales Tax Deferment Loan is secured by bank guarantee backed by hypothecation of inventories and book debts of the Company.	Varied Annual Payments from August 2032 to March 2034.	151.92	108.69
Uttar Pradesh Financial Corporation - Sales Tax Deferment Loan is secured by bank guarantee backed by hypothecation of inventories and book debts of the Company.	Varied Annual Payments from August 2019 to December 2024.	50.80	84.95
Term Loan secured by way of first *pari passu* charge by hypothecation of the entire movable property, plant and equipment of the Company's Excel Fibre Division Plant at Kharach.	9 half yearly instalments from 1st April 2020 of ₹ 27.80 crore each. Remaining 2 half yearly instalments of ₹ 27.80 crore each	56.59	115.45
Rate of interest @5%			

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₹ in crore

Secured Long-Term Borrowings:	Repayment Terms	As at 31st March 2023	As at 31st March 2022
Less: Amount disclosed as current maturities of long-term debts under the head 'Current Borrowings' (Note 2.32)		91.21	101.23
		168.10	**207.86**
(e) Term Loan from Others			
Loan taken against IT hardware by the Subsidiary Company	Repaid during the Year	–	3.21
Less: Amount disclosed as current maturities of long-term debts under the head 'Current Borrowings' (Note 2.32)		–	2.80
		–	**0.41**
Total Secured Borrowings (I)		**54,543.10**	**35,637.67**

₹ in crore

Unsecured Long-Term Borrowings:	As at 31st March 2023	As at 31st March 2022
(f) Debentures		
(f1) Non-Convertible Debentures (NCDs)		
6.99% Series 21-22/I NCDs (Redeemable at par on 4th April 2031)	997.45	997.20
7.50% Series 22-23/I NCDs (Redeemable at par on 10th June 10, 2027)	997.50	-
7.63% Series 22-23/II NCDs (Redeemable at par on 1st December 2027)	998.50	-
6.68% NCDs (Redeemable at par on 20th February 2025)	250.00	250.00
7.60% Series 19-20/II NCDs (Redeemable at par on 4th June 2024)	716.33	726.02
7.64% NCDs (Redeemable at par on 4th June 2024)	229.27	250.00
7.85% Series 19-20/I NCDs (Redeemable at par on 15th April 2024)	499.37	488.15
4.57% NCDs (Redeemable at par on 29th December 2023)	1,000.00	1,000.00
5.90% 1st Series NCDs (Redeemable at par on 16th June 2023)	499.85	499.82
9.00% 30th Series NCDs (Redeemable at par on 10th May 2023)	200.12	202.03
6.65% Series 19-20/III NCDs (Redeemable at par on 17th February 2023)	–	499.51
6.72% NCDs (Redeemable at par on 9th December 2022)	–	250.00
7.65% Series 18-19/I NCDs (Redeemable at par on 13th April 2022)	–	499.97
Less: Amount disclosed as current maturities of long-term debts under the head		
(f2) Subordinate Debentures		
Unsecured Debenture : 7.57% p.a. (Redeemable in August 2035)	653.96	105.00
Subordinate Debts - Debentures 7.34% to 9.76% p.a. (Redeemable from July 2026 to January 2031)	2,377.80	3,022.86
Perpetual Debts 8.70% p.a. (Maturing in July 2027)	200.00	200.00
Less: Amount disclosed as current maturities of long-term debts under the head		
'Current Borrowings' (Note 2.32)	1,699.97	1,290.05
	7,920.18	**7,700.51**

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₹ in crore

Unsecured Long-Term Borrowings:	Repayment Terms	As at 31st March 2023	As at 31st March 2022
(g) Term Loans from Banks in Foreign Currency			
Export Development, Canada (US Dollar: 4.00 crore; Previous Year 7.00 crore)	Repaid in June 2022	–	303.17
Sumitomo Mitsui Banking Corporation Singapore Branch (USD Dollar: 10 crore)- 'Bullet Payment June 2027		821.74	-
		821.74	**303.17**
Less: Amount disclosed as current maturities of long-term debts under the head 'Current Borrowings' (Note 2.32)		–	303.17
		821.74	**–**
(h) Term Loan from Others			
Loan taken from Hewlett Packard Financial Sales India Private Limited against IT Hardware of the Subsidiary	Between 1-16 Quarterly Instalments from 1st January 2020 till 1st March 2024 with interest ranging from 10.50% to 11.03% p.a.	17.59	21.53
Less: Amount disclosed as current maturities of long-term debts under the head 'Current Borrowings' (Note 2.32)		–	9.35
		17.59	**12.18**
(i) Subsidised Government Loans			
Commercial Tax Department, Hyderabad	Varied Annual payments from October 2012 to October 2026	112.28	141.90
From Government of Uttar Pradesh - Refer Note 4.12.1(a)	Repaid during the year	–	0.95
	Repayable on 25th December 2023	6.04	5.53
	Repayable on 7th August 2023	5.67	5.19
	Repayable on 29th October 2024	6.85	6.34
	Repayable on 17th November 2025	2.36	2.16
	Repayable on 17th May 2025	4.65	4.31
From Government of Karnataka- Refer Note 4.12.1(a)	Repayable on 17th June 2027	11.68	10.88
	Repayable on 25th March 2028	6.54	6.05
Department of Industries and Commerce, Haryana	Repaid during the year	–	11.01
		156.07	**194.31**
Less: Amount disclosed as current maturities of long-term debts under the head			
'Current Borrowings' (Note 2.32)		44.21	41.60
		111.86	**152.71**
(j) Preference Shares issued by Subsidiaries			
Compulsory Convertible Preference Shares (CCPS) carry cumulative dividend @0.001% p.a.		11.19	11.19
The CCPS so issued are convertible on the occurrence of the earlier of the two events, namely:			
(i) at the option of the holder			
(ii) on the occurrence of the mandatory conversion event			
Optional Conversion: Each CCPS shall be convertible at the option of the holder thereof, at any time by a written notice into such number of Equity Shares, calculated in such manner as mentioned in the Shareholders agreement.			

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₹ in crore

Unsecured Long-Term Borrowings:	Repayment Terms	As at 31st March 2023	As at 31st March 2022
Mandatory Conversion: All of the CCPS shall mandatorily be converted in such manner and into such number of fully paid-up Equity Shares as mentioned in the agreement, upon the occurrence of listing of the entity.			
In the event of liquidation before conversion of CCPS, the holders of the CCPS should be eligible for such claim, calculated in such manner as mentioned in the CCPS agreement.			
		11.19	**11.19**
(k) Foreign Currency Bonds			
2.80% Sustainability Linked Bonds (US Dollars 400 million; Previous Year US Dollars 400 million)	February 2031	3,286.80	3,031.70
Subsidiary (UltraTech) has issued unsecured fixed rate US Dollar denominated notes (in the form of Sustainability Linked Bonds), aggregating to USD 400 million, due on 16th February 2031, bearing coupon of 2.80% per annum payable semi-annually. The Bonds are linked to 'Sustainability Performance Target (SPT) of reducing Scope 1 GHG emissions by 22.2% from a 2017 baseline. If SPT is not achieved by observation date in 2030, the coupon will step-up by 0.75% for last two coupons. The Bonds are listed on the Singapore Exchange Securities Trading Limited.			
		3,286.80	**3,031.70**
Total Unsecured Borrowings (II)		**12,169.36**	**10,908.30**
Total Non-Current Borrowings (I + II)		**66,712.46**	**46,545.96**

2.28 POLICYHOLDER'S LIABILITIES - NON-CURRENT

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Insurance Contract Liabilities	47,733.88	41,328.24
Investment Contract Liabilities	19,278.15	16,377.40
	67,012.03	**57,705.64**

2.29 OTHER FINANCIAL LIABILITIES - NON-CURRENT

(Carried at Amortised Cost, unless otherwise stated)

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Security and Other Deposits	13.19	3.56
Derivative Liabilities at Fair Value	13.42	77.99
Deferred Premium Payables	327.29	303.48
Other Liabilities (Interest Accrued But Not Due)	44.67	43.71
	398.57	**428.74**

2.30 PROVISIONS - NON-CURRENT

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
For Employee Benefits (unfunded Gratuity, Pension and Long-term Incentive Plan)	405.16	387.92
For Mine Restoration Expenditure {Note 2.38.1 (a)}	355.74	327.21
For Other Provisions {Note 2.38.1 (e)}	4.91	17.81
	765.81	**732.94**

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2.31 OTHER NON-CURRENT LIABILITIES

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Deferred Government Subsidies	10.75	75.50
Other Liabilities (mainly Income received in advance)	5.49	0.82
	16.24	**76.32**

2.32 BORROWINGS - CURRENT

(Carried at Amortised Cost, unless otherwise stated)

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Secured		
Loans Repayable on Demand - Cash Credits/Working Capital Borrowings		
From Banks (secured by hypothecation of stocks and book debts of the Company)	4,873.61	2,794.20
Unsecured		
Loans Repayable on Demand - Cash Credits/Working Capital Borrowings		
From Banks (includes Commercial Papers)	4,499.69	3,477.36
From Others (Commercial Papers)	7,614.60	5,613.38
Loans from Other Body Corporates	592.12	13.40
Redeemable Preference Shares Issued	-	1,000.10
Debenture / Bond	104.49	-
Current Maturities of Long-term Debts (Note 2.27.1)	16,950.95	13,558.85
	34,635.46	**26,457.29**

2.33 SUPPLIER'S CREDIT

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Supplier's Credit	-	183.40
	-	**183.40**

Supplier's Credit represents the extended interest bearing credit offered by the supplier which is secured against Usance Letter of Credit (LC). Under this arrangement, the supplier is eligible to receive payment from negotiating bank prior to the expiry of the extended credit period. The interest for the extended credit period payable to the bank on maturity of the LC has been presented under Finance Cost. Rate of interest was in the range of 5.30% to 7.50% (Previous Year 5.30%).

2.34 POLICYHOLDER'S LIABILITIES - CURRENT

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Insurance Contract Liabilities	1,786.37	1,926.01
Investment Contract Liabilities	9.16	8.99
Fair Value Changes of Policyholder's Investments	282.37	468.41
Incurred But Not Reported (IBNR) Provisions	-	108.97
Freelook Reserve (Net)	-	0.96
Unexpired Premium Reserve	-	654.40
	2,077.90	**3,167.74**

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2.35 TRADE PAYABLES

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Due to Related Parties (Note 4.7.2)	117.70	108.58
Total Outstanding Due to Micro and Small Enterprises #	351.52	244.28
Acceptances	1,274.75	1,066.90
Others	11,609.30	9,973.68
	13,353.27	**11,393.44**

This information has been determined to the extent such parties have been identified on the basis of information available with the Group.

₹ in crore

Particulars	Unbilled (A)	Not Due (B)	Outstanding for following periods from due date of payment					Grand Total (A+B+C)
			Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total (C)	
As at 31st March 2023								
Micro and Small Enterprises	1.49	297.10	50.10	0.72	0.44	0.22	51.48	350.07
Others	2,956.07	5,169.51	4,785.01	8.97	5.35	7.03	4,806.36	12,931.94
Disputed Dues - Micro and Small Enterprises	-	-	1.14	0.31	-	-	1.45	1.45
Disputed Dues - Others	2.61	-	22.33	16.07	7.78	21.02	67.20	69.81
Total	**2,960.17**	**5,466.61**	**4,858.58**	**26.07**	**13.57**	**28.27**	**4,926.49**	**13,353.27**
As at 31st March 2022								
Micro and Small Enterprises	0.21	200.66	40.64	0.52	0.25	0.04	41.45	242.32
Others	2,145.59	4,969.28	3,923.92	26.85	15.69	5.75	3,972.21	11,087.08
Disputed Dues - Micro and Small Enterprises	-	-	0.12	0.10	-	1.74	1.96	1.96
Disputed Dues - Others	6.05	17.73	6.24	11.46	15.36	5.24	38.30	62.08
Total	**2,151.85**	**5,187.67**	**3,970.92**	**38.93**	**31.30**	**12.77**	**4,053.93**	**11,393.44**

2.36 OTHER FINANCIAL LIABILITIES– CURRENT

(Carried at Amortised Cost, unless otherwise stated)

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Interest Accrued But Not Due on Borrowings	1,223.54	1,092.06
Unclaimed Dividends (amount Transferable to Investor Education and Protection Fund, when due)	32.56	30.89
Security and Other Deposits (Trade Deposits)	2,246.17	2,132.63
Liability for Capital Goods @ #	2,068.70	1,055.46
Accrued Expenses Related to Employees	1,126.57	935.91
Derivative Liabilities - Carried at Fair Value	112.21	81.61
Margin Money from Customers	638.39	521.95
Due to Life Insurance Policyholders	1,272.70	1,291.23
Other Payables (including Retention Money, Liquidated Damages, etc.)	1,138.17	1,024.35
	9,859.01	**8,166.09**

@ Includes amount of ₹ 105.22 crore (Previous Year ₹ 35.95 crore) payable related to Micro and Small Enterprises.

Includes acceptances of ₹ Nil (Previous Year ₹ 58.62 crore) towards Capital Goods.

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2.37 OTHER CURRENT LIABILITIES

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Statutory Liabilities	2,684.84	2,594.23
Contract Liabilities	710.31	857.29
Deferred Government Subsidies	31.26	29.12
Other Payables (including legal claims)	3,011.74	2,964.38
	6,438.15	**6,445.02**

2.38 PROVISIONS – CURRENT

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
For Employee Benefits (Gratuity, Compensated Absences and Pension)	495.07	551.29
For Warranty Provision {Note 2.38.1 (b)}	0.99	1.82
For Assets Transfer Cost {Note 2.38.1 (c)}	161.58	215.57
For Provision against Contingent Liabilities {Note 2.38.1 (d)}	42.47	42.70
For Other Provisions {Note 2.38.1 (e)}	22.36	4.36
	722.47	**815.74**

2.38.1 Movement of provisions during the year as required by Ind AS 37 - "Provisions, Contingent Liabilities and Contingent Asset"

₹ in crore

	Particulars	As at 31st March 2023	As at 31st March 2022
(a)	**Provision for Mine Restoration Expenditure***		
	Opening Balance	327.21	296.02
	Add: Provision during the Year	14.88	10.47
	Add: Unwinding of Discount on Mine Restoration Provision	14.22	22.28
	Less: Utilisation during the Year	(0.57)	(1.56)
	Closing Balance (considered as Non-Current)	**355.74**	**327.21**
	* Provision is recognised for an obligation for restoration and rehabilitation on closure of the mines.		
(b)	**Warranty**		
	Opening Balance	1.82	1.82
	Less: Unused amount reversed	(0.83)	-
	Closing Balance (Considered as Current)	**0.99**	**1.82**
	Considering the past experience of returns and replacements claims, provision recognised in earlier years for expected warranty claims on Insulators product has been reversed during the current year.		
(c)	**Provision for Assets Transfer Cost***		
	Opening Balance	215.57	310.14
	Less: Utilisation during the Year	-	(94.57)
	Less: Unused amount reversed	(53.99)	-
	Closing Balance (considered as Current)	**161.58**	**215.57**
	* During earlier year, provision for asset transfer cost relates to merger of Aditya Birla Nuvo Limited (ABNL), Aditya Birla Chemical Limited (ABCL) and acquisition of Cement business of CTIL, which has been made based on substantial degree of estimation. Outflow against the same is expected at the time of regulatory process of registration of assets owned by the above Companies in the name of the Company.		

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₹ in crore

Particulars		As at 31st March 2023	As at 31st March 2022
(d)	**Provision Against Contingent Liabilities***		
	Opening Balance	42.70	48.55
	Less: Utilisation during the Year	–	(5.60)
	Less: Unused Amount Reversed	(0.23)	(0.25)
	Closing Balance (considered as Current)	**42.47**	**42.70**
	* During earlier year, as per Ind AS 103 (Business Combination), the Group had to recognise, on the acquisition date, the contingent liabilities assumed in a business combination, if it was a present obligation that arises from past events and its fair value can be measured reliably, even if it is not probable that an outflow of resources will be required to settle the obligation.		
(e)	**Other Provisions ***		
	Opening Balance	22.17	4.29
	Add: Provision during the Year	5.10	17.88
		27.27	**22.17**
	Closing Balance (considered as Non-Current)	**4.91**	**17.81**
	Closing Balance (considered as Current)	**22.36**	**4.36**
	* The provision is for anticipated liability, which is made on the basis of the Management expectation as expected timing of any resulting outflow of economic benefits is uncertain.		

2.39 MATERIAL PARTLY-OWNED SUBSIDIARIES

Financial information of subsidiaries with material non-controlling interest is provided below

(A) UltraTech Cement Limited (Consolidated)

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Proportion of Interest Held by Non-Controlling Entities	42.73%	42.73%
Accumulated Balances of Non-Controlling Interest	23,178.63	21,529.75
Summarised Financial Information for the Consolidated Balance Sheet		
Current Assets	20,742.90	17,489.47
Non-Current Assets	70,644.06	66,338.32
Current Liabilities	23,431.79	20,155.19
Non-Current Liabilities	13,575.00	13,240.39
Dividend Paid to Non-Controlling Interest	466.91	455.94

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₹ in crore

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Profit/(Loss) Allocated to Non-Controlling Interest:	2,163.83	3,138.22
Summarised Financial Information for the Consolidated Statement of Profit and Loss		
Revenue from Operations	63,239.98	52,598.83
Profit for the Year	5,063.96	7,344.31
Other Comprehensive Income/(Loss)	(17.48)	46.56
Total Comprehensive Income	5,046.48	7,390.87
Summarised Financial Information for Consolidated Cash Flows		
Net Cash Generated from Operating Activities	9,068.51	9,283.24
Net Cash Used in Investing Activities	(7,187.07)	2,257.01
Net Cash Used in Financing Activities	(1,631.00)	(12,497.93)
Net Cash Outflow	250.44	(957.68)

The financial numbers mentioned above are before inter-company eliminations.

Principal Place of Business: India.

(B) Aditya Birla Capital Limited (Consolidated)

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Proportion of Interest Held by Non-Controlling Entities	45.85%	45.82%
Accumulated Balances of Non-Controlling Interest	18,634.62	16,497.07
Summarised Financial Information for the Consolidated Balance Sheet		
Current Assets	35,260.64	27,611.66
Non-Current Assets	167,042.00	135,329.74
Current Liabilities	36,418.99	28,670.53
Non-Current Liabilities	122,750.45	95,664.48

₹ in crore

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Profit /(loss) Allocated to Material Non-Controlling Interest:	2,143.51	672.04
Summarised Financial Information for the Consolidated Statement of Profit and Loss		
Revenue from Operations	27,365.17	22,094.34
Profit/(Loss) for the Year	4,675.05	1,466.69
Other Comprehensive Income	(33.37)	4.14
Total Comprehensive Income/(Loss)	4,641.68	1,470.83
Summarised Financial Information for Consolidated Cash Flows		
Net Cash from/(Used in) Operating Activities	(24,028.59)	(5,069.51)
Net Cash from/(Used in) Investing Activities	(2,649.87)	(1,445.55)
Net Cash from/(Used in) Financing Activities	26,385.21	5,836.44
Net Cash Inflow/(Outflow)	(293.25)	(678.62)

The financial numbers mentioned above are before inter-company eliminations.

Principal Place of Business: India

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2.40 INTEREST IN JOINT VENTURES AND ASSOCIATES

Below are the Associate and Joint Venture of the Group which in the opinion of the Management are material to the Group which have been accounted as per equity method of accounting.

(A) Aditya Birla Sun Life AMC Limited

(1) Name of the Entity	Principal Place of Business	Proportion of Ownership Interest As at 31st March 2023	Quoted Fair Value – Per Share As at 31st March 2023	Proportion of Ownership Interest As at 31st March 2022	Quoted Fair Value – Per Share As at 31st March 2022
Aditya Birla Sun Life AMC Limited	India	50.01%	311.20	50.01%	532.95

(i) It is registered with Securities and Exchange Board of India (SEBI) under the SEBI (Mutual Funds) Regulations, 1996 and the principal activity is to act as an investment manager to Aditya Birla Sun Life Mutual Fund. It manages the investment portfolios of Aditya Birla Sun Life Mutual Fund, India Advantage Fund Ltd, Mauritius, India Excel (Mauritius) Fund and Aditya Birla Real Estate Fund. It is also registered under the SEBI (Portfolio Managers) Regulations, 1993 and provides portfolio management services and investment advisory services to offshore funds and high net worth investors. Aditya Birla Sun Life AMC Limited has set-up two Alternate Investment Fund (AIF) one under Category III and the other under Category II with Securities Exchange Board of India (SEBI) under the SEBI AIF Regulations, 2012. Aditya Birla Sun Life AMC Limited has been appointed as an Investment Manager of the said AIF by the Trustee to the Fund.

(ii) The ABCL has sold 2,850,880 equity shares of face value of ₹ 5 each, of Aditya Birla Sun Life AMC Limited (ABSLAMC), at ₹ 712 per equity share by way of offer for sale in the Initial Public Offer(IPO) of ABSLAMC in accordance with the relevant provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 and recognised gain on sale of these investments amounting to ₹ 87.96 crore (Net of Tax, Gain is ₹ 71.31 crore). Consequently, w.e.f. 7th October 2021 ABSLAMC has ceased to be a Joint Venture and has been accounted as an Associate.

(2) (a) Summarised Balance Sheet

₹ in crore

Aditya Birla Sun Life AMC Limited (Consolidated)	As at 31st March 2023	As at 31st March 2022
Current Assets		
Cash and Cash Equivalents	33.61	65.25
Other Assets	1,757.16	1,488.04
Total Current Assets	**1,790.77**	**1,553.29**
Total Non-Current Assets	7,932.07	7,849.09
Current Liabilities		
Financial Liabilities (excluding Trade Payables)	50.58	65.94
Other Liabilities	149.74	113.58
Total Current Liabilities	**200.32**	**179.52**
Total Non-Current Liabilities	1,822.60	1,817.50
Net Assets	7,699.92	7,405.36
Group Share in %	50.01%	50.01%
Group Share in INR	3,850.72	3,703.41
Goodwill	1,891.74	1,891.74
Carrying Amount	5,742.46	5,595.15

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b) Summarised Statement of Profit and Loss

₹ in crore

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Revenue from Operations	1,226.61	1,292.96
Depreciation and Amortisation	67.23	68.52
Income Tax Expenses	189.20	213.64
Profit for the Year	571.76	648.15
Group Share in the Statement of Profit and Loss	285.94	327.32
Other Comprehensive Income/(Loss) for the Year	5.49	2.63
Group Share in Other Comprehensive Income for the Year	2.75	1.31
Total Comprehensive Income for the Year	577.25	650.78
Group Share in Total Comprehensive Income for the Year	288.68	328.63
Dividend Received	156.27	116.64

C) Contingent Liabilities in respect of Associates

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Group Share in Contingent Liabilities in respect of Associates not being included in Note 4.1.1	96.19	35.96

(B) Aditya Birla Health Insurance Co. Limited

(1) Name of the Entity	Principal Place of Business	Proportion of Ownership Interest As at 31st March 2023	Quoted Fair Value As at 31st March 2023	Proportion of Ownership Interest As at 31st March 2022	Quoted Fair Value As at 31st March 2022
Aditya Birla Health Insurance Co. Limited*	India	45.91%	#	51.00%	#

* Accounted as Joint Venture w.e.f. 21st October 2022 (Refer Note 4.12.5)

Unlisted equity-No quoted price available

(i) Aditya Birla Health Insurance Co. Limited is registered with the Insurance Regulatory and Development Authority of India ("IRDAI") for conducting health insurance business, under section 3 of the Insurance Act, 1938 as amended by the Insurance Laws (Amendment) Act, 2015.

(2) (a) Summarised Balance Sheet

₹ in crore

Aditya Birla Health Insurance Co. Limited	As at 31st March 2023
Current Assets	
Cash and Cash Equivalents	16.95
Other Assets	711.30
Total Current Assets	**728.25**
Total Non-Current Assets	**2,636.37**
Current Liabilities	
Financial Liabilities (excluding Trade Payables)	178.24
Other Liabilities	1,956.76
Total Current Liabilities	**2,135.00**

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₹ in crore

Aditya Birla Health Insurance Co. Limited	As at 31st March 2023
Non-Current Liabilities	
Financial Liabilities (Excluding Trade Payables)	-
Other Liabilities	29.47
Total Non-Current Liabilities	**29.47**
Net Assets	1,200.15
Group Share in %	45.91%
Group Share in INR (refer note 4.12.5)	3,032.67
Goodwill	-
Carrying Amount	3,032.67

b) Summarised Statement of Profit and Loss

₹ in crore

Particulars	For period between 21st October 2022 to 31st March 2023
Revenue from Operations	1,251.30
Depreciation and Amortisation	21.70
Profit for the Year	(56.77)
Group Share in the Statement of Profit and Loss	(26.06)
Other Comprehensive Income/(Loss) for the Year	13.20
Group Share in Other Comprehensive Income for the Year	6.06
Total Comprehensive Income for the Year	(43.57)
Group Share in Total Comprehensive Income for the Year	(20.00)

C) Commitments and Contingent Liabilities in respect of Joint Ventures

₹ in crore

Particulars	As at 31st March 2023
Group Share in Commitments in respect of Joint Ventures not being included in Note 4.2	10.53
Group Share in Contingent Liabilities in respect of Joint Ventures not being included in Note 4.1.1	5.74

(C) Individually Immaterial Joint Ventures and Associates

(1) The Group also has interest in number of individually immaterial Joint Ventures and Associates that are accounted for using equity method of accounting. Below is the combined financial information with respect to those entities:

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Aggregate Carrying Amount of individually immaterial Associates	891.17	44.85
Aggregate Carrying Amount of individually immaterial Joint Ventures	1,281.08	1,410.17

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₹ in crore

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Aggregate amount of Group Share of:		
Joint Ventures:		
Profit/(Loss) from Continuing Operations	(126.68)	48.05
Other Comprehensive Income/(Loss)	(12.36)	30.29
Total Comprehensive Income/(Loss)	(139.04)	78.34
Associates:		
Profit/(Loss) from Continuing Operations	12.70	4.96
Other Comprehensive Income/(Loss)	(24.74)	-
Total Comprehensive Income/(Loss)	(12.04)	4.96

(2) Unrecognised share of Profit/(loss) of a Joint Venture as per Ind AS 112

₹ in crore

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Unrecognised Share of Profit/(Loss) for the Year	(74.25)	-
Unrecognised Share Other Comprehensive Income/(Loss) for the Year	(16.44)	-
Cumulative Share of Profit/(Loss)	(74.25)	-
Cumulative Share of Other Comprehensive Income/(Loss)	(16.44)	-

(D) As per the Shareholders' Agreements, Aditya Birla Sun Life Trustee, Aditya Birla Wellness Limited and Aditya Birla Power Composite Limited cannot distribute their profits until they obtain consent from other venture partners.

(E) The Group holds, either directly or through its subsidiary, more than half of the Equity Shares holding in the following entities. However, as per the shareholders' agreement, the Group needs to jointly decide with other shareholders of the respective entity, on certain relevant activities. Hence, the same are being accounted as per equity method of accounting.

a) Aditya Birla Sun Life AMC Limited

b) Aditya Birla Sun Life Trustee Company Private Limited

c) Aditya Birla Wellness Limited

d) Aditya Birla Power Composites Limited

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3.1 REVENUE FROM OPERATIONS (NOTE 4.6.1)

₹ in crore

		Year ended 31st March 2023	Year ended 31st March 2022
(A1) Sale of Products and Services (other than Financial Services)			
Sale of Manufactured Products	83,857.22		68,679.50
Sale of Traded Products	5,248.92		3,807.20
Sale of Services	2.90		7.70
		89,109.04	**72,494.40**
(A2) Sale of Financial Services			
Income from Life Insurance Premium (Gross)	13,372.66		10,658.57
Less: Reinsurance Ceded	(530.23)		(498.78)
Income from Life Insurance Premium (Net)		12,842.43	**10,159.79**
Income from Health Insurance Premium (Gross)	1,391.13		1,726.67
Less: Reinsurance Ceded	(240.63)		(378.62)
Income from Health Insurance Premium (Net)		1,150.50	**1,348.05**
Income from Other Financial Services		1,521.57	1,410.40
(A3) Interest and Dividend Income of Financial Services			
a. Interest Income			
Interest on Loans			
On Financial Assets Measured at Amortised Cost	8,980.66		6,628.52
Interest Income from Investments			
On Financial Assets Measured at Fair Value through OCI	780.17		678.39
On Financial Assets Measured at Amortised Cost	1,613.73		1,251.36
On Financial Assets Classified at Fair Value through Profit or Loss	153.50		99.13
Interest on Deposits with Banks			
On Financial Assets Measured at Fair Value through OCI	0.31		0.31
On Financial Assets Measured at Amortised Cost	4.29		39.92
On Financial Assets classified at Fair Value through Profit or Loss	2.75		12.63
Interest on Deposits with Others			
On Financial Assets Measured at Amortised Cost	108.96		17.72
b. Dividend Income			
On Financial Assets Measured at Fair Value through OCI	51.80		33.12
		11,696.17	**8,761.10**
(A4) Net Gain/(Loss) on Fair Value changes of Financial Services Business			
Net Gain/(Loss) on financial instruments at Fair Value through Profit or Loss			
On Trading Portfolio			
Equity Investment at Fair Value through Profit or Loss	131.04		335.16
Debt Instrument at Fair Value through Profit or Loss	(3.34)		(20.80)
Net Gain/(Loss) on Financial Instruments at Fair Value through OCI			
Debt Instrument at Fair Value through OCI	0.93		3.10
Net Gain/(Loss) on Financial Instruments at Amortised Cost			
Debt Instruments at Amortised Cost	8.21		5.65
Others			
Gain/(Loss) on Sale of Debt Instrument at Fair Value through OCI	0.58		91.89
		137.42	**415.00**
Revenue From Contract With Customers (A)		**116,457.13**	**94,588.74**

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₹ in crore

	Year ended 31st March 2023	Year ended 31st March 2022
(B) Other Operating Revenues		
Export Incentives	74.07	81.25
Insurance Claims	77.02	31.78
Sundry Balances Written Back (Net)	142.81	143.62
Government Grants {4.12.1 b)}	406.97	530.87
Scrap Sales (Net)	250.38	217.24
Other Miscellaneous Incomes	218.70	107.63
Total (B)	**1,169.95**	**1,112.39**
REVENUE FROM OPERATIONS (A + B)	**117,627.08**	**95,701.13**
(C) Revenue from Contracts with Customers Disaggregated based on Geography (Geographical Segment)		
i) India (Country of Domicile)	111,009.47	88,790.35
ii) Rest of the World	5,447.66	5,798.39
Revenue from Contract with Customers	**116,457.13**	**94,588.74**
(D) Reconciling the amount of revenue recognised in the Statement of Profit and Loss with the contracted price		
Gross Revenue	125,419.42	102,418.93
Less: Discount, Incentives, Returns, Price Concession, etc.	(8,962.29)	(7,830.19)
Net Revenue Recognised from Contracts with Customers	**116,457.13**	**94,588.74**

Notes:

(i) The amounts receivable from customers become due after expiry of credit period, which on an average is less than 180 days. There is no significant financing component in any transaction with the customers.

(ii) The Company provides agreed upon performance warranty for all range of products. The amount of liability towards such warranty is immaterial.

(iii) The Group does not have any remaining performance obligation, as contracts entered for sale of goods are for a shorter duration. There are no contracts for sale of services wherein performance obligation is unsatisfied to which transaction price has been allocated.

(E) Reconciliation of Revenue Recognised from Contract Liabilities:

₹ in crore

Particulars	Year ended 31st March 2023	Year ended 31st March 2022
Closing Contract Liabilities-Advances from Customers	710.31	857.29

The contract liabilities outstanding ₹ 857.29 crore (Previous Year ₹ 627.18 crore) at the beginning of the year, out of which ₹ 804.69 crore (Previous Year ₹ 617.86 crore) has been recognised as revenue during the year ended 31st March 2023, and balance amount has been refunded during the year.

Notes

forming part of the Consolidated Financial Statements for the year ended 31st March 2023

3.2 OTHER INCOME

₹ in crore

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Interest Income on:		
Investments	69.60	32.65
Bank Accounts and Others (Measured at Amortised Cost)	317.61	190.39
Dividend Income from:		
Non-Current Investments (Measured at FVTOCI)	37.11	28.59
Current Investments (Measured at FVTOCI)	3.29	2.69
Gain/(Loss) on Financial Instruments		
On Sale of Investments (Net) - Mutual Funds (Measured at FVTPL)	78.57	220.29
Fair value change of Investments Measured at FVTPL	184.81	226.37
Exchange Rate Difference (Net)	20.02	-
Gain on account of Fair Value of investment in Health Insurance Business on conversion from subsidiary to Joint Venture. (Note 4.12.5)	2,754.27	-
Miscellaneous Income	146.77	120.36
	3,612.05	**821.34**

3.3 COST OF MATERIALS CONSUMED

₹ in crore

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Opening Stock	2,959.17	1,666.36
Add: Purchases and Incidental Expenses	21,849.12	18,190.04
Less: Sale of Raw Materials	16.67	6.05
Add/(Less): Foreign Currency Translation Reserve	4.25	1.58
Less: Closing Stock	3,173.61	2,959.17
	21,622.26	**16,889.60**

3.4 PURCHASES OF STOCK-IN-TRADE

₹ in crore

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Grey Cement	877.80	549.63
Other Finished Goods (Fibre, Yarn, Building Solution, etc.)	946.55	854.93
	1,824.35	**1,404.56**

Notes

forming part of the Consolidated Financial Statements for the year ended 31st March 2023

3.5 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE

₹ in crore

Particulars	Year ended 31st March 2023		Year ended 31st March 2022
Opening Stock			
Finished Goods	1,462.06		898.38
Stock-in-Trade	42.62		35.22
Work-in-Progress	1,177.01		819.24
Waste/Scrap	19.00		21.50
		2,700.69	**1,774.34**
Less: Closing Stock			
Finished Goods	1,821.24		1,462.06
Stock-in-Trade	124.28		42.62
Work-in-Progress	1,592.29		1,177.01
Waste/Scrap	17.86		19.00
		3,555.67	**2,700.69**
(Increase)/Decrease in Stocks		(854.98)	(926.35)
Add: Stock Transfer from Pre-Operative Account		25.69	2.18
Add/(Less): Stock of Trial Run Production		0.13	-
Add/(Less): Exchange Translation Difference		(5.50)	2.43
		(834.66)	**(921.74)**

3.6 EMPLOYEE BENEFITS EXPENSES

₹ in crore

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Salaries, Wages and Bonus	6,413.76	5,622.84
Contribution to Provident and Other Funds {Notes 4.8 (xix) and (xx)}	292.96	288.04
Contribution to Gratuity Fund (Note 4.8 1)	110.52	107.68
Staff Welfare Expenses	256.73	235.69
Expenses on Employee Stock Options Scheme (Note 4.5)	119.89	73.46
	7,193.86	**6,327.71**

3.7 FINANCE COSTS RELATING TO NBFC'S/NHFC'S BUSINESS

₹ in crore

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
(Measured at Amortised Cost)		
Interest Expenses	4,689.79	3,444.89
Interest on Lease Liabilities	27.98	28.24
Other Borrowing Costs	5.69	7.17
	4,723.46	**3,480.30**

Notes

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3.8 OTHER FINANCE COSTS

₹ in crore

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
(Measured at Amortised Cost)		
Interest Expenses	1,219.59	1,298.16
Interest on Lease Liabilities	70.22	70.31
Other Borrowing Costs @	13.47	17.63
Unwinding of Discount on Mine Restoration Provision	14.22	22.28
Exchange (Gain)/Loss on Lease Liabilities and Foreign Currency Borrowings (Net)	54.54	45.56
	1,372.04	**1,453.94**
Less: Capitalised	51.77	158.24
	1,320.27	**1,295.70**
Borrowing costs are capitalised using rates based on specific borrowings ranging from 4.57% to 7.50% per annum. (Previous Year 4.57% to 7.85% per annum.)		
@ Includes Interest on Income Tax.	4.11	3.89

3.9 DEPRECIATION AND AMORTISATION EXPENSES

₹ in crore

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Depreciation on Property, Plant and Equipment {Note 2.1}	3,612.47	3,288.86
Depreciation on Investment Property {Note 2.2}	0.44	0.43
Amortisation on Intangible Assets (Note 2.4)	633.44	603.07
Depreciation on Right-of-Use Assets (Note 2.5)	293.96	243.75
Obsolescence	22.58	36.94
	4,562.89	**4,173.05**
Depreciation Transferred to Pre-Operative Expenses	(11.30)	(11.98)
	4,551.59	**4,161.07**

3.10 OTHER EXPENSES

₹ in crore

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Consumption of Stores, Spare Parts and Components, and Incidental Expenses	1,712.41	1,464.09
Consumption of Packing Materials	2,231.14	2,061.15
Processing Charges	484.91	231.28
Repairs to Machinery, Buildings and Others	1,824.74	1,498.45
Advertisement, Sales Promotion and Other Selling Expenses	3,721.86	3,255.88
Bad Debts and Allowance for Doubtful Debts and Advances (Net)	989.27	719.80
Insurance	291.43	216.57
Lease Rent	241.66	187.58
Rates and Taxes	281.06	234.30
Exchange Rate Difference (Net)	–	129.70
Miscellaneous Expenses	3,412.71	2,580.35
Less: Captive Consumption of Cement	(71.95)	(57.70)
	15,119.24	**12,521.45**

Notes

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3.11 EXCEPTIONAL ITEMS:

₹ in crore

	Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
(a)	**Continuing Operations**		
(i)	During the year, the Company has provided for Interest payable on custom duty on account of decision to pay custom duty on import of capital goods cleared at zero duty under EPCG scheme in earlier years	(88.03)	
(ii)	Provision of has been made against disputed water charges pertaining to earlier years	–	(69.11)
	Subtotal (a)	**(88.03)**	**(69.11)**
(b)	**Discontinued Operations**		
(i)	During the previous year, the Company entered into a Scheme of Arrangement ("the Scheme") under Sections 230-232 of the Companies Act, 2013 with Indorama India Private Limited (Indorama) for slump sale of its Indo Gulf Fertiliser Business (comprising of manufacture, trading and sale of *inter alia* urea, soil health products and other agri-inputs) to Indorama. On 1st January 2022, the Company consummated the sale and transfer of Indo Gulf Fertiliser Business to Indorama as contemplated in the Scheme of Arrangement, and recognised pre-tax gain for the year ended 31st March 2022, included under discontinued operations as exceptional items	–	540.15
(ii)	Provision for maintenance charges of UPSIDC pertaining to Fertiliser Division	–	(29.36)
(iii)	UNCL entered into an agreement with Galata Chemicals Holding Gmbh, Germany ("Galata") as per which Galata along with its affiliates has made necessary payments to UNCL for the purposes of refinancing the loans given to 3B and acquisition of entire shareholding of UNCL in 3B and UNCL has, inter-alia, transferred its entire shareholding in 3B to Galata as on 31st March 2022. Consequent to the transaction, 3B has ceased to be a wholly-owned subsidiary of the Company, and recognised as exceptional gain for the year ended 31st March 2022.	–	159.92
	Subtotal (b)	**–**	**670.71**
	Total (a+b)	**(88.03)**	**601.60**

3.12 RECONCILIATION OF EFFECTIVE TAX RATE (%)

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Applicable Tax Rate	25.17%	34.94%
Income Not Considered for Tax Purpose	-0.35%	-0.08%
Tax impact of Gain on Fair value of investment in health insurance business not considered for tax	-4.66%	0.00%
Expenses Not Allowed for Tax Purpose	0.81%	0.77%
Additional Allowances for Tax Purpose	-2.13%	-3.61%
Taxes on Subsidiary Losses	0.29%	0.59%
Effect of Changes in Tax Rate (reversal of Deferred Tax Liabilities)	-0.74%	-1.74%
Tax paid at lower / higher rate	6.06%	3.10%
Provision for Tax of earlier years Written Back	-0.03%	-13.85%
Deferred Tax Reversal on Slump Sale of Fertiliser Business	0.00%	-1.38%
Lower Jurisdiction Tax Rate	-0.12%	-0.41%
Others	0.48%	0.49%
Effective Tax Rate	**24.78%**	**18.82%**

During the year ended 31st March 2022, pursuant to decision of Income Tax appeals of earlier years in favour of the Group, the Group has written back tax provision amounting to ₹ 624.53 crore.

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3.13 OTHER COMPREHENSIVE INCOME

₹ in crore

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Items that will not be reclassified to Profit and Loss		
Equity Instrument at Fair Value through Other Comprehensive Income	(3,490.76)	3,420.47
Re-measurement of Defined Benefit Plans	46.18	21.31
Share of Other Comprehensive Income of Associate and Joint Venture Companies accounted for using Equity Method of Accounting	0.30	0.38
Income Tax relating to items that will not be reclassified to Profit or Loss	387.85	(221.77)
Items that will be reclassified to Profit and Loss		
Debt Instrument at Fair Value through Other Comprehensive Income	(119.37)	(56.50)
Exchange Difference in translating the Financial Statements of Foreign Operations	77.15	51.04
Effective Portion of Derivative Instruments designated as Cash Flow Hedge	(117.41)	38.11
Share of Other Comprehensive Income of Associate and Joint Venture Companies accounted for using Equity Method of Accounting	(22.41)	31.23
Income Tax relating to items that will be reclassified to Profit or Loss	57.69	(3.47)
	(3,180.78)	**3,280.80**

3.14 EARNINGS PER SHARE (EPS):

₹ in crore

Particulars	Year Ended 31st March 2023	Year Ended 31st March 2022
Net Profit for the Year Attributable to Equity Shareholders (₹ in crore)		
From Continuing Operations	6,827.26	7,102.37
From Discontinued Operations	–	447.41
Continuing and Discontinued Operations	**6,827.26**	**7,549.78**
Basic EPS:		
Weighted-Average Number of Equity Shares Outstanding (Nos.) of Face Value of ₹ 2/- each	658,386,746	658,186,289
Less: Weighted-Average Number of Equity Shares held by the Company under ESOP Trust (Nos.) of Face Value of ₹ 2/- each	1,780,174	1,505,968
Weighted-Average Number of Equity Shares Outstanding (Nos.) for calculation of Basic EPS (Nos.)	**656,606,572**	**656,680,321**
Basic EPS (₹) {for Face Value of Shares of ₹ 2/- each}		
Basic EPS for Continuing Operations	103.98	108.16
Basic EPS for Discontinued Operations	–	6.82
Basic EPS - Continuing and Discontinued Operations	103.98	114.98
Diluted EPS:		
Weighted-Average Number of Equity Shares Outstanding (Nos.)	656,606,572	656,680,321
Add: Weighted-Average Number of Potential Equity Shares on exercise of Options (Nos.)	555,999	870,437
Add: Weighted-Average Number of Equity Shares kept in Abeyance (Nos.)	61,985	61,985
Weighted-Average Number of Equity Shares Outstanding for calculation of Diluted EPS (Nos.)	**657,224,556**	**657,612,743**
Diluted EPS (₹) {for Face Value of Shares of ₹ 2/- each}		
Diluted EPS for Continuing Operations	103.88	108.00
Diluted EPS for Discontinued Operations	–	6.80
Diluted EPS - Continuing and Discontinued Operations	103.88	114.80

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4.1 CONTINGENT LIABILITIES NOT PROVIDED FOR IN RESPECT OF:

4.1.1 Claims/Disputed Liabilities not acknowledged as Debts:

₹ in crore

Particulars	Brief Description of Matter	As at 31st March 2023	As at 31st March 2022
Customs Duty	Related to classification dispute, demand of duty on import of steam coal, caustic soda flakes and others	294.42	277.93
Sales Tax/Purchase Tax/VAT	Related to stock transfer treated as inter-state sales, demand on freight component and levy of purchase tax on exempted supply, demand for non-submission of various forms, disallowance of input credit and others	1,076.13	1,047.41
Excise Duty/Cenvat Credit/ Service Tax/GST/Entry Tax	Related to valuation matter (Rule 8 vs. Rule 4), denial of Cenvat Credit on ISD/GTA and others	1,874.83	1,834.79
Income Tax	Demand of Dividend Distribution Tax (including Interest) alleging that demerger of Financial Services is not qualifying demerger as per Income Tax Act and treating the value of shares allotted by the resulting Company to the shareholders of the Company in consideration of demerger as dividend distributed by the Company to its shareholders. a) Dividend Distribution Tax (including interest of ₹ Nil for current year, for Previous Year ₹ 3,151.38 crore).	–	8,044.82
	b) Capital Gain Tax (including Interest ₹ Nil, Previous Year ₹ 2,864.40 crore)	–	8,831.90
	Non-deduction of tax at source on payment to non-resident, various disallowances and others	61.84	91.72
Land Related Matters	Demand of higher compensation	282.30	273.86
Royalty on Limestone/Marl/ Shale	Based on fixed conversion factor on limestone, royalty rate differences on Marl and additional royalty on mines transfer	382.12	373.47
Electricity Duty/Energy Development Cess	Related to electricity duty, minimum power consumption, Energy Development Cess and denial of Electricity Duty exemption	271.51	691.91
	Related to Stamp Duty, claim raised by vendor/supplier, road tax matters, demand for fuel surcharge, water drawal charges by irrigation department and others	1,377.75	1,400.44

Cash outflows for the above are determinable only on receipt of judgements pending at various forums/authorities.

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

UltraTech Nathdwara Cement Limited (UNCL) has also filed an appeal before Hon'ble Supreme Court against a similar CCI order dated 31st August 2016 and has deposited an amount of ₹ 16.73 crore equivalent to 10% of the penalty amount of ₹ 167.32 crore. Ultratech, backed by legal opinion, believes that it has a good case in the said matter and accordingly no provision has been recognised in the financial statements.

b. In one of the case, UltraTech Cement Lanka Private Limited (UTCLPL) filed the appeal against the Director General of Customs and the Inquiring Officer Appointed in terms of the Customs Ordinance for the customs case No. PCAD/HQO/091/2016 initiated at the Sri Lankan customs, on the alleged basis that UTCLPL has not declared the unloading charges (stevedoring charges) paid to the Sri Lanka Ports Authority in relation to imported cement. The Company has filed a case in the court of appeal and the matter is scheduled for argument.

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c. Competition Commission of India (CCI) has passed an order, dated 16th March 2020, under Section 4 of the Competition Act, 2002, imposing a penalty of ₹ 301.61 crore in respect of the Viscose Staple Fibre turnover of the Company. The Company filed an appeal before the National Company Law Appellate Tribunal (NCLAT) and NCLAT, vide Order, dated 4th November 2020, stayed the recovery of the penalty amount during the pendency of the Appeal and directed the Company to deposit 10% of the penalty amount by 19th November 2020, which the Company has complied. The Appeal is pending before the NCLAT. Without considering that an Appeal is already pending against the aforesaid Order, the CCI passed another Order, dated 3rd June 2021, levying a penalty of ₹ 3.49 crore for non-compliance with the Order passed on 16th March 2020. The Company filed Writ Petition before the Hon'ble Delhi High Court against the Order of the CCI. The CCI appeared before the Hon'ble Delhi High Court and assured that no precipitative steps shall be taken against the Company till the disposal of the matter. Based on legal opinion, the Company believes that it has strong grounds against both these said orders, on merit, and accordingly, no provision has been made in the accounts.

4.1.3 Corporate Guarantees Issued by Subsidiaries as under:

₹ in crore

	Particulars	As at 31st March 2023	As at 31st March 2022
a.	To Financial Institutions/Government Authorities/Others for finance provided to Joint Ventures	1.70	1.70
b.	Letter of Comfort Issued on behalf of clients *	2,138.34	1,614.92

* includes Corporate Guarantees given to National Housing Bank by the ABCL on behalf of its subsidiary Aditya Birla Housing Finance Limited (ABHFL) of ₹ 3,500 crore up to 31st March 2023, against which the amount liable by ABHFL is ₹ 2,057.71 crore (31st March 2022 ₹ 1,498.73 crore). As per the terms of the Guarantee, on invocation, the Group's liability is capped at the outstanding amount. It includes Corporate Guarantees given by the Subsidiaries on behalf of its clients of ₹ 80.08 crore as at 31st March 2023. (Previous Year 31st March 2022 ₹ 115.34 crore).

4.2 CAPITAL, FINANCIAL AND OTHER COMMITMENTS

₹ in crore

	Particulars	As at 31st March 2023	As at 31st March 2022
4.2.1	**Capital Commitments**		
a.	Estimated Amount of Contracts remaining to be executed on capital account and not provided for (Net of Advances Paid)	9,476.70	3,913.99
4.2.2	**Financial and Other Commitments**		
(a)	**Financial Commitments**		
	Joint Ventures @	223.78	266.51
@	As per the agreement with the Joint Ventures, the Company is committed to make additional contribution in proportion to their interest in Joint Ventures, if required. These commitments have not been recognised in the Consolidated financial statements.		
(b)	(i) Uncalled Liability on partly paid-up Investments of Insurance Business	289.73	282.43
(c)	The sanctioned but undisbursed amount of Aditya Birla housing Finance Limited stands at ₹ 1,449.96 crore. (31st March 2022 : ₹ 924.94 crore)		

4.3 BUSINESS COMBINATION (IND AS 103):

A. Acquisition of Duqm Cement Projects International LLC.

I. Ultratech has entered into Share Sale and Purchase Agreement on 29th January 2023 with Seven Seas Company LLC and His Highness Al Sayyid Shihab Tariq Taimur Al Said for acquisition of 70% equity share of Duqm Cement Projects International LLC Located in Oman. The Company is mainly in the business of mining and extracting of limestone. The acquisition provides the Company to secure raw materials for growing requirement of India Operations and create value for shareholders.

Notes

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II. **Fair value of the consideration transferred:**

Purchase consideration has been allocated on the basis of fair valuation determined by an independent valuer. Total enterprise value works out to ₹ 159.47 crore. The effective purchase consideration of ₹ 111.62 crore.

The Fair value of identifiable assets acquired, and liabilities assumed as on the acquisition date are as under:

Particulars	₹ crore
Capital Work in Progress	11.30
Mining Reserve	148.16
Cash and Bank	0.04
Total Assets	**159.50**
Other Current liabilities	0.04
Fair Value of Assets	**159.46**

III. **Amount Recognised as goodwill:**

Particulars	₹ crore
Fair value of consideration (70%)	111.62
Total Enterprise Value	**159.47**
Less: Fair value of net assets acquired	159.46
Goodwill	**0.01**

B. Acquisition of Waacox Energy Private Limited (WEPL)

Aditya Birla Renewables Limited holding 49% of total equity share capital of the WEPL has acquired additional 31,880,100 equity shares (51% of total equity share capital) of WEPL from Sangam Renewables Limited (along with its nominee) on 5th July 2021 as a result of which WEPL has become a Wholly-Owned Subsidiary of Aditya Birla Renewables Limited w.e.f. 5th July 2021.

During the previous year, Aditya Birla Renewables Limited has carried out the fair valuation exercise of WEPL in accordance with Ind AS 103 and realigned the assets and liabilities acquired on acquisition and purchase consideration in accordance with fair value as summarised below:

Identifiable Assets Acquired and Liabilities Assumed

The following table summarise the recognised amounts of assets acquired and liabilities assumed at the date of acquisition:

₹ in crore

Particulars	As on 4th July 2021 (Fair Value)
Property, plant and equipment (including CWIP)	83.09
Other non-current assets	0.10
Tax assets (net)	0.16
Current investments	30.87
Trade receivables	1.91
Cash and bank balances	0.79
Other financial assets	0.87
Other current assets	0.19
Purchase power agreement	1.79
Total Assets (A)	**119.77**
Borrowings	43.26
Deferred tax liabilities (net)	2.05

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₹ in crore

Particulars	As on 4th July 2021 (Fair Value)
Trade payables	0.06
Other financial liabilities	7.02
Other current liabilities	0.08
Total Liabilities (B)	**52.47**
Total Identifiable Net Assets Acquired (A-B)	**67.30**
Less: Purchase consideration	81.58
Goodwill	**14.28**

C. During the year PT UltraTech Mining Indonesia, PT UltraTech Mining Sumatera and PT UltraTech Investments Indonesia has been liquidated.

4.4 ASSETS/DISPOSAL GROUP HELD FOR SALE (IND AS 105)

₹ in crore

Particulars	Year Ended 31st March 2022
Profit Before Tax from Discontinued Operations	
From Discontinued Operations of Fertiliser Business (refer below note a)	155.98
From Discontinued Operations of Foreign Subsidiaries of UNCL	196.54
Total	**352.52**

a. During the previous year, the Company entered into a Scheme of Arrangement ("the Scheme") under Sections 230-232 of the Companies Act, 2013, with Indorama India Private Limited (Indorama) for slump sale of its Indo Gulf Fertiliser Business (comprising of manufacture, trading and sale of inter-alia urea, soil health products and other agri-inputs) to Indorama.

On 1st January 2022, the Company consummated the sale and transfer of Indo Gulf Fertiliser Business to Indorama as contemplated in the Scheme of Arrangement, and recognised pre-tax gain of ₹ 540.15 crore for the year ended 31st March 2022, included under discontinued operations as exceptional items. The Company has provided ₹ 29.36 crore towards outstanding liabilities of maintenance charges of UPSIDC pertaining to Indo Gulf Fertiliser Business, included under discontinued operations as exceptional items.

₹ in crore

		As at 31st December 2021
(i)	**Assets and Liabilities with respect to Discontinued Operations:**	
	Group(s) of Assets Classified as Held for Sale	1,675.40
	Liabilities directly associated with the Group(s) of Assets classified as Held for Sale	372.55
(ii)	**Major Classes of Assets and Liabilities classified as Held for Sale:**	
	Property, Plant and Equipment	472.66
	Capital Work-in-Progress	70.44
	Other Intangible Assets	111.22
	Right-of-Use Assets	156.67
	Loans	1.78
	Inventories	72.86
	Other Financial Assets	49.97
	Trade Receivables	720.08
	Other Assets	19.72
	Total Assets	**1,675.40**

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₹ in crore

		As at 31st December 2021
	Trade Payables	278.33
	Lease Liabilities	8.18
	Security Deposits	43.05
	Other Liabilities and Provisions	42.99
	Total Liabilities	**372.55**
		1,302.85

Financial Performance and Cash Flow presented are for nine months ended 31st December 2021 (31st March 2022 column).

₹ in crore

		Year Ended 31st March 2022
(iii)	**Financial Performance related to Discontinued Operations:**	
	Revenue and Other Income	2,437.54
	Expenses	2,281.56
	Profit Before Tax	**155.98**
	Exceptional Items (net)	510.79
	Profit before Tax	**666.77**
	Tax Expenses	(54.58)
	Tax on Sale of Discontinued Operations *	(256.37)
	Profit After Tax	**355.82**
	*The amount is net of Deferred Tax Credit of ₹ 182.90 crore.	
(iv)	**Cash Flow Disclosure with respect to Discontinued Operations:**	
	Cash Flow from Operating Activities	(217.33)
	Cash Flow from Investing Activities	(48.93)
	Cash Flow from Financing Activities	-

₹ in crore

		Year Ended 31st March 2022
(v)	**Exceptional Items (Net)**	
	Sale Consideration	1,866.94
	Net Asset Transferred	1,302.85
	Gain on Disposal	**564.09**
	Less: Transaction Cost	(12.80)
	Less: Provision against Deferred Considerations	(11.14)
	Net Gain on Disposal of Fertiliser Business (A)	**540.15**
	Maintenance Charges to UPSIDC pertaining to Fertiliser Business (B)	(29.36)
	Net Gain (A + B)	**510.79**

b. During the year ended, 31st March 2022, UNCL entered into an agreement with Galata Chemicals Holding GmbH, Germany ("Galata"), as per which Galata along with its affiliates has made necessary payments to UNCL for the purposes of refinancing the loans given to 3B and acquisition of entire shareholding of UNCL in 3B and UNCL has, inter-alia, transferred its entire shareholding in 3B to Galata as on 31st March 2022. Consequent to the transaction, 3B has ceased to be a wholly-owned subsidiary of the Company and recognised ₹ 159.92 crore as exceptional gain for the year ended 31st March 2022.

Notes

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c. UTCL has identified certain assets like Land, Diesel Generator Sets etc. which are available for sale in its present condition. The Company is committed to plan the sale of asset and an active programme to locate a buyer, and complete the plan has been initiated. The Company expects to dispose off these assets in the due course.

d. UltraTech Cement Middle East Investments Limited (UCMEIL) has identified one of the assets "Waste Heat Recovery System" (WHRS), which is not useful anymore as it is not productive and not giving the desired result. The realisable value after considering the impairment, scrap and dismantling cost is reclassified as assets for disposal. UCMEIL is committed to plan the sale of this asset, is in the process of discussion with vendors and contractors and expects the same to be disposed off within the due course.

4.5 SHARE BASED PAYMENTS

A. Holding Company

4.5.1 2,036,941 Equity Shares of Face Value of ₹ 2 each (Previous Year 1,696,470 Equity Shares of Face Value of ₹ 2 each) are reserved for issue under Employee Stock Option Scheme-2006 (ESOS-2006) Employee Stock Option Scheme, 2013 (ESOS-2013) and Employee Stock Option Scheme, 2018 (ESOS-2018).

a. Under the ESOS-2006, the Company has granted 56,005 Options to its eligible employees, the details of which are given hereunder:

Particulars	Options
	Tranche V
No. of Options Granted	56,005
Grant Date	18-Oct-2013
Grant Price (₹ Per Share)#	532
Market Price on the Date of Grant (₹)	543
Fair Value on the Date of Grant of Option (₹ Per Share)	197
Method of Settlement	Equity
Method of Accounting	Intrinsic value for options vested before 1st April 2015, and Fair value for options vested after 1st April 2015
Graded Vesting Plan	25% every year, commencing after one year from the date of grant
Normal Exercise Period	5 years from the date of vesting

The Grant Price in respect of Tranche V has been revised in the earlier Financial Year post-demerger of Financial Service business of Grasim to ABCL, resulted in reduction of ₹ 14 per share from the earlier Exercise Price, i.e. Face value of ABCL's share X 1.4 (share entitlement ratio).

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b. Under the ESOS-2013, the Company has granted 964,960 Options and Restricted Stock Units (RSUs) to the eligible employees of the Company and its subsidiary, the details of which are given hereunder:

Particulars	Options			RSU's				
	Tranche I	Tranche III	Tranche IV	Tranche I	Tranche II	Tranche III	Tranche IV	Tranche V
No. of Options / RSU Granted	6,27,015	1,21,750	30,440	93,495	40,420	31,010	16,665	4,165
Grant Date	18-Oct-2013	15-Jan-2016	02-Apr-2016	18-Oct-2013	21-Nov-2013	29-Jan-2014	15-Jan-2016	02-Apr-2016
Grant Price (₹ Per Share)#	529	686	757	2	2	2	2	2
Market Price on the Date of Grant (₹)#	529	686	757	529	522	686	757	757
Fair value on the date of Grant of option (₹ per share)	199	274	291	520	498	495	687	750
Method of Settlement	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity
Method of Accounting	Intrinsic value for options vested before 1st April 2015 and Fair value for options vested after 1st April 2015			Fair Value	Fair Value	Fair Value	Fair Value	Fair Value
Graded Vesting Plan	25% every year, commencing after one year from the date of grant			Bullet vesting at the end of three years from the date of grant				
Normal Exercise Period	5 years from the date of vesting			5 years from the date of vesting				

The Grant Price and Market Price in respect of Tranches I, III and IV has been revised in the previous Financial Year post- demerger of Financial Service business of Grasim to ABCL, resulting in reduction of ₹ 14 per share from the earlier Exercise Price i.e. Face value of ABCL's share X 1.4 (share entitlement ratio).

c. Under the ESOS-2018, the Company has granted 3,088,085 Options and Restricted Stock Units (RSUs) to the eligible employees of the Company, the details of which are given hereunder:

Particulars	Options										
	Tranche I	Tranche II	Tranche III	Tranche IV	Tranche V	Tranche VI	Tranche VII	Tranche VIII	Tranche IX	Tranche X	Tranche XI
No. of Options / RSU Granted	1,077,312	26,456	53,480	254,141	68,784	296,220	41,361	65,025	9,357	371,520	196,308
Grant Date	17-Dec-2018	24-Dec-2019	13-Mar-2020	12-Feb-2021	12-Feb-2021	13-Aug-2021	01-Sep-2021	12-Nov-2021	24-May-2022	12-Aug-2022	14-Nov-2022
Grant Price (₹ Per Share)	847.20	742.35	559.85	1,235.45	1,235.45	1,492.30	1,500.40	1,844.35	1,457.40	1,600.05	1,708.45
Market Price on the Date of Grant (₹)	847.20	742.35	559.85	1,235.45	1,235.45	1,492.30	1,500.40	1,844.35	1,457.40	1,600.05	1,708.45
Fair value on the date of Grant of option (₹ per share)	422.53	347.48	266.70	524.74	596.77	618.78	624.41	763.33	647.01	747.44	800.97
Method of Settlement	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity
Method of Accounting	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value
Graded Vesting Plan	25% every year, commencing after one year from the date of grant			Bullet vesting at the end of one years from the date of grant	25% every year, commencing after one year from the date of grant	33% every year, commencing after one year from the date of grant					
Normal Exercise Period	5 years from the date of vesting										

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Particulars	RSUs											
	Tranche I	Tranche II	Tranche III	Tranche IV	Tranche V	Tranche VI	Tranche VII	Tranche VIII	Tranche IX	Tranche X	Tranche XI	Tranche XII
No. of Options / RSU Granted	206,320	66,179	5,066	28,393	13,172	36,243	54,674	5,007	8,344	9,500	13,030	1,134
Grant Date	17-Dec-2018	27-Mar-2019	24-Dec-2019	13-Mar-2020	12-Feb-2021	13-Aug-2021	13-Aug-2021	01-Sep-2021	01-Sep-2021	12-Nov-2021	12-Nov-2021	24-May-2022
Grant Price (₹ Per Share)	2	2	2	2	2	2	2	2	2	2	2	2
Market Price on the Date of Grant (₹)	847.20	836.70	742.35	559.85	1,235.45	1,492.30	1,492.30	1,500.40	1,500.40	1,844.35	1,844.35	1,457.40
Fair value on the date of Grant of option (₹ per share)	832.64	822.29	726.19	547.29	1,210.08	1,451.10	1,457.59	1,458.98	1,478.63	1,793.79	1,817.99	1,417.18
Method of Settlement	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity	Equity
Method of Accounting	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value
Graded Vesting Plan	Bullet vesting at the end of three years from the date of grant						Graded 50% vesting each year over two years from the date of grant	Bullet vesting at the end of three years from the date of grant	Graded 50% vesting each year over two years from the date of grant	Bullet vesting at the end of three years from the date of grant	Graded 50% vesting each year over two years from the date of grant	Bullet vesting at the end of three years from the date of grant
Normal Exercise Period	5 years from the date of vesting											

Particulars	RSUs	
	Tranche XIII	Tranche XIV
No. of Options / RSU Granted	1,43,764	37,295
Grant Date	12-Aug-2022	14-Nov-2022
Grant Price (₹ Per Share)	2	2
Market Price on the Date of Grant (₹)	1600.05	1708.45
Fair value on the date of Grant of option (₹ per share)	1,572.04	1,678.65
Method of Settlement	Equity	Equity
Method of Accounting	Fair Value	Fair Value
Graded Vesting Plan	Bullet vesting at the end of three years from the date of grant	
Normal Exercise Period	5 years from the date of vesting	

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4.5.2 Under the Employee Stock Options Scheme - 2018 (ESOS-2018), the Company has granted 1,55,492 SAR.

The details are as under:

Particulars	SAR's (Linked with the Company's market price)								SAR's (Linked with Aditya Birla Capital Limited's market price)
	Tranche - I Options	Tranche - III Options	Tranche - V Options	Tranche - I RSU	Tranche - II RSU	Tranche - IV RSU	Tranche - V RSU	Tranche - VI RSU	Tranche - IV Options
Number of SAR's	82,144	23,815	4,206	20,657	1,116	504	1,006	2,939	13,065
Method of Accounting	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value
Vesting Plan	Graded Vesting - 25% every year	Bullet Vesting -1 Year from the date of Grant	Bullet Vesting- end of 3 year from grant date	Bullet Vesting- end of 3 year from grant date	Bullet Vesting- end of 3 year from grant date	Bullet Vesting- end of 3 year from grant date	Bullet Vesting- end of 3 year from grant date	Bullet Vesting- end of 3 year from grant date	Bullet Vesting -1 Year from the date of Grant
Exercise Period	3 Years from the date of Vesting or 6 years from the date of grant whichever is earlier	3 Years from the date of Vesting	3 Years from the date of Vesting or 6 years from the date of grant whichever is earlier	3 Years from the date of Vesting or 6 years from the date of grant whichever is earlier	3 Years from the date of Vesting or 6 years from the date of grant whichever is earlier	3 Years from the date of Vesting or 6 years from the date of grant whichever is earlier	3 Years from the date of Vesting or 6 years from the date of grant whichever is earlier	3 Years from the date of Vesting	3 Years from the date of Vesting
Grant Date	17-Dec-2018	12-Feb-2021	17-Dec-2018	17-Dec-2018	27-Mar-2019	27-Mar-2019	27-Mar-2019	24-May-2022	12-Feb-2021
Grant Price (₹ Per Share)	847.2	1235.45	1,492.30	2	2	2	2	2	10

4.5.3 Movement of Options and RSUs Granted along with Weighted Average Exercise Price (WAEP)

4.5.3.1 For options referred to in 4.5.1(a) (b) &(c)

Particulars	Number of Options and RSUs			
	Current Year		Previous Year	
	Nos.	WAEP (₹)	Nos.	WAEP (₹)
Outstanding at the beginning of the year	1,696,470	872	1,712,882	684
Granted during the year	759,378	1,243	529,404	1,179
Exercised during the year	309,869	576	391,232	435
Lapsed during the year	109,038	991	154,584	940
Outstanding at the end of the year	2,036,941	1,049	1,696,470	872
Options: Unvested at the end of the year	1,092,397	1,202	831,569	1,011
Exercisable at the end of the year	944,544	873	864,901	739

The weighted average share price at the date of exercise for options was ₹ 1564.09 per share (31st March 2022 ₹ 1598.94 per share) and weighted average remaining contractual life. for the share options outstanding as at 31st March 2023 was 2.17 years (31st March 2022 : 2.35 years).

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4.5.3.2 For options referred to in 4.5.2

Particulars	Number of Options and RSUs			
	Current Year		Previous Year	
	Nos.	WAEP (₹)	Nos.	WAEP (₹)
Outstanding at the beginning of the year	147,401	742	138,327	717
Granted during the year	2,939	742	16,078	858
Lapsed during the year	203	742	7,004	521
Exercised during the year	25,744	771	-	-
Outstanding at the end of the year	124,393	718	147,401	742
Options: Unvested at the end of the year	3,811	1,265	32,684	891
Exercisable at the end of the year	120,582	719	114,717	699

4.5.4 Fair Valuation

The fair value of options has been done by an independent firm of Chartered Accountants on the date of grant using Black-Scholes Model and Binomial Model.

The Key Assumptions in Black-Scholes Model and Binomial Model for calculating fair value as on the date of grant are:

4.5.4.1 For options referred to in 4.5.1(a) & (b) & (c)

ESOS-2006	Options
	Tranche V
Method used	Black - Scholes Model
Risk-Free Rate	8.58%
Option Life (Years)	Vesting Period (1 Year) + Average of Exercise Period
Expected Volatility *	24.01%
Dividend Yield	1.03%

The weighted-average fair value of the option, as on the date of grant, works out to ₹ 211 per stock option.

ESOS-2013	Options			RSUs				
	Tranche I	Tranche III	Tranche IV	Tranche I	Tranche II	Tranche III	Tranche IV	Tranche V
Method used	Black - Scholes Model			Black - Scholes Model				
Risk-Free Rate	8.58%	7.87%	7.60%	8.66%	8.90%	9.00%	7.96%	7.78%
Option Life (Years)	Vesting Period (1 Year) + Average of Exercise Period			5.50	5.50	5.50	5.50	5.50
Expected Volatility *	24.01%	28.26%	27.96%	24.01%	23.76%	23.47%	28.52%	28.41%
Dividend Yield	1.03%	0.36%	0.52%	1.34%	1.40%	1.43%	0.34%	0.51%

The weighted-average fair value of the option and RSU, as on the date of grant, works out to ₹ 215 per stock option and ₹ 539 per RSU.

* Expected volatility on the Company's stock price on National Stock Exchange based on the data commensurate with the expected life of the options/RSUs upto the date of grant.

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ESOS-2018	Options										
	Tranche I	Tranche II	Tranche III	Tranche IV	Tranche V	Tranche VI	Tranche VII	Tranche VIII	Tranche IX	Tranche X	Tranche XI
Method used	Binomial Model	Binomial Model	Binomial Model	Binomial Model	Binomial Model	Binomial Model	Binomial Model	Binomial Model	Binomial Model	Binomial Model	Binomial Model
Risk-Free Rate	7.60%	6.74%	6.85%	5.59%	5.82%	6.06%	6.23%	6.31%	7.14%	7.05%	7.24%
Option Life (Years)	Vesting Period (1 year) + Average of Exercise Period										
Expected Volatility *	32.06%	32.35%	32.78%	36.68%	36.68%	29.81%	28.79%	28.62%	30.26%	33.27%	31.87%
Dividend Yield	0.52%	0.66%	0.66%	0.65%	0.65%	0.89%	0.89%	0.89%	0.89%	0.56%	0.56%

ESOS-2018	RSUs											
	Tranche I	Tranche II	Tranche III	Tranche IV	Tranche V	Tranche VI	Tranche VII	Tranche VIII	Tranche IX	Tranche X	Tranche XI	Tranche XII
Method used	Binomial Model	Binomial Model	Binomial Model	Binomial Model	Binomial Model	Binomial Model	Binomial Model	Binomial Model	Binomial Model	Binomial Model	Binomial Model	Binomial Model
Risk-Free Rate	7.65%	7.48%	6.74%	6.85%	5.93%	6.33%	6.06%	6.22%	6.23%	6.31%	6.06%	7.26%
Option Life (Years)	Vesting Period (3 years) + Average of Exercise Period											
Expected Volatility *	32.06%	31.48%	32.35%	32.78%	36.68%	28.84%	29.81%	28.65%	28.79%	28.62%	30.05%	30.26%
Dividend Yield	0.52%	0.52%	0.66%	0.66%	0.65%	0.89%	0.89%	0.89%	0.89%	0.89%	0.89%	0.89%

ESOS-2018	RSUs	
	Tranche XIII	Tranche XIV
Method used	Binomial Model	Binomial Model
Risk-Free Rate	7.19%	7.30%
Option Life (Years)	Vesting Period (3 years) + Average of Exercise Period	
Expected Volatility *	30.49%	29.74%
Dividend Yield	0.56%	0.56%

The weighted-average fair value of the option and RSU, as on the date of grant, works out to ₹ 549.92 per stock option, ₹ 1184.86 per RSU.

* Expected volatility on the Company's stock price on National Stock Exchange based on the data commensurate with the expected life of the options/RSUs upto the date of grant.

4.5.4.2 For options referred to in 4.5.2

ESOS-2018	SAR's (Linked with the Company's market price)			SAR's (Linked with Aditya Birla Capital Limited's market price)
	Tranche - I Options	Tranche - III Options	Tranche - V Options	Tranche - IV Options
Method used	Binomial Model	Binomial Model	Binomial Model	Binomial Model
Risk-Free Rate	7.16%	7.10%	7.20%	5.61%
Option Life (Years)	Vesting Period (3 years) + Average of Exercise Period			Vesting Period (3 years) + Average of Exercise Period
Expected Volatility *	27.88%	25.71%	29.37%	43.05%
Dividend Yield	0.67%	0.67%	0.67%	0.58%
Weighted average fair value of SARs on 31st March 2023	843.13	536.66	449.11	73.51

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ESOS-2018	SAR's (Linked with the Company's market price)				
	Tranche - I RSU	Tranche - II RSU	Tranche - IV RSU	Tranche - V RSU	Tranche - VI RSU
Method used	Binomial Model	Binomial Model	Binomial Model	Binomial Model	Binomial Model
Risk-Free Rate	7.11%	7.09%	7.20%	7.19%	7.21%
Option Life (Years)	Vesting Period (3 years) + Average of Exercise Period				
Expected Volatility *	26.32%	25.96%	29.37%	28.08%	29.39%
Dividend Yield	0.67%	0.67%	0.67%	0.67%	0.67%
Weighted average fair value of SARs on 31st March 2023	1,630.80	1,557.38	1,570.92	1,610.73	1,275.82

* Expected volatility on the Company's stock price on National Stock Exchange based on the data commensurate with the expected life of the options/RSUs upto the date of grant.

4.5.5 Details of Liabilities arising form company's cash settled Share-based payment transactions

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Other non-current financial liability	0.21	0.18
Other current financial liability	10.55	11.97
	10.76	**12.15**

4.5.6 Employee Stock Option expenses (including SAR) recognised in the statement of Standalone Profit and Loss ₹ 38.12 crore (Previous Year ₹ 34.68 crore) and recognised in pre-operative expense ₹ 0.19 crore (Previous Year ₹ 0.32 crore) Apart from above Employee Stock Option expenses (including SAR) towards discontinued operations were ₹ NIL (Previous year ₹ 0.19 crore).

Disclosure under Employee Stock Options Scheme of Subsidiary Companies:

(I) Ultratech Cement Limited

The Company has granted 1,92,664 options (including Restricted Stock units) to its eligible employees in various ESOS Schemes, details are as under

(A) Employee Stock Option Scheme (ESOS 2013) including Stock options and Restricted Stock Units (RSU):

Particulars	Tranche II		Tranche III		Tranche IV	
	RSU	Stock Options	RSU	Stock Options	RSU	Stock Options
Nos. of Options	12,313	34,859	2,218	6,280	9,059	25,645
Vesting Plan	100% on 18.10.2017	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 28.01.2018	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 19.10.2018	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets
Exercise Period	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting
Grant Date	18.10.2014	18.10.2014	28.01.2015	28.01.2015	19.10.2015	19.10.2015
Exercise Price (₹ per share)	10	2,318	10	3,122	10	2,955
Fair Value on the date of Grant of Option (₹ per share)	2,241	870	3,048	1,207	2,897	1,728
Method of Settlement	Equity	Equity	Equity	Equity	Equity	Equity

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Particulars	Tranche V		Tranche VI	
	RSU	Stock Options	RSU	Stock Options
Nos. of Options	5,313	15,042	10,374	29,369
Vesting Plan	100% on 13.04.2019	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 27.01.2020	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets
Exercise Period	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting
Grant Date	13.04.2016	13.04.2016	27.01.2017	27.01.2017
Exercise Price (₹ per share)	10	3,167	10	3,681
Fair Value on the date of Grant of Option (₹ per share)	3,108	1,810	3,608	2,080
Method of Settlement	Equity	Equity	Equity	Equity

(B) Employee Stock Option Scheme (ESOS 2018) including Stock options, Restricted Stock Units (RSU) and Stock Appreciation Rights Scheme – 2018 (SAR 2018) including Stock options and RSU

Particulars	Tranche I (ESOS, 2018)		Tranche II (ESOS, 2018)		Tranche III (ESOS, 2018)	
	RSU	Stock Options	RSU	Stock Options	RSU	Stock Options
Nos. of Options	43,718	1,58,304	917	3,320	3,482	12,620
Vesting Plan	100% on 18.12.2021	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 23.12.2022	Graded Vesting-25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 04.03.2023	Graded Vesting-25% every year after 1 year from date of grant, subject to achieving performance targets
Exercise Period	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting
Grant Date	18.12.2018	18.12.2018	23.12.2019	23.12.2019	04.03.2020	04.03.2020
Exercise Price (₹ per share)	10	4,009.30	10	4,120.45	10	4,299.90
Fair Value on the date of Grant of Option (₹ per share)	3,942	1,476	4,080	1,865	4,258	1,939
Method of Settlement	Equity	Equity	Equity	Equity	Equity	Equity

Particulars	Tranche IV (ESOS, 2018)		Tranche V (ESOS, 2018)	
	RSU	Stock Options	RSU	Stock Options
Nos. of Options	594	2,152	564	2,040
Vesting Plan	100% on 21.10.2023	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 27.03.2024	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets
Exercise Period	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting
Grant Date	21.10.2020	21.10.2020	27.03.2021	27.03.2021
Exercise Price (₹ per share)	10	4,544.35	10	6,735.25
Fair Value on the date of Grant of Option (₹ per share)	4,500	1,943	6,673	2,903
Method of Settlement	Equity	Equity	Equity	Equity

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Particulars	Tranche VI (ESOS, 2018)			Tranche VII (ESOS, 2018)		
	RSU-FY22 Plan	RSU-FY21 Plan	Stock Options	RSU-FY22 Plan	RSU-FY21 Plan	Stock Options
Nos. of Options	7,299	11,570	63,684	3,838	4,700	33,525
Vesting Plan	100% on 22.07.2024	Graded Vesting - 50% every year after completion of 1 year form date of grant	Graded Vesting - 33% every year after 1 year from date of grant, subject to achieving performance targets	100% on 27.10.2024	Graded Vesting - 50% every year after completion of 1 year form date of grant	Graded Vesting - 33% every year after 1 year from date of grant, subject to achieving performance targets
Exercise Period	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting
Grant Date	22.07.2021	22.07.2021	22.07.2021	27.10.2021	27.10.2021	27.10.2021
Exercise Price (₹ per share)	10	10	7,424.70	10	10	7,269.10
Fair Value on the date of Grant of Option (₹ per share)	7,373	7,379	2,357	7,194	7,211	2,309
Method of Settlement	Equity	Equity	Equity	Equity	Equity	Equity

Particulars	Tranche VIII (ESOS, 2018)		Tranche IX (ESOS, 2018)	
	RSU	Stock Options	RSU	Stock Options
Nos. of Options	48,089	99,879	4,733	39,963
Vesting Plan	100% on 22.07.2025	Graded Vesting - 33% every year after 1 year from date of grant	100% on 19.10.2025	Graded Vesting - 33% every year after 1 year from date of grant
Exercise Period	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting	5 Years from the date of Vesting
Grant Date	22.07.2022	22.07.2022	19.10.2022	19.10.2022
Exercise Price (₹ per share)	10	6,130.70	10	6,346.75
Fair Value on the date of Grant of Option (₹ per share)	6,027	2,100	6,249	2,235
Method of Settlement	Equity	Equity	Equity	Equity

Particulars	Tranche I (SAR, 2018)		Tranche II (SAR, 2018)		
	RSU	Stock Options	RSU-FY22 Plan	RSU-FY21 Plan	Stock Options
Nos. of Options	1,084	3,924	159	320	1,398
Vesting Plan	100% on 18.12.2021	Graded Vesting - 25% every year after 1 year from date of grant, subject to achieving performance targets	100% on 22.07.2024	Graded Vesting - 50% every year after completion of 1 year form date of grant	Graded Vesting - 33% every year after 1 year from date of grant, subject to achieving performance targets
Exercise Period	3 Years from the date of Vesting	3 Years from the date of Vesting	3 Years from the date of Vesting	3 Years from the date of Vesting	3 Years from the date of Vesting
Grant Date	18.12.2018	18.12.2018	22.07.2021	22.07.2021	22.07.2021
Exercise Price (₹ per share)	10	4,009.30	10	10	7,424.70
Fair Value on the date of Grant of Option (₹ per share)	3,946	1,539	6,837	7,160	1,387
Method of Settlement	Cash	Cash	Cash	Cash	Cash

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Particulars	Tranche III (SAR, 2018)	
	RSU	Stock Options
Nos. of Options	793	2,001
Vesting Plan	100% on 22.07.2025	Graded Vesting: 33% every year after 1 year from date of grant, subject to achieving performance targets
Exercise Period	3 Years from the date of Vesting	3 Years from the date of Vesting
Grant Date	22.07.2022	22.07.2022
Exercise Price (₹ per share)	10	6,130.70
Fair Value on the date of Grant of Option (₹ per share)	7,536	2,774
Method of Settlement	Cash	Cash

(C) Movement of Options Granted including RSU along with weighted average exercise price (WAEP):

Particulars	As at 31st March 2023		As at 31st March 2022	
	Nos.	WAEP (₹)	Nos.	WAEP (₹)
Outstanding at the beginning of the year	312,221	4,168.05	249,454	2,978.09
Granted during the year	192,664	4,497.42	124,616	5,752.11
Exercised during the year	(44,301)	2,820.95	(53,437)	2,436.02
Forfeited during the year	(18,962)	5,053.64	(8,412)	3,349.62
Outstanding at the end of the year	441,622	4,408.85	312,221	4,168.05
Options exercisable at the end of the year	139,333	3,796.10	115,617	2,899.18

The weighted average share price at the date of exercise for options was ₹ 6,651.27 per share (31st March 2022 ₹ 7,024.74 per share) and weighted average remaining contractual life for the share options outstanding as at 31st March 2023 was 4.50 years (31st March 2022: 4.62 years).

The weighted average remaining contractual life for SAR is 2.66 years (31st March 2022 was 2.87 years).

The exercise price for outstanding options and SAR is ₹ 10 per share for RSU's and ranges from ₹ 2,318 per share to ₹ 7,424.70 per share for options.

(D) Fair Valuation:

1,92,664 share options were granted during the year. Weighted Average Fair value of the options granted during the year is ₹ 3,209.98 per share (31st March 2022 ₹ 3,435.96 per share).

The fair value of option has been done by an independent firm of Chartered Accountants on the date of grant using the Black-Scholes Model / Binomial Model.

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The Key assumptions in the Black-Scholes Model for calculating fair value as on the date of grant:

(a)	**For ESOS 2013:**		
1	Risk Free Rate	-	7.8% (Tranche II-III), 8.6% (Tranche IV),7.6% (Tranche V), 6.7% (Tranche VI)
2	Option Life	-	(a) For Options - Vesting period (1 Year) + Average of exercise period
			(b) For RSU - Vesting period (3 Years) + Average of exercise period
3	Expected Volatility*	-	Tranche-II: 0.27, Tranche-III: 0.28, Tranche-IV: 0.60 Tranche-V: 0.60, Tranche-VI: 0.61
4	Expected Growth in Dividend	-	Tranche II-III: 15%, Tranche-IV: 5%, Tranche-V: 5%,Tranche-VI: 5%
(b)	**For ESOS 2018:**		
1	Risk Free Rate	-	7.47% (Tranche I); 5.69% (Tranche VI); 5.62% (Tranche VII)); 7.04% (Tranche VIII); 7.36% (Tranche IX)
2	Option Life	-	(a) For Options - Vesting period (1 Year) + Average of exercise period
			(b) For RSU under FY21 plan - Vesting Period (2 years) + Average of exercise period
			For other RSU - Vesting period (3 Years) + Average of exercise period
3	Expected Volatility*	-	Tranche-I: 0.24; Tranche-VI: 0.25 ; Tranche-VII & VIII: 0.26; Tranche IX: 0.27
4	Dividend Yield	-	Tranche -I: 0.46%; Tranche - VI : 0.19%, Tranche VII: 0.20%, Tranche VIII & IX: 0.30%
(c)	**For ESOS- SAR 2018:**		
1	Risk Free Rate	-	5.31% (Tranche II); 7.15% (Tranche III)
2	Option Life	-	(a) For Options - Vesting period (1 Year) + Average of exercise period
			(b) For RSU under FY21 plan- Vesting Period (2 years) + Average of exercise period
			For other RSU - Vesting period (3 Years) + Average of exercise period
3	Expected Volatility*	-	Tranche-II: 0.25, Tranche-III: 0.26
4	Dividend Yield	-	Tranche- II: 0.19%, Tranche-III: 0.26%

*Expected volatility on the Company's stock price on National Stock Exchange based on the data commensurate with the expected life of the options/ RSU's up to the date of grant.

The Key assumptions in the Binomial Tree Model for calculating fair value as on the date of grant:

(a)	**For ESOS - SAR - 2018:**		
1	Risk Free Rate	-	7.47% (Tranche I);
2	Option Life	-	(a) For Options - Vesting period (1 Year) + Average of exercise period
			(b) For RSU - Vesting period (3 Years) + Average of exercise period
3	Expected Volatility*	-	Tranche-I: 0.25,
4	Dividend Yield	-	Tranche -I: 0.46%
(b)	**For ESOS 2018:**		
1	Risk Free Rate	-	6.78% (Tranche II), 6.72% (Tranche III), 5.84% (Tranche IV & V)
2	Option Life	-	(a) For Options - Vesting period (1 Year) + Average of exercise period
			(b) For RSU - Vesting period (3 Years) + Average of exercise period
3	Expected Volatility*	-	Tranche-II: 0.26, Tranche- III: 0.26, Tranche-IV & V: 0.26
4	Dividend Yield	-	Tranche -II & III: 0.27%; Tranche IV & V: 0.27%

*Expected volatility on the Company's stock price on National Stock Exchange based on the data commensurate with the expected life of the options/RSU's up to the date of grant.

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(F) Details of Liabilities arising from Company's cash settled share-based payment transactions:

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Other Financial liabilities - Non-current	0.60	0.47
Other Financial liabilities - Current	0.58	0.54
Total carrying amount of liabilities	**1.18**	**1.01**

(II) Aditya Birla Capital Limited

At the Annual General Meeting held on 19th July 2017, the shareholders of the Company approved the grant of not more than 32,286,062 Equity Shares by way of grant of Stock Options ("ESOPs") and Restricted Stock Units ("RSUs"). Out of these, the Nomination, Remuneration and Compensation Committee has granted 24,062,864 ESOPs and 5,742,636 RSUs under the Scheme titled "Aditya Birla Capital Limited Employee Stock Option Scheme 2017" in 3 categories of Long-term Incentive Plans ("LTIP"), identified as LTIP 1, LTIP 2, and LTIP 3. The Scheme allows the Grant of Stock Options to employees of the Company (whether in India or abroad) that meet the eligibility criteria. Each option comprises one underlying Equity Share.

Features	LTIP 1	LTIP 2	LTIP 3	
Instrument	RSU	ESOP	RSU	ESOP
Plan Period	2017-2019	2017-2021	2017-2019	2017-2022
Quantum of Grant	4,343,750	11,557,872	1,398,886	12,504,992
Method of Accounting	Fair Value	Fair Value	Fair Value	Fair Value
Vesting Period	100% (2 years)	25% p.a. (4 years)	100% (2 years)	20% p.a. (5 years)
Vesting Condition(s)	Continued employment	Employees of ABCL : 75% of the consolidated PBT achievement against Annual P&B targets & Employees of Subsidiaries : 75% of the PBT achievement of the respective business units against Annual P&B targets	Continued employment	Employees of ABCL : 75% of the consolidated PBT achievement against Annual P&B targets & Employees of Subsidiaries : 75% of the PBT achievement of the respective business units against Annual P&B targets
Exercise Period	5 years from the Date of Vesting	5 years from the Date of Vesting	5 years from the Date of Vesting	5 years from the Date of Vesting
Grant Date	11.08.2017	11.08.2017	11.08.2017	11.08.2017
Grant/Exercise Price (₹ Per Share)	10.00	115.00	10.00	115.00
Value of Equity Shares as on the Date of Grant of Original Option (₹ Per Share)	139.00	139.00	139.00	139.00

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Granted during the Financial Year - 2022-2023, to the eligible employees of the Company and its Subsidiaries, the details of which are given hereunder:

Features	LTIP 2	LTIP 1	LTIP 1
Instrument	ESOP	RSU	RSU
Plan Period	2022-2025	2022-2023	2022-2023
Quantum of Grant	1,173,306	1,394,915	165,434
Method of Accounting	Fair Value	Fair Value	Fair Value
Vesting Period	33.33% vesting over 3 years from date of Grant	100%, One year from the date of Grant	100% vesting at the end of third year from the Date of Grant
Vesting Condition(s)	Continued employment	Continued employment	Continued employment
Exercise Period	5 years from the Date of Vesting	5 years from the Date of Vesting	5 years from the Date of Vesting
Grant Date	01.08.2022	01.08.2022	15.03.2023
Grant/Exercise Price (₹ Per Share)	106.4	10.0	10

Granted during the Financial Year - 2021-2022, to the eligible employees of the Company and its Subsidiaries, the details of which are given hereunder:

Features	LTIP 2	LTIP 2
Instrument	ESOP	ESOP
Plan Period	2021-2025	2021-2025
Quantum of Grant	269,352	140,352
Method of Accounting	Fair Value	Fair Value
Vesting Period	Equal vesting in 4 years from the date of Grant	Equal vesting in 4 years from the date of Grant
Vesting Condition(s)	75% of the Profit Before Tax achievement against annual performance target immediately preceding the vesting date	75% of the Profit Before Tax achievement against annual performance target immediately preceding the vesting date
Exercise Period	5 years from the Date of Vesting	5 years from the Date of Vesting
Grant Date	14.05.2021	30.09.2021
Grant/Exercise Price (₹ Per Share)	119.4	114.2

Granted during the Financial Year - 2020-2021, to the eligible employees of the Company and its Subsidiaries, the details of which are given hereunder:

Features	LTIP 2	LTIP 3
Instrument	ESOP	ESOP
Plan Period	2021-2022	2021-2022
Quantum of Grant	110,424	140,439
Method of Accounting	Fair Value	Fair Value
Vesting Period	One year from the date of Grant	One year from the date of Grant
Vesting Condition(s)	75% of the Profit Before Tax achievement against annual performance target	75% of the Profit Before Tax achievement against annual performance target
Exercise Period	5 years from the Date of Vesting	5 years from the Date of Vesting
Grant Date	05.02.2021	05.02.2021
Grant/Exercise Price (₹ Per Share)	90.4	90.4

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Granted during the Financial Year - 2019-2020, to the eligible employees of the Company and its Subsidiaries, the details of which are given hereunder:

Features	LTIP 2	LTIP 2	LTIP 3	LTIP 3	LTIP 2	LTIP 3
Instrument	ESOP	ESOP	ESOP	RSU	ESOP	RSU
Plan Period	2019-2023	2019-2023	2019-2024	2019-2021	2020-2024	2020-2023
Quantum of Grant	560,376	307,020	441,704	7,686	798,768	523,810
Method of Accounting	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value	Fair Value
Vesting Period	25% p.a. (4 years)	25% p.a. (4 years)	20% p.a. (5 years)	100% (2 years)	25% p.a. (4 years)	100% (3 years)
Vesting Condition(s)	Employees of ABCL: 75% of the consolidated PBT achievement against annual P&B targets and Employees of Subsidiaries: 75% of the PBT achievement of the respective business units against annual P&B targets	Employees of ABCL: 75% of the consolidated PBT achievement against annual P&B targets and Employees of Subsidiaries: 75% of the PBT achievement of the respective business units against annual P&B targets	Employees of ABCL: 75% of the consolidated PBT achievement against annual P&B targets and Employees of Subsidiaries: 75% of the PBT achievement of the respective business units against annual P&B targets	Continued employment	Employees of ABCL: 75% of the consolidated PBT achievement against annual P&B targets and Employees of Subsidiaries: 75% of the PBT achievement of the respective business units against annual P&B targets	Continued employment
Exercise Period	5 years from the Date of Vesting	5 years from the Date of Vesting	5 years from the Date of Vesting	5 years from the Date of Vesting	5 years from the Date of Vesting	5 years from the Date of Vesting
Grant Date	02.08.2019	18.10.2019	18.10.2019	18.10.2019	25.02.2020	25.02.2020
Grant / Exercise Price (₹ Per Share)	82.4	76.4	76.4	10	87.1	10

Granted during the Financial Year - 2018-2019, to the eligible employees of the Company and its Subsidiaries, the details of which are given hereunder:

Features	LTIP 3	LTIP 3
Instrument	ESOP	RSU
Plan Period	2018-2023	2018-2020
Quantum of Grant	1,623,834	300,000
Method of Accounting	Fair Value	Fair Value
Vesting Period	20% p.a. (5 years)	100% (2 years)
Vesting Condition(s)	75% of the Profit Before Tax achievement against annual performance target	Continued employment
Exercise Period	5 years from the Date of Vesting	5 years from the Date of Vesting
Grant Date	09.04.2018	09.04.2018
Grant / Exercise Price (₹ Per Share)	115.00	10

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Details of Activities in the Plan as on 31st March 2023

Features	LTIP 1	LTIP 2	LTIP 3	
Instrument	RSU	ESOP	RSU	ESOP
Options/RSUs Outstanding at beginning of the year	624,723	9,642,838	872,906	13,180,030
Granted during the year	1,560,349	1,173,306	–	–
Exercised during the year	166,686	620,638	600,672	113,349
Lapsed during the year	39,604	–	1,500	664,800
Options/RSUs Outstanding at the end of the year	1,978,782	10,195,506	270,734	12,401,881
Options/RSUs unvested at the end of the year	1,560,349	3,934,225	240,734	4,985,023
Options/RSUs exercisable at the end of the year	418,433	6,261,281	30,000	7,416,858

Details of Activities in the Plan as at 31st March 2022

Features	LTIP 1	LTIP 2	LTIP 3	
Instrument	RSU	ESOP	RSU	ESOP
Options/RSUs Outstanding at the beginning of the year	1,256,100	10,714,241	872,906	13,225,030
Granted during the year	–	409,704	–	–
Exercised during the year	517,431	171,862	–	45,000
Lapsed during the year	113,946	1,309,245	–	–
Options/RSUs Outstanding at the end of the year	624,723	9,642,838	872,906	13,180,030

Fair Valuation

The Fair Value of the options used to compute proforma Net Profit and Earnings Per Share has been done by an Independent Valuer on the date of grant using Black-Scholes-Merton Formula. The Key Assumptions and the Fair Value are as:

Features	LTIP 1	LTIP 2	LTIP 3	
Instrument	RSU	ESOP	RSU	ESOP
Risk-Free Interest Rate	6.5% to 7.4%	6.2% to 7.0%	6.5% to 7.2%	6.5% to 7.6%
Option Life (Years)	3.5 to 5.5	3.5 to 6.5	4.5	3.5 to 7.5
Expected Volatility	38.5% to 41.8%	36.2% to 46.5%	35.4% to 38.5%	37.0% to 46.5%
Expected Dividend Yield (%)	–	–	–	–
Weighted-Average Fair Value per Option (₹)	98.5 to 138.3	41.5 to 119.4	131.60	73.1 to 90.4

Stock Option and Performance Stock Unit Scheme 2022

The shareholders of the Company vide a special resolution passed through Postal Ballot on 16th October 2022 approved the Scheme titled "Aditya Birla Capital Limited Employee Stock Option and Performance Stock Unit Scheme 2022" ("ABCL Scheme 2022") for granting Employee Stock Options ("Options") and Employee Performance Stock Units ("PSUs") (collectively referred to as the "Stock Options") exercisable into not more than 41,071,270 Equity Shares. ABCL Scheme 2022 allows the grant of Stock Options to employees of the Company, and its group company(ies) including its Holding Company and Subsidiary Company(ies) and Associate Company(ies) (whether working in India or outside India) that meet the eligibility criteria. Each Stock Option confers a right upon the Grantee to apply for 1 (one) Equity Share. Out of these, the Nomination, Remuneration and Compensation Committee has granted 13,954,991 Options and 6,360,714 PSUs under ABCL Scheme 2022.

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Granted during the Financial Year - 2022-2023, to the eligible employees of the Company and its Subsidiaries, the details of which are given hereunder:

Instrument	PSU	ESOP	PSU	ESOP
Plan Period	2022-2025	2022-2025	2022-2025	2022-2025
Quantum of Grant	59,53,984 3,01,081 1,05,649	12,775,439	851,231	328,321
Method of Accounting	Fair Value	Fair Value	Fair Value	Fair Value
Vesting Period	100% vesting at the end of third year from the Date of Grant	50%:50% vesting at the end of second and third year from the Date of Grant	50%:50% vesting at the end of second and third year from the Date of Grant	50%:50% vesting at the end of second and third year from the Date of Grant
Vesting Condition(s)	Continued employment	Employees of ABCL: 75% of the consolidated PBT achievement against annual P&B targets and Employees of Subsidiaries: 75% of the PBT achievement of the respective business units against annual P&B targets	Employees of ABCL: 75% of the consolidated PBT achievement against annual P&B targets and Employees of Subsidiaries: 75% of the PBT achievement of the respective business units against annual P&B targets	Employees of ABCL: 75% of the consolidated PBT achievement against Annual P&B targets and Employees of Subsidiaries: 75% of the PBT achievement of the respective business units against annual P&B targets
Exercise Period	5 years from the Date of Vesting	5 years from the Date of Vesting	5 years from the Date of Vesting	5 years from the Date of Vesting
Grant Date	07.11.2022 02.02.2023, 15.03.2023	07.11.2022	02.02.2023	15.03.2023
Grant/Exercise Price (₹ Per Share)	10	124.2	136.5	145

Details of Activities in the Plan as on 31st March 2023

Instrument	RSU	ESOP
Options/RSUs Outstanding at beginning of the year	–	–
Granted during the year	6,360,714	13,954,991
Exercised during the year	–	–
Lapsed during the year	–	–
Options/RSUs Outstanding at the end of the year	6,360,714	13,954,991
Options/RSUs unvested at the end of the year	6,360,714	13,954,991
Options/RSUs exercisable at the end of the year	–	–

Fair Valuation

The fair value of the options used to compute proforma net profit and earnings per share has been done by an independent valuer on the date of grant using Black-Scholes Merton Formula. The key assumptions and the Fair Value are as:

Features	LTIP 1	LTIP 2
Instrument	RSU	ESOP
Risk-Free Interest Rate (%)	7.3%-7.6%	7.3%-7.6%
Option Life (Years)	5.5	4.5 to 5.5
Expected Volatility	40.4% to 41.4%	40.4% to 42.7%
Expected Dividend Yield (%)	0.00%	0.00%
Weighted-Average Fair Value per Option (₹)	117.6 to 138.3	57.2 to 72.0

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Of Subsidiary Companies:

A) Aditya Birla Finance Limited (ABFL)

The Nomination and Remuneration Committee of the Company has approved the following grants to select senior level executives of the Company in accordance with the Stock Option Scheme. Details of grants are given as under:

As on 31st March 2023

Grant date	Exercise price (₹)	Fair Value of options	Options granted	Options vested and exercisable	Options unvested	Options exercised
05-11-2022	283.20	131.90	2,178,706	-	2,178,706	-
31-01-2023	283.20	141.10	10,169	-	10,169	-
			2,188,875	**-**	**2,188,875**	**-**

Grant date	Options cancelled	Options outstanding
05-11-2022	-	2,178,706
31-01-2023	-	10,169
	-	**2,188,875**

Weighted average fair value of stock options granted during the year is as follows:

Particulars	31st March 2023	31st March 2022
Scheme Name : ABFL Scheme 2022		
No. of options granted	2,188,875	-
Weighted average fair value (₹)	131.94	-

Following table depicts range of exercise prices and weighted average remaining contractual life:

As on 31st March 2023

For all grants	No. of options	Range of exercise prices (₹)	Weighted average exercise price (₹)	Weighted average remaining contractual life (years)
Outstanding at the beginning of the year	-	-	-	-
Granted during the year	2,188,875	283.20	283.20	2.11
Cancelled during the year	-	-	-	-
Exercised during the year	-	-	-	-
Outstanding at the end of the year	2,188,875	283.20	283.20	2.11
Exercisable at the end of the year	-	-	-	-

Method used for accounting for Share-Based payment plan:

The Company has used the fair value method to account for the compensation cost of stock options to employees. The fair value of options used are estimated on the date of grant using the Black-Scholes Model. The key assumptions used in Black-Scholes Model for calculating fair value as on the date of respective grants are:

Grant date	Life of Option (in Years)	Risk Free Rate	Dividend Yield	Volatility
05-11-2022	4.10	7.50%	0.70	36.3%
31-01-2023	3.80	7.40%	0.70	37.3%

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Features of ESOPs:

Grant date	05-Nov-22	31-Jan-23
Conversion	On exercise, 1 ESOP converts to 1 equity share of ABFL	On exercise, 1 ESOP, converts to 1 equity share of ABFL
Vesting date	50% each at the end of 2nd and 3rd year from Grant Date	50% each at the end of 2nd and 3rd year from Grant date
Additional condition	ESOPs can be exercise only once equity share of ABFL are listed on stock exchange	ESOPs can be exercise only once equity share of ABFL are listed on stock exchange
Exercise price (in INR) per ESOP	283.20	283.20
Exercise Period*	5 year from the date of vesting	5 year from the date of 1st grant i.e. 5th November 2022
Settlement	Settlement of equity shares of ABFL	Settlement in Equity shares of ABFL

* Exercise period as per management's assessment

B) Aditya Birla Housing Finance Limited (ABHFL)

Features of the ESOP's granted by ABHFL

Grant date	21-Oct-22	27-Jan-23
Conversion	On exercise, 1 ESOP converts to 1 equity share of ABHFL	On exercise, 1 ESOP, converts to 1 equity share of ABHFL
Vesting date	At the end of 3rd year from Grant Date	At the end of 3rd year from Grant Date
Exercise Period	5 Years from the Grant Date	5 Years from the Grant Date
Exercise price (in INR) per ESOP	37.20	37.20
Settlement	Settlement of equity shares of ABHFL	Settlement of equity shares of ABHFL

Grant Date	Exercise Price (₹)	Options Granted	Options vested & exercisable	Options unvested	Options exercised / cancelled	Options outstanding
21-10-2022	37.20	1,549,598	-	1,549,598	-	1,549,598
27-01-2023	37.20	183,379	-	183,379	-	183,379
Total		**1,732,977**	**-**	**1,732,977**	**-**	**1,732,977**

Weighted average fair value of options as follows:

Year ended 31st March 2023

Particulars	Year ended 31st March 2023		Year ended 31st March 2022	
Grant Date	21-10-2022	27-01-2023	-	-
No of Options granted	1,549,598.00	183,379.00	-	-
Weighted Average Fair value	34.60	36.50	-	-

C) Aditya Birla Money Limited

Stock Options granted under ABML – Employee Stock Option Scheme – 2014

The objective of the Employee Stock Options Scheme is to attract and retain talent, and align the interest of employees with Aditya Birla Money Limited (ABML), as well as to motivate them to contribute to its growth and profitability. The Company adopts Senior Executive Plan in granting Stock Options to its Senior Employees. (Employee Stock Option Scheme -2014)

During 2014 the Company had formulated the ABML Employee Stock Option Scheme -2014 (ABML ESOP Scheme -2014) with the approval of the shareholders at the Annual General Meeting dated 9th September 2014. The Scheme provides that the total number of options granted thereunder will be 2,770,000 and to follow the Market Value Method (Intrinsic Value) for valuation of the Options. Each option, on exercise, is convertible into one equity share of the Company having face value of '1 each. Subsequently, the Nomination and Remuneration Committee of the Board of Directors on 2nd December 2014 has granted 2,509,341 Stock Options to its eligible employees

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under the ABML ESOP Scheme – 2014 at an exercise price of ₹ 34.25/-. The Exercise Price was based on the latest available closing price, prior to the 2nd December 2014 (the date of grant by the Nomination and Remuneration Committee) on the recognised stock exchanges on which the shares of the Company are listed with the highest trading volume.

Summary of Stock Options granted under ABML ESOP Scheme – 2014 is as under	As at 31st March 2023
Options Granted on 2nd December 2015	2,509,341
Options Outstanding as on 1st April 2022	131,729
No. of Options Granted during the Year	Nil
Method of Accounting	Intrinsic Value
Vesting Plan	25% every year
Exercise Period	Within 5 years from the Date of Vesting of respective options
Grant/Exercise Price (₹ per Share)	₹ 34.25/-
Market Price as on the Date of the Grant	₹ 34.25/-(previous day closing price on the Recognised Stock Exchange)
Options Forfeited/Lapsed during the Year	Nil
Options Exercised during the Year	-77,884
Options Outstanding as at 31st March 2023	53,845

Summary of Stock Options granted under ABML ESOP Scheme – 2014 is as under	As at 31st March 2022
Options Granted on 2nd December 2015	2,509,341
Options Outstanding as on 1st April 2021	520,312
No. of Options Granted during the Year	Nil
Method of Accounting	Intrinsic Value
Vesting Plan	25% every year
Exercise Period	Within 5 years from the Date of Vesting of respective options
Grant/Exercise Price (₹ per Share)	₹ 34.25/-
Market Price as on the Date of the Grant	₹ 34.25/-(previous day closing price on the Recognised Stock Exchange)
Options Forfeited/Lapsed during the Year	(3,14,942)
Options Exercised during the Year	(73,641)
Options Outstanding as at 31st March 2022	131,729

The vesting period in respect of the options granted under ABML ESOP Scheme – 2014 is as follows:

Sr. No	Vesting Date	% of Options that shall vest
1	12 months from the date of grant	25% of the grant
2	24 months from the date of grant	25% of the grant
3	36 months from the date of grant	25% of the grant
4	48 months from the date of grant	25% of the grant

ABML has granted options to the eligible employees at an exercise price of ₹ 34.25 per share being the latest market price as per SEBI ESOP Regulations. In view of this, there being no intrinsic value (being the excess of the market price of share under ESOP over the exercise price of the option), on the date of grant, the ABML is not required to account the accounting value of option as per SEBI ESOP Regulations.

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The key assumptions are as under:

Risk-Free Interest Rate (%)	8.13%
Expected Life (No. of Years)	5 years
Expected Volatility (%)	54.26%
Dividend Yield	-
Weighted-Average Fair Value per Option	₹ 34.25/-

ABCL Incentive Plan 2017

The Scheme titled as "ABCL Incentive Scheme for Stock Options and Restricted Stock Units – 2017 (ABCL Incentive Scheme)" was approved by the shareholders through postal ballot on 10th April 2017. The Nomination, Remuneration and Compensation Committee of the Company at its meeting held on 15th January 2018, granted 1,465,927 ESOPs and 252,310 Restricted Stock Units (RSUs) (Collectively called as "Stock Options") to the eligible grantees pursuant to the Composite Scheme of Arrangement between erstwhile Aditya Birla Nuvo Limited (now merged with Grasim Industries Limited), Grasim Industries Limited and Aditya Birla Capital Limited. The Stock Options allotted under the Scheme are convertible into equal number of Equity Shares.

The vesting conditions and the vesting dates under the ABCL Incentive Scheme shall follow the same vesting conditions, as applicable to the Grantees under the corresponding Grasim Employee Benefit Schemes 2006 and 2013.

Particulars	ABCL Incentive Scheme	
	Options	RSUs
Plan Period	As per Grasim Employee Benefits Schemes 2006 and 2013.	
Quantum of Grant	1,465,927	252,310
Method of Accounting	Fair Value	Fair Value
Vesting Period	The Options and RSUs shall deemed to have been vested from the original date of grant under the Grasim ESOP Schemes 2006 and 2013, and shall be subject to a minimum vesting period of one year from the date of original grant and would vest not earlier than one year and not later than five years from the date of grant of Options and RSUs or such other period as may be determined by the Nomination, Remuneration and Compensation Committee.	
Vesting Condition(s)	Achievement of threshold level of budgeted annual performance target	
Exercise Period	5 years from the Date of Vesting	5 years from the Date of Vesting
Grant Date	15th January 2018	15th January 2018
Grant / Exercise Price (₹ Per Share)	10	10

Re-granted during the Financial Year - 2020-2021 to the eligible employees of the Company and its Subsidiaries, the details of which are given hereunder:

Particulars	Options
Plan Period	2020-2021
Quantum of Grant	25,585
Method of Accounting	Fair Value
Vesting Period	One year from the Date of Grant
Vesting Condition(s)	Achievement of threshold level of budgeted annual performance target
Exercise Period	5 years from the Date of Vesting
Grant Date	5th March 2021
Grant/Exercise Price (₹ Per Share)	10

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Details of Activities in the Plan

Particulars	ABCL Incentive Scheme			
	31st March 2023		31st March 2022	
	Options	RSUs	Options	RSUs
Options/RSUs Outstanding at the beginning of the year	196,035	3,418	385,721	113,447
Granted during the year	–	–	–	–
Exercised during the year	–	–	189,686	110,029
Lapsed during the year	–	–	–	–
Options/RSUs Outstanding at the end of the year	196,035	3,418	196,035	3,418

4.6 OPERATING SEGMENTS

4.6.1 For management purposes, details of Products/Services included in each of the Segments are as under:

Viscose	– Fiber and Yarn
Chemicals	– Chlor-Alkali, Specialty Chemicals and Chlorine Derivatives
Cement	– Grey Cement, White Cement and Allied Products
Financial Services	– Non-Bank Financial Services, Life Insurance Services, Asset Management (AMC), Housing Finance, Equity Broking, Wealth Management, General Insurance Advisory and Health Insurance
Others	– This segment represents remaining businesses of the Group which are not part of the above segments, which mainly represents Textiles, Insulators, Paints, B2B E-commerce and Solar Power business

4.6.2 Segment Measures

The Chief Operating Decision Maker ("CODM") primarily uses Earnings Before Interest, Tax, Depreciation and Amortisation ("EBITDA") as performance measure to assess segment's performance and periodically receives information about the Segment's Revenue, Assets and Liabilities.

During the year, in line with the review process adopted by Chief Operating Decision Maker, the Company has changed its segment disclosure related to the segment's performance measure as per Ind AS 108 - Operating Segments. EBITDA is considered to be the revised measure of segment performance. However, assets pertaining to the segments are considered as part of the segment assets. The corresponding segment information of previous periods has been restated accordingly.

(i) Segment Profit and Loss

Segment's performance is measured based on Segment EBITDA for all the Segments, except for the 'Financial Services' Segment, where finance cost is considered as part of its operations.

(ii) Segment Revenue

For all the segments, the segment revenue is measured in the same way as measured in the Statement of Profit and Loss.

(iii) Segment Assets

Segment assets are allocated based on the operations of the segment. However, certain assets like 'Investments', 'Current Tax Assets' and 'Deferred Tax Assets' are not considered to be segment assets, since these are being monitored at corporate level, accordingly, forms part of corporate/unallocated assets.

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(iv) Segment Liabilities

Segment liabilities are allocated based on the operations of the segment. Certain liabilities identified below are not considered to be part of segment liabilities, since those liabilities are managed at corporate level, accordingly, forms part of corporate/ unallocated liabilities:

Segment Liabilities exclusions: 'Current Tax Liabilities', 'Deferred Tax Liabilities' and 'Borrowings', except in case of 'Financial Services' Segment, where Borrowings forms part of its routine operations.

Information about Operating Segments for the year ended 31st March 2023:

₹ in crore

	Viscose	Chemicals	Cement	Financial Services	Others	Eliminations	Total
REVENUE							
Sales (As reported)	15,126.76	8,773.43	63,224.42	27,348.09	3,154.38	–	1,17,627.08
Sales (Inter-Segment)	21.82	1,648.25	15.56	17.08	77.85	(1,780.56)	–
Total Revenue (Note 3.1)	**15,148.58**	**10,421.68**	**63,239.98**	**27,365.17**	**3,232.23**	**(1,780.56)**	**1,17,627.08**
RESULTS							
Segment Results (EBITDA)	**1,031.27**	**2,271.47**	**11,122.93**	**5,603.40**	**290.06**	**–**	**20,319.13**
Unallocated Corporate Income/ (Expenses)							158.51
Earnings Before Interest, Tax, Depreciation and Amortisation							**20,477.64**
Finance Costs							(1,320.27)
Depreciation and Amortisation							–
- Allocated to segments	**(585.20)**	**(383.57)**	**(2,887.99)**	**(491.98)**	**(173.79)**	**–**	**(4,522.53)**
- Unallocated	–	–	–	–	–	–	(29.06)
Profit Before Exceptional Items and Tax							**14,605.78**
Exceptional Items (Note 3.11)	(88.03)	–	–	–	–	–	(88.03)
Profit Before Tax and Share in Profit/(Loss) of Equity Accounted Investees							**14,517.75**
Share in Profit/(Loss) of Joint Ventures and Associates (Allocable to Operating Segments)	**(86.89)**	**–**	**3.53**	**260.26**	**(9.63)**	**–**	**167.27**
Share in Profit/(Loss) of Joint Ventures and Associates (Unallocable)	–	–	–	–	–	–	41.69
Profit Before Tax							**14,726.71**
Current Tax							3,432.67
Deferred Tax							215.84
Profit for the Year before Non-Controlling Interest							**11,078.20**
Less: Non-Controlling Interest							(4,250.94)
Profit for the Year from Continuing Operations							**6,827.26**
OTHER INFORMATION							
Segment Assets	**13,413.83**	**8,635.55**	**92,411.58**	**1,89,519.12**	**9,359.34**	**(332.28)**	**3,13,007.14**

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₹ in crore

	Viscose	Chemicals	Cement	Financial Services	Others	Eliminations	Total
Investments in Associates/Joint Ventures (allocable to Operating Segments)	**1,122.82**	**–**	**823.66**	**8,787.64**	**44.63**		**10,778.75**
Investments in Associates/Joint Ventures (Unallocable)							238.09
Unallocated Corporate Assets							13,181.05
Total Assets							**3,37,205.03**
Segment Liabilities	**3,645.45**	**1,898.16**	**20,845.90**	**1,58,563.53**	**1,994.95**	**(12.29)**	**1,86,935.70**
Unallocated Corporate Liabilities							27,356.51
Total Liabilities							**2,14,292.21**
Additions to Non-Current Assets	**932.65**	**1,218.17**	**6,152.78**	**458.52**	**3,693.47**	**(7.15)**	**12,448.44**
Unallocated Corporate Capital Expenditure							82.13
Total Additions Non-Current Assets							**12,530.57**
Significant Non-Cash Expenses other than Depreciation and Amortisation (Allocable)	**88.03**	**–**	**–**	**–**	**–**	**–**	**88.03**

(i) 'Finance cost exclude finance cost of ₹ 4,723.46 crore on financial services business, since it is considered as an expense for deriving segment result.

(ii) Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

Information about Operating Segments for the year ended 31st March 2022:

₹ in crore

	Viscose	Chemicals	Cement	Financial Services	Others	Eliminations	Total
REVENUE							
Sales (As reported)	12,191.70	6,574.30	52,585.97	22,087.24	2,261.92	–	95,701.13
Sales (Inter-Segment)	18.15	1,313.58	12.86	7.10	59.52	(1,411.21)	–
Total Revenue (Note 3.1)	**12,209.85**	**7,887.88**	**52,598.83**	**22,094.34**	**2,321.44**	**(1,411.21)**	**95,701.13**
RESULTS							
Segment Results (EBITDA)	**1,721.20**	**1,533.90**	**12,022.16**	**2,068.55**	**330.37**	**–**	**17,676.18**
Unallocated Corporate Income/(Expenses)							96.23
Earnings Before Interest, Tax, Depreciation and Amortisation							**17,772.41**
Finance Costs							(1,295.70)
Depreciation and Amortisation							
- Allocated to segments	(474.93)	(330.22)	(2,714.75)	(473.91)	(153.34)	–	(4,147.15)
- Unallocated	–	–	–	–	–	–	(13.92)
Profit Before Exceptional Items and Tax							**12,315.64**
Exceptional Items (Note 3.11)	(69.11)	–	–	–	–	–	(69.11)
Profit Before Tax and Share in Profit/(Loss) of Equity Accounted Investees							**12,246.53**

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₹ in crore

	Viscose	Chemicals	Cement	Financial Services	Others	Eliminations	Total
Share in Profit of Joint Ventures and Associates (Allocable to Operating Segments)	31.44	–	0.02	328.43	(1.14)	–	358.75
Share in Profit/(Loss) of Joint Ventures and Associates (Unallocable)							21.58
Profit Before Tax							**12,626.86**
Current Tax							1,954.40
Deferred Tax							(18.09)
Profit for the Year before Non-Controlling Interest							**10,690.55**
Less: Non-Controlling Interest							(3,588.18)
Profit for the Year from Continuing Operations							**7,102.37**
OTHER INFORMATION							
Segment Assets	**12,873.84**	**7,704.95**	**85,690.55**	**153,499.05**	**4,812.24**	**(87.66)**	**264,492.97**
Investment in Associates/Joint Ventures (Allocable to Operating Segments)	**1,206.33**	**–**	**7.41**	**5,606.54**	**33.50**	**–**	**6,853.78**
Investment in Associates/Joint Ventures (Unallocable)							196.39
Unallocated Corporate Assets							17,851.69
Total Assets							**289,394.83**
Segment Liabilities	**4,171.19**	**1,890.40**	**17,159.50**	**123,718.42**	**1,203.85**	**(12.08)**	**148,131.28**
Unallocated Corporate Liabilities							25,088.84
Total Liabilities							**173,220.12**
Additions to Non-Current Assets	**1,184.28**	**700.78**	**6,152.25**	**332.50**	**1,047.30**	**(35.59)**	**9,381.52**
Unallocated Corporate Capital Expenditure							10.88
Total Additions Non-Current Assets							9,392.40
Significant Non-Cash Expenses other than Depreciation and Amortisation (Allocable)	**69.11**	**–**	**–**	**–**	**–**	**–**	**69.11**

(i) 'Finance cost exclude finance cost of ₹ 3,480.30 crore on financial services business, since it is considered as an expense for deriving segment result.

(ii) Transfer prices between operating segments are on an arm's length basis in a manner similar to transactions with third parties.

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4.6.3 Geographical Segments

The Company's operating facilities are located in India.

₹ in crore

		Year Ended 31st March 2023	Year Ended 31st March 2022
(a)	**Segment Revenues**		
	India (Country of Domicile)	112,179.42	89,902.75
	Rest of the World	5,447.66	5,798.38
	Total	**117,627.08**	**95,701.13**
(b)	**Addition to Non-Current Assets**		
	India (Country of Domicile)	12,530.57	9,392.40
	Rest of the World	-	-
	Total	**12,530.57**	**9,392.40**

4.6.4 The Carrying Amount of Non-Current Operating Assets by location of Assets:

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Non-Current Assets $		
India	104,197.44	96,465.57
Rest of the World	2,752.83	2,492.94
Total	**106,950.27**	**98,958.51**

$ Non-current assets exclude Financial Assets, Equity Accounted Investees, Deferred Tax Assets and Non-Current Tax Assets

4.6.5 Information about Major Customers

No Single customer represents 10% or more of the Group's total Revenue for the year ended 31st March 2023 and the year ended 31st March 2022.

4.7 RELATED PARTY TRANSACTIONS:

4.7.1 Related Parties with whom Transactions have taken place during the Year:

Parties	Relationship
AV Group NB Inc, Canada	Joint Venture
Birla Jingwei Fibres Company Limited	Joint Venture
Aditya Group AB, Sweden	Joint Venture
AV Terrace Bay Inc, Canada	Joint Venture
Aditya Birla Elyaf Sanayi Ve Ticaret Anonim Sirketi, Turkey	Joint Venture
Aditya Birla Power Composites Limited	Joint Venture
Bhubaneswari Coal Mining Limited	Joint Venture
Bhaskarpara Coal Company Limited	Joint Venture
Aditya Birla Wellness Private Limited	Joint Venture
Aditya Birla Sun Life Trustee Company Private Limited	Joint Venture
Birla Advanced Knits Private Limited - w.e.f. 14th July 2021	Joint Venture
Aditya Birla Health Insurance Co. Limited - w.e.f. 21st October 2022	Joint Venture
Aditya Birla Science and Technology Company Private Limited	Associate
Madanpur (North) Coal Company Private Limited	Associate
Waacox Energy Private Limited (ceased to be associate w.e.f. 5th July 2021 and became wholly-owned subsidiary of ABREL)	Associate
Renew Surya Uday Private Limited	Associate
Aditya Birla Sun Life AMC Limited - w.e.f. 7th October 2021	Associate
Greenyana Sunstream Private Limited- w.e.f. 26th May 2022	Associate
Ras Al Khaimah Co. for White Cement & Construction Materials P.S.C U.A.E (RAKW) W.e.f. 15th April 2022	Associate
Dr. Santrupt Misra - Non-Executive Director	Key Management Personnel
Dr. Thomas M. Connelly, Jr. - Independent Director	Key Management Personnel
Shri Adesh Kumar Gupta- Independent Director- w.e.f. 24th May 2021	Key Management Personnel
Shri Cyril Shroff - Independent Director	Key Management Personnel
Shri N. Mohan Raj - Independent Director	Key Management Personnel
Shri Raj Kumar- Non-Executive Director- w.e.f. 12th November 2021	Key Management Personnel
Shri V. Chandrasekaran- Independent Director- w.e.f. 24th May 2021	Key Management Personnel
Shri Vipin Anand - Non-Executive Director - upto 14th October 2021	Key Management Personnel
Shri Arun Thiagarajan - Independent Director- upto 6th May 2021	Key Management Personnel
Smt. Anita Ramachandran - Independent Director	Key Management Personnel
Shri Ashish Adukia - CFO - upto 14th August 2022	Key Management Personnel
Smt. Rajashree Birla - Non-Executive Director	Key Management Personnel
Shri Pavan Jain - CFO - w.e.f. 15th August 2022	Key Management Personnel
Shri O.P. Rungta- Independent Director - upto 24th May 2021	Key Management Personnel
Shri Dilip Gaur - Managing Director - upto 30th November 2021	Key Management Personnel
Shri Kumar Mangalam Birla - Non-Executive Director	Key Management Personnel
Shri Shailendra K Jain - Non-Executive Director - upto 1st February 2023	Key Management Personnel
Shri Harikrishna Agrawal-Managing Director w.e.f. 1st December 2021	Key Management Personnel
Ms. Ananyashree Birla - Non-Executive Director- w.e.f. 6th February 2023	Key Management Personnel
Shri Aryaman Vikram Birla - Non-Executive Director- w.e.f. 6th February 2023	Key Management Personnel
Shri Yazdi Piroj Dandiwala - Independent Director- w.e.f. 6th February 2023	Key Management Personnel
Grasim Industries Limited - Employees Provident Fund	Post-Employment Benefit Plan
Jayshree Provident Fund Institution	Post-Employment Benefit Plan
Century Rayon Employees Provident Fund Trust 1 & 2	Post-Employment Benefit Plan
Grasim Industries Limited - Employees Gratuity Fund	Post-Employment Benefit Plan
UltraTech Cemco Provident Fund	Post-Employment Benefit Plan
Grasim (Senior Executive & Officers) Superannuation Scheme	Post-Employment Benefit Plan
Birla Group Holding Private Limited	Other Related Parties in which Directors are interested
Birla Carbon India Private Limited	Other Related Parties in which Directors are interested
Birla Research Institute for Applied Sciences	Other Related Parties in which Directors are interested
Aditya Birla Management Corporation Private Limited #	Other Related Parties in which Directors are interested
Shardul Amarchand Mangaldas & Co.	Other Related Parties in which Directors are interested
Cyril Amarchand Mangaldas & Co.	Other Related Parties in which Directors are interested
Aditya Birla Health Service Private Limited	Other Related Parties in which Directors are interested
Birla Institute of Technology and Science Company	Other Related Parties in which Directors are interested
Grasim Jana Kalyan Trust	Other Related Parties in which Directors are interested
Jayashree Charity (1962) Trust, Kolkata	Other Related Parties in which Directors are interested
Kalyan Charity Trust, Shahad	Other Related Parties in which Directors are interested
Aditya Birla Education Trust	Other Related Parties in which Directors are interested
Birla Management Centre Services Private Limited- w.e.f. 3rd August 2022	Other Related Parties in which Directors are interested
Aditya Birla New Age Private Limited	Other Related Parties in which Directors are interested
Mulla & Mulla & Craigie Blunt & Caroe- w.e.f. 6th February 2023	Other Related Parties in which Directors are interested
M/s Shailendra K. Jain & Co. - upto 1st February 2023	Other Related Parties in which Directors are interested
Shri Suvrat Jain - upto 1st February 2023	Relatives of KMP
Shri Devarat Jain - upto 1st February 2023	Relatives of KMP

$ The Company is a member of Aditya Birla Management Corporation Private Limited (ABMCPL), a company limited by guarantee formed for the purpose of its members to mutually avail and share common facilities, expertise and other support on an arm's length basis.

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Terms and Conditions of Transaction with Related Parties

The transactions with related parties are made in the normal course of business and on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest-free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. The below transactions are as per the approval of the Audit Committee. The Group has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

4.7.2 Disclosure of Related Party Transactions:

₹ in crore

	Particulars	Year ended 31st March 2023	Year ended 31st March 2022
(a)	**Revenue from Contract with Customers**		
	Birla Jingwei Fibres Company Limited	35.72	65.95
	Aditya Birla Sun Life AMC Limited*	164.88	120.56
	Aditya Birla Power Composites Limited	4.35	0.72
	Waacox Energy Private Limited	-	0.12
	Aditya Birla Management Corporation Private Limited	1.91	0.52
	Aditya Birla Health Insurance Co. Limited	3.42	-
	Birla Carbon India Private Limited	0.43	0.11
	Total	**210.71**	**187.98**
	* Includes dividend received of ₹ 156.27 crore (Previous Year ₹ 116.64 crore)		
(b)	**Interest and Other Income**		
	Aditya Birla Wellness Private Limited	0.41	0.82
	Aditya Birla Sun Life AMC Limited	6.64	0.59
	Aditya Birla Science & Technology Company Private Limited	2.49	1.73
	Birla Advanced Knits Private Limited	0.05	0.02
	AV Terrace Bay Inc, Canada	0.14	0.31
	Aditya Birla Management Corporation Private Limited	9.48	9.39
	Aditya Birla Power Composites Limited	3.30	3.03
	Aditya Birla Health Insurance Co. Limited	3.81	-
	Birla Carbon India Private Limited	0.05	0.25
	Total	**26.37**	**16.14**
(c)	**Dividend Paid**		
	Birla Group Holdings Private Limited	125.00	112.50
	Total	**125.00**	**112.50**
(d)	**Dividend Received**		
	Ras Al Khaimah Co. for White Cement & Construction Materials P.S.C U.A.E (RAKW)	0.30	-
	Total	**0.30**	**-**
(e)	**Contribution for CSR**		
	Aditya Birla Education Trust #	10.00	8.00
	Total	**10.00**	**8.00**
	# In Current year out-off ₹ 10 crore. ₹ 5.50 crore were spent and ₹ 4.50 crore were unspent and it has been subsequently transferred to separate Bank account.		
(f)	**Loans Provided**		
	Birla Advanced Knits Private Limited	5.00	5.00
	Aditya Birla Sun life AMC Limited	25.00	-
	Total	**30.00**	**5.00**

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₹ in crore

	Particulars	Year ended 31st March 2023	Year ended 31st March 2022
(g)	**Repayment Against Loans Provided**		
	Birla Advanced Knits Private Limited	5.00	5.00
	Aditya Birla Sun life AMC Limited	25.00	-
	Aditya Birla Science & Technology Company Private Limited	7.65	5.11
	Total	**37.65**	**10.11**
(h)	**Purchase of Goods and Services**		
	AV Group NB Inc, Canada	906.58	799.99
	Aditya Group AB, Sweden	857.11	586.00
	Birla Jingwei Fibres Company Limited*	(0.18)	(0.01)
	AV Terrace Bay Inc, Canada*	(0.04)	(0.02)
	Aditya Birla Wellness Private Limited	8.80	13.45
	Aditya Birla Sun Life AMC Limited	4.30	3.09
	Aditya Birla Science & Technology Company Private Limited	45.50	43.61
	Aditya Birla Power Composites Limited	0.09	-
	Birla Group Holdings Private Limited	0.05	0.21
	Aditya Birla Management Corporation Private Limited	671.86	551.16
	Birla Management Centre Services Private Limited	14.50	-
	Ras Al Khaimah Co. for White Cement & Construction Materials P.S.C, UAE	66.26	-
	Birla Research Institute for Applied Sciences	-	0.93
	Shardul Amarchand Mangaldas & Co.	0.02	0.09
	Cyril Amarchand Mangaldas & Co.	0.09	1.17
	Aditya Birla Health Service Private Limited	-	0.98
	Aditya Birla Health Insurance Co. Limited	1.31	-
	Birla Institute of Technology and Science Company	0.01	0.03
	Grasim Jana Kalyan Trust	-	0.10
	Jayashree Charity (1962) Trust, Kolkata	0.18	0.14
	Kalyan Charity Trust, Shahad	0.12	0.11
	Aditya Birla New Age Private Limited	0.07	-
	Renew Surya Uday Private Limited	20.67	3.14
	Shri Shailendra K. Jain	-	0.00
	Mulla & Mulla & Craigie Blunt & Caroe	0.11	-
	Greenyana Sunstream Private Limited	2.77	-
	Mr. Suvrat Jain	0.10	0.12
	Mr. Devrat Jain	-	0.02
	M/s Shailendra K. Jain & Co.	-	0.00
	Total	**2,600.28**	**2,004.29**
	* Recovery of Information Technology (IT) Expenses		
(i)	**Investments in Equity Shares**		
	Greenyana Sunstream Private Limited	6.27	-
	Renew Surya Uday Private Limited	14.51	15.31
	Birla Advanced Knits Private Limited	10.00	15.00
	Aditya Birla Power Composites Limited	-	5.18
	Total	**30.78**	**35.49**

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₹ in crore

	Particulars	Year ended 31st March 2023	Year ended 31st March 2022
(j)	**Contribution to Post-Employment Benefit Plans**		
	Grasim Industries Limited Employees' Provident Fund	19.92	16.71
	Jayshree Provident Fund Institution	6.03	4.38
	Indo Gulf Fertilizer Ltd. Employee Provident Fund Trust	–	1.08
	Century Rayon Employees Provident Fund Trust 1 & 2	10.01	8.87
	Grasim Industries Limited Employees' Gratuity Fund	47.93	54.57
	Grasim (Senior Executive & Officers) Superannuation Scheme	1.11	1.09
	UltraTech Cemco Provident Fund	62.50	54.79
	Total	**147.50**	**141.49**
(k)	**Deposits Given (Net)**		
	Aditya Birla Management Corporation Private Limited	–	(22.70)
	Aditya Birla Health Insurance Co. Limited	0.02	–
	Aditya Birla Sun Life AMC Limited	(0.86)	1.33
	Total	**(0.84)**	**(21.37)**
(l)	**Reimbursement /(Recovery) of expenses:**		
	Aditya Birla Sun Life AMC Limited	(53.91)	(46.40)
	Aditya Birla Wellness Private Limited	(0.21)	(0.17)
	Aditya Birla Power Composites Limited	(2.20)	(1.43)
	Aditya Birla Management Corporation Private Limited	3.78	8.00
	Aditya Birla Health Insurance Co. Limited	(27.89)	–
	Aditya Birla Science & Technology Company Private Limited	6.48	0.25
	Birla Jingwei Fibres Company Limited	–	(0.05)
	Birla Group Holdings Private Limited	0.18	–
	Birla Management Centre Services Private Limited	25.15	–
	Aditya Group AB, Sweden	0.20	–
	Total	**(48.42)**	**(39.80)**
(m)	**Purchases/(Sales) of Property, Plant and Equipment/Intangible Assets:**		
	Birla Research Institute for Applied Sciences	–	0.03
	Total	**–**	**0.03**
(n)	**Finance Cost**		
	Aditya Birla Health Insurance Co. Limited	0.75	–
	Aditya Birla Sun Life AMC Limited	0.81	–
	Total	**1.56**	**–**
(o)	**Payments to Key Management Personnel**		
	Managerial Remuneration Paid *	17.82	21.48
	Commission to Non-Executive Directors (KMPs)	3.70	4.00
	Sitting Fees to Directors	0.50	0.44
	Dividend to KMPs	1.29	1.66
	Total	**23.31**	**27.58**
	* Based on the recommendation of the Nomination, Remuneration and Compensation Committee, all decisions relating to the remuneration of the Directors are taken by the Board of Directors of the Company, in accordance with shareholders' approval, wherever necessary.		
	Compensation of Key Management Personnel of the Company*		
	Short-term Employee Benefits	14.01	15.79
	Post-Retirement Benefits	2.16	2.74
	Share-Based Payments	1.65	2.95
		17.82	**21.48**

* Expenses towards gratuity and leave encashment provisions are determined actuarially on an overall Company basis at the end of each year and, accordingly, have not been considered in the above information. The above information is disclosed only at the time of payment.

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Outstanding Balances

₹ in crore

	Particulars	As at 31st March 2023	As at 31st March 2022
(a)	**Other Current and Non-Current Liabilities (Financial and Non-Financial)**		
	Aditya Birla Sun Life AMC Limited	–	0.72
	Century Rayon Employees Provident Fund Trust 1 & 2	3.13	2.99
	Jayshree Provident Fund Institution	2.13	1.98
	Aditya Birla Health Insurance Co. Limited	11.96	–
	Aditya Group AB, Sweden	0.02	–
	Mulla & Mulla & Craigie Blunt & Caroe	0.03	–
	Aditya Birla Management Corporation Private Limited	34.33	76.67
	Total	**51.60**	**82.36**
(b)	**Trade Payables**		
	AV Group NB Inc, Canada	57.16	63.73
	Aditya Group AB, Sweden	6.91	32.81
	Aditya Birla Sun Life AMC Limited	4.88	5.72
	Aditya Birla Wellness Private Limited	0.03	2.57
	Aditya Birla Management Corporation Private Limited	0.59	0.17
	Birla Management Centre Services Private Limited	0.60	–
	Ras Al Khaimah Co. for White Cement & Construction Materials P.S.C, UAE	44.59	–
	Renew Surya Uday Private Limited	2.76	3.14
	Greenyana Sunstream Private Limited	0.16	–
	Jayashree Charity (1962) Trust, Kolkata	0.02	–
	Aditya Birla Science & Technology Company Private Limited	–	0.44
	Total	**117.70**	**108.58**
(c)	**Trade Receivables**		
	Birla Jingwei Fibres Company Limited	5.67	5.25
	Aditya Birla Power Composites Limited	3.05	1.94
	Aditya Birla Management Corporation Private Limited	0.01	0.02
	Aditya Birla Sun Life AMC Limited	8.42	2.91
	Aditya Birla Wellness Private Limited	0.02	0.03
	Birla Carbon India Private Limited	0.00	–
	Total	**17.17**	**10.15**
(d)	**Loans, Security Deposits and other Current Assets (Financial and Non-Financial) [Current and Non-Current]**		
	Aditya Birla Science & Technology Company Private Limited	30.00	37.37
	Birla Management Centre Services Private Limited	0.27	–
	Aditya Birla Power Composites Limited	5.29	–
	Bhaskarpara Coal Company Limited	2.49	2.49
	Aditya Birla Management Corporation Private Limited	46.24	41.61
	Aditya Birla Health Insurance Co. Limited	7.03	–
	Birla Group Holding Private Limited	7.37	7.37
	AV Group NB Inc, Canada	0.01	–
	AV Terrace Bay Inc, Canada	0.01	–
	Total	**98.71**	**88.84**

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₹ in crore

	Particulars	As at 31st March 2023	As at 31st March 2022
(e)	**Investment in Equity Accounted Investments (Note 2.6)**		
	Joint Ventures	4,383.32	1,410.17
	Associates	6,633.52	5,640.00
	Total	**11,016.84**	**7,050.17**
(f)	**Preference Shares**		
	Joint Ventures	85.56	84.16
	Total	**85.56**	**84.16**
(g)	**Corporate Guarantees**		
	Bhaskarpara Coal Company Limited	1.70	1.70
	Total	**1.70**	**1.70**

4.8 RETIREMENT BENEFITS

4.8.1 Defined Benefit Plans as per Actuarial Valuation:

Gratuity (Funded):

The Group operates gratuity plan through a trust for its all employees. The gratuity plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of service, whichever is earlier, of an amount equivalent to 15 to 30 days' salary for each completed year of service as per rules framed in this regard. Vesting occurs upon completion of five continuous years of service in accordance with Indian law. In case of majority of employees, the Group's scheme is more favourable as compared to the obligation under the payment of Gratuity Act, 1972.

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method as prescribed by the Ind AS-19 'Employee Benefits', which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measure each unit separately to build up final obligation.

Inherent Risk:

The plan is defined benefit in nature, which is sponsored by the Group, and, hence, it underwrites all the risks pertaining to the plan. In particular, this exposes the Group to actuarial risk such as adverse salary growth, changes in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to employees in future. Since the benefits are lump sum in nature, the plan is not subject to any longevity risk.

Pension:

The Group provides pension to few retired employees as approved by the Board of Directors of the Company.

Post-Retirement Medical Benefits:

The Group provides post-retirement medical benefits to certain ex-employees, who were transferred under the Scheme of Arrangement for acquiring Larsen & Toubro cement business, and eligible for such benefits from earlier Company.

Inherent Risk:

The plan is of a defined benefit in nature, which is sponsored by the Group, and, hence, it underwrites all the risks pertaining to the plan. In particular, there is a risk for the Group that any adverse increase in salary increases for serving employees/pension increase for pensioners or adverse demographic experience can result in an increase in the cost of providing these benefits to employees in future. In this case, the pension is paid directly by the Group (instead of pension being bought out from an insurance company) during the lifetime of the pensioners/beneficiaries and, hence, the plan carries the longevity risks.

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4.8.1.1 Gratuity and Pension:

(₹ in crore)

		Gratuity				Pension and Post- Retirement Medical Benefits			
		Funded	Others	Funded	Others	Pension	Post-Retirement Medical Benefits	Pension	Post-Retirement Medical Benefits
		As at 31st March 2023		As at 31st March 2022		As at 31st March 2023		As at 31st March 2022	
(i)	**Reconciliation of Present Value of the Obligation:**								
	Opening Defined Benefit Obligation	1,530.47	32.97	1,471.69	32.50	35.18	0.56	39.08	0.56
	Adjustments of:								
	Current Service Cost	120.88	3.48	117.36	3.65	–	–	4.66	-
	Past Service Cost	–	(1.47)	1.33	0.25	–	–	–	-
	Interest Cost	98.55	1.24	95.35	1.22	2.36	0.04	2.51	0.04
	Actuarial Loss/(Gain)	(30.59)	(3.85)	17.39	(1.73)	1.82	(0.03)	(2.20)	0.02
	Liabilities Assumed on Acquisition/ (Settled on Divestiture)	(1.10)	–	(0.55)	-	–	–	-	-
	Adjustment- On Account of Conversion of ABHI from Subsidiary to JV	(12.16)	–	-	-	–	–	-	-
	Foreign Currency Fluctuation	–	2.17	–	1.09	–	–	–	-
	Liability related to Discontinued operations	–	–	(48.04)	-	–	–	-	-
	Benefits Paid	(120.21)	(4.94)	(124.06)	(4.01)	(5.62)	(0.06)	(8.86)	(0.06)
	Closing Defined Benefit Obligation	1,585.84	29.60	1,530.47	32.97	33.74	0.51	35.18	0.56
(ii)	**Reconciliation of Fair Value of the Plan Assets:**								
	Opening Fair Value of the Plan Assets	1,659.93	–	1,581.44	-	–	–	-	-
	Adjustments of:								
	Return on Plan Assets	106.57	–	102.10	-	–	–	-	-
	Actuarial Gain/(Loss)	1.43	–	22.37	-	–	–	-	-
	Contributions by the Employer	98.82	–	125.55	-	5.62	0.06	8.86	0.06
	Adjustment- On Account of Conversion of ABHI from Subsidiary to JV	(9.32)	–	-	-	–	–	-	-
	Liability related to Discontinued operations	–	–	(48.04)	-				
	Benefits Paid	(118.21)	–	(123.49)	-	(5.62)	(0.06)	(8.86)	(0.06)
	Closing Fair Value of the Plan Assets	1,739.22	–	1,659.93	-	–	–	-	-
(iii)	**Net Liabilities/(Assets) recognised in the Balance Sheet:**								
	Present Value of the Defined Benefit Obligation at the end of the year	1,585.84	29.60	1,530.47	32.97	33.74	0.51	35.18	0.56
	Fair Value of the Plan Assets	1,739.22	–	1,659.93	-	–	–	-	-
	Amount not recognised due to Asset Ceiling	(2.50)	–	(0.82)	-				
	Net Liabilities/(Assets) recognised in the Balance Sheet	(150.88)	29.60	(128.64)	32.97	33.74	0.51	35.18	0.56

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(₹ in crore)

	Gratuity				Pension and Post- Retirement Medical Benefits			
	Funded	Others	Funded	Others	Pension	Post-Retirement Medical Benefits	Pension	Post-Retirement Medical Benefits
	As at 31st March 2023		As at 31st March 2022		As at 31st March 2023		As at 31st March 2022	
(iv) Change in Asset Ceiling								
Remeasurement due to change in surplus/deficit	(2.50)	–	(0.82)	-	–	–	-	-
Balance at the end of the year	(2.50)	–	(0.82)	-	–	–	-	-
(v) Amount recognised in Salary and Wages under Employee Benefits Expense in the Statement of Profit and Loss:								
Current Service Cost	120.88	3.48	117.36	3.65	–	–	4.66	-
Past Service Cost	–	(1.47)	1.33	0.25	–	–	-	-
Interest on Defined Benefit Obligations (Net)	97.44	1.24	95.38	1.22	2.36	0.04	2.51	0.04
Expected Return on Plan Assets	(106.60)		(102.13)					
Net Cost	111.72	3.25	111.94	5.12	2.36	0.04	7.16	0.04
Capitalised as Pre-Operative Expenses in respect of Projects and other Adjustments	(0.96)	–	(1.83)	-	–	–	-	-
Amount Recovered from Joint Venture Companies	(0.24)	–	(0.42)	-	–	–	-	-
Net Charge to the Statement of Profit and Loss *	110.52	3.25	109.69	5.12	2.36	0.04	7.16	0.04
*Charge towards Discontinued Operations included in above	–	–	2.01	-	–	–	-	-
(vi) Amount recognised in Other Comprehensive Income (OCI) for the Year:								
Changes in Financial Assumptions	(59.51)	(3.77)	(0.29)	(2.91)	(0.85)	(0.02)	(0.50)	0.01
Changes in Demographic Assumptions	(1.56)	–	(35.63)	-	–	–	-	-
Experience Adjustments	29.87	(0.08)	53.31	0.50	2.67	(0.01)	(1.70)	0.01
Actual return on Plan Assets less Interest on Plan Assets	(0.22)	–	(21.39)	-	–	–	-	-
Adjustment of Past Service Cost	–	–	-	-	–	–	-	-
Adjustment to recognise the asset ceiling impact	1.63	–	(1.36)	-	–	–	-	-
Less: Amount recovered from Joint Venture Companies	0.40	–	0.49	-	–	–	-	-
Less: Amount transferred to policyholders Liability	–	–	-	-	–	–	-	-
Recognised in OCI for the year	(29.39)	(3.85)	(4.87)	(2.41)	1.82	(0.03)	(2.20)	0.02
(vii) Maturity Profile of Defined Benefit Obligation:								
Within next 12 months (next annual reporting period)	203.03	5.39	176.10	3.36	7.31	0.06	7.84	0.06
Between 1 and 5 years	536.37	7.06	492.88	7.39	21.55	0.23	24.23	0.24
Between 6 and 9 years	617.68	13.18	567.07	12.01	12.72	0.20	16.08	0.21
10 years and above	2,106.24	35.66	1,899.59	33.35	8.78	0.33	11.75	0.39

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(₹ in crore)

	Gratuity				Pension and Post- Retirement Medical Benefits			
	Funded	Others	Funded	Others	Pension	Post-Retirement Medical Benefits	Pension	Post-Retirement Medical Benefits
	As at 31st March 2023		As at 31st March 2022		As at 31st March 2023		As at 31st March 2022	
(viii) Quantitative Sensitivity Analysis for Significant Assumptions:								
Increase/(Decrease) on Present Value of Defined Benefit Obligation at the end of the year								
100 bps increase in Discount Rate	(128.58)	(8.57)	(131.83)	(6.30)	(0.92)	(0.03)	(1.02)	(0.03)
100 bps decrease in Discount Rate	140.78	8.60	145.86	6.67	0.98	0.03	1.08	0.03
100 bps increase in Salary Escalation Rate	138.39	8.58	109.29	6.26	–	–	-	-
100 bps decrease in Salary Escalation Rate	(124.11)	(8.32)	(97.66)	(5.94)	–	–	-	-
Increase in Life Expectancy by 1 year	–	–	-	-	0.84	–	0.98	-
Decrease in Life Expectancy by 1 year	–	–	-	-	(0.74)	–	(0.86)	-
(ix) The Major Categories of Plan Assets as a % of Total Plan:								
Government of India Securities	3%	N.A.	5%	N.A.	N.A.	N.A.	N.A.	N.A.
Corporate Bonds	1%	N.A.	0%	N.A.	N.A.	N.A.	N.A.	N.A.
Insurer Managed Funds	94%	N.A.	91%	N.A.	N.A.	N.A.	N.A.	N.A.
Others	2%	N.A.	4%	N.A.	N.A.	N.A.	N.A.	N.A.
Total	**100%**	**N.A.**	**100%**	**N.A.**	**N.A.**	**N.A.**	**N.A.**	**N.A.**
(x) Principal Actuarial Assumptions:								
Discount Rate	6.85% - 7.45%	4.44%-17.75%	5.60%-7.25%	2.72%-15%	7.25% - 7.45%	7.45%	6.70% - 7.05%	7.05%
Salary Escalation Rate	7.00%-10.00%	2.50%-11.00%	6.00%-10.00%	2.50%-10.00%	–	–	-	-
Mortality Tables	Indian Assured Lives (2012-14) mortality tables	GA 1983 Mortality table / UK Mortality Table AM92 [UK]	Indian Assured Lives (2012-14) mortality tables	GA 1983 Mortality table / UK Mortality Table AM92 [UK]	S1PA annuity rates adjusted suitably	S1PA annuity rates adjusted suitably	S1PA annuity rates adjusted suitably	S1PA annuity rates adjusted suitably
Retirement Age:								
Management	60 Yrs.	58-60 Yrs.	60 Yrs.	58-60 Yrs.	–	–	-	-
Non-Management	58 Yrs.		58 Yrs.		–	–	-	-
(xi) Weighted Average Duration of Defined Benefit obligation:	4 to 10 Yrs.	3-12 Yrs.	4 to 11 Yrs.	3-13 Yrs.	4 Yrs. to 5.5 Yrs.	5.3 Yrs.	5 Yrs. to 5.9 Yrs.	5.9 Yrs.

(xii) Basis Used to determine Discount Rate:

Discount rate is based on the prevailing market yields of Indian Government securities as at the Balance Sheet date, applicable to the period over which the obligation is expected to be settled.

(xiii) Asset – Liability Matching Strategy:

The money contributed by the Company to the fund to finance the liabilities of the plan has to be invested. The trustees of the plan are required to invest the funds as per the prescribed pattern of investments laid out in the Income Tax

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rules for such approved schemes. Due to the restrictions in the type of investments that can be held by the fund, it is not possible to explicitly follow an asset-liability matching strategy to manage risk actively.

There is no compulsion on the part of the Company to fully pre - fund the liability of the Plan. The Company's philosophy is to fund the benefits based on its own liquidity and tax position, as well as level of underfunding of the Plan.

(xiv) Salary Escalation Rate:

The estimates of future salary increase are considered taking into account inflation, seniority, promotion, increments and other relevant factors.

(xv) Sensitivity Analysis:

Sensitivity Analysis has been calculated to show the movement in defined benefit obligation in isolation, and assuming there are no other changes in the market condition at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analysis.

(xvi) The best estimate of the expected contribution for the next year amounts to ₹ 22.63 crore (Previous Year ₹ 22.42 crore).

(xvii) Compensated Absences:

The obligation for compensated absences is recognised in the same manner as gratuity, amounting to charge of ₹ 74.56 crore (Previous Year ₹ 86.21 crore). Compensated absences of Discontinued Operations were ₹ Nil (Previous Year ₹ 1.46 crore)

(xviii) Other Long-term Employee Benefits:

Amount recognised as expense for other long-term employee benefits is ₹ 1.05 crore (Previous Year ₹ 0.44 crore).

(xix) The details of the Company's Defined Benefit Plans in respect of the Company managed Provident Fund Trust:

Amount recognised as expense and included in the Note 3.6 as "Contribution-Company owned Provident Fund" is ₹ 96.86 crore (Previous Year ₹ 83.73 crore) and amount recognised as pre-operative expenses and included in note 2.1.5 as "Contribution-Company owned Provident Fund" is ₹ 1.60 crore (Previous Year ₹ 1.02 crore)

The actuary has provided for a valuation and based on the below provided assumption there is no interest shortfall as at 31st March 2023 (31st March 2022 : Nil).

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
(a) Plan Assets at Fair Value	3,762.45	3,415.95
(b) Present Value of Defined Benefit Obligation at year end	3,744.86	3,387.36
(c) Surplus Available	17.59	28.58
(d) Liability recognised in the Balance Sheet	-	-
(e) Assumptions used in determining the Present Value Obligation of interest rate guarantee under the Deterministic Approach		
- Discount Rate for the term of the Obligations	7.25%-7.45%	6.70%-6.85%
- Discount Rate for the remaining term of maturity of Investment Portfolio	7.36%-7.95%	6.43%-8.12%
- Average Historic Yield on Investment Portfolio	7.76%- 8.29%	7.98%- 8.42%
- Guaranteed Interest Rate	8.15%	8.10%

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(xx) Defined Contribution Plans:

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Amount recognised as an expense and included in Note 3.6 as "Contribution to Provident and Other Funds"	196.10	204.31
Amount recognised as pre-operative expense and included in Note 2.1.5 as "Contribution to Provident and Other Funds"	0.02	1.46
Total Contribution to Provident and Other Funds	196.12	205.77

Note: Contribution to Provident and Other Funds of Discontinued Operations were ₹ Nil for 31st March 2023 and ₹ 4.02 crore for 31st March 2022.

4.9 FINANCIAL INSTRUMENTS – DISCLOSURE, ACCOUNTING CLASSIFICATIONS AND FAIR VALUE MEASUREMENTS (IND AS 107)

A. Disclosure of Financial Instruments:

a. Equity Instruments (Other than Joint Ventures and Associates)

These investments have to be fair valued either through OCI or Profit and Loss. Investments in the Company have been designated on initial recognition to be measured at FVTOCI as these are strategic investments and are not intended for sale. However, few of the equity instruments held by the Subsidiary Companies have been designated to be measured at FVTPL as these investments are held for trading.

b. Debentures and Bonds

Investments in Debentures or Bonds meet the contractual cash flow test as required by Ind AS 109: Financial Instruments. However, the business model of the Company and is such that it does not hold these investments till maturity (except Financial Service business) as the Company intends to sell these investments as and when need arises. Hence, the same have been designated at FVTOCI and FVTPL.

c. Mutual Funds and Preference Shares Designated at FVTPL

Preference Shares and Mutual Funds have been measured at FVTPL as these financial assets do not pass the contractual cash flow test as required by Ind AS 109: "Financial Instruments", for being measured at amortised cost or FVTOCI, hence, classified at FVTPL.

B. Classification and Measurement of Financial Assets and Liabilities

₹ in crore

Particulars	As at 31st March 2023		As at 31st March 2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets at Amortised Cost				
Trade Receivables	5,921.92	5,921.92	5,429.36	5,429.36
Loans (including Loans related to NBFC/HFC Business)	93,213.20	93,213.20	66,201.13	66,201.13
Investments of Insurance Business	25,343.22	25,229.62	19,310.99	19,585.64
Other Investments	149.38	149.38	135.65	135.65
Cash and Bank Balances	3,713.38	3,713.38	3,252.55	3,252.55
Other Financial Assets	4,324.35	4,324.35	3,551.18	3,551.18
Re-insurance Assets	1,274.92	1,274.92	1,256.78	1,256.78
Other Investments: Fixed Deposits with financial institutions with maturity less than twelve months	119.09	119.09	337.04	337.04

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₹ in crore

Particulars	As at 31st March 2023		As at 31st March 2022	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets at Fair Value through Other Comprehensive Income				
Investments of Insurance Business	12,199.58	12,199.58	11,891.30	11,891.30
Other Investments	8,830.43	8,830.43	12,337.27	12,337.27
Financial Assets at Fair Value through Profit and Loss				
Investments of Insurance Business (including Investments of Assets Held to Cover Linked Liabilities)	33,387.12	33,387.12	32,249.60	32,249.60
Other Investments	14,309.63	14,309.63	13,454.10	13,454.10
Hedging Instruments				
Derivative Assets	509.35	509.35	423.80	423.80
Total	**203,295.57**	**203,181.97**	**169,830.75**	**170,105.40**
Financial Liabilities at Amortised Cost				
Non-Current Borrowings	66,712.46	65,958.35	46,545.96	46,751.84
Current Borrowings	34,635.46	34,635.46	26,457.29	26,457.29
Lease Liabilities	952.17	952.17	882.17	882.17
Supplier's Credit	–	–	183.40	183.40
Policyholders Liabilities	69,089.93	69,089.93	60,873.38	60,873.38
Trade Payables	13,353.27	13,353.27	11,393.44	11,393.44
Other Financial Liabilities	10,131.95	10,131.95	8,435.23	8,435.23
Financial Liabilities at fair value through Profit and Loss				
Lease Liabilities Payable in Foreign Currency	738.47	738.47	675.37	675.37
Hedging Instruments				
Derivative Liabilities	125.63	125.63	159.60	159.60
Total	**195,739.34**	**194,985.23**	**155,605.84**	**155,811.72**

C. Fair Value Measurements (Ind AS 113)

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Group uses the following hierarchy for determining and disclosing the fair value of financial instruments based on the input that is significant to the fair value measurement as a whole:

Level 1: This hierarchy uses quoted (unadjusted) prices in active markets for identical assets or liabilities. The fair value of all Equity Shares, which are traded in the stock exchanges is valued using the closing price at the reporting date.

Level 2: Category includes financial assets and liabilities measured using a valuation technique based on assumptions that are supported by prices from observable current market transactions. These include assets and liabilities for which pricing is obtained via pricing services, but where prices have not been determined in an active market, financial assets with fair values based on broker quotes and assets that are valued using the Group's own valuation models whereby the material assumptions are market observable. The majority of the Group's over-the-counter derivatives and several other instruments not traded in active markets fall within this category.

Level 3: Category includes financial assets and liabilities measured using valuation techniques based on non-market observable inputs. 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. However, the fair value measurement objective remains the same, that is, to estimate an exit price from the perspective of the Group. The main asset classes in this category are unlisted equity investments as well as unlisted funds.

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For assets and liabilities, which are measured at fair value as at Balance sheet date, the classification of fair value calculation by category is summarised below:

₹ in crore

Quantitative Disclosures Fair Value Measurement Hierarchy for Assets and Liabilities	Level 1	Level 2	Level 3	Total
As at 31st March 2023				
Financial Assets:				
1) Measured at Amortised Cost				
- Investments of Insurance Business	17,686.23	7,543.39	–	25,229.62
- Loans (incl. Loans related to NBFC/HFC business)	–	–	93,213.20	93,213.20
- Re-insurance Assets	–	–	1,274.92	1,274.92
- Other Investments (Non-Current): Fixed Deposits with financial institutions with maturity less than twelve months	–	268.47	–	268.47
2) Measured at Fair Value through Other Comprehensive Income				
- Investments of Insurance Business	5,912.60	6,286.13	0.86	12,199.58
- Other Investments in Debentures or Bonds	–	65.33	–	65.33
- Other Investments in Equity Instruments (other than Joint Ventures and Associates)	8,066.88	–	698.21	8,765.10
3) Measured at Fair Value through Profit and Loss				
- Investments of Insurance Business [including Investments of Assets Held to Cover Linked Liabilities]	23,329.15	10,057.97	–	33,387.12
- Other Investments in Mutual Funds, Debentures or Bonds and Private Equity Investment Funds	0.35	13,504.53	476.94	13,981.82
- Other Investments in Equity Instruments (other than Joint Ventures and Associates)	–	–	121.73	121.73
- Other Investments in Limited Liability Partnership	–	–	26.60	26.60
- Other Investments in Preference Shares	–	–	179.49	179.49
4) Hedging Instruments				
- Derivative Assets	–	509.35	–	509.35
Financial Liabilities:				
1) Measured at Amortised Cost				
- Non-Current Borrowings	–	23,021.12	42,937.23	65,958.35
- Policyholders Liabilities	30,507.41	–	38,582.52	69,089.93
2) Hedging Instruments				
- Derivative Liabilities	–	125.63	–	125.63
As at 31st March 2022				
Financial Assets:				
1) Measured at Amortised Cost				
- Investments of Insurance Business	12,328.52	7,257.12	–	19,585.64
- Loans (incl. Loans related to NBFC/HFC business)	–	25,584.25	40,616.88	66,201.13
- Re-insurance Assets	–	–	1,256.78	1,256.78
- Other Investments (Non-Current): Fixed Deposits with financial institutions with maturity less than twelve months	–	337.04	–	337.04
2) Measured at Fair Value through Other Comprehensive Income				
- Investments of Insurance Business	5,652.89	6,237.59	0.83	11,891.31
- Other Investments in Debentures or Bonds	–	87.49	–	87.49
- Other Investments in Equity Instruments (other than Joint Ventures and Associates)	11,586.40	–	663.38	12,249.78

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₹ in crore

Quantitative Disclosures Fair Value Measurement Hierarchy for Assets and Liabilities	Level 1	Level 2	Level 3	Total
3) Measured at Fair Value through profit and loss				
– Investments of Insurance Business [including Investments of Assets Held to Cover Linked Liabilities]	22,182.01	10,233.08	(165.49)	32,249.60
– Other Investments in Mutual Funds, Debentures or Bonds and Private Equity Investment Funds	0.45	12,848.74	382.10	13,231.29
– Other Investments in Equity Instruments (other than Joint Ventures and Associates)	–	–	53.28	53.28
– Other Investments in Limited Liability Partnership	–	–	26.60	26.60
– Other Investments in Preference Shares	–	–	142.94	142.94
4) Hedging Instruments				
– Derivative Assets	–	423.80	–	423.80
Financial Liabilities:				
1) Measured at Amortised Cost				
– Non-Current Borrowings	635.78	26,286.90	19,829.16	46,751.84
– Policyholders Liabilities	30,160.19	–	30,713.19	60,873.38
2) Hedging Instruments				
– Derivative Liabilities	–	159.60	–	159.60

The Management assessed that cash and bank balances, trade receivables, loans, trade payables, borrowings (cash credits, commercial papers, foreign currency loans, working capital loans) and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of loans, security deposits and investments in preference shares was calculated based on cash flows discounted using a current lending rate. They are classified as Level 3 fair value hierarchy due to inclusion of unobservable inputs including counter party credit risk.

During the year ended 31st March 2023 and 31st March 2022, there was no transfer between Level 1 and Level 2 fair value measurement.

4.9.1 Key Inputs for Level 1 and Level 2 Fair Valuation Technique:

1. Mutual Funds: Based on Net Asset Value of the Scheme (Level 2)
2. Debentures or Bonds: Based on market yield for instruments with similar risk/maturity, etc. (Level 2)
3. Listed Equity Investments (other than Joint Ventures and Associates): Quoted Bid Price on Stock Exchange (Level 1)
4. Derivative Liabilities: (Level 2)

(i) the fair value of interest rate swaps is calculated as per the present value of the estimated future cash flows based on observable yield curves and an appropriate discount factor.

(ii) the fair value of forward foreign exchange contracts is calculated as per the present value determined using forward exchange rates and interest rate curve of the respective currencies.

(iii) the fair value of foreign currency swap is calculated as per the present value determined using forward exchange rates, currency basis spreads between the respective currencies, interest rate curves and an appropriate discount factor.

(iv) the fair value of foreign currency option contracts is determined using the Black-Scholes Valuation Model.

(v) the fair value of commodity swaps is calculated as per the present value determined using the forward price and interest rate curve of the respective currency.

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4.9.2 Description of Significant Unobservable Inputs Used for Financial Instruments (Level 3)

The following table shows the valuation techniques and inputs used for financial instruments:

Investments in Preference Shares	Discounted Cash Flow Method using risk adjusted discount rate
Equity Investments - Unquoted (other than Joint Ventures and Associates)	Discounted Cash Flow Method using risk adjusted discount rate
Private Equity Investment Funds and Partnership Firms (LLP)	Price to Book Value Method
Long-Term Borrowings	Discounted Cash Flow Method using risk adjusted discount rate
Other Financial Instruments	Discounted Cash Flow Method using risk adjusted discount rate and expected gross recoveries

4.9.2.1 Relationship of Unobservable Inputs to Level 3 Fair Values (Recurring)

A. Equity Investments - Unquoted (Significant unobservable input being the average cost of borrowings to arrive at discount rate):

A 100 bps increase/decrease in the net worth, the carrying value of the shares would increase/decrease by ₹ 6.76 crore (as at 31st March 2022: decrease by ₹ 7.49 crore or increase by ₹ 7.82 crore using Weighted Average Cost of Capital (WACC) or discount rate used while all other variables were held constant).

B. Preference Shares (Significant unobservable input being the average cost of borrowings to arrive at discount rate):

A 100 bps increase/decrease in the discount rate used while all the other variables were held constant, the carrying value of the shares would decrease by ₹ 2.90 crore or increase by ₹ 2.94 crore (as at 31st March 2022: decrease by ₹ 5.06 crore or increase by ₹ 5.29 crore).

C. Financial Services Business

(i) Financial Assets related to Insurance Business

Particulars	Valuation Technique	Significant Unobservable Inputs	Range	Sensitivity of the Input to the Fair Value (₹ in crore)
As on 31st March 2023				
Private Equity Investment Funds	Price to Book Value Method	Valuation at 10% discount compare to peer group	0.45	6.20
Private Equity Investment Funds		Valuation at par with peer group	0.50	6.90
Private Equity Investment Funds		Valuation at 10% Premium compare to peer group	0.55	7.50
As on 31st March 2022				
Private Equity Investment Funds	Price to Book Value Method	Valuation at 10% discount compare to peer group	0.45	6.00
Private Equity Investment Funds		Valuation at par with peer group	0.50	6.60
Private Equity Investment Funds		Valuation at 10% Premium compare to peer group	0.55	7.28

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The table summarises the valuation techniques together with the significant unobservable inputs used to calculate the fair value of the ABCL's Level 3 assets and liabilities.

Relationships between unobservable inputs have not been incorporated in this summary.

Financial Assets related to other business	Level 3 assets 31st March 2023	Valuation Technique	Significant unobservable inputs
Equity Shares	3.09	Net worth of investee company	Instrument Price
Others	510.20	Discounted Projected Cash Flow	Expected Gross Recoveries & Discount rates

Financial Assets related to other business	Level 3 assets 31st March 2022	Valuation Technique	Significant unobservable inputs
Equity Shares	2.35	Net worth of investee company	Instrument Price
Others	382.09	Discounted Projected Cash Flow	Expected Gross Recoveries & Discount rates

(ii) Financial Assets related to Other Business of ABCL as at 31st March 2023

Financial Assets	31st March 2023		31st March 2022	
	Favourable changes (+5%)	Unfavourable changes (-5%)	Favourable changes (+5%)	Unfavourable changes (-5%)
Equity Shares	0.15	(0.15)	0.12	(0.12)
Others (Security Receipts, Alternate Funds, etc.)	25.51	(25.51)	19.10	(19.10)

4.9.3 The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values:

₹ in crore

Particulars	31st March 2023	31st March 2022
Opening Balances	**2,360.42**	**2,205.35**
Add: Purchase of Investments during the year	336.53	149.57
Add: Fair Value gain recognised in Other Income in the Statement of Profit and Loss	(16.01)	46.90
Add: Fair value loss recognised in OCI	35.01	54.48
Less: Movement in Other Current Asset of Insurance Business	165.49	(286.09)
Add: Movement of Re-insurance Assets	18.15	442.24
Less: Sale/(Redemption) of Investments	(120.84)	(252.03)
Closing Balances	**2,778.75**	**2,360.42**

4.10 FINANCIAL RISK MANAGEMENT OBJECTIVES (IND AS 107)

A Financial Risk Management and its Policies for Insurance Business

Risk Management Framework

Insurance Business has an Enterprise Risk Management (ERM) framework covering procedures to identify, assess and mitigate the key business risks. Aligned with the business planning process, the ERM framework covers all business risks including strategic risk, operational risks, investment risks and insurance risks. The key business risks identified are approved by the Board's Risk Management Committee and monitored by the Risk Management team thereafter. Insurance Business also has in place an Operational Risk Management (ORM) framework that supports excellence in business processes, system and facilitates matured business decisions to move to a proactive risk assessment, and is in the process of implementing the key operational risk components.

Insurance business recognises that information is a critical business asset, and that our ability to operate effectively and succeed in a competitive market depends on our ability to ensure that business information is protected adequately through appropriate controls and proactive measures. Accordingly, Insurance business has an information security framework that ensures all the information assets are safeguarded by establishing comprehensive management processes throughout the organisation.

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Insurance Business Investments Function is governed by the Investment Committee and the Asset Liability Management Committee, appointed by the Board of Directors. Investment Policy and Operating Guidelines laid down by the Board provide the framework for management and mitigation of the risks associated with investments. Asset Liability Policy and various Asset Liability Management (ALM) strategies are adopted to ensure adequate Asset Liability Management. These policies are reviewed at frequent intervals by the respective Board Committees and approved by the Board.

Insurance Business has a robust Business Continuity Framework to ensure resumption of time sensitive activities within the defined time frame at defined levels. Insurance Business is certified against ISO 22301 (Globally accepted standard on Business Continuity).

Insurance Business through its risk management policies has set up systems to continuously monitor its experience with regard to other parameters that affect the value of benefits offered in the products. Such parameters include policy lapses, premium persistency, maintenance expenses and investment returns.

ERM encompasses the following areas:

Governed by risk policies and operating guidelines approved by the Board Committee/Sub Committee of the Board

1. Risk identification
2. Risk response and risk management strategy
3. Risk monitoring, communication and reporting

a. Risk Policies

The following risk policies govern and implement effective risk management practices:

Product Design and Pricing Policy, Underwriting and Liability Management Policy, Re-insurance Ceded Policy, Capital Management Policy, Investment Policies, Dealing Room Policy, Broker Empanelment Policy, Valuation Policy, Information Security Policies, Internet and E-mail Usage Policy, Logical Access Security Policy, External Access Security Policy, Physical Access Security Policy, Business Continuity Policy, Operational Risk Management Policy, Fraud Reporting and Investigating Policy, Asset-Liability Management Policy, Outsourcing Policy and Anti-Money Laundering Policy.

b. Capital Management Objectives and Policies

Insurance Business has established the following capital management objectives, policies and approach to managing the risks that affect its capital position:

i) To maintain the required level of stability of the Company, thereby providing a degree of security to policyholders

ii) To allocate capital efficiently and support the development of business by ensuring that returns on capital employed meet the requirements of its capital providers and shareholders

iii) To retain financial flexibility by maintaining strong liquidity and access to a range of capital markets

iv) To align the profile of assets and liabilities taking account of risks inherent in the business

v) To maintain financial strength to support new business growth and to satisfy the requirements of the policyholders, regulators and stakeholders

vi) To maintain strong credit ratings and healthy capital ratios, in order to support its business objectives and maximise shareholders value

Insurance Business has met all of these requirements throughout the financial year. In reporting, financial strength, capital and solvency are measured using the rules prescribed by the Insurance Regulatory Authority of India (IRDAI). These regulatory capital tests are based upon required levels of solvency, capital and a series of prudent assumptions in respect of the type of business

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written. The company's Capital Management Policy for its Insurance and Non-Insurance Business is to hold sufficient capital to cover the statutory requirements based on the IRDAI directives.

c. Regulatory Framework

Regulators are primarily interested in protecting the rights of policyholders and monitor them closely to ensure that the Insurance Business is satisfactorily managing affairs for their benefits. At the same time, regulators are also interested in ensuring that the Company maintains an appropriate solvency position to meet unforeseeable liabilities arising from economic shocks or natural disasters. The operations of the Company are subject to regulatory requirements within the jurisdictions in which it operates.

Insurance and Financial Risk

The principal risk the group faces under insurance contracts is that the actual claims and benefit payments or the timing thereof, differ from expectations. This is influenced by the frequency of claims, severity of claims, actual benefits paid and subsequent development of long-term claims. Therefore, the objective of the group is to ensure that sufficient reserves are available to cover these liabilities.

The risk exposure is mitigated by diversification across a large portfolio of insurance contracts and geographical areas. The variability of risks is also improved by careful selection and implementation of underwriting strategy guidelines, as well as the use of reinsurance arrangements.

1. Life insurance contracts and investment contracts with and without Discretionary Participation Feature (DPF)

Ind AS 104 requires products offered by the Insurance Company to classify them in Insurance Contract and Investment Contract. Each contract needs to be classified in insurance contract and investment contract based on the risk they carry.

A contract would be an insurance contract and investment contracts with DPF if the benefit payable on death is higher by:

at least 5% of the fund value at any time during the life on the contract for unit linked products, or

at 5% of the premium at any time during the life of the contract for other than unit linked products

All other contracts are categorised as Investment Contracts.

For contracts with DPF, the participating nature of these contracts results in a significant portion of the insurance risk being shared with the insured party. For contracts without DPF, the Company charges for death and disability risks on a quarterly basis. Under these contracts the Company has the right to alter these charges to take account of death and disability experience, thereby mitigating the risks to the Company.

The main risks that the Group is exposed to are as follows:

i) **Persistency Risk –** risk of loss arising due to policyholder experiences (lapses and surrenders) being different than expected

ii) **Mortality Risk –** risk of loss arising due to policyholder death experience being different than expected

iii) **Morbidity Risk –** risk of loss arising due to policyholder health experience being different than expected

iv) **Longevity Risk –** risk of loss arising due to the annuitant living longer than expected

v) **Investment Return Risk –** risk of loss arising from actual returns being different than expected

vi) **Expense Risk –** risk of loss arising from expense experience being different than expected

vii) **Product and Pricing Risk –** risk of loss due to incorrect pricing or not adhering to the product regulations or higher payouts due to ambiguity in terms and conditions

viii) **Reinsurance Risk –** The Company enters into reinsurance agreements in order to mitigate insurance risk. However, this leads to default risk from the reinsurer at the time of claim payment or also concentration risk if all the risk is insured to one reinsurer.

ix) **Concentration Risk –** The Company faces concentration risk by selling business to specific geography or by writing only single line business, etc.

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Control Measures

The actuarial department has set up systems to continuously monitor the Company's experience with regard to parameters like policy lapses, premium persistency, maintenance expenses and investment returns. The underwriting team, with actuarial guidance, has set in place processes and procedures to review proposal. Many products offered by the Company also have an investment guarantee. The Company has set aside additional reserves to cover this risk.

Further, the possible financial effect of adverse mortality and morbidity experience has been reduced by entering into reinsurance agreements with multiple reinsurers. The Company has entered into a separate agreement with reinsurers to cover the catastrophic risks under individual and group business.

A further element of managing risk is to limit the exposure to individual segments of the population. In essence, being over-represented in any population segment will increase the variance of the Company's experience, and so there are advantages to diversifying across all relevant population segments, at least until data is available to confirm which segments can be expected to have relatively favourable experience. At the present stage in the Company's development, the focus is on building new distribution and so geographical diversification is actively taking place. In future, the actuarial team will need to be alert to assess potential risk aggregations.

The Company has a Board approved risk management policy covering underwriting, claims and reserving for policy liabilities. The Company has a detailed claims processing manual in place. Complicated and large claims are referred to the Company's Claims Review Committee.

Insurance Contracts Liabilities: Change in Liabilities

₹ in crore

Particulars	Year Ended 31st March 2023				Year Ended 31st March 2022			
	With DPF	Linked Business	Others	Total	With DPF	Linked Business	Others	Total
Gross Liability at the beginning of the Year	6,273.05	21,255.68	15,725.53	43,254.26	4,820.53	20,198.66	11,852.69	36,871.88
Add/(Less)								
Premium	1,609.96	2,503.01	9,388.32	13,501.29	1,506.70	2,664.95	5,090.14	9,261.79
Unwinding of the Discount /Interest Credited	515.22	753.83	1,316.65	2,585.70	462.82	2,666.28	1,259.69	4,388.79
Insurance Liabilities Released	(267.36)	(3,213.60)	(1,950.70)	(5,431.66)	(253.03)	(3,787.38)	(2,008.47)	(6,048.88)
Others (Expense overrun, Contribution from S/H and Profit/Loss)	(305.82)	(493.29)	(3,590.23)	(4,389.34)	(263.97)	(486.83)	(468.52)	(1,219.32)
Gross Liability at the end of the Year	**7,825.05**	**20,805.63**	**20,889.57**	**49,520.25**	**6,273.05**	**21,255.68**	**15,725.53**	**43,254.26**
Recoverable from Reinsurance	5.22	25.11	1,244.61	1,274.94	8.71	29.48	1,218.60	1,256.79
Net Liability	**7,819.83**	**20,780.52**	**19,644.96**	**48,245.31**	**6,264.34**	**21,226.20**	**14,506.93**	**41,997.47**

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Investment Contracts Liabilities

₹ in crore

Particulars	Year Ended 31st March 2023				Year Ended 31st March 2022			
	With DPF	Linked Business	Others	Total	With DPF	Linked Business	Others	Total
At the beginning of the Year	6,715.05	9,242.17	429.17	16,386.39	5,939.40	8,150.46	293.16	14,383.02
Additions								
Premium	2,072.26	1,332.78	235.61	3,640.65	1,517.67	1,195.79	164.98	2,878.44
Interest and Bonus Credited to Policyholders	509.29	382.85	36.16	928.30	239.98	697.03	28.63	965.65
Deductions								
Withdrawals/Claims	728.79	894.68	33.24	1,656.71	1,189.17	848.70	34.15	2,072.03
Fee Income and Other Expenses	5.66	13.61	7.60	26.87	4.08	11.97	1.29	17.34
Others Profit and Loss	(87.47)	33.90	35.94	(17.63)	(211.25)	(57.60)	22.16	(246.69)
Others (includes DAC, DOF and Profit/Loss)	-	2.07	-	2.07	-	(1.95)	-	(1.95)
At the end of the Year	**8,649.62**	**10,013.53**	**624.16**	**19,287.32**	**6,715.05**	**9,242.17**	**429.17**	**16,386.39**

Reinsurance Assets

₹ in crore

Particulars	Year Ended 31st March 2023	Year ended 31st March 2022
At the beginning of the year	1,256.80	814.55
Add/(Less)		
Premium	530.23	498.78
Unwinding of the Discount /Interest credited	53.89	53.22
Change in Valuation for Expected Future Benefits		
Insurance Liabilities Released	(299.23)	(690.46)
Others (Experience Variations)	(266.74)	580.70
At the end of the year	**1,274.95**	**1,256.80**

Deferred Acquisition Cost

₹ in crore

Particulars	Year Ended 31st March 2023	Year ended 31st March 2022
As at 1st April	2.58	3.90
Expenses Deferred	-	-
Amortisation	(1.20)	(1.32)
As at 31st March	**1.38**	**2.58**

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Insurance Contracts Liabilities: Change in liabilities of Health Insurance Business

₹ in crore

Particulars	Previous Year 31st March 2022
Gross Liability at the beginning of the year	610.72
Add/(Less)	
Incurred but not reported (IBNR) Provision	(5.14)
Premium Deficiency Reserve	-
Reserve for Unexpired Risk	194.12
Freelook Reserve	(0.03)
Gross Liability	
Recoverable from Re-insurance	(35.32)
Net Liability	**764.35**

Key Assumptions

The assumptions play vital role in calculating insurance liabilities for the Company. Material judgement is required in determining the liabilities and in the choice of assumptions. Best estimate assumptions in use are based on historical and current experience, internal data, some judgement and as per guidance notes/actuarial practice standards. However for the purpose of valuation an additional level of prudence has been kept on all the best estimate assumptions known as MfAD (margin for adverse deviation).The Company keeps adequate MfAD, as prescribed in APS 7, issued by the Institute of Actuaries of India (IAI), in all assumptions over the best estimate value.

Best Estimate Assumptions are further evaluated on a continuous basis in order to ensure realistic and reasonable valuations.

Assumptions can vary by type of product, duration, gender etc if the experience of any category is significantly different and data is credible for the respective category.

The key assumptions to which the estimation of liabilities is particularly sensitive are, as follows:

i) Mortality and Morbidity Rates

Assumptions are based on historical experience and for new products based on industry/reinsurers data. An appropriate, but not excessive, allowance may be made for expected future improvements. Assumptions may vary by type of product, distribution channel, gender, etc.

An increase in mortality/morbidity rates will usually lead to a larger number/amount of claims (and claims could occur sooner than anticipated), which will increase the liability and reduce profits for the shareholders.

ii) Longevity

Assumptions are based on standard industry and national tables, adjusted when appropriate to reflect the Company's own risk experience. An appropriate, but not excessive, prudent allowance is made for expected future improvements. Assumptions are normally differentiated by gender, underwriting class and contract type. An increase in longevity rates will lead to an increase in the number of annuity payments to be made, which will increase the liability and reduce profits for the shareholders.

iii) Investment Return and Discount Rate

The weighted average rate of return is derived based on a model portfolio, that is assumed to back liabilities, consistent with the long-term asset allocation strategy. These estimates are based on current market returns as well as expectations about future economic and financial developments. An increase in investment return would lead to an increase in profits for the shareholders.

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An increase in investment return would lead to an increase in profits for the shareholders.

Life insurance liabilities are determined as the sum of the discounted value of the expected benefits and future administration expenses directly related to the contract, less the discounted value of the expected theoretical premiums that would be required to meet these future cash outflows. Discount rates are based on investment strategy of the Company, current industry risk rates, adjusted for the Company's own risk exposure.

A decrease in the discount rate will increase the value of the insurance liability and therefore reduce profits for the shareholders.

iv) Expenses and Inflation

Operating expenses assumptions reflect the projected costs of maintaining and servicing in-force policies and associated overhead expenses. The current level of expenses is taken as an appropriate expense base, adjusted for expected expense inflation, if appropriate.

An increase in the level of expenses would result in an increase in expenditure, thereby reducing profits for the shareholders.

v) Lapse, Surrender and Partial Withdrawal Rates

Lapses relate to the termination of policies due to non-payment of premiums. Surrenders relate to the voluntary termination of policies by policyholders. Policy termination assumptions are determined using statistical measures based on the Company's experience, and usually vary by product type, policy duration and sales trends.

An increase in lapse rates, early in the life of the policy would tend to reduce profits for shareholders, but later increases are broadly neutral in effect.

The best estimate assumptions that have the greatest effect on the statement of financial position and the Statement of Profit and Loss of the Company are listed below.

Portfolio Assumptions by Type of Business Impacting Net Liabilities	Mortality Rates		Investment Return		Lapse and Surrender Rates	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Insurance						
With DPF	75% - 223% of IALM2012-14	75% - 223% of IALM2012-14	7.15% p.a.	7.15% p.a.	PY1 : 9% - 25% PY2 : 2% PY3 + : 1% - 2% (varying by product)	PY1 : 10% - 25% PY2 : 2% - 10% PY3 + : 1% - 2% (varying by product)
Linked Business	55% of IALM 2012-14	55% of IALM 2012-14	a) 9.0% p.a. for assets backing linked liabilities b) 6.9% p.a. for asset backing non-unit liabilities	a) 9.0% p.a. for assets backing linked liabilities b) 6.9% p.a. for asset backing non-unit liabilities	PY1 : 10%-35% PY2 : 5% - 35% PY3+: 3% -20% (varying by product and duration)	PY1 : 10%-35% PY2 : 5% - 35% PY3+: 3% -20% (varying by product and duration)
Others	20%-295.8% of IALM2012-14	20%-292.5% of IALM2012-14	6.15%-7.55% p.a.	6.70%-7.55% p.a.	PY1 : 0%-40% PY2 : 0% - 15% PY3+: 0% -12% (varying by product and duration)	PY1 : 0%-40% PY2 : 0% - 15% PY3+: 1% -12% (varying by product and duration)

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Portfolio Assumptions by Type of Business Impacting Net Liabilities	Partial Withdrawal		Renewal Per Policy Expense Assumptions		Inflation	
	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22	31-Mar-23	31-Mar-22
Insurance						
With DPF	N/A	N/A	Max 782.25 Per policy	Max 745 policy	0.05	0.05
Linked Business	0%- 3% p.a.	0% - 3% p.a.	782.25 Per policy	745 Per policy	0.05	0.05
Others	N/A	N/A	Max 782.25 Per policy (varies by product)	Max 745 Per policy (varies by product)	0.05	0.05

*Commission scales have been allowed in accordance with the product filing with IRDA.

Sensitivity Analysis

The following analysis is performed for reasonably possible movements in key assumptions with all other assumptions held constant, showing the impact on gross liabilities. The correlation of assumptions will have a significant effect in determining the ultimate liabilities, but to demonstrate the impact due to changes in assumptions, assumptions had to be changed on an individual basis. It should be noted that movements in these assumptions are non-linear. The method used for deriving sensitivity information and significant assumptions made did not change from the previous period. The sensitivities are same as shared with Regulators during annual reporting.

₹ in crore

Sensitivity Parameters	Current Year				Previous Year			
	Insurance with DPF	Insurance without DPF	Investment with DPF	Investment without DPF	Insurance with DPF	Insurance without DPF	Investment with DPF	Investment without DPF
Lapses Increased by 10%	7,780.69	41,458.92	8,649.64	10,577.39	6,227.30	36,711.55	6,715.06	9,600.79
Lapses Decreased by 10%	7,870.65	41,938.23	8,649.64	10,699.67	6,320.65	37,261.89	6,715.06	9,744.72
Mortality Increased by 10%	7,846.52	41,809.69	8,649.64	10,666.88	6,306.67	37,179.46	6,715.06	9,723.16
Mortality Decreased by 10%	7,801.51	41,569.81	8,649.64	10,605.68	6,240.18	36,787.49	6,715.06	9,620.65
Expenses Increased by 10%	7,840.83	41,779.37	8,649.64	10,659.14	6,311.48	37,207.82	6,715.06	9,730.58
Expenses Decreased by 10%	7,806.90	41,598.53	8,649.64	10,613.01	6,235.14	36,757.81	6,715.06	9,612.89
Interest Rate Increased by 100 bps	7,746.42	41,276.31	8,649.64	10,530.80	6,273.04	36,781.51	6,715.06	9,961.46
Interest Rate Decreased by 100 bps	7,909.87	42,147.24	8,649.64	10,753.00	6,273.04	37,177.20	6,715.06	9,400.52
Inflation Rate Increased by 100 bps	7,844.12	41,796.91	8,649.64	10,663.62	6,319.85	37,257.15	6,715.06	9,743.48
Inflation Rate Decreased by 100 bps	7,807.36	41,601.00	8,649.64	10,613.64	6,234.15	36,751.93	6,715.06	9,611.35

Financial Risks:

Credit Risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss to other party by failing to discharge an obligation. Group is subject to credit risk in connection with issuers of securities held in our investment portfolio, reinsurers. Losses may occur when a counterparty fails to make timely payments pursuant to the terms of the underlying contractual arrangement or when the counterparty's credit rating or risk profile otherwise deteriorates. Credit risk can occur at multiple levels, as a result of broad economic conditions, challenges within specific sectors of the economy, or from issues affecting individual companies. Events that result in defaults, impairments or downgrades of the securities in our investment portfolio would cause the Group to record realized or unrealised losses and increase our provisions for asset default, adversely impacting earnings.

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Governance structure, in the form of Investment Committee, and well defined investment policies and processes are in place to ensure that the risks involved in investments are identified and acceptable levels are defined. Stringent investment norms and approval structure ensures healthy portfolio while delivering the expected performance. All Regulatory and Internal norms are built in the Investment system, which monitors the Investment limits and exposure norms on real-time basis. Group uses systems like MSCI Barra One to evaluate and monitor risks.

The Policyholders' funds are invested in accordance with regulatory norms, Investment policy, fund objective of unit linked funds and risk profile of the respective fund in fixed income segment, majority of the investment is made in the government securities having sovereign rating and debt securities issued by reputed corporate having appropriate rating as per Investment Committee.

Derivative financial instrument: The settlement risk the Company is exposed to is mitigated by an adequate amount of margin money.

Industry Analysis

As on 31st March 2023

₹ in crore

	Particulars	Infrastructure	Financial and Insurance	Government	IT Services	Manufacturing	Others	Total
1	**FVTOCI Financial Assets**							
	Policyholders							
	Debt	325.81	3,745.19	–	56.77	176.70	15.71	4,320.18
	Government Securities	–	–	4,506.13	86.31	–	26.23	4,618.67
	Others	–	–	94.48	–	–	–	94.48
	Shareholders							
	Debt	287.80	1,320.37	–	42.09	207.03	10.71	1,868.00
	Equity	–	76.16	–	–	–	–	76.16
	Government Securities	–	–	1,171.75	20.66	–	26.22	1,218.63
	Others	–	–	3.49	–	–	–	3.49
2	**Financial Assets at FVTPL**							
	Policyholders							
	Debt	1,064.24	5,026.67	–	158.79	658.49	31.41	6,939.60
	Equity	1,902.21	4,837.12	–	2,237.63	7,040.75	522.89	16,540.60
	Government Securities	–	–	7,987.30	–	–	–	7,987.30
	Mutual Fund Units	–	337.79	–	–	–	–	337.79
	Others	–	696.12	788.88	–	–	(39.81)	1,445.19
	Shareholders							
	Debt	1.54	40.36	8.20	–	–	2.51	52.61
	Equity	–	82.75	–	–	–	–	82.75
	Mutual Fund Units	–	1.27	–	–	–	–	1.27
3	**Amortised Cost Financial Assets**							
	Policyholders							
	Debt	1,480.30	5,373.20	–	42.32	170.52	20.30	7,086.64
	Government Securities	–	–	17,596.32	55.56	–	–	17,651.88
	Others	–	10.29	417.05	–	–	–	427.34
	Total Credit Risk Exposure	**5,061.90**	**21,547.29**	**32,573.60**	**2,700.13**	**8,253.49**	**616.17**	**70,752.58**

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As on 31st March 2022

₹ in crore

	Particulars	Infrastructure	Financial and Insurance	Government	IT Services	Manufacturing	Others	Total
1	**FVTOCI Financial Assets**							
	Policyholders							
	Debt	318.04	3,068.82	–	32.34	244.59	161.79	3,825.59
	Government Securities	–	–	4,295.73	19.85	–	27.70	4,343.28
	Others	–	29.32	387.53	–	–	–	416.85
	Shareholders							
	Debt	293.06	1,175.25	–	16.75	261.99	92.59	1,839.64
	Equity	–	92.82	–	–	–	–	92.82
	Government Securities	–	–	1,266.54	–	–	27.70	1,294.25
	Others	–	–	78.87	–	–	–	78.87
2	**Financial Assets at FVTPL**							
	Policyholders							
	Debt	1,178.97	5,288.84	–	166.93	1,028.99	126.19	7,789.92
	Equity	1,599.31	3,929.01	–	2,384.42	6,641.45	400.90	14,955.08
	Government Securities	–	10.55	7,001.57	–	–	–	7,012.12
	Mutual Fund Units	–	598.40	–	–	–	78.30	676.70
	Others	–	502.52	1,358.06	–	36.41	(165.49)	1,731.50
	Shareholders							
	Debt	–	25.41	–	–	–	0.45	25.86
	Equity	–	9.93	–	–	–	–	9.93
	Mutual Fund Units	–	28.50	–	–	–	20.01	48.51
3	**Amortised Cost Financial Assets**							
	Policyholders							
	Debt	1,546.62	4,161.27	–	43.44	194.50	20.28	5,966.11
	Government Securities	–	–	12,335.04	30.05	–	–	12,365.09
	Others	–	–	977.23	–	–	–	977.23
	Shareholders							
	Others	–	–	–	–	–	2.57	2.57
	Total Credit Risk Exposure	**4,936.00**	**18,920.64**	**27,700.57**	**2,693.78**	**8,407.93**	**792.99**	**63,451.91**

Credit exposure by credit rating

As on 31st March 2023

₹ in crore

	Particulars	UNR	SOVEREIGN	AAA	AA+	AA-	AA	Others	Total
1	**FVOCI Financial Assets**								
	Policyholders								
	Debt	–	–	3,915.17	210.99	–	194.02	–	4,320.18
	Government Securities	–	4,506.13	112.54	–	–	–	–	4,618.67
	Others	–	94.48	–	–	–	–	–	94.48
	Shareholders								–
	Debt	–	–	1,363.38	132.33	47.50	300.50	24.29	1,868.00
	Equity	76.16	–	–	–	–	–	–	76.16
	Government Securities	–	1,171.75	46.88	–	–	–	–	1,218.63
	Others	–	3.49	–	–	–	–	–	3.49

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₹ in crore

	Particulars	UNR	SOVEREIGN	AAA	AA+	AA-	AA	Others	Total
2	**Financial Assets at FVTPL**								
	Policyholders								
	Debt	-	-	6,186.82	454.95	-	297.83	-	6,939.60
	Equity	15,910.12	-	374.86	209.70	-	45.92	-	16,540.60
	Government Securities	-	7,987.30	-	-	-	-	-	7,987.30
	Mutual Fund Units	337.79	-	-	-	-	-	-	337.79
	Others	170.81	788.88	525.31	-	-	-	(39.81)	1,445.19
	Shareholders								
	Debt	-	8.20	44.41	-	-	-	-	52.61
	Equity	-	-	-	51.72	-	31.03	-	82.75
	Mutual Fund Units	-	-	-	-	-	-	1.27	1.27
3	**Amortised Cost Financial Assets**								
	Policyholders								
	Debt	-	-	6,643.54	163.66	106.63	148.96	23.83	7,086.62
	Government Securities	-	17,596.32	55.56	-	-	-	-	17,651.88
	Others	10.29	417.05	-	-	-	-	-	427.34
	Total Credit Risk Exposure	**16,505.17**	**32,573.60**	**19,268.47**	**1,223.35**	**154.13**	**1,018.26**	**9.58**	**70,752.56**

As on 31st March 2022

₹ in crore

	Particulars	UNR	SOVEREIGN	AAA	AA+	AA-	AA	Others	Total
1	**FVOCI Financial Assets**								
	Policyholders								
	Debt	-	-	3,494.73	68.00	-	254.64	8.22	3,825.59
	Government Securities	-	4,295.72	47.55	-	-	-	-	4,343.27
	Others	5.31	387.53	24.02	-	-	-	-	416.86
	Shareholders								
	Debt	-	-	1,288.45	61.99	72.83	390.01	26.36	1,839.64
	Equity	92.82	-	-	-	-	-	-	92.82
	Government Securities	-	1,266.54	27.70	-	-	-	-	1,294.24
	Others	-	78.87	-	-	-	-	-	78.87
2	**Financial Assets at FVTPL**								
	Policyholders								
	Debt	-	-	6,734.46	564.46	57.72	429.40	3.87	7,789.91
	Equity	14,606.70	-	314.23	16.73	-	17.42	-	14,955.08
	Government Securities	-	7,001.57	10.55	-	-	-	-	7,012.12
	Mutual Fund Units	598.40	-	-	-	-	-	78.30	676.70
	Others	41.00	1,358.06	497.93	-	-	-	(165.49)	1,731.50
	Shareholders								
	Debt	-	-	25.41	-	-	-	0.45	25.86
	Equity	-	-	-	5.58	-	4.36	-	9.94
	Mutual Fund Units	-	-	-	-	-	-	48.51	48.51

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₹ in crore

	Particulars	UNR	SOVEREIGN	AAA	AA+	AA-	AA	Others	Total
3	**Amortised Cost Financial Assets**								
	Policyholders								
	Debt	-	-	5,531.46	210.27	20.90	179.39	24.09	5,966.11
	Government Securities	-	12,335.04	30.05	-	-	-	-	12,365.09
	Others	-	977.23	-	-	-	-	2.57	979.80
	Total Credit Risk Exposure	**15,344.23**	**27,700.56**	**18,026.54**	**927.03**	**151.45**	**1,275.21**	**26.88**	**63,451.91**

It is the Group's policy to maintain accurate and consistent risk ratings across its credit portfolio. This enables the Management to focus on the applicable risks and the comparison of credit exposures across all lines of business, geographic regions and products. The rating system is supported by a variety of financial analytics combined with processed market information to provide the main inputs for the measurement of counterparty risk. All internal risk ratings are tailored to the various categories, and are derived in accordance with the Group's rating policy. The attributable risk ratings are assessed and updated regularly.

The Group manages its product mix to ensure that there is no significant concentration of credit risk.

Expected Credit Loss

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

a) Financial assets that are measured at amortised cost; and

b) Financial assets (debt) that are measured as at FVTOCI.

ECL has been calculated on Non-ULIP portfolio as ULIP portfolio is marked-to-market. For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss.

Loss Given Default (LGD) of 75% has been assumed across all securities (maximum as per RBI directives).

The credit rating, provided by the external rating agencies, has been considered while assigning PD for each individual company, the PD for each rating category is as under:

Credit Rating	Default Rate
Gsec	-
State	-
AAA	0.03
AAA (so)	0.03
AA	0.5
AA (so)	0.5
AA+	0.5
A+	0.74
AA-	0.74

ECL allowance (or reversal) recognized during the period is recognized as expense / income in the Statement of Profit and Loss (P&L).

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

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ECL allowance computed, basis above, during the period under consideration is as follows:

₹ in crore

Movement of Allowances	Year Ended 31st March 2023	Year ended 31st March 2022
Financial Assets		
As at 1st April	**10.15**	**8.93**
Provided during the year	3.11	1.41
Amounts Written off	(0.79)	(0.19)
As at 31st March	**12.47**	**10.15**

Liquidity Risk

Liquidity risk is the possibility that the Group will not be able to fund all cash outflow commitments as they fall due. The Group's primary funding obligations arise in connection with the payment of policyholder benefits sources of available cash flow include general fund premiums and investment related inflows (such as maturities, principal repayments, investment income and proceeds of asset sales).

An asset-liability mismatch occurs when the financial terms of a company's assets and liabilities do not correspond. These can lead to non-payment/deferment of claims, expenses, etc. Through effective cash management and capital planning, the Company ensures that it is properly funded and maintain adequate liquidity to meet obligations. Based on the Company's historical cash flows and liquidity management processes, we believe that the cash flows from our operating activities will continue to provide sufficient liquidity for us to satisfy debt service obligations and to pay other expenses as they fall due. A governance structure, in form of the ALM Committee, and well defined Asset-Liability Management framework require periodic monitoring of the Asset-Liability position of the Company. BSLI's Asset-Liability Management Techniques aims to manage the volume, mix, maturity, rate sensitivity, quality and liquidity of assets and liabilities as a whole so as to attain a predetermined acceptable risk/reward ratio. Further, the NAV guarantee products use proprietary monitoring mechanisms to ensure adequate ALM.

Maturity Profiles

The following table summarises the maturity profile of the financial assets, financial liabilities and insurance contract liabilities of the company based on remaining undiscounted contractual obligations, including interest payable and receivable.

For insurance contract liabilities and reinsurance assets, maturity profiles are determined based on estimated timing of net cash outflows from the recognised insurance liabilities. Unearned premiums have been excluded from the analysis as they are not contractual obligations. Unit-linked liabilities are repayable or transferable on demand, and are included in the up-to-a-year column. Repayments, which are subject to notice, are treated as if notice were to be given immediately.

The Group maintains a portfolio of highly marketable and diverse assets that can be easily liquidated in the event of an unforeseeable interruption of cash flow.

The Group manages its product mix to ensure that there is no significant concentration of credit risk.

The table below summarises the expected utilisation or settlement of assets and liabilities.

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Maturity Analysis on Expected Maturity Bases

As on 31st March 2023

Particulars	Less Than 12 Months	1 to 5 years	More than 5 years	Total
Financial Liabilities				
Other Financial Liabilities	1,424.96	–	2.96	1,427.92
Lease Liability	40.45	87.87	29.15	157.47
Life Insurance Contract Liabilities and Restricted Surplus	2,079.16	14,188.58	52,822.19	69,089.93
Subordinated Liabilities	–	–	499.96	499.96
Trade and Other Payables	562.17	–		562.17

As on 31st March 2022

Particulars	Less Than 12 Months	1 to 5 years	More than 5 years	Total
Financial Liabilities				
Other Financial Liabilities	1,492.11	-	0.61	1,492.72
Lease Liability	6.93	127.29	30.88	165.10
Life Insurance Contract Liabilities and Restricted Surplus	1,242.41	4,818.81	54,047.83	60,109.04
Subordinated Liabilities	-	-	499.74	499.74
Trade and Other Payables	491.39	-	-	491.39

Market Risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. The Group is exposed to financial and capital market risks – the risk that the fair value or future cash flows of an insurance contract or financial instrument will fluctuate because of changes or volatility in market prices. Market risk includes equity market and interest rate risks. Market risk governance practices are in place, including independent monitoring and review and reporting to senior management and the Risk Management Committee. The Group has investment policy in place, which deals with guidelines for asset allocation and portfolio limit structure, to ensure that assets back specific policyholders' liabilities.

The Group issues unit-linked investment policies in a number of its operations. In the unit-linked business, the policyholder bears the investment risk on the assets held in the unit-linked funds as the policy benefits are directly linked to the value of the assets in the fund. The Group's exposure to market risk on this business is limited to the extent that income arising from asset management charges is based on the value of assets in the fund.

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. Floating rate instruments exposes the Group to cash flow interest risk, whereas fixed interest rate instruments expose the Group to fair value interest risk.

The following analysis is performed for reasonably possible movements in key variables with all other variables held constant, showing the impact on profit before tax and equity. The correlation of variables will have significant effect in determining the ultimate impact of interest rate risk, but to demonstrate the impact due to changes in variables, variables had to be changed on an individual basis. It should be noted that movements in these variables are non-linear. The method used for deriving sensitivity information and significant variables have not changed from the previous period.

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₹ In crore

Market indices	Change in Interest Rate	As at 31st March 2023		As at 31st March 2022	
		Impact on Profit Before Tax	Impact on Equity*	Impact on Profit Before Tax	Impact on Equity
Interest Rate	25 Basis Point down	–	135.39	–	135.76
	50 Basis Point down	–	274.47	–	271.52
	25 Basis Point Up	–	(131.84)	–	(135.76)
	50 Basis Point Up	–	(260.26)	–	(271.52)

* Shock only on Interest Rate given(FVOCI)) and hence no impact on Equity considered

Equity Price Risk

Equity market risk is the potential for financial loss arising from declines or volatility in equity market prices. The Group is exposed to equity risk from a number of sources. A portion of our exposure to equity market risk arises in connection with benefit guarantees on contracts. The cost of providing for these guarantees is uncertain, and will depend upon a number of factors, including general capital market conditions, underlying fund performance, policyholder behaviour, and mortality experience, which may result in negative impacts on our net income and capital.

The Group has no significant concentration of equity price risk.

The analysis below is performed for reasonably possible movements in market indices, i.e.; BSE 100 with all other variables held constant, showing the impact on profit before tax (due to changes in fair value of financial assets and liabilities whose fair values are recorded in the Statement of Profit and Loss) and equity (that reflects changes in fair value of FVTPL financial assets). The correlation of variables will have a significant effect in determining the ultimate impact on price risk, but to demonstrate the impact due to changes in variables, variables had to be changed on an individual basis.

₹ In crore

Market indices	Change in Interest Rate	As at 31st March 2023		As at 31st March 2022	
		Impact on Profit Before Tax	Impact on Equity	Impact on Profit Before Tax	Impact on Equity
BSE 100	10% rise	225.76	200.43	193.54	202.82
	10% fall	(225.76)	(200.43)	(193.54)	(202.82)

Operational Risks

Operational risk is the risk of loss arising from system failure, human error, fraud or external events. When controls fail to perform, operational risks can cause damage to reputation, have legal or regulatory implications or can lead to financial loss. The Group cannot expect to eliminate all operational risks but by initiating a rigorous control framework and by monitoring and responding to potential risks, the Group is able to manage the risks. Controls include effective segregation of duties, access controls, authorisation and reconciliation procedures, staff education and assessment processes, including the use of internal audit. Business risks such as changes in environment, technology and the industry are monitored through the Group's strategic planning and budgeting process.

Operational risks are governed through Operational Risk Management policy. The Group maintains an operational loss database to track and mitigate risks resulting in financial losses. The Group has also initiated a Risk Control and Self Assessment process to embed the control testing as a part of day- to- day operations. To control operational risk, operating and reporting processes are reviewed and updated regularly. Ongoing training through internal and external programmes is designed to equip staff at all levels to meet the demands of their respective positions.

The Group has a robust Business Continuity Plan and Information Technology Disaster Recovery Plan in place to manage any business/ technology interruption risk. Business Continuity Management System is certified against the global standard ISO 22301. It also has

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Business Continuity Policy to have a planned response in the event of any contingency ensuring recovery of critical activities at agreed levels within agreed timeframe thereby complying with various regulatory requirements and minimising the potential business impact to the Group.

Information Security Risk is the risk arising from IT systems (data leakage, application vulnerabilities, lack of segregation of duties and access control), human error, etc.; which can cause damage to finances or reputation. Information Security risks are governed through Information Security Management System aligned and certified against ISO 27001:2013, which is a global benchmark. The Group has a comprehensive Information Security policy designed to comply with ISO 27001:2013, privacy and/or data protection legislations as specified in Indian Information Technology Act, 2008, and Notification dated 11th April 2011, on protection of sensitive personal information, and it provides direction to Information Security staff, Management and Employees regarding their roles and responsibilities towards Information Security.

Fraud management is handled through an internal committee, and is governed by the Fraud Reporting and Investigation Policy.

Nature and Term of Outstanding Derivative Contracts

a) Forward Rate Agreements

₹ In crore

Particulars		As at 31st March 2023	As at 31st March 2022
i)	Total notional principal amount of forward rate agreement undertaken during the year (Instrument-wise)		
	7.73% GOI 2034 (MD 19/12/2034)	–	67.10
	8.13% GOI 2045 (MD 22/06/2045)	136.84	107.26
	8.30% GOI 2040 (MD 02/07/2040)	187.04	50.68
	8.30% GOI 2042 (MD 31/12/2042)	482.23	99.31
	8.33% GOI 2036 (MD 07/06/2036)	34.82	269.73
	8.83% GOI 2041 (MD 12/12/2041)	162.31	171.17
	9.23% GOI 2043 (MD 23/12/2043)	245.60	71.87
	8.17% GOI 2044 (MD 01/12/2044)	200.42	79.79
	7.06% GOI 2046 (MD 10/10/2046)	113.36	76.43
	7.72% GOI 2055 (MD 26/10/2055)	–	164.51
	7.63% GOI 2059 (MD 17/06/2059)	–	68.09
	6.67% GOI 2050 (MD 17/12/2050)	–	187.26
	6.64% GOI 2035 (MD 16/06/2035)	–	291.70
	6.76% GOI 2061 (MD 22/02/2061)	–	78.07
	7.50% GOI 2034 (MD 10/08/2034)	–	47.49
	6.99% GOI 2051 (MD 15/12/2051)	73.71	55.94
	6.67% GOI 2035 (MD 15/12/2035)	13.40	38.22
	7.54% GOI 2036 (MD 23/05/2036)	877.64	–
	6.95% GOI 2061 (MD 16/12/2061)	17.40	–
	7.40% GOI 2062 (MD 19/09/2062)	438.00	–
	7.41% GOI 2036 (MD 19/12/2036)	465.27	–
	7.36% GOI 2052 (MD 12/09/2052)	506.01	–
ii)	Total notional principal amount of forward rate agreement outstanding as on end of the year (Instrument-wise)		
	7.40% GOI 2035 (MD 09/09/2035)	58.86	91.24
	7.62% GOI 2039 (MD 15/09/2039)	289.52	403.08
	7.73% GOI 2034 (MD 19/12/2034)	141.66	251.92
	7.95% GOI 2032 (MD 28/08/2032)	178.68	263.37
	8.13% GOI 2045 (MD 22/06/2045)	293.45	156.61

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₹ In crore

Particulars	As at 31st March 2023	As at 31st March 2022
8.24% GOI 2033 (MD 10/11/2033)	90.61	127.42
8.28% GOI (MD 15/02/2032)	50.21	50.21
8.30% GOI 2040 (MD 02/07/2040)	264.68	77.65
8.30% GOI 2042 (MD 31/12/2042)	654.73	267.71
8.32% GOI (MD 02/08/2032)	135.85	135.85
8.33% GOI 2036 (MD 07/06/2036)	441.95	-
8.83% GOI 2041 (MD 12/12/2041)	382.24	230.36
8.97% GOI 2030 (MD 05/12/2030)	-	26.64
9.20% GOI 2030 (MD 30/09/2030)	170.08	327.74
9.23% GOI 2043 (MD 23/12/2043)	337.19	95.73
8.17% GOI 2044 (MD 01/12/2044)	310.26	109.84
7.06% GOI 2046 (MD 10/10/2046)	214.43	113.65
7.63% GOI 2059 (MD 17/06/2059)	35.66	68.09
7.72% GOI 2055 (MD 26/10/2055)	123.27	164.51
6.67% GOI 2050 (MD 17/12/2050)	156.55	187.27
6.76% GOI 2061 (MD 22/02/2061)	32.51	78.07
6.64% GOI 2035 (MD 16/06/2035)	273.49	291.70
6.99% GOI 2051 (MD 15/12/2051)	129.65	55.94
7.50% GOI 2034 (MD 10/08/2034)	44.01	47.49
6.67% GOI 2035 (MD 15/12/2035)	51.62	38.22
6.95% GOI 2061 (MD 16/12/2061)	17.40	-
7.36% GOI 2052 (MD 12/09/2052)	506.01	-
7.54% GOI 2036 (MD 23/05/2036)	696.90	-
7.40% GOI 2062 (MD 19/09/2062)	438.00	-
7.41% GOI 2036 (MD 19/12/2036)	465.27	-

b) The fair value mark- to- market (MTM) gains or losses in respect of Forward Rate Agreement outstanding as at the Balance Sheet date is stated below:

₹ In crore

Hedging Instrument	As at 31st March 2023	As at 31st March 2022
7.40% GOI 2035 (MD 09/09/2035)	0.59	0.96
7.62% GOI 2039 (MD 15/09/2039)	(8.14)	(14.70)
7.73% GOI 2034 (MD 19/12/2034)	(1.82)	(2.27)
7.95% GOI 2032 (MD 28/08/2032)	3.85	1.01
8.13% GOI 2045 (MD 22/06/2045)	(1.20)	(3.84)
8.24% GOI 2033 (MD 10/11/2033)	2.84	2.49
8.28% GOI (MD 15/02/2032)	2.61	2.67
8.30% GOI 2040 (MD 02/07/2040)	(1.59)	(1.43)
8.30% GOI 2042 (MD 31/12/2042)	(2.97)	(6.17)
8.32% GOI (MD 02/08/2032)	4.15	3.91
8.33% GOI 2036 (MD 07/06/2036)	(4.61)	(7.61)
8.83% GOI 2041 (MD 12/12/2041)	4.58	(1.71)
8.97% GOI 2030 (MD 05/12/2030)	-	0.66
9.20% GOI 2030 (MD 30/09/2030)	1.97	4.70
9.23% GOI 2043 (MD 23/12/2043)	2.29	0.49

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forming part of the Consolidated Financial Statements for the year ended 31st March 2023

₹ In crore

Hedging Instrument	As at 31st March 2023	As at 31st March 2022
8.17% GOI 2044 (MD 01/12/2044)	(1.94)	(3.43)
7.06% GOI 2046 (MD 10/10/2046)	(0.52)	(1.84)
7.63% GOI 2059 (MD 17/06/2059)	(0.80)	(3.27)
7.72% GOI 2055 (MD 26/10/2055)	0.01	(4.00)
6.67% GOI 2050 (MD 17/12/2050)	(1.62)	(3.92)
6.76% GOI 2061 (MD 22/02/2061)	0.50	0.33
6.64% GOI 2035 (MD 16/06/2035)	(4.95)	(6.25)
6.99% GOI 2051 (MD 15/12/2051)	2.04	(0.63)
7.50% GOI 2034 (MD 10/08/2034)	(0.01)	(0.22)
6.95% GOI 2061 (MD 16/12/2061)	0.32	-
7.40% GOI 2062 (MD 19/09/2062)	0.34	-
7.41% GOI 2036 (MD 19/12/2036)	(0.17)	-
7.36% GOI 2052 (MD 12/09/2052)	4.96	-
7.54% GOI 2036 (MD 23/05/2036)	4.02	-
6.67% GOI 2035 (MD 15/12/2035)	0.22	0.09

c) Movement in Hedge Reserve

₹ In crore

Hedge Reserve Account	As at 31st March 2023		
	Realised	Unrealised	Total
i) Balance at the beginning of the year	(67.14)	(25.85)	(92.99)
ii) Add: Changes in the Fair Value during the year and	5.03	(55.40)	(50.37)
iii) Less: Amounts reclassified to Revenue / Profit & Loss Account	(5.30)	-	(5.30)
Balance at the end of the year	**(56.81)**	**(81.25)**	**(138.06)**

₹ In crore

Hedge Reserve Account	As at 31st March 2022		
	Realised	Unrealised	Total
i) Balance at the beginning of the year	(34.67)	(79.27)	(113.94)
ii) Add: Changes in the Fair Value during the year and	(36.49)	53.42	16.93
iii) Less: Amounts reclassified to Revenue / Profit & Loss Account	(4.02)	-	(4.02)
Balance at the end of the year	**(67.14)**	**(25.85)**	**(92.99)**

Particulars	As at 31st March 2023	As at 31st March 2022
i) Name of the Counter party	HSBC Bank, J.P.Morgan, Citi Bank, Credit Suisse, HDFC Bank, Deutsche Bank; Standard Chartered Bank, DBS, Kotak Bank and ICICI Bank	HSBC Bank/ J.P.Morgan/ Citi Bank/ Credit Suisse/ HDFC Bank
ii) Hedge Designation	Cash Flow Hedge	Cash Flow Hedge
iii) Likely impact of one percentage change in interest rate (100*PV01)		
a) Underlying being hedged	Sovereign Bonds	Sovereign Bonds
b) Derivative	Forward Rate Agreement	Forward Rate Agreement

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forming part of the Consolidated Financial Statements for the year ended 31st March 2023

Capital Management Objectives and Policies

The Group has established the following capital management objectives, policies and approach to manage the risks that affect its capital position:

i) To maintain the required level of stability of the Group thereby providing a degree of security to policyholders

ii) To allocate capital efficiently and support the development of business by ensuring that returns on capital employed meet the requirements of its capital providers and shareholders

iii) To retain financial flexibility by maintaining strong liquidity and access to a range of capital markets

iv) To align the profile of assets and liabilities taking account of risks inherent in the business

v) To maintain financial strength to support new business growth and to satisfy the requirements of the policyholders, regulators and stakeholders

vi) To maintain strong credit ratings and healthy capital ratios in order to support its business objectives and maximise shareholders value

The Group has met all of these requirements throughout the financial year. In reporting financial strength, capital and solvency are measured using the rules prescribed by the Insurance Regulatory and Development Authority of India (IRDAI). These regulatory capital tests are based upon required levels of solvency, capital and a series of prudent assumptions in respect of the type of business written. The Group's capital management policy for its insurance business is to hold sufficient capital to cover the statutory requirements based on the IRDAI directives.

Regulatory Framework

Regulators are primarily interested in protecting the rights of policyholders and monitor them closely to ensure that the Group is satisfactorily managing affairs for their benefit. At the same time, regulators are also interested in ensuring that the Group maintains an appropriate solvency position to meet unforeseeable liabilities arising from economic shocks or natural disasters. The operations of the Group are subject to regulatory requirements within the jurisdictions in which it operates.

B. Financial Risk Management and its Policies for NBFC and HFC Businesses

Credit Risk

Credit risk is the risk that the NBFC and HFC will incur a loss because its customers or counterparties fail to discharge their contractual obligations. The NBFC and HFC manages and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.

The NBFC and HFC has established a credit quality review process to provide early identification of possible changes in the creditworthiness of counterparties, including regular collateral revisions. Counterparty limits are established by the use of a credit risk classification system, which assigns each counterparty a risk rating. Risk ratings are subject to regular revision. The credit quality review process aims to allow the NBFC and HFC to assess the potential loss, as a result of the risks to which it is exposed and take corrective action.

Analysis of maximum exposure to credit risk and collateral and other credit enhancements

The NBFC and HFC by way of loan sanction letter and other loan securing documents agrees with its customers on collateral security to be provided by the customers in secured loan exposures that are subject to credit risk. Collateral security enables us to recover all or part of the outstanding exposure by liquidating the collateral asset provided, in cases where the borrower is unable or unwilling to fulfil its primary obligations.

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Collateral security accepted could be in the form of:

a) Financial collateral in the form of pledge of equity shares, units of mutual funds, assignment of life insurance policies;

b) Current assets in the form of inventories meant for sale or receivables arising out of the sale of finished goods;

c) Fixed asset (in the form of immovable properties – real estate, Plant and Machinery, Equipment);

d) Third-party obligation (in the form of Irrevocable Unconditional Guarantee issued by Bank, Third party);

e) Risk participation from Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE); and

f) Assignment of borrower's rights and interests under agreements with third parties.

In addition, we also stipulates escrow of cash flows and a Debt Service Reserve Account (DSRA) for project loans. Collateral serves to mitigate the inherent risk of credit loss in an exposure, by either improving recoveries in the event of a default or substituting the borrower.

As part of the assessment of a credit transaction the availability, adequacy and suitability of collateral for the transaction is evaluated and decided upon. The processes includes verification of the title to the collateral offered and valuation by technical experts where warranted. We accept as collateral only securities of good quality and have in place legally effective and enforceable documentation.

For guarantee's taken, the guarantor's creditworthiness is assessed during the credit assessment process of the transaction. We have collateral type specific haircuts in place which are reviewed at intervals as appropriate to the type of collateral.

The NBFC and HFC recognises that collateral can be a credit mitigant (alternative source of repayment), but does not replace or dilute the underwriting standards the Group adopts to underwrite credit exposures.

Liquidity risk

Liquidity risk is defined as the risk that the NBFC & HFC will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises because of the possibility that the NBFC and HFC might be unable to meet its payment obligations when they fall due as a result of mismatches in the timing of the cash flows under both normal and stress circumstances.

NBFC & HFC manages its liquidity requirement by analysing the maturity pattern of NBFC & HFC's cash flows of financial assets and financial liabilities. The Assets-Liabilities Management of the NBFC & HFC is periodically reviewed by its Risk Management Committee.

The table below summarises the maturity profile of the undiscounted cash flows of the NBFC & HFC's financial liabilities as at 31st March 2023.

Financial Liabilities

₹ in crore

As at 31st March 2023	Within 12 Months	After 12 Months	Total
Trade and Other Payables	702.72	–	702.72
Other Financial Liabilities	829.81	240.53	1,070.34
Borrowing & Debt Securities	31,641.16	63,859.30	95,500.46
Total	**33,173.69**	**64,099.83**	**97,273.52**

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Financial Liabilities

₹ in crore

As at 31st March 2022	Within 12 Months	After 12 Months	Total
Trade and Other Payables	255.03	-	255.03
Other Financial Liabilities	1,324.49	124.05	1,448.54
Borrowing and Debt Securities	21,347.02	39,894.61	61,241.63
Total	**22,926.54**	**40,018.66**	**62,945.20**

Operational and Business Risk

Operational risk is the risk of loss arising from systems failure, human error, fraud or external events. When controls fail to operate effectively, operational risks can cause damage to reputation, have legal or regulatory implications, or lead to financial loss. The Group cannot expect to eliminate all operational risks, but it endeavours to manage these risks through a control framework and by monitoring and responding to potential risks. Controls include effective segregation of duties, access, authorisation and reconciliation procedures, staff education and assessment processes, such as the use of internal audit.

Market Risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. In the case of the Group, market risk primarily comprises of interest rate risk. Financial instruments affected by market risk include loans and borrowings.

The analyses exclude the impact of movements in market variables on the carrying values of gratuity, other post-retirement obligations and provisions.

The sensitivity of the relevant profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial liabilities held at 31st March 2023 and 31st March 2022.

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.

To mitigate the interest rate risk, ALM policy of the respective companies stipulates interest rate sensitivity gap of all the time buckets.

Interest Rate Sensitivity

Since the Company manages its interest rate risk on borrowings by ensuring, at maximum, its long-term borrowings at floating rate of interest and in case of reduction in interest rate, it initiates negotiations with bankers for realigning the interest rate and/or repaying the high interest rate exposures, the interest rate change in market as such doesn't affect the Group's profitability materially.

₹ in crore

Market indices	Change in Interest Rate	As at 31st March 2023		As at 31st March 2022	
		Impact on Profit Before Tax	Impact on Equity	Impact on Profit Before Tax	Impact on Equity
Interest Rate	25 Basis Point Down	111.28	82.72	62.63	46.67
	50 Basis Point Down	222.57	165.43	125.27	93.35
	25 Basis Point Up	(111.28)	(82.72)	(62.63)	(46.67)
	50 Basis Point Up	(222.57)	(165.43)	(125.27)	(93.35)

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Foreign Exchange Risk

Foreign exchange risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Group's exposure to the risk of fluctuation in foreign exchange rates primarily relates to its External Commercial Borrowings. The Group uses derivative instruments like cross currency swaps to hedge exposure to foreign currency risk.

The Group has taken foreign currency borrowings. For managing, the foreign currency risk and interest rate risk, arising from changes in applicable benchmark on such borrowings, the Group has entered into Cross Currency Swap (CCS) for loan liability covering the entire tenor of the loan along with the interest payable.

Capital Management Objectives and Policies

For the purpose of the Group's capital management, capital includes issued equity capital, securities premium and all other equity reserves attributable to the equity holders of the Group. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Group monitors capital using a capital adequacy ratio, which is weighted assets divided by total capital derived as per the RBI requirements. As per the RBI guidelines, the Group being a Non Banking Finance Group has to maintain 15% of capital adequacy ratio of NBFC business and 12% of capital adequacy ratio of HFC business.

The actual Capital Adequacy Ratio is as under:

Particulars	31st March 2023	31st March 2022
Capital Adequacy Ratio of NBFC	16.38%	21.77%
Capital Adequacy Ratio of HFC	21.58%	23.94%

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended 31st March 2023 and 31st March 2022.

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Derivative Financial Instruments of NBFC and HFC Business

Aditya Birla Housing Finance Limited

1 Nature and Term of Outstanding Derivative Contracts:

a) Cross Currency Interest Rate Swaps (CCIRS)

₹ In crore

Particulars	As at 31st March 2023	As at 31st March 2022
i) Total notional principal amount of CCIRS agreement undertaken during the Year	–	354.45
ii) Total notional principal amount of CCIRS agreement outstanding as on end of the Year	–	354.45
iii) Maturity Date of CCIRS	30th October 2022	30th October 2022
iv) Hedge Ratio	1:1	1:1
v) Currency Pair	USD / INR	USD/INR

b) Overnight Index Swaps (OIS)

₹ In crore

Particulars	As at 31st March 2023	As at 31st March 2022
i) Total notional principal amount of OIS agreement undertaken during the year	50.00	-
ii) Total notional principal amount of OIS agreement outstanding as on end of the year	50.00	-
iii) Maturity date of OIS	4th October 2023	-

b) The fair value mark to market (MTM) gains or losses in respect of CCIRS Agreement outstanding as at the Balance Sheet date is stated below:

₹ In crore

Hedging Instrument	As at 31st March 2023	As at 31st March 2022
CCIRS	–	14.20
Overnight Index Swaps(OIS)	0.19	-

c) Movement in Hedge Reserve

₹ in crore

Cash Flow Hedge Reserve Account	Realised	Unrealised	Total
As at 31st March 2023			
i) Balance at the beginning of the Year	–	(6.65)	(6.65)
ii) Add: Changes in the fair value during the Year	(14.08)	(14.26)	(28.34)
iii) Less: Amounts reclassified to profit or loss	(14.08)	(20.91)	(34.99)
iv) Balance at the end of the Year	–	(0.00)	(0.00)
As at 31st March 2022			
i) Balance at the beginning of the Year	–	(12.05)	(12.05)
ii) Add: Changes in the fair value during the Year	22.29	17.22	39.51
iii) Less: Amounts reclassified to profit or loss	22.29	11.83	34.12
iv) Balance at the end of the Year	–	(6.65)	(6.65)

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Particulars	As at 31st March 2023	As at 31st March 2022
i) Name of the Counter Party	State Bank of India	State Bank of India
ii) Hedge Designation	Effective	Effective
iii) Exchange Rate (USD/INR)	70.89	70.89
iv) Interest Rate (p.a.)	7.79%	7.79%

Particulars – OIS	As at 31st March 2023	As at 31st March 2022
i) Name of the Counter Party	State bank of India	-
ii) Hedge Designation	Effective	-
iii) Floating rate	FBIL Mibor	-
iv) Fixed rate	6.96%	-

Aditya Birla Finance Limited

The Company enters into derivatives for risk management purposes. Derivatives held for risk management purposes include hedges that meet the hedge accounting requirements.

The table below shows the fair values of derivative financial instruments recorded as assets or liabilities together with their notional amounts.

The notional amounts indicate the value of transactions outstanding at the year end and are not indicative of either the market risk or credit risk.

₹ in crore

Particulars	Notional Amounts	Fair Value – Assets	Fair Value – Liabilities
As at 31st March 2023			
Part I			
(i) Cross Currency Interest Rate Swaps	931.49	–	7.15
(ii) INR Interest Rate swaps	1,000.00	0.84	6.54
(iii) Currency forward	–	–	–
Total	**1,931.49**	**0.84**	**13.69**
Part II			
(i) Cash Flow Hedging			
– Interest Rate derivatives	900.00	0.51	6.54
– Cross Currency Interest Rate Swaps	931.49	–	7.15
– Currency Forward	–	–	–
– Interest Rate derivatives	100.00	0.33	
Total	**1,931.49**	**0.84**	**13.69**
As at 31st March 2022			
Part I			
(i) Cross Currency Interest Rate Swaps	1,413.68	–	77.71
(ii) INR Interest Rate swaps	250.00	0.19	0.28
(iii) Currency forward	0.08	–	0.01
Total	**1,663.76**	**0.19**	**78.00**
Part II			
(i) Cash Flow Hedging			
– Interest Rate derivatives	250.00	0.19	0.28
– Cross Currency Interest Rate Swaps	1,413.68	–	77.71
– Currency Forward	0.08	–	0.01
Total	**1,663.76**	**0.19**	**78.00**

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Note a) : Hedging Activities and Derivatives

The Company is exposed to certain risks relating to its external commercial borrowings. The primary risks managed using derivative instruments are foreign currency risk and interest rate risk.

Note b) : Derivatives Designated as Hedging Instruments

Cash Flow Hedges

The Company is exposed to foreign currency risk arising from its External Commercial borrowings amounting to ₹ 931.49 crore. Interest on the borrowings is payable at a floating rate. The Company economically hedged the foreign currency risk arising from the debt with a 'receive floating pay fixed' cross-currency interest rate swap ('swap'). The notional amount of swap is disclosed in the table below. The swap contract converts the cash outflows of the foreign currency borrowings as per table below to cash outflows in INR with a notional amount of ₹ 931.49 crore at fixed interest rate.

Name of Lender	Foreign Currency Denominated Borrowing Amount	Interest Rate type	Notional Amount of swap (₹)	Interest Rate Swap type
As at 31st March 2023				
JPY Denominated (in JPY crore) (Maturity Range: February 2026 to March 2026)	838.94	Floating Rate Interest	519.84	Fixed Rate Interest
USD Denominated (in USD lakhs) EDC (Maturity in March 2026)	500.00	Floating Rate Interest	411.65	Fixed Rate Interest
	1,338.94		**931.49**	
As at 31st March 2022				
JPY Denominated (in JPY crore) (Maturity range : September 2022 to February 2023)	1,893.66	Floating Rate Interest	1,240.90	Fixed Rate Interest
SMBC Bank (Maturity in March 2023)	3.00	Floating Rate Interest	222.78	Fixed Rate Interest
	1,896.66		**1,463.68**	

There is an economic relationship between the hedged item and the hedging instrument, as the terms of the cross currency swap contract match that of the foreign currency borrowing (notional amount, interest payment dates, principal repayment date, etc.). The Company has established a hedge ratio of 1:1 for the hedging relationships as the underlying risk of the cross currency swap are identical to the hedged risk components.

The company has also taken overnight index swap deals to hedge it's cashflows for underlying NCDs. The details are disclosed in the table below:

Particulars	As at 31st March 2023	As at 31st March 2022
Interest Rate Swaps		
Borrowing Amount	100.00	–
Interest Rate Type	Floating rate interest	–
Notional Amount of Swap	100.00	–
Interest Rate Swap Type	Fixed rate interest	–

The hedge ineffectiveness can arise mainly if there is a change in the credit risk of the Company or the counterparty.

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The impact of the hedging instruments on the balance sheet is, as follows:

₹ in crore

Particulars	Notional Amounts	Carrying Amount	Line item in the Statement of Financial position	Change in Fair Value Used for Measuring Ineffectiveness for the Year
As at 31st March 2023				
Cross Currency Interest Rate Swaps	931.49	(7.15)	Derivative financial instruments	44.75
Currency Forward	–	–	Derivative financial instruments	ß
Interest Rate Swaps	1,000.00	(5.71)	Derivative financial instruments	(5.73)
Total	**1,931.49**	**(12.86)**		**39.02**

₹ in crore

Particulars	Notional Amount	Accumulated fair value adjustment – Liability	Line item in the Statement of Financial Position	Change in Fair Value used for measuring ineffectiveness for the year
Fixed Rate NCD	900.00	(5.75)	Derivative financial instruments	5.79
Total	**900.00**	**(5.75)**		**5.79**

₹ in crore

Particulars	Notional Amounts	Carrying Amount	Line item in the Statement of Financial position	Change in Fair Value Used for Measuring Ineffectiveness for the Year
As at 31st March 2022				
Cross Currency Interest Rate Swaps	1,463.68	(77.71)	Derivative financial instruments	(35.19)
Currency Forward	0.08	(0.01)	Derivative financial instruments	0.01
Interest Rate Swaps	250.00	(0.09)	Derivative financial instruments	(0.09)
Total	**1,713.76**	**(77.80)**		**(35.27)**

₹ in crore

Particulars	Notional Amount	Accumulated fair value adjustment – Liability	Line item in the Statement of Financial Position	Change in Fair Value used for measuring ineffectiveness for the year
Fixed Rate NCD	250.00	(0.03)	Derivative financial instruments	(0.03)
Total	**250.00**	**(0.03)**		**(0.03)**

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The Impact of Hedged Items on the Balance Sheet is, as follows:

₹ in crore

Particulars	Change in Fair Value Used for Measuring Ineffectiveness for the Year	Cash Flow Hedge Reserve as at end of the Year
As at 31st March 2023		
Foreign Currency denominated Floating Rate Borrowings	(41.51)	(2.46)
Debt Securities (NCDs)	–	0.21
Total	**(41.51)**	**(2.25)**
As at 31st March 2022		
Foreign Currency denominated Floating Rate Borrowings	54.48	(5.70)
Total	**54.48**	**(5.70)**

The effect of the Cash Flow Hedge in the Statement of Profit and Loss and Other Comprehensive Income is as follows:

₹ in crore

Particulars	Total Hedging Gain / (Loss) Recognised in OCI	Ineffective-ness Recognised in Profit or Loss
As at 31st March 2023		
Foreign Currency denominated Floating Rate Borrowings	3.45	–
Debt Securities (NCDs)	–	0.04
Total	**3.45**	**0.04**
As at 31st March 2022		
Foreign Currency denominated Floating Rate Borrowings	19.30	–
Total	**19.30**	**–**

Note c) : Movements in cash flow hedging reserve

₹ in crore

Particulars	Cash Flow Hedging Reserve	
	As at 31st March 2023	As at 31st March 2022
As at 1st April	**(5.70)**	**(25.00)**
Add/Less: Changes in Fair Value	4.61	25.79
Add/Less: Deferred Tax	(1.16)	(6.49)
As at 31st March	**(2.25)**	**(5.70)**

The effect of the fair value hedge in the statement of profit or loss is, as follows:

Particulars	Hedge ineffectiveness recognised in statement of profit and loss		Line in the statement of profit and loss that includes hedge ineffectiveness
	31st March 2023	31st March 2022	
Interest rate swaps	(0.16)	(0.13)	Net gain on fair value changes

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Note d) : The following table shows the maturity profile of hedging derivatives based on their notional amounts.

₹ in crore

Particulars	0 to 12 Months	1 to 5 Years	Total
As at 31st March 2023			
(i) Cross Currency Interest Rate Swaps	–	931.49	931.49
(ii) Currency Forward	–	–	–
(iii) Interest Rate Swaps	400.00	600.00	1,000.00
Total	**400.00**	**1,531.49**	**1,931.49**
As at 31st March 2022			
(i) Cross Currency Interest Rate Swaps	1,413.68	–	1,413.68
(ii) Currency Forward	0.08	–	0.08
(iii) Interest Rate Swaps	–	250.00	250.00
Total	**1,413.76**	**250.00**	**1,663.76**

Note:

The Group, its associates and joint ventures have a process whereby periodically all long-term contracts are assessed for material foreseeable losses. At the year end, the Group, its associates and joint ventures did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses needed to be provided as required under any law/accounting standards.

ECL Risk

Impairment Assessment

The ECL model credit loss provisioning approach has now moved from incurred model. This forces entity to understand the significance of credit risk and its movement since its initial recognition. This model ensures (a) timely recognition of ECLs (b) assessment of significant increase in credit risk which will provide better disclosure and (c) ascertainment of better business ratios.

The references below show where the Group's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the Summary of Significant Accounting Policies.

- An explanation of the Group's internal grading system (Note 'Definition of default and cure' below)
- How the Group defines, calculates and monitors the probability of default, exposure at default and loss given default) (Note 'The Group's internal rating and PD estimation process', 'Probability of Default', 'Exposure at Default' below)
- When the Group considers there has been a significant increase in credit risk of an exposure (Note 'Significant increase in credit risk' below)
- The Group's policy of segmenting financial assets where ECL is assessed on a collective basis (Note 'Grouping Financial assets measured on a collective basis is given below)
- The details of the ECL calculations for Stage 1, Stage 2 and Stage 3 assets (Note 'Probability of Default', 'Exposure at Default' and 'Loss Given Default' is given below)

Definition of Default

The Group considers a financial instrument defaulted and therefore Stage 3 (credit impaired) for ECL calculations in all cases when the borrower becomes 90 days past due on its contractual payments.

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As a part of a qualitative assessment of whether a customer is in default, the Group also considers a variety of instances that may indicate unlikeness to pay. When such events occur, the Group carefully considers whether the event should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations or whether Stage 2 is appropriate. Such events include:

a) Significant financial difficulty of the borrower or issuer;

b) A breach of contract such as a default or past due event;

c) The restructuring of a loan or advance by the Group on terms that the Group would not consider otherwise;

d) It is becoming probable that the borrower will enter bankruptcy or other financial reorganisation; or

e) The disappearance of an active market for a security because of financial difficulties and the customer has delay in his repayments over a month.

The Group's Internal Rating and PD Estimation Process

a. Internal Rating: A robust internal credit rating framework is vital for effective credit risk management. It is specified by RBI on credit risk management that lender should have an internal rating framework and the lenders must have independent Credit Risk Control Units (CRCU) or equivalents that are responsible for the design or selection, implementation and performance of their internal rating systems. Accordingly, we also have an internal rating framework developed along with CRISIL, with ratings being assigned to all the customer/ portfolio pool – (eligible customers for Ratings) and used extensively in internal decision-making.

b. It is further specified in the policy that Internal rating/grading/scoring of the borrower/client is at least Investment grade rating as per ABFL's internal credit rating model or valid/live external rating.

Probability of Default (PD)

PD is calculated basis likelihood that the borrower will default within one year horizon(Basis for Stage 1), For Stage 2 – it is defined as significant increase in credit risk and probability is defined as borrower's probability to default in lifetime.

Exposure at Default

Gross exposure/potential gross exposure under a facility (i.e., the amount that is legally owed to the lender) at the time of default by a borrower. Exposure at Default gives an estimate of the amount outstanding.

Loss Given Default (LGD)

LGD is usually shown as the percentage of Exposure at Default that the lender might lose in case the borrower defaults. It depends, among others, on the type of collateral, its value, borrower rating and the expected proceeds from the sale (e.g., sales proceeds from sales of collaterals/securities) of the assets, NPV net of recovery costs.

Significant Increase in Credit Risk

a. There is significant increase in credit risk, when there is deterioration in account performance and expected resolution is not available

b. Further, for large borrowers after assessing the following Risks in totality and deterioration in each factor, it is then assessed whether there is a significant increase in credit risk

   i. Industry Risk

   ii. Business Risk

   iii. Management Risk

   iv. Financial Risk

   v. Banking Conduct and Facility level Conduct.

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c. Significant increase in credit risk is also gauged through Credit Rating. Credit rating is an opinion of capacity of borrower to meet its financial obligations to the depositor or bondholder (i.e. lender of money) on a particular issue or type of instrument (i.e. a domestic or foreign currency: short or medium or long-term, etc.) in a timely manner. The rating measures the relative risk of an issuers ability and willingness to repay both interest and principal over the period of the rated instrument. i.e. rating signifies the risk of default of the borrower that is rated.

Grouping Financial Assets Measured on a Collective Basis

The Group calculates ECLs either on a collective or an individual basis.

Asset classes where the Group calculates ECL on an individual basis include:

1. Corporate Portfolio

Asset classes where the Group calculates ECL on a collective basis include:

1. Retail Portfolio

The ECL methodology allows for individual assessment for corporates and therefore these loans are generally measured individually as each of these exposures have unique characteristics and structuring. For retail exposures and exposures which can be clubbed in homogenous pools, ECL is measured on a collective basis. This has been arrived at based on common characteristics like nature of product, customer profile etc.

Analysis of Risk Concentration

Concentration analysis are presented for portfolio pool, location, top borrower exposures, Group exposures etc. These are regularly analysed and presented for further review/action.

C. Financial Risk Management Objectives for Other Businesses:

The Group's principal financial liabilities, other than derivatives, comprise of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets, other than derivatives, include trade and other receivables, investments, and cash and cash equivalents that arises directly from its operations.

The Group's activities expose it to market risk, liquidity risk and credit risk.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments, including investments and deposits, foreign currency receivables, payables and borrowings.

The Group's overall risk management focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses derivative financial instruments, such as foreign exchange forward contracts, foreign currency option contracts, principal only swaps that are entered to hedge foreign currency risk exposure, interest rate swaps to hedge variable interest rate exposure and commodity fixed price swaps to hedge commodity price risks. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

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The sources of risks which the Group is exposed to and their management are given below:

Risks	Exposure Arising From	Measurement	Management
Market Risk:			
- Foreign Exchange Risk	Committed commercial transactions, Financial Assets and Liabilities not denominated in INR	Cash Flow Forecasting, Sensitivity Analysis	Forward foreign exchange contracts, forward currency options and principal only / currency swaps
- Interest Rate Risk	Long-Term Borrowings at variable rates, Investments in Debt Schemes of Mutual Funds and Other Debt Securities	Sensitivity Analysis, Interest rate Movements	Interest Rate swaps Portfolio Diversification and Duration Management for Mutual Fund Schemes
- Equity Price Risk	Investments (other than Subsidiaries, Joint Ventures and Associates which are carried at cost)	Financial Performance of the Investee Companies and its price in equity market	Investments are long term in nature and in Companies with sound management with leadership positions in their respective businesses
-Commodity Price Risks	Movement in prices of commodities mainly Imported Thermal Coal and Pet Coke	Sensitivity Analysis, Commodity Price Tracking	Commodity Fixed Prices Swaps/Options
Credit Risk	Trade Receivables, Investments, Derivative Financial Instruments, ICDs	Ageing Analysis, Credit Rating, Counter party Credit Evaluation	Diversification of mutual fund investments and portfolio credit monitoring, credit limit and credit worthiness monitoring, criteria based approval process
Liquidity Risk	Borrowings and Other Liabilities	Rolling Cash Flow Forecasts, Long Range Business Forecast	Adequate unused credit lines and borrowing facilities, sufficient cash and marketable securities

The Management updates the Audit Committee on a quarterly basis about the implementation of the above policies. It also updates to the Internal Risk Management Committee of the Group on periodical basis about various risks to the business and the status of various activities planned to mitigate such risks.

Details relating to the risks are provided here below:

1. Foreign Exchange Risk:

Foreign exchange risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates to import of fuels, raw materials and spare parts, plant and equipment, exports, foreign currency borrowings and the Group's net investments in foreign subsidiaries/joint ventures.

The Group evaluates exchange rate exposure arising from foreign currency transactions. The Group follows established risk management policies and standard operating procedures. It uses derivative instruments like forwards to hedge exposure to foreign currency risk.

When a derivative is entered into for the purpose of hedge, the Group negotiates the terms of those derivatives to match the terms of the hedged exposure.

(i) Foreign Currency Sensitivity:

The sensitivities are based on financial assets and liabilities held at 31st March 2023 are not denominated in Indian Rupees. The sensitivities do not take into account the Group's sales and costs and the results of the sensitivities could change due to other factors, such as changes in the value of financial assets and liabilities as a result of non-foreign exchange influenced factors.

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Effect as 31st March 2023

	USD	EUR	GBP	JPY	CAD	CNY/CNH	SEK	AUD	CHF	Others*	Total
Effect of 5% Strengthening of INR											
On Profit $	59.30	25.33	(2.17)	(4.37)	(2.04)	(0.25)	–	35.81	0.01	0.15	111.77
On Equity $	(5.11)	(2.71)	(2.26)	0.02	–	–	–	1.63	(0.10)	0.00	(8.53)
Effect of 5% Diminishing of INR											
On Profit $	(59.30)	(25.33)	2.17	4.37	2.04	0.25	–	(35.81)	(0.01)	(0.15)	(111.77)
On Equity $	5.11	2.71	2.26	(0.02)	–	–	–	(1.63)	0.10	(0.00)	8.53

* Others represents currency in Bangladeshi Taka, Kuwaiti Dinar, Sri Lankan Rupees, Mozambique New Metical, Omani Rial, Philippines Peso, Tanzanian Shilingi, etc.

Effect as 31st March 2022

	USD	EUR	GBP	JPY	CAD	CNY/CNH	SEK	AUD	CHF	Others*	Total
Effect of 5% Strengthening of INR											
On Profit $	(36.07)	20.85	(1.91)	35.23	(2.04)	0.00	33.01	0.17	0.02	0.01	49.27
On Equity $	(4.15)	(0.46)	(1.22)	–	–	–	1.24	–	(0.10)	0.01	(4.68)
Effect of 5% Diminishing of INR											
On Profit $	36.07	(20.85)	1.91	(35.23)	2.04	(0.00)	(33.01)	(0.17)	(0.02)	(0.01)	(49.27)
On Equity $	4.15	0.46	1.22	–	–	–	(1.24)	–	0.10	(0.01)	4.68

* Others represents currency in Bangladeshi Taka, Kuwaiti Dinar, Sri Lankan Rupees, Mozambique New Metical, Omani Rial, Philippines Peso, Tanzanian Shilingi, etc.

$ sensitivity on profit represents changes in FVTPL items and Equity represents changes in FVTOCI items.

(ii) Hedging Activities and Derivatives:

The Group evaluates exchange rate exposure arising from foreign currency transactions. The Group uses various derivative financial instruments, such as foreign exchange forward contracts, option contracts, future contracts and currency swaps to manage and mitigate its exposure to foreign exchange risk. The Group reports periodically to its Risk Management Committee, the foreign exchange risks and compliance of the policies to manage its foreign exchange risk.

The Group assesses hedge effectiveness based on the following criteria:

(i) an economic relationship between the hedged item and the hedging instrument;

(ii) the effect of credit risk; and

(iii) assessment of the hedge ratio.

The Group designates the forward exchange contracts to hedge its currency risk, and generally applies a hedge ratio of 1:1. The Group's policy is to match the tenor of the forward exchange contracts with the hedged item.

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(a) Cash Flow Hedge

Details of Foreign Exchange Forward Contracts and Interest Rate and Cross Currency Swap Outstanding as on 31st March 2023

Sr. No.	Type of Hedges and Risks	Foreign Currency Amount (₹ in crore)		Weighted Average Foreign Exchange Rate		Nominal Value (₹ in crore)		Carrying Amount of Hedging Instrument (₹ in crore)	
		Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
	Foreign Exchange Risk								
1)	**Foreign exchange forward contracts Outstanding as on 31st March 2023**								
a	USD	11.39	1.93	82.48	83.22	939.12	160.62	8.00	0.32
b	EUR	0.25	5.81	87.40	87.41	21.85	507.85	0.76	(17.47)
c	JPY	–	89.36	–	0.64	–	56.79	–	0.42
d	AUD	0.57	–	57.40	–	32.72	–	(0.05)	–
e	GBP	–	0.45	–	101.00	–	45.45	–	1.40
2)	**Cross Currency Interest Rate Swaps Outstanding as on 31st March 2023**								
a	USD	0.01	–	75.18	–	0.66	–	2.05	–

Details of Foreign Exchange Forward Contracts and Interest Rate and Cross Currency Swap Outstanding as on 31st March 2022

Sr. No.	Type of Hedges and Risks	Foreign Currency Amount (₹ in crore)		Weighted Average Foreign Exchange Rate		Nominal Value (₹ in crore)		Carrying Amount of Hedging Instrument (₹ in crore)	
		Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities
	Foreign Exchange Risk								
1)	**Foreign exchange forward contracts Outstanding as on 31st March 2022**								
a	USD	1.08	1.07	73.48	76.99	79.71	82.38	0.43	(0.14)
b	EUR	0.16	0.27	87.88	87.44	14.06	23.61	(0.53)	(0.53)
c	AUD	0.44	–	58.34	–	25.67	–	0.12	–
d	GBP	–	0.24	–	105.92		25.42	–	(0.62)
2)	**Cross Currency Interest Rate Swaps Outstanding as on 31st March 2022**								
a	USD *	0.01		76.68		0.60		0.54	1.31

* It has been repaid on 31st August 2021

Foreign currency cash flows:

Particulars	As at	Average Exchange Rate (USD/INR)	Nominal Foreign Currency USD crore	Fair Value Assets (Liabilities) (₹ in crore)
Buy Currency: (USD)				
-for Foreign Currency Bonds	31st March 2023	72.50	20.00	30.27
Buy Currency : (USD)				
-for Foreign Currency Bonds	31st March 2022	72.50	20.00	(0.92)

Interest Rates Outstanding on Receive Floating and Pay Fix Contracts:

Particulars	As at	Average Contracted Fixed Interest Rates*	Nominal Amount USD crore	Fair Value Assets (Liabilities) (₹ in crore)
0 to 2 years	31st March 2023	–	–	–
2 to 5 years	31st March 2023	3.32%	5.00	0.90
0 to 2 years	31st March 2022	1.04%	4.00	(0.34)
2 to 5 years	31st March 2022	–	–	–

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Cross Currency and Interest Rate Swaps:

Particulars	As at	Average Contracted Fixed Interest Rates*	Average Exchange Rate (USD/INR)	Nominal Amount USD crore	Fair Value Assets/ (Liabilities) (₹ in crore)
0 to 2 years	31st March 2023	5.19%	73.55	14.00	(87.13)
0 to 2 years	31st March 2022	–	–	–	–

Particulars	As at	Average Contracted Fixed Interest Rates*	Average Exchange Rate (USD/INR)	Nominal Amount USD crore	Fair Value Assets/ (Liabilities) (₹ in crore)
2 to 5 years	31st March 2023	–	–	–	–
2 to 5 years	31st March 2022	5.19%	73.55	14.00	0.91

Currency Options:

Particulars	As at	Average Exchange Rate (USD/INR)	Nominal Amount USD crore	Fair Value Assets/ (Liabilities) (₹ in crore)
0 to 2 years	31st March 2023	72.52	20.00	440.94
0 to 2 years	31st March 2022	72.52	20.00	396.68

*Includes weighted average rate for Cross Currency Interest Rate Swaps, Principal Only Swap and Coupon Swaps.

The line item in the Balance Sheet, that includes the above Hedging Instruments, is "Other Financial Assets"/"Other Financial Liabilities".

Recognition of gains/(losses) under foreign exchange forward contracts and interest rates swaps contracts designated under cash flows hedges:

₹ in crore

Particulars	As at 31st March 2023		As at 31st March 2022	
	Effective Hedge (OCI)	Ineffective Hedge (Profit and Loss)	Effective Hedge (OCI)	Ineffective Hedge (Profit and Loss)
Gain/(Loss)	(126.39)	–	(2.26)	–

(b) Hedge of net investments in foreign operations:

Derivative asset as at 31st March 2023 includes forward contracts of AED 1,054.06 million (31st March 2022: AED 661.13 million) which has been designated as a hedge of the net investment in the Ultratech's subsidiary UltraTech Cement Middle East Investments Limited (UCMEIL). This derivative is being used to hedge the Group's exposure to AED foreign exchange risk on these investments. Gains or losses on the retranslation of these derivatives are transferred to OCI to offset any gains or losses on translation of the net investments in the subsidiaries. There is no ineffectiveness during the year ended 31st March 2023.

There is an economic relationship between the hedged item and the hedging instrument as the net investment creates a translation risk that will match the foreign exchange risk on the forward contracts.

Particulars	31st March 2023	31st March 2022
Currency exchange risk hedged	AED to INR	AED to INR
Nominal amount of hedging instruments	AED 1,056.09 Mn	AED 661.13 Mn
Maturity date	March 2024 to March 2033	March 2023
Carrying value of hedging instruments (Derivative Assets)	₹ 2.21 cr	₹ 9.19 cr
Change in the fair value of the hedging instrument during the year	₹ 2.21 cr	₹ 9.19 cr
Fair value gain on effective hedge	₹ 2.21 cr	₹ 9.19 cr

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(c) Fair Value Hedge

Details of Foreign Exchange Forward Contracts Outstanding as on 31st March 2023

Sr. No.	Type of Hedges and Risks	Foreign Currency Amount (₹ in crore)		Weighted Average Foreign Exchange Rate		Nominal Value (₹ in crore)		Carrying Amount of Hedging Instrument (₹ in crore)		Maturity Date-Range
		Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	
a	USD	15.40	1.32	83.24	83.18	1,281.84	110.16	(4.44)	1.20	05-04-2023 to 29-12-2023
b	EUR	3.08	1.37	88.84	89.18	273.36	122.52	0.91	(6.45)	28-04-2023 to 07-02-2024
c	CHF	-	0.01	-	89.62	-	0.46	-	0.00	28-04-2023
d	AUD	5.51	-	56.46	-	311.12	-	-	3.85	05-04-2023 to 07-03-2024
e	CNY/RMB/CNH	0.22	0.78	12.03	12.13	2.66	9.50	(0.03)	0.12	28-04-2023 to 29-12-2023
f	GBP	-	0.22	-	98.13	-	21.25	(0.97)	-	27-04-2023 to 28-11-2023

Details of Foreign Exchange Forward Contracts Outstanding as on 31st March 2022

Sr. No.	Type of Hedges and Risks	Foreign Currency Amount (₹ in crore)		Weighted Average Foreign Exchange Rate		Nominal Value (₹ in crore)		Carrying Amount of Hedging Instrument (₹ in crore)		Maturity Date-Range
		Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	Assets	Liabilities	
a	USD	30.41	0.40	76.71	75.96	2,332.72	30.36	(4.59)	12.56	05-04-2022 to 30-09-2022
b	EUR	2.79	1.34	89.79	86.98	250.32	116.94	0.42	1.02	25-04-2022 to 27-09-2022
c	CHF	-	0.03	-	83.26	-	2.86	-	-	30-06-2022
d	JPY	0.50	-	0.66	-	0.33	-	-	0.02	31-05-2022
e	AUD	5.03	-	57.08	-	287.09	(0.00)	0.00	(3.79)	08-04-2022 to 24-03-2023
f	CNY/RMB/CNH	0.48	0.07	11.95	11.95	5.73	0.84	(0.00)	(0.01)	29-04-2022
g	GBP	-	0.19	-	104.50	-	20.24	0.81	-	25-04-2022 to 27-09-2022

(c) Fair Value Hedge of Interest rate outstanding on Receive Floating and Pay Fix contracts:

₹ in crore

Particulars	As at	Average contracted fixed interest rate	Nominal Amount	Fair Value Assets (Liabilities)
0 to 6 years	31st March 2023	6.99%	250	(2.25)
0 to 6 years	31st March 2022	-	-	-

2. 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 the prevailing market interest rates. The Group's exposure to the risk, due to changes in interest rates, relates primarily to the Group's short-term borrowings (excluding commercial papers) with floating interest rates. For all long-term borrowings in foreign currency with floating rates, the risk of variation in the interest rates is mitigated through interest rate swaps. The Group constantly monitors the credit markets and revisits its financing strategies to achieve an optimal maturity profile and financing cost.

Interest Rate Exposure:

₹ in crore

Particulars	Total Borrowings	Floating Rate Borrowings	Fixed Rate Borrowings	Non-Interest Bearing Borrowings
INR	13,462.07	3,287.02	9,816.27	358.78
USD	4,437.24	1,150.44	3,286.80	-
Total as at 31st March 2023	**17,899.31**	**4,437.46**	**13,103.07**	**358.78**
INR	12,392.10	1,877.74	10,126.41	387.95
USD	3,335.29	303.59	3,031.70	-
Total as at 31st March 2022	**15,727.39**	**2,181.33**	**13,158.11**	**387.95**

Note: Interest rate risk hedged for Foreign Currency borrowings has been shown under Fixed Rate borrowings.

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Interest Rate Sensitivities for Floating Rate Borrowings (impact of increase in 1%):

Interest rate sensitivity has been calculated assuming the borrowings outstanding at the reporting date have been outstanding for the entire reporting period. Further, the calculations for the unhedged floating rate borrowings have been done on the notional value of the foreign currency (excluding the revaluation).

Particulars	As at 31st March 2023		As at 31st March 2022	
	Impact On		Impact On	
	Profit Before Tax	Equity	Profit Before Tax	Equity
INR	32.87	24.60	(18.78)	(12.22)
USD	11.50	8.61	(3.04)	(1.98)

Note: If the rate is decreased by 100 bps the Profit Before Tax will increase by an equal amount.

The Group manages its interest rate risk by having a balanced portfolio of fixed and variable rate borrowings, which is monitored on continuous basis. For foreign currency long-term borrowings with floating rates, the risk of variation in the interest rates is mitigated through interest rate swaps. These swaps are designated to hedge underlying debt obligations. The Group constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

3. Equity Price Risk

The Group is exposed to equity price risk arising from Equity Investments (other than Joint Ventures and Associates, which are carried at cost).

Equity Price Sensitivity Analysis:

The sensitivity analysis below has been determined based on the exposure to equity price risk at the end of the reporting period.

If equity prices of the quoted investments increase/decrease by 5%, Other Comprehensive Income for the year ended 31st March 2023, would increase/decrease by ₹ 400.29 crore (for the year ended 31st March 2022 by ₹ 579.20 crore).

4. Credit Risk:

Credit risk arises when a customer or counterparty does not meet its obligations under a customer contract or financial instrument, leading to a financial loss. The Group is exposed to credit risk from its operating activities primarily trade receivables and from its financing/investing activities, including deposits with banks, mutual fund investments, and investments in debt securities, foreign exchange transactions. The Group has no significant concentration of credit risk with any counterparty.

The carrying amount of financial assets represents the maximum credit risk exposure.

a. Trade Receivables

Trade receivables are consisting of a large number of customers. The Group has credit evaluation policy for each customer and, based on the evaluation, credit limit of each customer is defined. Wherever the Group assesses the credit risk as high, the exposure is backed by either bank guarantee/letter of credit or security deposits.

Total trade receivables as on 31st March 2023 is ₹ 5,564.90 crore (excluding ₹ 357.02 crore of Insurance and NBFC/HFC Business) {31st March 2022 : ₹ 5,050.47 crore (excluding ₹ 371.89 crore of Insurance and NBFC/HFC Business).

Given the diverse nature of the Group's businesses, trade receivables are spread over a number of customers with no significant concentration of credit risk. No single customer accounted for 10% or more of the Group's net sales or for any of the Group's primary businesses during the current year and in the previous year. Therefore, the Group does not expect any material risk on account of non-performance by any of its counter parties.

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As per simplified approach, the Group makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default in payments and makes appropriate provision at each reporting date, wherever outstanding is for longer period and involves higher risk.

As per policy receivables are classified into different buckets based on the overdue period ranging from 4 months to one year to more than two years. There are different provisioning norms for each bucket which are ranging from 10% to 100%.

Movement of Loss Allowance:

₹ in crore

Particulars	31st March 2023	31st March 2022
Provision at the beginning of the year:	**201.81**	**222.58**
Add: Provided during the Year	13.32	13.50
Less: Utilised during the Year	(59.12)	(10.96)
Less: Written Back during the Year	(3.89)	(26.22)
Effect of Foreign Conversion	5.20	2.91
Provision at the end of the year:	**157.32**	**201.81**

b. Investments, Derivative Instruments, Cash and Cash Equivalents and Bank Deposits:

Credit Risk on cash and cash equivalents, deposits with banks/financial institutions is generally low, as the said deposits have been made with banks/financial institutions who have been assigned high credit rating by international and domestic rating agencies.

Credit Risk on Derivative Instruments is generally low, as the Group enters into the Derivative Contracts with the reputed banks.

Investments of surplus funds are made only with approved Financial Institutions/Counterparties. Investments primarily include investments in units of quoted Mutual Funds, quoted Bonds; Non-Convertible Debentures issued by Government/Semi-Government Agencies/PSU Bonds/High Investment grade Corporates, etc. These Mutual Funds and Counterparties have low credit risk.

The Group has standard operating procedures and investment policy for deployment of surplus liquidity, which allows investment in debt securities and mutual fund schemes of debt and arbitrage categories, and restricts the exposure in equity markets. Compliances of these policies and principles are reviewed by internal auditors on periodical basis.

Total non-current and current investments (excluding Investment of Insurance and NBFC/HFC Business) as on 31st March 2023 is ₹ 18,082.04 crore (31st March 2022 ₹ 23,251.83 crore).

Financial Guarantees:

The Group has given corporate guarantees of ₹ 1.70 crore (previous year ₹ 1.70 crore).

5. Liquidity Risk:

Liquidity risk is defined as the risk that the Group will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, and the availability of funding through an adequate amount of credit facilities to meet obligations, when due. The Group's treasury team is responsible for managing liquidity, funding as well as settlement. In addition, processes and policies related to such risks are overseen by the senior management. The Management monitors the Group's liquidity position through rolling forecasts and long range business forecasts on the basis of expected cash flows.

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The table below provides details of financial liabilities and financial assets as on the reporting date.

₹ in crore

As at 31st March 2023	Less than 1 Year	1 to 5 Years	More than 5 Years	Total
Financial Liabilities				
Borrowings (including Current Maturities of Long-term Debts)*	6,812.27	5,908.53	6,556.69	19,277.49
Trade Payables	12,088.46	-	-	12,088.46
Interest Accrued but not Due on Borrowings	370.85	-	-	370.85
Other Financial Liabilities (excluding Derivative Liabilities)	6,282.58	26.02	-	6,308.59
Lease Liabilities *	229.85	765.17	759.79	1,754.81
Deferred Premium Payable *	47.68	191.00	143.44	382.12
Derivative Liabilities	111.93	-	-	111.93
Liquid Financial Assets				
Surplus Investments in Mutual Funds, Bonds, Fixed Deposits with Corporates and Banks and Larsen & Toubro Shares.	10,476.53	364.67	80.45	10,921.65

* Contractual amount

₹ in crore

As at 31st March 2022	Less than 1 Year	1 to 5 Years	More than 5 Years	Total
Financial Liabilities				
Borrowings (including Current Maturities of Long-term Debts)*	7,028.72	5,430.36	4,190.45	16,649.53
Trade Payables	10,638.57	-	-	10,638.57
Supplier's Credit	183.40	-	-	183.40
Interest Accrued but not Due on Borrowings	314.84	-	-	314.84
Other Financial Liabilities (excluding Derivative Liabilities)	4,927.62	48.06	2.44	4,978.12
Lease Liabilities *	193.96	725.35	854.64	1,773.95
Deferred Premium Payable *	47.95	190.94	191.20	430.09
Derivative Liabilities	22.88	-	-	22.88
Liquid Financial Assets				
Surplus Investments in Mutual Funds, Bonds, Fixed Deposits with Corporates and Banks and Larsen & Toubro Shares.	10,154.58	888.38	384.88	11,427.84

* Contractual amount

6. Commodity Price Risk Management:

Commodity price risk for the Group is mainly related to fluctuations in coal and pet coke prices linked to various external factors, which can affect the production cost of the Group. Since the energy costs is one of the primary costs drivers, any fluctuation in fuel prices can lead to drop in operating margin. To manage this risk, the Group enters into forward covers for imported coal, enter into long-term supply agreement for pet coke, identifying new sources of supply, etc. While forward covers are prevailing in the markets for coal, but in the case of pet coke no such derivative available; it has to be procured at spot prices. Additionally, processes and policies related to such risks are reviewed and controlled by the senior management and fuel requirements are monitored by the central procurement team.

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4.11 CAPITAL MANAGEMENT (OTHER THAN FINANCIAL SERVICES SEGMENT) (IND AS 1)

The Group's objectives, when managing capital, are to (a) maximise shareholder value and provide benefits to other stakeholders and (b) maintain an optimal capital structure to reduce the cost of capital. For the purposes of the Group's capital management, capital includes issued capital, securities premium and all other equity reserves attributable to the equity holders. The Group monitors capital using debt-equity ratio, which is total debt less investments divided by total equity.

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022,
Total Debt (Bank and Other Borrowings)	17,899.31	15,727.39
Less: Liquid Investments (Mutual Funds, Bonds, Fixed Deposits with Corporates and Banks and Larsen & Toubro Shares)	10,921.65	11,427.84
Net Debt	6,977.66	4,299.55
Owner's Equity	78,741.99	75,698.23
Net Debt to Equity (In times)	**0.09**	**0.06**

In addition the Group has financial covenants relating to the borrowing facilities that it has taken from the lenders like interest coverage service ratio, Debt to EBITDA, Outside liabilities to Net Worth etc., which is maintained by the Group.

4.12 ADDITIONAL INFORMATION DETAILS

4.12.1 Government Grants (Ind AS 20)

a) The Company has outstanding interest-free loans from State Government repayable in full in next one to five years. Company has done the initial recognition of loan at fair value Using prevailing market interest rate for an equivalent loan. The difference of between contractual Value and fair value of loan is the government grant which will be recognised in the Statement of Profit and Loss over the remaining period of loan.

b) Other Operating Revenue (Note 3.1) includes incentives against capital investments received by UltraTech Cement Limited ('UltraTech') amounting to ₹ 356.71 crore (Previous Year ₹ 456.43 crore) under the State Investment Promotion Scheme.

c) Repairs to plant and machinery are net of subsidy received by UltraTech [under State Investment Promotion Scheme] ₹ 1.29 crore (Previous Year ₹ 0.97 crore).

d) Cost of materials consumed includes grants towards royalty expense of UltraTech amounting to ₹Nil (Previous Year ₹ 13.26 crore).

e) Sales Tax deferment loan granted under State Investment Promotion Scheme has been considered as a government grant, and the difference between the fair value and nominal value as on the date being recognised as an income. Accordingly, an amount of ₹50.26 crore (Previous Year ₹ 74.44 crore) has been recognised as an income by UltraTech. Every year, change in fair value is accounted for as an interest expense.

4.12.2 The Supreme Court of India has allowed an appeal filed by the State of Rajasthan in a matter relating to transfer of mining lease in the name of the UltraTech's wholly-owned subsidiary, Gotan Lime Stone Khanij Udyog Private Limited ("GKUPL"), and has directed the State of Rajasthan to frame and notify its policy relating to transfer of mining lease and thereafter pass appropriate order in respect of the mining lease of GKUPL. The State Government has notified the new policy related to the transfer of new mining lease, based on which the UltraTech has requested the State Government to consider reinstatement of the mines in its favour.

4.12.3 In terms of a Scheme of Arrangement between Jaiprakash Associates Limited (JAL); Jaypee Cement Corporation Limited (JCCL), Ultratech ("The Parties") and their respective shareholders and creditors, sanctioned by the National Company Law Tribunal, Mumbai and Allahabad bench, together with necessary approvals from the stock exchanges, Securities and Exchange Board of India (SEBI), and the Competition Commission of India; the Company had on 27th June 2017, issued 1,000 Series A Redeemable

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Preference Shares of ₹ 1,00,000 each aggregating to ₹ 1,000 crore to JAL (Series A RPS) for a period of 5 years or such longer period as may be agreed by the Parties (the "Term"). The Series A RPS were held in escrow until satisfaction of certain conditions precedent in relation to the Dalla Super Plant and mines situated in the state of Uttar Pradesh (Earlier known as JP Super), to be redeemed post the expiry of the Term as per the agreement between The Parties.

Upon expiry of the Term, Ultratech offered redemption of the Series A RPS within the stipulated number of days, post adjustment of certain costs pertaining to the conditions precedent, as per the terms of the agreement entered into between The Parties.

Redemption of the Series A RPS was subject to issuance of a joint notice to the escrow agent. The Series A RPS could not be redeemed due to inaction on the part of JAL in signing the joint instruction notice. This matter has since been referred to arbitration and the arbitration proceedings are pending. Ultratech has classified the Series A RPS to Other Financial Liabilities as Liability for Capital Goods.

4.12.4 The Board of Directors of UTCL at the meeting held on 28th April 2023 approved a Scheme of Amalgamation of UltraTech Nathdwara Cement Limited (UNCL) (a wholly-owned subsidiary of the Company) and its wholly-owned subsidiaries viz. Swiss Merchandise Infrastructure Limited (Swiss) and Merit Plaza Limited (Merit) with the Ultratech. The Appointed Date of the Scheme is 1st April 2023. In terms of the Scheme, the entire equity shares of UNCL, Swiss and Merit will be cancelled without issue and allotment of any new shares in lieu thereof. The Scheme is subject to necessary statutory and regulatory approvals, including sanction by the Hon'ble National Company Law Tribunal under Sections 230 and 232 of the Companies Act, 2013.

4.12.5 Disclosure Related to investment in Aditya Birla Health Insurance Co. Limited (ABHI)

ABHI has made a preferential allotment of 50,707,454 equity shares of ₹ 10 each to Platinum Jasmine A 2018 Trust, acting through its trustee, Platinum Owl C 2018 RSC Limited, being a wholly-owned subsidiary of Abu Dhabi Investment Authority ("ADIA"), on 21st October 2022 for an aggregate consideration of ₹ 664.27 crore. Pursuant to such issuance of the equity shares, ADIA owns 9.99% stake in ABHI.

W.e.f. 21st October 2022, ABCL holds 45.91% stake in ABHI. Consequently, ABHI ceased to be a subsidiary and has been accounted as a joint venture. This has resulted in fair value gain of ₹ 2,754.27 crore representing difference between fair value of retained interest in ABHI and derecognition of net assets of ABHI in accordance with 'Ind AS 110 - Consolidated Financial Statements'.

W.e.f. 21st October 2022, the ABCL has applied the equity method to account for its investment in ABHI.

4.12.6 ABCL's Board of Directors of the Company at its meeting held on 27th March 2023, has approved the sale of its entire stake of 50.002% of the issued and paid-up share capital of Aditya Birla Insurance Brokers Limited to Edme Services Private Limited, part of the Samara Capital Group and an affiliate of Samara Alternate Investment Fund. The Company has filed an application dated 20th April 2023 with Insurance Regulatory and Development Authority of India ("IRDAI"), seeking approval of the proposed transaction.

The proposed transaction is subject to receipt of the approval of IRDAI and other regulatory / statutory approvals and satisfaction of other conditions under the Share Purchase Agreement. Upon completion of the proposed transaction, ABIBL shall cease to be a subsidiary of the ABCL.

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4.13 The CFS are comprised of the Audited Financial Statements (except as mentioned otherwise) of the Company, its Subsidiaries and its interest in Joint Ventures and Associates for the year ended 31st March 2023, which are as under:

Name of the Company	Abbreviation	Country of Incorporation	Grasim's Ownership Interest %	
			31st March 2023	31st March 2022
Subsidiaries:				
ABNL Investments Limited	ABIL	India	100.00	100.00
Samruddhi Swastik Trading And Investments Limited	SSTIL	India	100.00	100.00
Grasim Business Services Private Limited (w.e.f. 4th January 2023)	GBSPL	India	100.00	-
Aditya Birla Solar Limited	ABSL	India	100.00	100.00
Aditya Birla Renewables Limited	ABREL	India	100.00	100.00
Aditya Birla Renewables SPV1 Limited (74% of ABREL and 26% of UTCL)	ABRSPV1	India	88.90	88.90
Aditya Birla Renewables Subsidiary Limited (74% of ABREL)	ABRSL	India	74.00	74.00
Aditya Birla Renewable Energy Limited (74% of ABREL and 26% of UTCL)	ABReEL	India	88.90	88.90
Aditya Birla Renewable Solar Limited (74% of ABREL)	ABReSL	India	74.00	74.00
ABReL SPV2 Limited (100% of ABREL)	ABRSPV2	India	100.00	100.00
Aditya Birla Renewables Utkal Limited (74% of ABREL)	ABRUL	India	74.00	74.00
ABReL Solar Power Limited (26% of Grasim & 74 % of ABREL)	ASPL	India	100.00	100.00
ABReL Renewables EPC Limited (100% of ABREL)	ABRELEPC	India	100.00	100.00
ABReL Century Energy Limited (74% of ABREL)	ABRELCEPC	India	74.00	74.00
ABReL (MP) Renewables Limited (w.e.f. 16th June 2022) (74% of ABREL and 26% of UTCL)	ABRELMP	India	88.90	-
ABReL Green Energy Limited (w.e.f. 22nd June 2022) (74% of ABREL and 26% of UTCL)	ABRELG	India	88.90	-
ABReL EPCCO Services Limited (w.e.f. 4th April 2022)(100% of ABREL)	ABREPCCO	India	100.00	-
ABREL EPC Limited (w.e.f. 13th June 2022) (100% of ABREL)	ABREEPC	India	100.00	-
ABReL (RJ) Projects Limited (w.e.f. 11th November 2022)(100% of ABREL)	ABRELRJ	India	100.00	-
ABReL (Odisha) SPV Limited (w.e.f. 15th June 2022) (74% of ABREL and 26% of UTCL)	ABRLO	India	88.90	-
Waacox Energy Private Limited (100% of ABREL)	WEPL	India	100.00	100.00
Aditya Birla Capital Limited	ABCL	India	54.15	54.18
Aditya Birla PE Advisors Private Limited (100% of ABCL)	ABPEAPL	India	54.15	54.18
Aditya Birla Capital Technology Services Limited (100% of ABCL) (formerly known as Aditya Birla MyUniverse Limited)	ABCTSL	India	54.15	54.18
Aditya Birla Trustee Company Private Limited (100% of ABCL)	ABTCPL	India	54.15	54.18
ABCAP Trustee Company Private Limited (100% of ABCL) (strike off w.e.f. 21st January 2023)	ABCTPL	India	-	54.18
Aditya Birla Money Limited (73.60% of ABCL)	ABML	India	39.85	39.93
Aditya Birla Financial Shared Services Limited (100% of ABCL)	ABFSSL	India	54.15	54.18
Aditya Birla Finance Limited (100% of ABCL)	ABFL	India	54.15	54.18
Aditya Birla Insurance Brokers Limited (50.002% of ABCL)	ABIBL	India	27.07	27.09
Aditya Birla Housing Finance Limited (100% of ABCL)	ABHFL	India	54.15	54.18
Aditya Birla Money Mart Limited (100% of ABCL)	ABMML	India	54.15	54.18
Aditya Birla Money Insurance Advisory Services Limited (100% of ABMML)	ABMIASL	India	54.15	54.18
Aditya Birla Sun Life Insurance Company Limited (51% of ABCL)	ABSLI	India	27.62	27.63
Aditya Birla Sun Life Pension Management Limited (100% of ABSLI)	ABSPML	India	27.62	27.63
Aditya Birla Health Insurance Co. Limited (51% of ABCL) (Up to 20th October 2022)	ABHICL	India	-	27.63
Aditya Birla ARC Limited(100% of ABCL)	ABARC	India	54.15	54.18
Aditya Birla Stressed Asset AMC Private Limited (100% of ABCL)	ABSA	India	54.15	54.18

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Name of the Company	Abbreviation	Country of Incorporation	Grasim's Ownership Interest %	
			31st March 2023	31st March 2022
ABARC-AST-001-Trust (100% of ABCL)	ABARCT	India	54.15	54.18
ABARC-AST-008-Trust (100% of ABCL)		India	54.15	54.18
ABARC-AST-010-Trust (100% of ABCL) (w.e.f. 23rd June 2022)		India	54.15	-
Aditya Birla Special Situation Fund -1 (100% of ABCL)	ABSSF	India	54.15	54.18
Aditya Birla Capital Digital Limited (100% of ABCL) (w.e.f. 23rd March 2023)	ABCDL	India	54.15	-
UltraTech Cement Limited (UTCL)	UltraTech	India	57.27	57.27
Dakshin Cements Limited (100% of UTCL) (struck off w.e.f. 9th April 2021)	DCL	India	-	-
UltraTech Cement Lanka Private Limited (80% of UTCL)	UTCLPL	Sri Lanka	45.82	45.82
Harish Cement Limited (100% of UTCL)	HCL	India	57.27	57.27
PT UltraTech Mining Indonesia (Liquidated w.e.f. 14th June 2022)	PUMI	Indonesia	-	45.82
PT UltraTech Investments Indonesia (Liquidated w.e.f. 14th June 2022)	PTUII	Indonesia	-	57.27
UltraTech Cement Middle East Investments Limited (100% of UTCL)	UCMEIL	UAE	57.27	57.27
Star Cement Co. LLC, Dubai (100% of UCMEIL)	SCCLD	UAE	57.27	57.27
Star Cement Co. LLC, Ras-Al-Khaimah (100% of UCMEIL)	SCCLRAK	UAE	57.27	57.27
Al Nakhla Crusher LLC, Fujairah (100% of UCMEIL)	ANCL	UAE	57.27	57.27
Subsidiaries:				
Arabian Cement Industry LLC, Abu Dhabi (100% of UCMEIL)	ACIL	UAE	57.27	57.27
UltraTech Cement Bahrain Company WLL, Bahrain (formerly known as Arabian Gulf Cement Co WLL) (100% of UCMEIL)	UTCBC	Bahrain	57.27	57.27
Bhagwati Lime Stone Company Private Limited (100% of UTCL)	BLCPL	India	57.27	57.27
Gotan Limestone Khanij Udyog Private Limited (100% of UTCL)	GKU	India	57.27	57.27
PT UltraTech Cement Indonesia (Liquidated w.e.f. 14th June 2022)	PTUCI	Indonesia	-	56.70
PT UltraTech Mining Sumatera (Liquidated w.e.f. 14th June 2022)	PTUMS	Indonesia	-	57.27
UltraTech Nathdwara Cement Limited (100% of UTCL)	UNCL	India	57.27	57.27
Smooth Energy Private Limited (struck off w.e.f. 26th October 2021)	SEPL	India	-	-
Bahar Ready Mix Concrete Limited (struck off w.e.f. 2nd November 2021)	BRMCL	India	-	-
Merit Plaza Limited (100% of UNCL)	MPL	India	57.27	57.27
Swiss Mercandise Infrastructure Limited (100% of UNCL)	SMIL	India	57.27	57.27
Krishna Holdings PTE Limited (Liquidated w.e.f. 24th November 2022)	KHPL	Singapore	-	57.27
Bhumi Resources PTE Limited (100% of UNCL)	BHUMI	Singapore	57.27	57.27
Murari Holdings Limited (Struck off w.e.f. 30th September 2022)	MUHL	British Virgin Islands	-	57.27
Mukundan Holdings Limited (Struck off w.e.f. 27th April 2022)	MHL	British Virgin Islands	-	57.27
Star Super Cement Industries LLC (51% by MUHL and 49% by MHL)	SSCILLC	UAE	57.27	57.27
Binani Cement (Tanzania) Limited (100% of SSCILLC)	BCTL	Tanzania	57.27	57.27
BC Tradelink Limited, Tanzania (100% of SSCILLC)	BCTL	Tanzania	57.27	57.27
PT Anggana Energy Resources (Anggana), Indonesia (100% of BHUMI)	PTAER	Indonesia	57.27	57.27
Binani Cement (Uganda) Limited (100% of SSCILLC)	BCUL	Uganda	57.27	57.27
3B Binani Glassfibre Sarl (3B) (upto 31st March 2022) (100% of UNCL)	3B	Luxembourg	-	-
Project Bird Holding ll Sarl (merged with 3B w.e.f. 12th April 2021) (100% of 3B)	PBHIIS	Luxembourg	-	-
3B-Fibreglass Srl (upto 31st March 2022)(100% of 3B)	3BFS	Belgium	-	-
3B-FibreGlass Norway as (upto 31st March 2022) (100% of PBHIS)	3BFN	Norway	-	-
Tunfib Sarl (upto 31st March 2022) (67% of 3B)	TS	Tunisia	-	-
Goa Glass Fibre Limited (upto 31st March 2022) (100% of 3B)	GGFL	India	-	-
Duqm Cement project International, LLC, Oman (w.e.f. 29th January 2023)	DCPI	Oman	40.09	-

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Name of the Company	Abbreviation	Country of Incorporation	Grasim's Ownership Interest %	
			31st March 2023	31st March 2022
Joint Venture Companies (JVs):				
AV Group NB Inc.	AVNB	Canada	45.00	45.00
Birla Jingwei Fibres Company Limited	BJFC	China	26.63	26.63
Bhubaneswari Coal Mining Limited	BCML	India	26.00	26.00
Aditya Birla Elyaf Sanayi Ve Ticaret Anonim Sirketi	ABEST	Turkey	33.33	33.33
Bhaskarpara Coal Company Limited (47.37% of UTCL)	BCCL	India	27.14	27.14
Aditya Group AB	AGAB	Sweden	33.33	33.33
AV Terrace Bay Inc.	AVTB	Canada	40.00	40.00
Aditya Birla Power Composites Limited	ABPCL	India	51.00	51.00
Aditya Birla Health Insurance Co. Limited (45.91% of ABCL) (w.e.f. 21st October 2022)	ABHICL	India	24.86	-
Aditya Birla Sun Life Trustee Private Limited (50.85% of ABCL)	ABSTPL	India	27.54	27.55
Aditya Birla Wellness Private Limited (51% of ABCL)	ABWPL	India	27.62	27.63
Birla Advanced Knits Private Limited	BAKPL	India	50.00	50.00
Associates:				
Aditya Birla Science & Technology Co. Private Limited	ABSTCL	India	49.50	49.50
Madanpur (North) Coal Company Private Limited (11.17% of UTCL)	MCCPL	India	6.40	6.40
Aditya Birla Sun Life AMC Limited (50.01% of ABCL)	ABSAMC	India	27.08	27.10
Aditya Birla Sun Life AMC (Mauritius) Limited. (100% Subsidiary of ABSAMC)	ABSAMCM	Mauritius	27.08	27.10
Aditya Birla Sun Life AMC Limited, Dubai (100% Subsidiary of ABSAMC)	ABSAMCD	UAE	27.08	27.10
Aditya Birla Sun Life AMC Pte. Limited, Singapore (100% Subsidiary of ABSAMC)	ABSAMCS	Singapore	27.08	27.10
Renew Surya Uday Private Limited (W.e.f. 25th November 2021)	RUSPL	India	26.00	26.00
Aditya Birla Idea Payment Bank (under liquidation w.e.f. 18th September 2019)	ABIPB	India	–	-
Ras Al Khaimah Co. for White Cement & Construction Materials P.S.C U.A.E (w.e.f. 15th April 2022)	RAKW	UAE	17.06	-
Modern Block Factory Establishment (100% of RAKW)(w.e.f. 15th April 2022)	MBFE	UAE	17.06	-
Ras Al Khaimah Lime Co, Noora LLC (100% of RAKW) (w.e.f. 15th April 2022)	RAKLC	UAE	17.06	-
Greenyana Sunstream Private Limited- w.e.f. 26th May 2022	GSPL	India	26.00	-

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4.14 ADDITIONAL INFORMATION AS REQUIRED BY PARAGRAPH 2 OF THE GENERAL INSTRUCTION FOR PREPARATION OF CFS AS PER SCHEDULE III OF THE COMPANIES ACT, 2013

Year ended 31st March 2023

₹ in crore

Sr. No	Name of the Entity	Net Assets (Total Assets minus Total Liabilities)		Share in Profit or Loss #		Share in Other Comprehensive Income (OCI) #		Share in Total Comprehensive Income (TCI) #	
		As % of Consolidated Net Assets	Amount (₹ in crore)	As % of Consolidated Profit or Loss	Amount (₹ in crore)	As % of Consolidated OCI	Amount (₹ in crore)	As % of Consolidated TCI	Amount (₹ in crore)
A	**Parent**								
	Grasim Industries Limited	37.53%	46,126.14	19.17%	2,123.73	96.64%	(3,074.01)	-12.03%	(950.28)
B	**Subsidiaries**								
	Indian								
1	UltraTech Cement Limited (incl. Subsidiaries)	43.57%	53,556.51	45.76%	5,069.87	-0.27%	8.66	64.31%	5,078.53
2	Aditya Birla Capital Limited (incl. Subsidiaries)	27.94%	34,344.36	39.25%	4,347.78	3.08%	(97.97)	53.81%	4,249.81
4	Samruddhi Swastik Trading and Investment Limited	0.05%	61.93	0.01%	1.28	0.00%	–	0.02%	1.28
5	ABNL Investments Limited	0.08%	103.17	-0.07%	(7.47)	-0.04%	1.40	-0.08%	(6.07)
6	Aditya Birla Renewables Limited(incl. Subsidiaries)	0.70%	864.08	-0.24%	(26.15)	-0.10%	3.25	-0.29%	(22.90)
7	Aditya Birla Solar Limited	0.09%	115.76	0.11%	12.21	0.00%	0.02	0.15%	12.23
8	Grasim Business Services Pvt Ltd	0.00%	0.07	0.00%	(0.03)	0.00%	–	0.00%	(0.03)
	Subtotal (B)	**72.45%**	**89,045.88**	**84.83%**	**9,397.49**	**2.66%**	**(84.64)**	**117.92%**	**9,312.85**
C	**Associates**								
	Indian								
1	Aditya Birla Science & Technology Company Private Limited	0.03%	36.91	0.07%	8.28	0.00%	0.13	0.11%	8.41
2	Madanpur (North) Coal Company Limited	0.00%	0.88	0.00%	–	0.00%	–	0.00%	–
3	Renew Surya Uday Pvt Ltd	0.03%	31.05	0.01%	1.07	0.00%	–	0.01%	1.07
4	Greenyana Sunstream Private Limited	0.00%	5.99	0.00%	(0.28)	0.00%	–	0.00%	(0.28)
5	Aditya Birla Sun Life AMC Limited	4.67%	5,742.46	2.58%	285.94	-0.09%	2.75	3.66%	288.69
	Foreign								
1	Ras Al Khaimah Co. for White Cement & Construction Materials P.S.C U.A.E (RAKW)	0.66%	816.23	0.03%	3.52	0.78%	(24.87)	-0.27%	(21.35)
	Subtotal (C)	**5.40%**	**6,633.52**	**2.69%**	**298.53**	**0.69%**	**(21.99)**	**3.50%**	**276.54**

Notes

forming part of the Consolidated Financial Statements for the year ended 31st March 2023

₹ in crore

Sr. No	Name of the Entity	Net Assets (Total Assets minus Total Liabilities)		Share in Profit or Loss #		Share in Other Comprehensive Income (OCI) #		Share in Total Comprehensive Income (TCI) #	
		As % of Consolidated Net Assets	Amount (₹ in crore)	As % of Consolidated Profit or Loss	Amount (₹ in crore)	As % of Consolidated OCI	Amount (₹ in crore)	As % of Consolidated TCI	Amount (₹ in crore)
D	**Joint Ventures**								
	Indian								
1	Bhubaneswari Coal Mining Limited	0.16%	201.18	0.30%	33.41	0.00%	(0.12)	0.42%	33.29
2	Aditya Birla Wellness Private Limited	0.01%	11.80	0.01%	1.01	0.00%	0.06	0.01%	1.07
3	Aditya Birla Sun Life Trustee Company Private Limited	0.00%	0.72	0.00%	0.06	0.00%	–	0.00%	0.06
4	Bhaskarpara Coal Company Limited	0.01%	6.55	0.00%	0.01	0.00%	–	0.00%	0.01
5	Aditya Birla Power Composites Private Limited	0.01%	7.59	-0.09%	(10.42)	0.00%	–	-0.13%	(10.42)
6	Aditya Birla Health Insurance Co. Limited	2.47%	3,032.67	-0.24%	(26.74)	-0.21%	6.74	-0.25%	(20.00)
7	Birla Advanced Knits Pvt Ltd	0.02%	23.03	-0.02%	(1.84)	0.00%	–	-0.02%	(1.84)
	Foreign								
1	AV Group NB Inc.	0.51%	626.77	-1.03%	(114.26)	0.37%	(11.67)	-1.59%	(125.93)
2	Birla Jingwei Fibres Company Limited	0.04%	54.05	-0.11%	(12.32)	0.01%	(0.20)	-0.16%	(12.52)
3	Aditya Birla Elyaf Sanayi Ve Ticaret Anonim Sirketi	0.00%	0.57	0.00%	0.04	0.00%	(0.06)	0.00%	(0.02)
4	Aditya Group AB	0.34%	418.39	0.37%	41.51	-0.19%	5.94	0.60%	47.45
5	AV Terrace Bay Inc.	0.00%	–	(0.00)	(0.03)	0.02%	(0.59)	-0.01%	(0.62)
	Subtotal (D)	**3.57%**	**4,383.32**	**-0.81%**	**(89.57)**	**0.00%**	**0.10**	**-1.13%**	**(89.47)**
	Consolidation Adjustments (E)	**-18.95%**	**(23,276.04)**	**-5.89%**	**(651.98)**	**0.01%**	**(0.24)**	**-8.26%**	**(652.22)**
	TOTAL (A+B+C+D+E)	**100.00%**	**122,912.82**	**100.00%**	**11,078.20**	**100.00%**	**(3,180.78)**	**100.00%**	**7,897.42**

Before Non-Controlling Interest

Year ended 31st March 2022

₹ in crore

Sr. No	Name of the Entity	Net Assets (Total Assets minus Total Liabilities)		Share in Profit or Loss #		Share in Other Comprehensive Income (OCI) #		Share in Total Comprehensive Income (TCI) #	
		As % of Consolidated Net Assets	Amount (₹ in crore)	As % of Consolidated Profit or Loss	Amount (₹ in crore)	As % of Consolidated OCI	Amount (₹ in crore)	As % of Consolidated TCI	Amount (₹ in crore)
A	**Parent**								
	Grasim Industries Limited	41.16%	47,815.69	27.23%	3,051.27	98.12%	3,219.07	43.28%	6,270.34
B	**Subsidiaries**								
	Indian								
1	UltraTech Cement Limited (incl. Subsidiaries)	43.40%	50,424.79	65.45%	7,334.24	1.46%	47.83	50.96%	7,382.07
2	Aditya Birla Capital Limited (incl. Subsidiaries)	28.41%	32,999.85	8.87%	993.50	-0.67%	(21.98)	6.71%	971.52
3	Samruddhi Swastik Trading and Investment Limited	0.05%	60.65	0.01%	1.32	0.00%	-	0.01%	1.32
4	ABNL Investments Limited	0.09%	109.88	0.01%	0.64	0.04%	1.35	0.01%	1.99
5	Aditya Birla Renewables Limited (incl. Subsidiaries)	0.36%	416.25	0.06%	6.32	0.09%	2.91	0.06%	9.23
6	Aditya Birla Solar Limited	0.09%	103.53	0.08%	8.57	0.00%	(0.00)	0.06%	8.57
	Subtotal (B)	**72.40%**	**84,114.95**	**74.46%**	**8,344.60**	**0.92%**	**30.11**	**57.81%**	**8,374.71**
C	**Associates**								
	Indian								
1	Aditya Birla Science & Technology Company Private Limited	0.02%	28.50	0.04%	4.46	0.00%	0.00	0.03%	4.46
2	Madanpur (North) Coal Company Limited	0.00%	0.88	0.00%	0.01	0.00%	-	0.00%	0.01
3	Renew Surya Uday Pvt Ltd	0.01%	15.47	0.00%	0.16	0.00%	-	0.00%	0.16
4	Aditya Birla Sun Life AMC Limited (Refer Note 2.40 (A))	4.82%	5,595.15	2.92%	327.32	0.04%	1.32	2.27%	328.64
5	Waacox Energy Private Limited (Upto 4th July 2021)	0.00%	-	0.00%	0.33	0.00%	-	0.00%	0.33
	Subtotal (C)	**4.85%**	**5,640.00**	**2.97%**	**332.28**	**0.04%**	**1.32**	**2.30%**	**333.60**
D	**Joint Ventures**								
	Indian								
1	Bhubaneswari Coal Mining Limited	0.14%	167.89	0.15%	17.12	0.00%	0.03	0.12%	17.15
2	Aditya Birla Wellness Private Limited	0.01%	10.73	0.01%	1.08	0.00%	0.03	0.01%	1.11
3	Aditya Birla Sun Life Trustee Company Private Limited	0.00%	0.66	0.00%	0.03	0.00%	-	0.00%	0.03
4	Bhaskarpara Coal Company Limited	0.01%	6.54	0.00%	0.01	0.00%	-	0.00%	0.01
5	Aditya Birla Power Composites Private Limited	0.02%	18.01	-0.01%	(1.63)	0.00%	-	-0.01%	(1.63)
6	Birla Advanced Knits Pvt. Ltd.	0.01%	14.87	0.00%	(0.13)	0.00%	-	0.00%	(0.13)
	Foreign								
1	AV Group NB Inc.	0.65%	752.69	0.06%	6.33	0.84%	27.66	0.23%	33.99
2	Birla Jingwei Fibres Company Limited	0.06%	66.57	0.10%	10.67	0.12%	4.02	0.10%	14.69
3	Aditya Birla Elyaf Sanayi Ve Ticaret Anonim Sirketi	0.00%	0.64	0.00%	0.08	-0.01%	(0.20)	0.00%	(0.12)
4	Aditya Group AB	0.32%	370.95	0.28%	30.90	-0.10%	(3.39)	0.19%	27.51
5	AV Terrace Bay Inc.	0.00%	0.62	-0.15%	(16.41)	0.07%	2.14	-0.10%	(14.27)
	Subtotal (D)	**1.21%**	**1,410.17**	**0.43%**	**48.05**	**0.92%**	**30.29**	**0.54%**	**78.34**
	Consolidation Adjustments (E)	**-19.63%**	**(22,806.10)**	**-5.09%**	**(569.91)**	**0.00%**	**0.01**	**-3.93%**	**(569.90)**
	TOTAL (A+B+C+D+E)	**100.00%**	**116,174.71**	**100.00%**	**11,206.29**	**100.00%**	**3,280.80**	**100.00%**	**14,487.09**

Before Non-Controlling Interest

$ AVTB is not consolidated as the Company's share of losses has exceeded the Company's interest in the said investment as per Ind AS 28.

Notes

forming part of the Consolidated Financial Statements for the year ended 31st March 2023

4.15 DISTRIBUTION MADE AND PROPOSED (IND AS 1):

₹ in crore

Particulars	As at 31st March 2023	As at 31st March 2022
Cash Dividend Declared and Paid on Equity Shares :	658.32	592.26
Final dividend for the Year ended on 31st March 2022: ₹ 5 per share and Special Dividend of ₹ 5 per share of face value of ₹ 2 each (31st March 2021: ₹ 5 per share and Special Dividend ₹ 4 per share of face value of ₹ 2 each)		
Proposed Dividend on Equity Shares # :	658.46	658.32
Final dividend for the Year ended on 31st March 2023: ₹ 10 per share of face value of ₹ 2 each (31st March 2022: ₹ 5 per share and Special Dividend ₹ 5 per share of face value of ₹ 2 each)		

Proposed dividends on equity shares are subject to approval of Annual General Meeting, and are not recognised as a liability as at 31st March.

4.16 OTHER STATUTORY INFORMATION

(i) Disclosure related to relationship of the Company with a company which is Struck off under Section 248 of the Companies Act, 2013 or Section 530 of Companies Act, 1956 as at 31st March 2023 are as follows:

₹ in crore

Sr. No.	Name of struck off Company	Nature of Transactions with struck-off Company	Relationship with Struck off Company, if any	Balance as at 31st March 2023	Balance as at 31st March 2022
1	Greenhandle Products Private Limited	Purchase of Goods and services	Not Related	-	-
2	Bluepeter Shipping Private Limited	Purchase of Goods and services	Not Related	-	-
3	KRM Construction India Private Limited	Receivables	Not Related	-0.01	-
4	Antriksh Buildhomes Private Limited	Receivables	Not Related	-	-
5	LKPRO Constructions (OPC) Private Limited	Receivables	Not Related	0.01	-
6	Pnahir Multiservices Private Limited	Receivables	Not Related	-	-
7	Chemene Bombay Private Limited { Opening Balance: ₹ (37,436); Closing Balance: ₹ (1,208)}	Receivables	Not Related	-	-
8	Virtuous Infotech Private Limited	Receivables	Not Related	0.12	-
9	Yogiraj Readymix & Developers Private Limited { Closing Balance: ₹ (18,716) }	Receivables	Not Related	ß	0.09
10	Shruthi Homes And Paving Blocks Private Limited { Opening Balance: ₹ 21,344}	Payables	Not Related	-	ß
11	Shree Mechno Fab Infra Private Limited	Payables	Not Related	-0.01	-0.02
12	Prabhunath Engicon Contractors Private Limited	Payables	Not Related	-0.08	-0.07
13	Lemison Laundry Equipment Private Limited	Payables	Not Related	-	-
14	Shree Mechno Fab Infra Private Limited	Payables	Not Related	-	-
15	Prabhunath Engicon Contractors Private Limited	Payables	Not Related	-0.15	-0.11
16	Maark Vision Architects Private Limited	Loan to Customer	Not Related	3.23	3.25
17	Ceeplast Trading Company Private Limited	AMC Charges	Not Related	-	-
18	Chaturbhuja Securities Private Limited	AMC Charges	Not Related	-	-
19	Doniv Enterprises Private Ltd	AMC Charges	Not Related	-	-
20	Orion Media Private Limited	AMC Charges	Not Related	-	-
21	Pusha Steels Limited	AMC Charges	Not Related	-	-
22	Gurukul Commosales Private Limited	AMC Charges	Not Related	-	-
23	Savinan Enterprises Private Limited	Commission Charges	Not Related	ß	-
24	Emirate Fashions Private Limited	Loan given	Not Related	0.10	-
25	Chennai School Of Ship Management Private Limited	Loan given	Not Related	0.81	-

Notes

forming part of the Consolidated Financial Statements for the year ended 31st March 2023

₹ in crore

Sr. No.	Name of struck off Company	Nature of Transactions with struck-off Company	Relationship with Struck off Company, if any	Balance as at 31st March 2023	Balance as at 31st March 2022
26	Uttam Consultancy Private Limited	Loan given	Not Related	6.59	-
27	Maxin Hydro Dynamic India Private Limited	Loan given	Not Related	-	-
28	Thanco Natural Foods Private Limited	Loan given	Not Related	-	-
29	Bee Luxe Private Limited	Loan given	Not Related	-	-
30	Alaric Healthcare Private Limited	Loan given	Not Related	-	-
31	Rainbow Automotive Private Limited	Payable towards distribution fees	Not Related	-	-
32	Vintage Motors Private Limited	Payable towards distribution fees	Not Related	ß	-
33	The Riders Zone Private Limited	Payable towards distribution fees	Not Related	ß	-
34	Dimple Motors Private Limited	Payable towards distribution fees	Not Related	0.01	-
35	Aligarh Locks Private Limited	Receivable	Not Related	-	0.03
36	Atharv Associates Private Limited	Payable	Not Related	-	ß
37	Columbia Asia Neighborhood Hospitals Private Limited	Payable	Not Related	-	0.01
38	Debnath Engineering Enterprises Private Limited	Payable	Not Related	-	ß
39	GAAP Solutions Private Limited	Payable	Not Related	-	0.07
40	GBS Associates Private Limited	Payable	Not Related	-	ß
41	Hariom Enterprises Private Limited	Payable	Not Related	-	ß
42	Jayalakshmi Constructions Private Limited	Payable	Not Related	-	ß
43	Keller Ground Engineering India Private Limited	Payable	Not Related	-	0.01
44	Lintas India Limited	Payable	Not Related	-	0.13
45	Mahalaxmi Enterprises Private Limited	Payable	Not Related	-	ß
46	Pragati Enterprises Private Limited	Payable	Not Related	-	ß
47	Sahayata Trademart Private Limited	Payable	Not Related	-	ß
48	Sika (India) Limited	Payable	Not Related	-	ß
49	Micro Focus Limited	Payable	Not Related	-	-
50	Perfect Services Private Limited	Payable	Not Related	-	-
51	Ceeplast Trading Company Private Limited	Receivable	Not Related	-	ß
52	Chaturbhuja Securities Private Limited	Receivable	Not Related	-	ß
53	Doniv Enterprises Private Limited	Receivable	Not Related	-	ß
54	Orion Media Private Limited	Receivable	Not Related	-	ß
55	Pusha Steels Limited	Receivable	Not Related	-	ß
56	Gurukul Commosales Private Limited	Receivable	Not Related	-	ß
57	Emirate Fashions Private Limited	Receivable	Not Related	-	0.10
58	Maxin Hydro Dynamic India Private Limited	Receivable	Not Related	-	0.04
59	Thanco Natural Foods Private Limited	Receivable	Not Related	-	0.20
60	Bee Luxe Private Limited	Receivable	Not Related	-	0.09
61	Alaric Healthcare Private Limited	Receivable	Not Related	-	0.08
62	Rainbow Automotive Private Limited	Payable	Not Related	-	ß
63	Vintage Motors Private Limited	Payable	Not Related	-	ß
64	The Riders Zone Private Limited	Payable	Not Related	-	ß
65	Dimple Motors Private Limited	Payable	Not Related	-	ß
66	Sandhya Hotels Private Limited	Receivable	Not Related	-	5.24

Note: Figures of ₹ 50,000 or less have been denoted by ß.

Notes

forming part of the Consolidated Financial Statements for the year ended 31st March 2023

(ii) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(iii) As on 31st March 2023 there is no unutilised amounts in respect of any issue of securities and long term borrowings from banks and financial institutions. The borrowed funds have been utilised for the specific purpose for which the funds were raised.

(iv) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.

(v) The Company has not traded or invested in Crypto Currency or Virtual Currency during the financial year.

(vi) The Company has not any such transaction which is not recorded in the books of account 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 is in compliance with the number of layers prescribed under Clause (87) of Section 2 of the Companies Act read with the Companies (Restriction on number of Layers) Rules, 2017.

(viii) The Company have not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries."

(ix) 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"

4.17 AUTHORISATION OF FINANCIAL STATEMENTS:

The Consolidated Financial Statements for the year ended on 31st March 2023 were approved by the Board of Directors on 26th May 2023.

Signatures to Notes '1' to '4'

For B S R & Co. LLP
Chartered Accountants
Firm Registration No.: 101248W/W-100022

Vikas R Kasat
Partner
Membership No.: 105317

Mumbai
Dated: 26th May 2023

For KKC & Associates LLP
Chartered Accountants
Firm Registration No.: 105146W/W100621

Gautam Shah
Partner
Membership No.: 117348

For and on behalf of the Board of Directors of
GRASIM INDUSTRIES LIMITED
CIN-L17124MP1947PLC000410

Harikrishna Agarwal
Managing Director
DIN: 09288720

N. Mohan Raj
Independent Director
DIN: 00181969

Dr. Santrupt Misra
Non-Executive Director
DIN: 00013625

Pavan K. Jain
Chief Financial Officer

Sailesh Kumar Daga
Company Secretary
Membership No.: F 4164

Mumbai
Dated: 26th May 2023