



BK BIRLA GROUP OF COMPANIES

MANGALAM CEMENT LTD.



MANGALAM CEMENT LTD.

MC/SEC/
August 26, 2021

The Corporate Relations Department
The National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor,
Plot No. C/1, G-Block
Bandra-Kurla Complex, Bandra (E)
Mumbai 400 051

The Corporate Relations Department
Department of Corporate Services
BSE Limited
25th Floor, Phiroze Jeejeebhoy Towers, Dalal
Street
Mumbai - 400 001

Security Code : MANGLMCEM

Scrip Code: 502157

Sub: Notice of 45th Annual General Meeting and Annual Report for the year ended 31st March, 2021.

Dear Sir/Madam,

In terms of the provisions of Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith copy of the Notice of the 45th Annual General Meeting ("AGM") of the Company to be held on Saturday, 18th September, 2021 at 02.00 P.M. Indian Standard Time (IST) through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM"), along with the Annual Report for the financial year ended 31st March, 2021.

The Notice of AGM along with Annual Report of the Company for the financial year ended 31st March, 2021 is being sent electronically to those shareholders only whose email IDs are registered with the Company/ Registrar and Share Transfer Agent and the Depositories. The aforesaid Notice & Annual Report are also being uploaded on the website of the Company.

Kindly take the same on your record and display the same on the website of your Stock Exchanges.

Thanking You

Yours faithfully
For Mangalam Cement Ltd


Manoj Kumar
Company Secretary

Encl.: as above

Regd. Office & Works : P.O. Aditya Nagar-326520, Morak, Distt. Kota (Raj.) CIN : L26943RJ1976PLC001705, Telefax : 07459 - 232156
Website : www.mangalamcement.com, E-mail : email@mangalamcement.com

Kota Office : Shop No. 20, 80 Feet Road, Opp. Sukhdham Colony, (Near SBI Bank) Kota - 324001 (Rajasthan)
Mob : 9351468064 / 9351468055 / 9351468445, E-mail : mclhta@kappa.net.in

Delhi Office : 153, Leela Building (GF), Okhla Indl. Estate, Phase-III, New Delhi - 110020
Tel. No. : 011- 43539132, 43539133, 43539137 Fax : 011- 23421768
E-mail : delhi.purchase@mangalamcement.com, delhi.marketing@mangalamcement.com

Jaipur Office : 2nd Floor, Geejgarh Tower, Hawa-Sarak, Jaipur - 302 006 (Rajasthan)
Tel. : 0141 - 2218933, 2218931, E-mail : jaipur.marketing@mangalamcement.com

Mangalam Cement Limited



Annual Report
2020-2021

Forward-looking statement

In this Annual Report, we have disclosed forward-looking information to enable investors to comprehend our prospects and take investment decisions. This report and other statements - written and oral - that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipate', 'estimate', 'expects', 'project', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee

that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievements of results are subject to risks, uncertainties, and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated, or projected. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events, or otherwise.

Respected Syt. Basant Kumar Birla
Founder of the Company



Corporate Information

Board Of Directors

Smt. Vidula Jalan	Co-Chairperson
Shri A. V. Jalan	Co-Chairperson
Smt. Aruna Makhan	
Shri N. G. Khaitan	
Shri Gaurav Goel	
Shri K. C. Jain	

Key Management Personnel

Shri Yaswant Mishra	President (Corporate) & CFO
Shri Manoj Kumar	Company Secretary

Senior Management Executive

Shri Kaushlesh Maheshwari	President (Sales & Marketing)
Shri Sunil Sachan	President (Operations)

Plant Locations

Rajasthan
P.O. - Aditya Nagar Morak,
Dist - Kota
Pin - 326520
Uttar Pradesh
K/1, CDF Complex
UPSIDC Industrial Area
Anoopsahar Road, Cherat
Dist - Aligarh

Bankers

State Bank of India
HDFC Bank Limited
IDFC First Bank Limited
DBS Bank India Limited
IndusInd Bank Limited
RBL Bank Limited
ICICI Bank Limited

Registered Office

P.O. Aditya Nagar-326520
Morak, Dist. Kota (Rajasthan)
CIN: L26943RJ1976PLC001705
Fax: 07459 232036
☎ 07459 232231
✉ communication@mangalamcement.com
🌐 www.mangalamcement.com

Corporate Office

Birla Building, 10th Floor
9/1, R.N. Mukherjee Road
Kolkata - 700 001
☎ 0332243 8707 /8857
✉ kolkata@mangalamcement.com

Auditors

Singhi & Co.
Chartered Accountants
Kolkata

Registrar & Share Transfer Agent

M/s. MAS Services Ltd.
T-34, 2nd Floor, Okhla Industrial Area,
Phase-II, New Delhi-110020
Fax: 011-26387384
☎ 011-26387281/82/83
✉ info@masserv.com
🌐 www.masserv.com

Index

Company Overview

Board of Directors	4
Performance Highlights	6
Upgradation and Expansion	8
Awards and Recognitions	9
Strategic Initiatives: Mangalam ProMaxX Launch	10
Our Product Portfolio	12
Marketing Initiatives	14
Human Resource Initiatives	16
CSR Initiatives	20

Statutory Reports

Report of the Directors	22
Management Discussion & Analysis	29
Corporate Governance Report	41
Business Responsibility Report	57

Financial Statements

Independent Auditor's Report	65
Balance Sheet	71
Statement of Profit & Loss	72
Cash Flow Statement	73
Notes	77

Board of Directors



Smt. Vidula Jalan, Co-Chairperson

DIN : 01474162

Smt. Vidula Jalan is Co-Chairperson of the company. She is MBA in Strategic Marketing and Leadership and Change Management from the Indian School of Business, Hyderabad. Moreover, she also has an Accounting and Finance degree from The University of Manchester, U.K. She is also managing the affairs of reputed schools and charitable trusts of the Group.



Shri Anshuman Vikram Jalan, Co-Chairperson

DIN : 01455782

Shri Anshuman Vikram Jalan is Co-Chairperson of the Company. He is a B.Com (Hons.) from St. Xavier's College, Kolkata. Besides, he has completed a management course in marketing and corporate finance from the London School of Economics, UK. Being involved in the management of manufacturing companies since 1998, he has gained rich experience in business administration.



Smt. Aruna Makhan

DIN : 00025727

Smt. Aruna Makhan joined the Indian Audit & Accounts Service in 1967 and held the prestigious position of Controller General of Accounts before retirement. During her 38 years of service, Smt. Makhan attained rich and versatile experience in the field of public financial management. She held various senior level positions in different departments.



Shri N.G. Khaitan

DIN : 00020588

Shri N G Khaitan is a Senior Partner of Khaitan & Co. based in Kolkata. He passed his Attorneyship Examination from the Calcutta High Court in the year 1974, stood first in the Preliminary, Intermediate and Final Examinations, and was awarded Bell Chamber's Gold Medal by the Incorporated Law Society, High Court, Calcutta. He is a Notary Public appointed by the Government of India. He has rich experience in all aspects of law and more particularly, Real Estate, Corporate laws and has handled important litigations covering different branches of law including Mergers and Acquisition, Restructuring and De-mergers. He has advised several large industrial houses and multinational corporations on multifarious legal matters.



Shri Gaurav Goel

DIN : 00076111

Shri Gaurav Goel is the Managing Director and Promoter Director of Dhampur Sugar Milts Ltd., one of the premier integrated sugarcane processing companies in India. His academic credentials include a business management graduation degree from the United Kingdom. He has been associated with Dhampur Sugar Mills since 1994 and looks after its overall activities. He was the President of Entrepreneurs Organisation(EO), Delhi chapter, for 2006-2007.



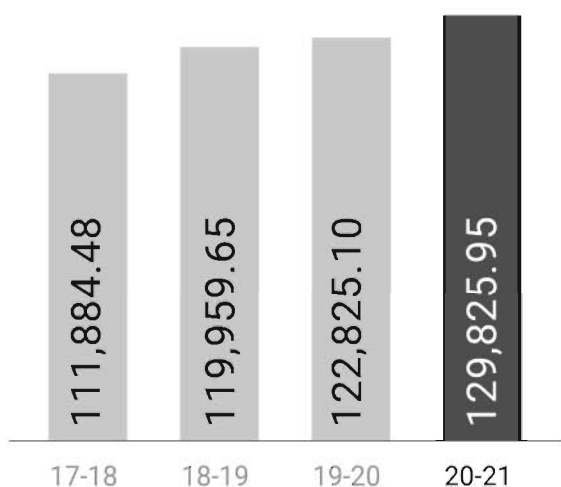
Shri K C Jain

DIN : 00029985

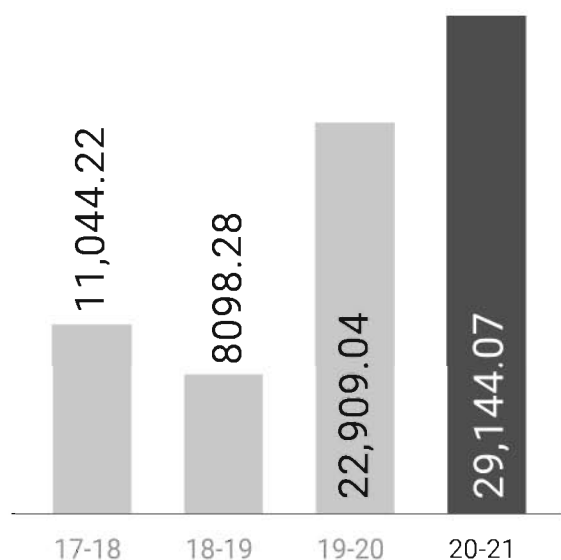
Shri K C Jain, a qualified Chartered Accountant, was the Whole-time Director of Kesoram Industries Ltd. He has a rich 50 years of experience in the cement industry. He was a member of the Managing Committee of Cement Manufacturers' Association (CMA) for 35 years.

Performance Highlights

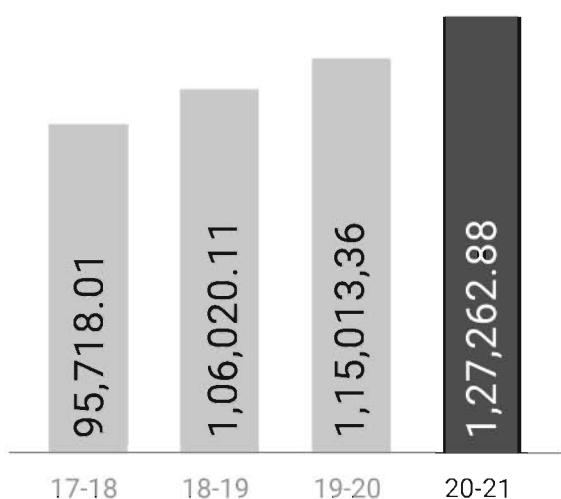
Total Revenue (₹ in Lakhs)



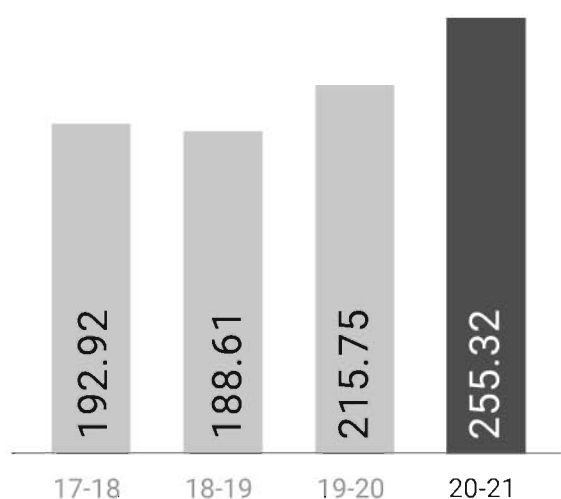
EBIDTA (₹ in Lakhs)



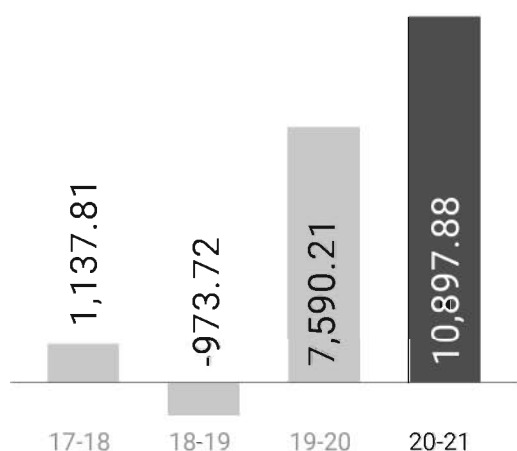
Gross Block (₹ in Lakhs)



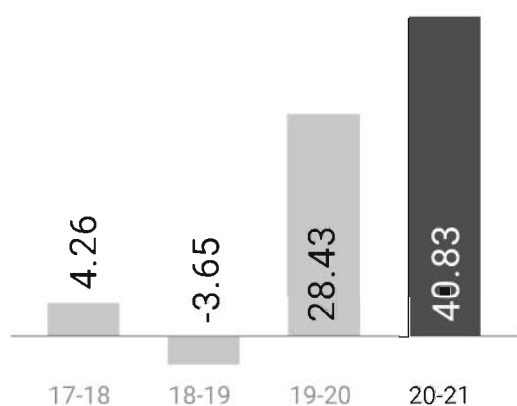
Book Value Per Share (₹)



Post Tax Profit (₹ in Lakhs)



Earnings Per Share (₹)



555.02 Lakh Kwh

Waste Heat Recovery Plant



146.42 Lakh Kwh

Captive green energy production
through wind power



1222.02 Lakh Kwh

Captive thermal energy
production

Upgradation and Expansion

The company fully commissioned its Waste Heat Recovery (WHR) power plant of 11 MW this year. This will significantly lower the power costs for the company and safeguard against increases of fuel and power costs in the future.



Awards and Recognitions

Best Employer

Mangalam Cement Limited was awarded the "Outstanding Performance in Labour Welfare Initiative Trophy -2019" by the Employer Association of Rajasthan on 6th February 2021.

The company stays committed towards labor welfare activities and taking care of the well-being of its workers and trade unions. The company regularly initiated schemes to improve the lifestyle of its workforce and boost employee morale and productivity.



Strategic Initiatives: Mangalam ProMaxX Launch

Taking The Industry By Storm

Beating all odds in the coronavirus pandemic the company went on to launch its much awaited new product Mangalam ProMaxX - an environment friendly premium cement in one of the most impressive online ceremonies witnessed by the cement industry as a whole.

Launched Virtually With Great Fanfare

The unveiling of the new product took place in a grand virtual event on 18th October, 2020 where more than a thousand people including Mangalam Cement's dealer network, architects and engineers joined virtually from different parts of the country.



Shri Yaswant Mishra (President Corporate & CFO), Shri Kaushlesh Maheshwari (President Sales & Marketing) & Shri Sunil Sachan (President Operations) (From Left-Right) at the unveiling of our new premium product - Mangalam ProMaxX

Developed After Extensive Research

The innovative cement variant was developed by the Research & Development (R&D) team of Mangalam Cement based on the feedback received during interactions with architects, engineers, contractors, masons & our various key customers to fulfil the changing needs of modern day construction.

Innovatively Marketed Online

A unique campaign “What Next?”, was designed and carried out with robust advertising on outdoor hoardings and digital platforms across the markets, to create buzz and curiosity amongst the stakeholders before the launch of the new premium product.



Co-Chairpersons, Smt Vidula Jalan & Shri Anshuman Vikram Jalan at the virtual launch of new environment friendly premium cement - Mangalam ProMaxX

Our Product Portfolio

Mangalam ProMaxX : " Concrete Ka Sachcha Saathi "

Mangalam ProMaxX is the newest addition to our product portfolio. Its unique blend of strength, durability, workability and versatility enhances every parameter of concrete/mortar quality, making it suitable for diverse applications including foundations, columns, beams, slabs, masonry & plastering.



Birla Uttam Cement : A Brand To Reckon With

Birla Uttam Cement is the most trusted and preferred brand of Engineers, Builders, Contractors and Individual House Builders. It is currently available in three variations:

- Portland Pozzolana Cement
- Ordinary Portland Cement 43 Grade
- Ordinary Portland Cement 53 Grade



Marketing Initiatives

The safety of its employees and dealers was the topmost priority for the company during the pandemic.

Mangalam Jal Rakshak Saving Water For A Better Future

Mangalam Cement continues to live by its motto “Jal Kam.. Jalan Kam”. The company pledged to save more than 1 billion litres of water. Considering the restrictions and safety measures during the pandemic, the company initiated an awareness campaign Mangalam Jal Rakshak in order to bring attention to the alarming water shortage. The company encouraged its employees and dealers to save water in their everyday activities and educated them towards the global need for water conservation.



Our dealers taking initiative to save water in daily life by re-using water for different applications

Uttam Jackpot: The Wellness Dhamaka Driving Change With Thought Leadership

Amidst the pandemic, it was critical to maintain good emotional & physical health. The company launched a sales welfare scheme focused on the company's dealers network and their families. The company distributed high-value medical equipment to them, The initiative was a grand success and was able to evoke happiness amidst the gloomy mood across its dealer network.





Mangalam Mitra Putting People First

The company stepped up its efforts through its social initiative Mangalam Mitra to keep the employees and their families safe and motivated. The company conducted virtual meets to increase awareness and educate the people about social distancing, washing hands and maintaining a healthy, hygienic lifestyle.



Mr. Kaushlesh Maheswari, President (Sales & Marketing) virtually connecting with our network to encourage everyone to follow necessary safety guidelines during the pandemic.

Uttam Shiksha Pahal Thrust towards lasting social development

Uttam Shiksha Pahal continues to provide educational support to the children of masons and contractors in India. It's a unique initiative where a percentage of the company's revenue is spent on educating the children from class-1 upto professional degrees. This has helped thousands of children of masons/contractors pursue higher education and provide a better life to their families in years to come.



Human Resource Initiatives

The company continues to strive to build the right work culture that boosts employee productivity and job satisfaction.

Republic Day Celebration 2021

Mangalam Cement celebrated the day while following all covid guidelines and safety norms. The day gave hundreds of reason to smile and was followed by flag hoisting, national anthem and distribution of sweets. All heads of the departments attended the occasion while maintaining social distancing.



Enhancing Employee Engagement

The company organised physical sports activities such as cricket and volleyball tournaments for its team members throughout the year. These activities are a part of company's initiative to involve the team outside of work. They helped in fostering a culture of collaboration, building better relationships between colleagues and boosted employee morale and productivity.



Woman's Day Celebration

Mangalam Cement celebrated International women's day and felicitated every woman at the plant for their contributions. It encouraged the participation of women across the manufacturing unit showcasing the company's commitment to achieving gender equality and diversity.



Road Safety Month Celebration

Approximately 1.3 million people die each year as a result of road traffic crashes. Considering the high risks of road accidents, the team spread awareness about road safety and distributed gifts to road safety warriors. The company celebrated "Rashtriya Sadak Suraksha Mah Samapan Samaroh" from 18th January 2021 to 17th February, 2021 with RTO.



Empowering Women : Self Defense Training Programmes

Mangalam Cement Limited continues conducting self defense training programs such as Judo, Karate to empower women and prepare them for the unexpected in life. These activities were organised at regular intervals to help them become psychologically and physically strong to protect themselves in times of distress.



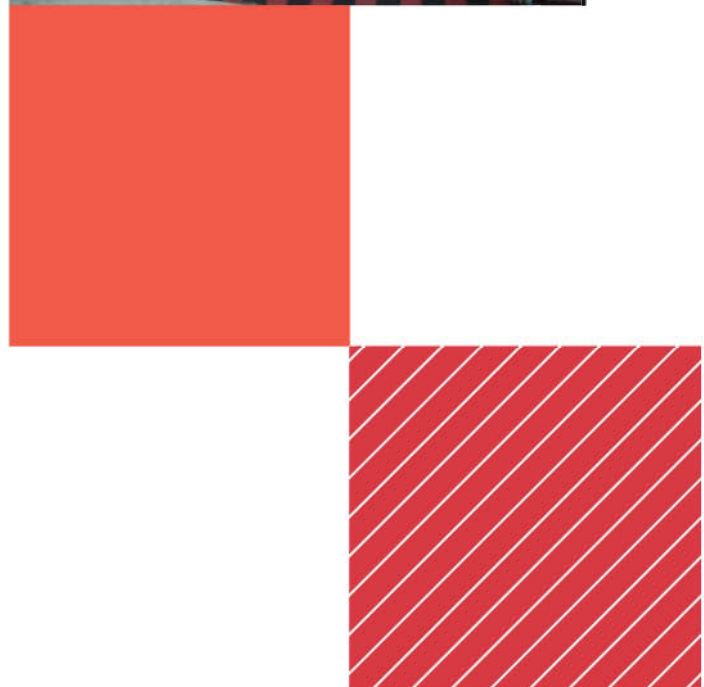
Promoting Art & Literature : Painting Competitions

To promote art & literature in the society, the company conducted a number of art & cultural activities like Mehendi & Paint Competition in the nearby villages.



Attracting Talent with Campus Recruitment Drives

The company conducted campus recruitment drives in one of the best engineering colleges in Jaipur - Malaviya National Institute of Technology to hire talent for the various departments. Finding employees who aren't even in the job market yet by engaging with them at their college helped the company attract promising young employees and build its brand identity with a new audience.



Nurturing Talent With On-Job Training Activities

Mangalam cement limited provided on job training to ITI students to help them realize their talent and develop their skills for better performance. This enabled them to bridge the gap between the knowledge acquired during college and the skills required in a real work environment. The training programs also gave the company an opportunity to identify and retain superior talent at an early stage.



CSR Initiatives

As Covid-19 wreaked havoc in India, the company diverted all its surplus resources towards fighting the pandemic.

Oxygen Concentrator Banks

Considering the crisis of oxygen concentrators, Mangalam Cement Limited's President Sh. Sunil Sachan Ji, inaugurated "Oxygen Concentrator Bank" at our occupational health center to provide oxygen facility on free of cost basis to the patients in the district.



Distribution of Free Covid Medical Kits

In the wake of the crisis, Mangalam Cement distributed 1000+ covid medical kits to Mangalam Cement Samudayik Swasthya Kendra Ramganj Mandi helping them fight covid-19 at critical times.

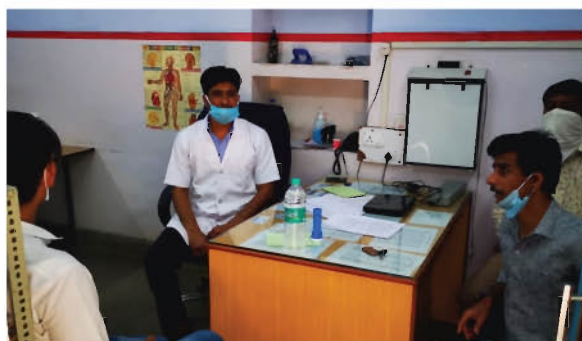


Immunity Boosting Drives

The company regularly distributed free of cost Ayurvedic Kadha to all its employees and their family members which helped them boost their immunity system.

Free Daily Meals For Patients

Mangalam Mahila Mandal initiated free daily meals in RamganjMandi Government Hospital for COVID – 19 positive patients to facilitate their early recovery.



Food Distribution to Corona Patients and needy people

The COVID-19 pandemic led to severe food scarcity by reducing incomes and disrupting food supply chains. This especially affected the poor. When everyone was isolated in their homes, income sources were stopped, food was not accessible easily, people were dying with hunger and starvation. In that pandemic situation we took the initiative to provide food to corona patients and all needy poor villagers and labours under the guidance of MCL Management. This activity was done in 8 (Eight) surrounding villages like - Sahrawad Village, Askali Gram Panchayat, Morak Station Gram, Morak Goan, Barodiya Village, Chechat Village, Budhkhani Gram Panchayat, Hiriyakhedi Village. Mangalam Mahila Mandal initiated this event to save the life of people and helped them in early recovery from COVID – 19.



Report of the Directors for the year ended 31st March, 2021

Dear Members,

The Directors have pleasure in presenting the 45th Annual Report of the Company together with the Audited Accounts for the year ended 31st March, 2021. The summarized Financial Results are given below :

1. FINANCIAL RESULTS

(₹ in Lakhs)

	Current Year ended 31st March, 2021	Previous Year ended 31st March, 2020
Net Sales/ Income from operations	129825.95	122825.10
Operating Profit / (Loss) before interest, Depreciation and Tax and other amortisations ("EBIDTA")	29144.07	22909.04
Less:		
Depreciation and Amortisation Expenses	5859.07	4867.50
Finance Costs	6472.06	6327.50
Tax Expenses (net)	5915.06	4123.83
	18246.19	15318.83
Net Profit / (Loss) for the year	10897.88	7590.21
Other Comprehensive Income (net of tax)	(68.35)	(185.88)
Total Comprehensive Income (after tax)	10829.53	7404.33

2. IMPACT OF COVID-19

The pandemic COVID-19 has practically changed the life style of people all over the world. We also very much impacted with the pandemic and all economic activities has suffered at all levels. There was no production during the lock down period (25th March 2020 to 31st May 2020) and our kiln operation could resume only from 01st June, 2020. As a surprised to all rural markets have generated very good demand for cement specially in the second half led by infrastructure development throughout the country. Unfortunately, the second wave of the pandemic started impacting in first half of April 2021 and most of States have gone for partial or full lockdown, which shall again impact the volume of the production and its market. However, we expect it to gradually improve in the coming quarters.

In these trying times, your Company took all steps to ensure a safe environment for its personnel as well as to ensure that they do not face any financial distress, has paid full wages and salaries to all its staff and workers.

All interest and financial charges continue to be serviced in full to the lenders and repayments shall continue as per schedule.

The overall impact due to the lockdowns imposed at various markets where we operate and the additional expenses of maintaining social distancing, safe working environment and changes to usual working is estimated to be around Rs. 15 to 20 crores for the financial year 2021-2022.

3. DIVIDEND

We recommend a dividend of ₹ 1.50/- (Rupees One and Paise Fifty Only) per equity share of ₹ 10/- each for the year ended 31st March, 2021.

4. OVERALL PERFORMANCE

The Performance of the Company has been comprehensively covered in the Management Discussion and Analysis, which forms a part Directors' Report.

5. LANUCH OF NEW PRODUCT "MANGALAM PROMAXX"

During the year under review, your Company has launched a new product under the brand name "Mangalam ProMaxX" an environment friendly Premium PPC cement in a virtual launch event on October 18, 2020.

"Mangalam ProMaxX" is a premium quality fly ash based PPC cement with high one-day strength and also with high 28 days' ultimate strength. "Mangalam ProMaxX" is supplied in Laminated Polypropylene (LPP) bag packaging.

Market has given a good response and the product has been accepted as a premium product in all our markets.

6. MANAGEMENT DISCUSSION & ANALYSIS

Pursuant to the Regulation 34 (2) (e) of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, Management Discussion and Analysis Report forms part of this Report.

7. RENEWABLE ENERGY

The Company owns 13 Wind Turbines with a total capacity of 13.65 MW. Total generation from all the turbines together during the year was 146.42 lacs Kwh.

8. CAPTIVE THERMAL POWER PLANT

Your Company has a 35MW (17.5x2) of captive Thermal Power Capacity and the total generation during the year was 1222.02 lacs Kwh from the Captive Power Plant (CPP). It has also secured sufficient long-term sourcing for its requirement of Thermal Coal for the CPP. Together with other Power assets your company is self-sufficient for its Power requirements.

9. WASTE HEAT RECOVERY PLANT

During the year under review, the Company has fully commissioned the Waste Heat Recovery (WHR) Power Plant of 11 MW. This will lower power costs for the Company as well as to help to mitigate the impact of any fuel and power cost increases in future. The total generation during the year was 555.02 lacs Kwh from the Waste Heat Recovery Plant.

10. UPGADATION OF KILN-I

The Board of Directors have approved a proposal for the increase in clinker capacity by 3.00 lacs MTPA in their Board Meeting held on 14th February 2020 by modifications and upgradations with a capital outlay not exceeding Rs.125 crores in the existing KILN -I at Morak plant, Rajasthan.

Due to pandemic COVID-19, the project has got delayed by three months because of non-availability of laborers at site and delay in supply of materials.

Most of work has been completed but due to fresh lockdowns at various places, commissioning engineers are not available as per requirement but it is expected to get completed by the end of first quarter of financial year 2021-22.

11. AMALGAMTION OF MANGALAM TIMBER PRODUCTS LIMITED WITH COMPANY

Due to pandemic of COVID-19 and as per instruction of the Hon'ble NCLT appointed Chairperson after postponement of scheduled meetings of Equity Shareholders, Secured & Unsecured Creditors in last financial year, during the year under review your Company had filed an Interlocutory application with the Hon'ble NCLT, Jaipur bench for providing the new dates for meeting of Equity Shareholders, Secured and Unsecured Creditors for approving the Scheme of Amalgamation of Mangalam Timber Products Limited with Mangalam Cement Limited ("Scheme").

Further as per order dated 07th January, 2021 of Hon'ble NCLT, Jaipur Bench and as per direction of the Chairperson appointed by the Hon'ble NCLT, Jaipur Bench, the reconvened meetings of Equity Shareholders, Secured and Unsecured Creditors were held on 01st March, 2021 through Video Conferencing/ Other Audio Visual Means and the Scheme was approved by the Equity Shareholders with requisite majority and unanimously by Secured and Unsecured creditors in these meetings,

Further after approval of Scheme by the Equity Shareholders, Secured and Unsecured Creditors, Company had filed the petition with the Hon'ble NCLT, Jaipur bench for the approval of Scheme and the Hon'ble NCLT, Jaipur bench through its order dated 01st April, 2021 had given instruction for publication of notice in newspapers and serving of notice to Statutory Authorities and fixed the date of hearing of petition i.e. 13th May, 2021 for approval of the Scheme.

However due to second wave of COVID-19 pandemic, the above said date of hearing of petition was reposted on 22nd July, 2021 by Hon'ble NCLT Jaipur Bench.

Further the Mangalam Timber Products Limited, the transferor company had also made petition with Cuttack Bench of the Hon'ble NCLT for approval of Scheme and same is pending due to pandemic of COVID-19.

12. FINANCE

During the period under review, the Company has made repayment/prepayment of term loan of ₹ 166.75 Crores to the various banks.

During the period under review, the Company has availed various long term and short terms credit facilities from various bankers from time to time as required.

13. RISK MANAGEMENT

In terms of the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company has developed a risk management policy and identified risks and taken appropriate steps for their mitigation for more details, please refer to the Management Discussion and Analysis set out in this Annual Report. The Board of Directors in its meeting held on 22nd May, 2021 constituted a Risk Management Committee, the detail of same are provided in Corporate Governance Report.

14. CREDIT RATINGS

During the year under review CARE Ratings Limited ("CARE") has reaffirmed the existing rating for long term facilities/instruments of the Company as CARE A+ (Single A plus), which shows the stable outlook.

CARE has revised its rating for Company's short term facilities from CARE A1 (A One), to CARE A1+ (A One plus), which shows the stable outlook,

CARE has revised its rating for Company's Commercial paper issuance from CARE A1 (A One), to CARE A1+ (A One plus), which shows the stable outlook.

15. INSURANCE

Adequate insurance cover has been taken for the properties of the Company including buildings, plant and machinery and inventories.

16. DETAILS OF BOARD MEETINGS

The Board of Directors met 5 times in the year 2020-21. The details of the Board meetings and the attendance of the Directors are provided in the Corporate Governance Report.

17. DIRECTORS

In accordance with the provision of Section 152 (6) and pursuant to the Articles of Association of the Company, Smt. Vidula Jalan, Co-Chairperson of the Company, (DIN: 01474162) retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment. The Board recommends her re-appointment. Details of the proposal for her appointment are given in the Notice of the Annual General Meeting.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence prescribed under sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (LODR), 2015 and registered themselves with the Independent Director's database maintained by the Indian Institute of Corporate Affairs, Manesar pursuant to the Rule 6 of the Companies (Appointment and qualification of Directors) Rules, 2014.

The details of programmes for familiarisation of Independent Directors with the Company, their roles, rights, responsibility in the Company, nature of the industry in which the Company operates and other related matters are put on the website of the Company at the link:

http://www.mangalamcement.com/pdf/familiarisation_programme.pdf.

18. APPOINTMENT AND RE-APPOINTMENT OF DIRECTORS :

During the year under review the members of the Company at their 44th Annual General Meeting had given their approval for re-appointment of Smt. Vidula Jalan (DIN: 01474162) and Shri Anshuman Vikram Jalan (DIN: 01455782), Co-Chairpersons of the Company, as Whole Time Directors of the Company for further period of three years w.e.f. 01st April 2020.

19. DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors acknowledge the responsibility for ensuring compliance with the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013 in the preparation of the annual accounts for the year ended on 31st March, 2021 and state that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the

- Company at the end of the financial year and of the profit of the Company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

20. KEY MANAGERIAL PERSONNEL

The following employees were the Key Managerial Personnel of the Company during the year under review :

- (i) Smt. Vidula Jalan, Co-Chairperson
- (ii) Shri Anshuman Vikram Jalan, Co-Chairperson
- (iii) Shri Yaswant Mishra, President (Corporate) & CFO
- (iv) Shri Manoj Kumar, GM (Legal) & Company Secretary

21. REMUNERATION TO DIRECTORS & KEY MANAGERIAL PERSONNEL

- (i) The Ratio of the remuneration of each Director to the median remuneration of employees of the Company for the year ended 31st March, 2021 are :-

Sr No.	Name of Director/CEO/CFO/ Company Secretary	Designation	Ratio of remuneration to median remuneration of the Employee of the Company	Percentage increase in the remuneration for the Financial Year 2020-21
1	Smt. Vidula Jalan	Co-Chairperson, Executive Director	77.19	20.61%
2	Shri Anshuman Vikram Jalan	Co-Chairperson, Executive Director	77.51	20.73%
3	Smt. Aruna Makhan	Independent and Non-Executive Director	2.59	-6.88%
4	Shri N. G. Khaitan	Independent and Non-Executive Director	2.43	-5.41%
5	Shri Gaurav Goel	Independent and Non-Executive Director	2.41	3.73%
6	Shri K. C. Jain	Independent and Non-Executive Director	2.08	-13.67%
7	Shri Yaswant Mishra	President (Corporate) & CFO	NA	0.41%
8	Shri Manoj Kumar	GM (Legal) & Company Secretary	NA	4.90%

Median remuneration of the Employees of the Company during the financial year : ₹ 5.76 lacs.

- (ii) Percentage increase in the median remuneration of employees in the financial year 2020- 2021 is 11.01%.
- (iii) There are 1005 Permanent Employees on the rolls as on 31st March, 2021 of the Company.
- (iv) Explanation w.r.t average increase in remuneration and Company's performance:
- Net Profit/ (Loss) for the financial year ended March 31, 2021 was ₹ 10897.88 lacs as compared to ₹ 7590.21 lacs in the previous year. The increase in median remuneration was 11.01%
- (v) Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company: The total remuneration of Key Managerial Personnel (KMP) increased by 16.47%. Net Profit/(Loss) was ₹ 10897.88 lacs as compared to ₹ 7590.21 lacs in the previous year.
- (vi) Variations in the market Capitalization of the Company and PE Ratio
- a. The market capitalization as on 31st March, 2021 was ₹ 75156.34 lacs. (₹ 40040.67 lacs as on 31st March, 2020).
- b. Price Earnings ratio of the Company as at 31st March, 2021 : 6.90 (as at 31st March, 2020 : 5.28)
- c. Percent increase over / decrease in the market quotations of the shares of the company as compared to the rate at which the company came out with the last public offer in the year: The company has not made any public issue or rights issue of securities in the recent past, so comparison have not been made of current share price with public offer price. The Company's shares are listed on BSE Ltd. and National Stock Exchanges of India Ltd.
- (vii) Average Percentile increase in the Salaries of the Employees other than Managerial Personnel in financial year 2020-21 is 3.55% as compared to 20.67% increase in the Managerial Remuneration for the same period due to increment to the employees and commission to Managerial Personnels.

- (viii) Key Parameters for any variable component of remuneration availed by the Directors are considered by the Board of Directors based on the performance of the Company, recommendations of the Nomination and Remuneration Committee as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.
- (ix) The ratio of the remuneration of the highest paid Director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year is Not Applicable
- (x) It is hereby affirmed that the remuneration paid is as per the Remuneration Policy for Directors, Key Managerial Personnel and other Employees.

22. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has formulated a CSR Policy pursuant to the Section 135 of the Companies Act, 2013 and rules framed thereunder. The policy is framed for undertaking activities as may be found beneficial for upliftment of social, environment and economic development for the weaker section preferring local, near to the factory site.

Pursuant to Section 135 (4) of the Companies Act, 2013 and Rule 8 of the Companies (Corporate Social Responsibility Policy), Rules, 2014, a report on CSR containing particulars in the specified format is attached at **Annexure-1**.

The Composition of the Corporate Social Responsibility Committee (CSR) is as under:

Name of the Member	Category
Smt. Vidula Jalan, Chairperson	Executive Director
Shri A. V. Jalan	Executive Director
Shri Gaurav Goel	Independent & Non Executive Director

The Corporate Social Responsibility (CSR) Policy as approved by the Board is uploaded on the Company's website at the web link: http://www.mangalamcement.com/pdf/policy/corporate_social_responsibility_policy.pdf

23. AUDITORS' REPORT

The Auditors' Report to the shareholders does not contain any qualification, reservation or adverse remark.

24. STATUTORY AUDITORS

M/s. Singhi & Co., Chartered Accountant, (Firm Registration Number: 302049E), who are Statutory Auditors of the Company were appointed as the Statutory Auditors for a term of 5 years at the 41st Annual General Meeting of the Company and their term shall expire at the 46th Annual General Meeting of the Company.

25. COST AUDITOR AND COST AUDIT REPORT

In terms of the provisions of Section 148 of the Companies Act, 2013, read with Companies (Cost Records and Audit) Rules, 2014, the Board of Directors of your Company have on the recommendation of the Audit Committee, appointed M/s. J. K. Kabra & Co., Cost Accountants, New Delhi as the Cost Auditors, to conduct the cost audit of your Company for the Financial Year 2021-22. The Company has recommended their remuneration to shareholders for their ratification at the ensuing Annual General Meeting.

Your Company has maintained cost audit records pursuant to section 148 of the Companies Act, 2013 read with The Companies (Cost Records and Audit) Rules, 2014, in respect of the manufacturing activities are required. The cost audit report for the financial year 2019-20 was filed with the Ministry of Corporate Affairs on 05th September, 2020. The Report does not contain any qualification, reservation or adverse remark.

26. SECRETARIAL AUDIT

Pursuant to Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Company had appointed M/s. P. Pincha & Associates, Company Secretaries, Jaipur as Secretarial Auditor of the Company for the Year 2020-21.

The Secretarial Audit Report for the financial year 2020-21 forms part of this report as **Annexure - 2**. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

The Board has appointed M/s Pinchaa & Co., Practicing Company Secretaries as Secretarial Auditor of the Company for the financial year 2021-22.

27. LOANS, GUARANTEES OR INVESTMENT

Details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes forming part of the financial statements.

28. PARTICULARS OF CONTRACT OR ARRANGEMENT WITH RELATED PARTIES

All the related party transactions are entered into at arm's length in the ordinary course of business and are in compliance with the applicable provisions of the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There are no material significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc. which may have a potential conflict with the interests of the Company.

The Related Party Transaction Policy as approved by the Board is uploaded on the Company's website at the web link: http://www.mangalamcement.com/pdf/policy/related_party_transaction_policy.pdf

29. PARTICULARS OF EMPLOYEES

The information required under Section 197(12) of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, the name and other particulars of employees are to be set out in the Directors' Report as an addendum or annexure thereto.

However, in line with the provisions of Section 136(1) of the Companies Act, 2013 the Report and Accounts as set out therein, are being sent to all Members of your Company and others entitled thereto, excluding the aforesaid information about the employees. Any Member who is interested in obtaining these particulars may write to the Company Secretary at the Registered Office of the Company. The aforesaid Annexure is also available for inspection by the Members at the Registered Office of the Company, 21 days before the 45th Annual General Meeting and up to the date of the said Annual General Meeting during the business hours on working days.

30. ANNUAL RETURN

The Annual Return of the Company has been placed on the website of the Company and can be accessed at <http://www.mangalamcement.com/other.php>

31. COMPLIANCE WITH SECRETARIAL STANDARDS

The Board of Directors affirms that the Company has complied with the applicable Secretarial Standards issued by the Institute of Company Secretaries of India (SS1 and SS2) respectively relating to Meetings of the Board and its Committees and General Meeting which have mandatory application.

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

A Statement containing the information required by Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, is set out in the statement at **Annexure-3** hereto and forms part of this Report.

33. CORPORATE GOVERNANCE

Your Directors reaffirm their continued commitment to good Corporate Governance practices. During the year under review, your Company was in compliance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, relating to Corporate Governance.

A report on Corporate Governance is enclosed at **Annexure-4** hereto and forms part of this Annual Report. The Auditors certificate on compliance with the provision of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to Corporate Governance is annexed to the Report on Corporate Governance.

34. COMPOSITION OF AUDIT COMMITTEE

In line with the provisions of Section 177 (8) of the Companies Act, 2013, the composition of the Committee is as below:

Name of Member	Category
Shri N. G. Khaitan – Chairman	Independent & Non-Executive Director
Smt. Aruna Makhan	Independent & Non-Executive Director
Shri Gaurav Goel	Independent & Non-Executive Director
Shri K. C. Jain	Independent & Non-Executive Director

The recommendation of Audit Committee as and when made to Board, have been approved by it.

35. VIGIL MECHANISM

The Company has formulated a Whistle Blower Policy to establish a vigil mechanism for Directors and employees of the Company to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The mechanism under the policy has been appropriately communicated within the organization. The Whistle Blower Policy is available on the website of the Company.

36. PERFORMANCE EVALUATION

The Board has carried out an evaluation of its own performance and that of the individual Directors as well as of its Committees. The evaluation criteria, inter-alia, covered various aspects of the Board's functioning including its composition, execution and performance of specific duties, obligations and governance. A structured questionnaire, each in line with the circular issued by SEBI, for evaluation of the Board, its various Committees and individual Directors, was prepared and recommended to the Board by the Nomination & Remuneration Committee, for doing the required evaluation, after taking into consideration the inputs received from the Directors, covering various aspects of the Board's functioning, such as adequacy of the composition of the Board and its Committees, execution and performance of specific duties, obligations and governance, etc.

The performance of individual directors was evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company and its minority shareholders, time devoted, etc. The performance evaluation of the Independent Directors was carried out by the entire Board, excluding the Director being evaluated. Independent Directors fulfil the criteria of independence and they are independent of management. The Directors expressed their satisfaction with the evaluation process.

The Independent Directors met on 06th February, 2021 to review the performance evaluation of the Non - Independent Directors, the entire Board of Directors and the Co-Chairpersons. The Independent Directors are well satisfied with the functioning of the Board, its various committees and of the performance of the Executive Directors.

37. KEY PARAMETERS FOR APPOINTMENT OF DIRECTORS & KEY MANAGERIAL PERSONNEL

The Nomination and Remuneration Committee has formulated a detailed policy for appointment of directors, key managerial personnel and senior management personnel, which is designed to attract, motivate and retain best talent.

This policy applies to directors, senior management including its Key Managerial Personnel (KMP) and other employees of the Company. The compensation strategy revolves around getting the "best talent in the market". The remuneration of the Executive Directors and KMPs including the senior management personnel of the Company is recommended by the Nomination and Remuneration Committee based on the Company's remuneration structure taking into account factors such as level of experience, qualification and suitability. The Company generally pays remuneration by way of salary, perquisites and allowances (fixed component), incentive remuneration and/or commission (variable components).

Remuneration by way of commission to the Non-Executive Directors is decided by the Board as permitted by the Companies Act, 2013 in line with the approval granted by shareholders.

38. NOMINATION AND REMUNERATION POLICY

The Company has in place a formal Nomination and Remuneration Policy formulated as per the provisions of Section 178(3) of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The extract of the policy is attached at **Annexure-5** to this Report. Further the above said policy is available at website of the Company at http://www.mangalamcement.com/pdf/policy/nomination_remuneration_policy.pdf

39. INTERNAL FINANCIAL CONTROL

The Company has in place adequate internal financial control systems, commensurate with the size and complexity of its operations, to ensure proper recording of financial and monitoring of operational effectiveness and compliance of various regulatory and statutory requirements.

40. PREVENTION OF SEXUAL HARASSMENT OF WOMEN AT WORK PLACE

During the year under review, the Company has not received any complaint under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act,

2013. The Company under the said Act has constituted Internal Complaint Committee for complaints.

41. BUSINESS RESPONSIBILITY REPORTING

A separate section of Business Responsibility forms part of this Annual Report as required under Regulation 34(2)(f) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

42. ENVIRONMENT, HEALTH AND SAFETY

Environment, Health and Safety (EHS) is one of the primary focus areas for your Company. Your Company's EHS policy is to consider compliance to statutory EHS requirements as the minimum performance standard and is committed to go beyond and adopt stricter standards wherever appropriate.

Your Company have planted over 10,577 saplings to ensure a dense green belt around the plant and mine areas. Company encourage its employees and their families to actively participate in its plantation drives.

Your Company also provided financial assistance to several hospitals and also adopted CHC Morak under a scheme of the Government of Rajasthan and assisted its maintenance and refurbishment.

Activities	No. of Patient(s)
OPD	9059
Periodic Health Check Up	1040
Pulse Polio Drive	552

In your Company safety is of utmost importance and a culture of safety is brought in, not just for the Company's staff but also for contract workers, raw material suppliers and transporters etc. through training programs /communications.

43. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

The Company has transferred a sum of Rs. 15,02,772/- during the financial year 2020-21 to the Investor Education and Protection Fund established by the Central Government in compliance with section 125 of the Companies Act, 2013. The said amount represents unclaimed dividends which were lying with the Company for a period of 7 years from their respective due dates of payment.

Further, in terms of Section 125(6) of the Companies Act, 2013 read with Investor Education and Protection Fund (IEPF) Authority (Accounting, Audit, Transfer and Refund) Rules, (as amended from time to time), during the year under review, the Company has transferred 15,771 equity shares in respect of which dividends have remained unclaimed for a period of seven consecutive years to the IEPF Account established by the Central Government.

44. PUBLIC DEPOSITS

Your Company has neither invited nor accepted any deposits from the public within the meaning of section 2(31) and 74 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014 during the year and as such, no amount of principal or interest on deposit was outstanding as of the balance sheet date.

45. CASH FLOW ANALYSIS

In conformity with the provision of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a cash flow statement for the financial year ended 31st March 2021 forms part of the audited accounts.

46. GENERAL DISCLOSURES

- Your Directors are pleased to inform you that during the year 2020-21, your Company was awarded for "Outstanding Performance in Labour Welfare Initiative

Trophy - 2019" in Best Employer - 2019 Award Competition by the Employers Association of Rajasthan.

- Application u/s 9 of Insolvency and Bankruptcy Code, 2016 has been filed by Interarch Building Products Pvt. Ltd. and hearing of same is fixed on 06.07.2021 before Hon'ble NCLT, Jaipur bench.

47. ACKNOWLEDGEMENTS

Your Directors wish to convey their gratitude and place on record their appreciation for all the employees at all levels for their hard work, solidarity, cooperation and dedication during the year.

Your Directors sincerely convey their appreciation to customers, shareholders, vendors, bankers, business associates, regulatory and government authorities for their continued support.

Date : May 22, 2021

Vidula Jalan, Co-Chairperson, (DIN: 01474162), Place: Kolkata
A V Jalan, Co-Chairperson, (DIN: 01455782), Place: Kolkata
Aruna Makhan, Director, (DIN: 00025727), Place: New Delhi
N G Khaitan, Director, (DIN: 00020588), Place: Kolkata
Gaurav Goel, Director, (DIN: 00076111), Place: New Delhi
K C Jain, Director, (DIN: 00029985), Place: Hyderabad

Management Discussion & Analysis

INDUSTRY OVERVIEW

India has a lot of potential for development in Infrastructure & Construction sector and Cement Industry shall be benefited by it. Demand for cement is expected to reach 550 to 600 Million MT's by 2025, due to increasing demand in various sectors viz; Housing, Industrial Construction, Commercial Construction and infrastructure development. India is the second largest producer of Cement in the world but per capita consumption of cement is only 235 kgs compared to the world average of 500 kg and in china, where it is 1000 kgs.

The Impact of COVID -19 had a major impact on all forms of economic activities and has adversely affected the cement demand in first half of the financial year but rural demand supported the industry as a whole in a big way led by governments infrastructure developments spent helped the industry to overcome the initial setback due to Lockdowns, unprecedented migration of labour force, supply chain disruptions and increased costs.

Again by end of the financial year spread of the pandemic has been very fast and most of the states have announced partial or full lockdowns impacting overall economic activities and the cement industry has also got a big hit. Movements in the market is practically NIL. It is very difficult to predict the timeline for this pandemic to stop but with various initiatives taken by the Government, such as increased infrastructure spent, 100 smart city developments etc., the industry sees bright years ahead in near and medium term.

PERFORMANCE REVIEW

There has been an overall growth in the industry for the financial year 2020-21. Your company has also registered a 6.37% increase in volume and was able to achieve a growth in sales of 5.7 % due to better realizations in some of its markets.

During the year with the commissioning of waste heat recovery plant as well impact of new long term linkages for supply of coal for captive power plants have helped the company to reduce its overall costs.

The 11 MW Waste Heat Recovery (WHR) plant has been fully commissioned during the year and running at full capacity. Your company has also started using alternative fuels like Biomass to reduce its energy costs.

There had been a huge increase in prices of Petcoke and Diesel prices as well as overall freight costs due to stricter loading norms compliances of vehicles in all markets where we operate.

Your Company has produced 2.83 Million MT of cement as compared to 2.70 Million MT in the previous year and registered an increase of 4.81 % in volume and has registered a growth of 5.7 % in sales.

Financial Highlights

(₹ in Lakhs)

Particulars	FY2021	FY2020
Revenue from Operation	129825.95	122825.10
Profit/(Loss) before Interest, Depreciation & Taxation	29144.07	22909.04
Less: Interest and Finance Charges	6472.06	6327.50
Profit/(Loss) after Interest	22672.01	16581.54
Less: Depreciation and Amortisation	5859.07	4867.50
Profit/(Loss) before Tax	16812.94	11714.04
Net Profit/(Loss) after Tax	10897.88	7590.21
Other Comprehensive Income (net of Tax)	-68.35	-185.88
Total Comprehensive Income (after Tax)	10829.53	7404.33

Revenue from Operations increased by 5.70% from ₹ 122825.10 lakhs in the previous year to ₹ 129825.95 lakhs in the current year.

Profit before depreciation and tax increased by ₹ 6090.47 lakhs from ₹ 16581.54 lakhs to ₹ 22672.01 Lakhs in the current year.

Production

Particulars	FY2021	FY2020
Production (MMT) :		
Clinker	1.98	2.15
Cement	2.83	2.70

Clinker production decreased compare to previous year by 7.91% and whereas the Cement production increased compare to previous year by 4.81%.

● **Sales and Despatch Volume**

Particulars	FY2021	FY2020
Sales Volume (MMT) :		
Cement	2.84	2.67
Clinker	0	0.02
Despatch Volume (MMT)		
Cement	2.82	2.69
Clinker	0	0.02

● **Power and Coal Consumption**

Particulars	FY2021	FY2020
Power Consumption (Per MT of Cement)	73 kwh	74 kwh
Coal Consumption (Per MT of Clinker)	109.25 Kg	111.74 Kg

● **Power generation**

Particulars	FY2021	FY2020
Captive Thermal Power Plant (In Lakhs kwh)	1222.02	1470.63
Wind Turbines (In Lakhs kwh)	146.42	164.83
WHRS (In Lakhs kwh)	555.02	56.68

The overall performance of the company was satisfactory and has earned life time highest EBITDA during the year under review and main factors were better realisation of cement, increase in PPC production, and reduction in Fuel cost.

The company continues to focus on and strengthen its production and sales of fly ash blended cement from 75% to 90% in coming years.

RISKS & MITIGATING STEPS

The key risks areas are periodically reviewed and systemically reviewed by the Senior Management. The Risk is an expression of uncertainty about events and their possible outcomes that could have a material impact on the Company's performance and prospects. Mangalam Cement is committed to ensure a secured business environment with proactive awareness, appraisal and mitigation measures. The Company has proper enterprise risk management (ERM) policies in place to identify, manage and mitigate risks and emerge as a risk-focused organisation.

Economic volatility risk : Macro-economic factors have always formed the fundamental baseline on which the economy's industrial performance and slowdown may impact the Company's performance. India's new government is implementing favourable policies and regulations that have strengthened business

sentiments. With increased population, surged need for housing, moderating inflation, stabilising currency and improved disposable income, the Company expects the demand for cement to grow sustainably.

Key input risk : Procurement of key raw materials at the right time and right price is an essential requirement for maintaining the overall cost of production. Any unforeseen increase may impact the Company's profitability. The Company has strategically averted this risk by maintaining sufficient limestone reserves to meet their captive requirements. It has also formed and maintained long-term relationships with the suppliers to ensure consistent supply. Besides, the Company has undertaken various technological initiatives to optimise raw materials usage and enhance productivity.

Competition risk : Increasing cement players within the industry may impact realisation on account of stiff competition. To mitigate this risk, the Company has marked its product quality as its primary strength. Very efficiently, the Company has witnessed higher realisations per ton of cement on account of this uniqueness. It maintains a judicious mix of retail and institutional sales as well, which further strengthens its dealer base and retailer network. The Company also reinforced its marketing and sales team, enabling increased market penetration, retaining existing clients and acquiring potential customers, simultaneously.

Human asset risk : Human resource is one of the most important assets of any company. The lack of a judicious employee mix (experienced and new) may hinder the Company's overall growth. Therefore, to maintain a steady balance, utmost emphasis has been laid down on retaining experienced personnel and recruiting management trainees to create a robust team. The Company provides specialised training to its employees and is consistently building a leadership pipeline. It maintains an attrition level that is much below industry standards.

Customer reach risk : Inability to reach out to the demand pockets in key regions across India may affect business growth. The Company has developed extensive network strength, ensuring its business growth. Logistics and transportation facilities have been strengthened for efficient dispatch. The Company's marketing department closely works with dealers and institutional clients to cater to their demand requirements.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company's internal control procedures are adequate to ensure compliance with various policies, practices and statutes in keeping with the organization's pace of growth and increasing complexity of operations.

Your Company maintains a system of internal controls designed to provide reasonable assurance regarding the following:

- Effectiveness and efficiency of operations
- Adequacy of safeguards for assets
- Prevention and detection of frauds and errors
- Accuracy and completeness of the accounting records
- Timely preparation of reliable financial information

The internal controls and governance process are duly reviewed for their adequacy and effectiveness through periodic audits by independent internal and external auditors. The Audit Committee is periodically briefed on the corrective and preventive action taken to mitigate the risks.

HUMAN RESOURCES

Employees are the core strength of any organisation. Your Company believes in the development of the people as a key priority and continues to nurture a blend of experienced and fresh employees in its talent pool, including highly qualified professionals, both technical and non-technical. Your Company's human resource management function is structured to achieve high level engagement of its people which in turn ensures both higher productivity and happy people and thereby improve the bottom line.

At Mangalam, measures for employee safety, training, welfare and development continue to get top priority at all levels and results

are reflected in the improved quality and efficiency. The Company's training programmes and value-based teaching enhance motivational levels among its people. The Company's industrial relations as well as public relations with all external agencies have been cordial. Your Company had 1005 employees, as on 31st March, 2021.

SIGNIFICANT CHANGES IN KEY FINANCIAL RATIOS

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

	F.Y., 20-21	F.Y., 19-20	% Change
Interest Coverage Ratio	3.60	2.85	26.18
Debt Equity Ratio	0.87	1.01	-14.01
Operating profit Margin Ratio	22.45	18.65	20.36
Net profit Margin	8.39	6.18	35.84
Inventory Turnover Ratio	5.93	7.78	-23.70
Current Ratio	1.32	0.98	35.01

The changes in the above ratios are due to profit incurred during the year.

RETURN ON NET WORTH

	F.Y.,20-21	F.Y.,19-20
Return on Net worth	15.99%	13.18%

The increase in the net worth as on 31st March, 2021 was due to profit incurred during the year.

CAUTIONARY STATEMENT

The statement in this report on Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be forward looking, within the meaning of applicable security law or regulations. These statements are based on certain assumptions and expectations of future events. Actual results could however differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and domestic demand-supply conditions, finished goods prices, raw materials' cost and availability, changes in Government regulations and tax structure, economic developments and other factors such as litigation and industrial relations.

The Company assumes no responsibility in respect of forward looking statements herein which may undergo changes in future on the basis of subsequent developments, information, or events.

ANNUAL REPORT ON CSR ACTIVITIES FOR FINANCIAL YEAR ENDING 31ST MARCH, 2021

1. Brief outline on CSR Policy of the Company

The Company has formulated a CSR Policy stated in the link mentioned in the Report pursuant to the Section 135 of the Companies Act, 2013 and rules framed thereunder. The policy is framed for undertaking activities as may be found beneficial for upliftment of social, environment and economic development for the weaker section preferring local, near to the factory site.

2. Composition of CSR Committee :

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Smt. Vidula Jalan	Chairperson/ Co-Chairperson & Whole Time Director	3	3
2	Shri A. V. Jalan	Member/ Co-Chairperson & Whole Time Director	3	3
3	Shri Gaurav Goel	Member/ Independent, Non-Executive Director	3	1

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

Composition of the CSR committee shared above and is available on the Company's website on:

<http://www.mangalamcement.com/cbm.php>

CSR policy - http://www.mangalamcement.com/codes_policies.php

CSR projects - http://www.mangalamcement.com/codes_policies.php

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

Pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, impact assessment of CSR project to be carry out in financial year 2020-21 was not applicable on Company.

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

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

6. Average net profit of the company as per section 135(5) : Rs. 3980.74 Lakhs

7. (a) Two percent of average net profit of the company as per section 135(5) : Rs. 79.61 Lakhs
 (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years : Nil
 (c) Amount required to be set off for the financial year : Nil
 (d) Total CSR obligation for the financial year (7a+7b7c) : Rs. 79.61 Lakhs.

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

Total Amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)		
	Amount.	Date of transfer.	Name of the Fund	Amount	Date of transfer
Rs. 84.90 Lakhs	Nil	--	--	Nil	--

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
Sl. No	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the Project	Project duration	Amount allocated for the Project Year (in Rs.)	Amount spent in the Current Financial Account (in Rs.)	Amount transferred to Unspent CSR (Yes/No) for the Project as per Section 135(6) (in Rs.)	Mode of Implementation - Direct (Yes/No)	Mode of Implementation Through Implementing Agency
				State	District				Name	CSR Registration number
--	--	--	--	--	--	Nil	Nil	Nil	--	--

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/No)	Location of the Project		Amount spent for the Project (Rs. in Lakhs)	Mode of Implementation on - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District			Name	CSR Registration Number
1	Infrastructural support to nearby villages & rural development	(x) Rural Development	Yes	Rajasthan	Kota	41.08	Yes	--	--
2	Support to Govt. ITI	(ii) Promoting education	Yes	Rajasthan	Kota	1.91	Yes	--	--
3	Sewing Machine / tailoring classes	(ii) Women Empowerment and Vocational Skill	Yes	Rajasthan	Kota	4.50	Yes	--	--
4	COVID support Distribution of Mask for prevention from COVID-19 in nearby area of Morak Plant	(i) Preventive Health care & COVID-19 Contribution	Yes	Rajasthan	Kota	25.00	Yes	--	--
5	COVID support- Distribution of Food kit during the COVID-19 pandemic	(i) Preventive Health care & COVID-19 Contribution	Yes	Rajasthan	Kota	9.91	Yes	--	--
6	Assistance to Gram Panchayats for Rural Development near by the Aligarh Plant	(x) Rural Development	Yes	Uttar Pradesh	Aligarh	2.50	Yes	--	--
Total						84.90			

(d) Amount spent in Administrative Overheads: Nil

(e) Amount spent on Impact Assessment, if applicable: Nil

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): Rs. 84.90 Lakhs

(g) Excess amount for set off, if any

Sl. No	Particular	Amount (in Rs.)
(i)	Two percent of average net profit of the company as per section 135(5)	Rs. 79.61 Lakhs
(ii)	Total amount spent for the Financial Year	Rs. 84.90 Lakhs
(iii)	Excess amount spent for the financial year [(ii)-(i)]	Rs.5.29 Lakhs
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	Nil
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	Nil

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

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Amount spent in the reporting Financial Year (in Rs.)	Amount transferred to any fund specified under Schedule VII as per section 135(6) if any	Amount remaining to be spent in succeeding financial years (in Rs.)
				Name of the Fund	Date of transfer
--	Nil	Nil	--	Nil	Nil

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

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl.	Project ID.	Name of the Project	Financial Year in which the project was commenced.	Project duration	Total amount allocated for the project (in Rs.)	Amount spent on the project in the reporting Financial Year (in Rs)	Cumulative amount spent at the end of reporting Financial Year (in Rs.)	Status of the project - Completed /Ongoing
--	--	--	Nil	--	Nil	Nil	Nil	--

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year

(asset-wise details).

- (a) Date of creation or acquisition of the capital asset(s):** None
- (b) Amount of CSR spent for creation or acquisition of capital asset:** Nil
- (c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.:** Not Applicable
- (d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset):** Not Applicable.

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

Date : May 22, 2021
Place : Kolkata

Vidula Jalan
Co-Chairperson &
Chairperson – CSR Committee
(DIN: 01474162)

A V Jalan
Co-Chairperson
(DIN: 01455782)

Form: MR-3

SECRETARIAL AUDIT REPORT

For the Financial Year ended on 31st March, 2021

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

To
The Members,
Mangalam Cement Limited
Aditya Nagar, Morak
Dist. - Kota

I have conducted the secretarial audit of the compliances of applicable statutory provisions and the adherence to good corporate practices by Mangalam Cement Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of Mangalam Cement Limited's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2021 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter :

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

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') :-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

- b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 :
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the Company during the reporting period under Audit)**
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable to the Company during the reporting period under Audit)**
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the Company during the reporting period under Audit)**
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not applicable to the Company during the reporting period under Audit) &**
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the Company during the reporting period under Audit)**

I further report that, having regard to the compliance system prevailing in the company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the Company:

The Mines Act 1952, and Rules made thereunder, and other related Acts and their respective rules, as amended from time to time.

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

- (i) Secretarial Standards on the Board and General Meetings (SS-1 & SS-2) issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

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

I further report that, during the year under review :

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

Adequate notice were given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda are sent at least seven days in advance, a system exists for seeking and obtaining

further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All the decisions at Board Meetings and Board Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of Board of Directors of the Company or committee of the Board, as the case may be.

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

I further report that during the audit period :

- a) Shareholders, secured creditors and unsecured creditors of the Company have approved the Scheme of Amalgamation of Mangalam Timber Products Limited ("Transferor Company") with the Mangalam Cement Limited ("Transferee Company") in their separate meetings held on 1st March, 2021 convened pursuant to the order issued by Hon'ble NCLT Bench at Jaipur.

For P. Pincha & Associates
Company Secretaries

Pradeep Pincha
Proprietor

Dated : 11.05.2021
Place : Jaipur
UDIN : F005369C000307715

M. No.: FCS 5369
C. P. No.:4426

(This report is to be read with my letter of even date which is annexed as Annexure-A which forms an integral part of this report.)

Annexure -"A"

To
The Members,
Mangalam Cement Limited
Aditya Nagar, Morak
Dist. - Kota

The above report of even date is to be read along with this letter :

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on the audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, I have obtained the management representation about the compliance of laws, rules, and regulations and happening of events etc.

5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **P. Pincha & Associates**
Company Secretaries

Pradeep Pincha
Proprietor
M. No.: FCS 5369
C. P. No.:4426

Dated : 11/05/2021
Place : Jaipur
UDIN : F005369C000307715

INFORMATION AS PER SECTION 134 (3) (M) READ WITH RULE 8 OF THE COMPANIES (ACCOUNTS) RULES, 2014 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31st MARCH 2021

A. CONSERVATION OF ENERGY

1. Energy conservation measures taken:

Following energy saving jobs were carried out in plant (in house) -

- Replacement of Sodium well glass light fittings by Energy efficient LED light fittings in Plant
- Replacement of DC Motors of Cooler fan No.-5 and Cooler Exhaust fan of Unit-II Clinker Cooler by AC motors along with VFD for energy saving and improvement in reliability.
- Utilisation of 141.45 Lac units Wind Energy (Green Power) for plant captive use.
- Utilisation of 1709 Tons of Biomass and 613 Tons of Carbon Black in Kiln-II and 1983 Tons of Biomass in CPP.
- Utilisation of Net electricity of 513.57 Lac Units for captive use, generated from Waste Heat Recovery (WHR) Plant.

2. Additional investment and proposals, if any, being implemented for reduction of consumption of energy :

- Replacement of existing clinker cooler with new high efficiency IKN cooler in our Unit- II Kiln. Expected saving in thermal energy will be 31 Kcal/Kg of Clinker. Expected to be commissioned in July'2021.
- Installation of MVVFD in Unit -II Kiln ESP fan HT Motor for power saving and smooth operation.
- Installation of MVVFD in Unit-I and Unit-II VCM main drive Motors for power saving and smooth operation.
- Replacement of existing Kiln firing system in Unit-II Kiln with latest technology FLS rota scale system for better accuracy.

3. Impact of the measures as above for the reduction of energy consumption and consequent impact of the cost of production of goods.

The measures stated in S. No. 2 above will result in saving in energy used in both thermal and electrical as well as improvement of quality of cement and overall productivity. We have achieved ever lowest Sp. Electrical Energy Consumption of 72.23 Units/Ton of Cement for the FY - 2020-21.

B. TECHNOLOGY ABSORPTION

1. Significant achievements of In-House R & D facility -

Quality is the base line at Mangalam Cement Ltd. we employ tight controls and cutting edge technology at every step to ensure superior quality. Special emphasis is placed on Research & Development facilities to augment product quality by significantly reduction in specific consumption of resources, utilization of low grade, industrial waste and blended materials to enhance the life of mines, by improving input raw materials, adopting new technique in analysis and development of new

methods to increase proficiency of equipment's, energy efficiency and developing pollution free environment.

A brief note on progress of each of the projects of In-house R & D, successfully completed, under progress and proposed taken up during the year-

• Projects successfully completed during the year 2020-21 :-

- Manufacturing of Premium Product cement PPC-ProMaxX(High early & Later Strength)
- Maximize Usages of Alt Raw Materials (Red Mud) in Raw Mix
- Manufacturing of 1000TPD Synthetic Gypsum by intermixing of Phospho-Gypsum and Kota Stone slurry powder project complete
- In-Front of DM Plant and CPP Road RCC Work
- CPP-2 Boiler Shed Sheet Replacement Work.
- CPP-1 CEP And Fin Cleaning Pump Shed Work
- PH Boiler rapping system rapping shaft modification
- Condensate steam transfer line from TG building to cooling water blowdown pit.
- Cement Mill 1 & 2 and Packing Plant 1 & 2 DCS (Distributed control system) upgraded.
- Kiln-2 cooler fan no. 5 & cooler ID fan replaced with AC drive. It is saving maintenance cost as well as reduction in sp power consumption.
- Rail in Motion weigh bridge FOIS system commissioned as per railway requirement for automatically upload data to railway server during rake weighment
- Reclamer-2 PLC upgraded with HMI.
- Reclamer-2 skew arrangement made in house for safety of the equipment.
- New Weigh feeder has commissioned for Phospho Gypsum beneficiation plant
- VRM-2 rollers extreme down proximity switches provided for indication of pull rod broken and for tripping of main drive to protect gear box.
- MGU cement out flow weigh bridge platform has modified to improve the reliability of Machines.
- GRR PLC problem rectified as made programming in over plant Distributed control system as it is as in the local PLC of unit-2 kiln ESP fan GRR panel.
- Additive feeding system has installed in MGU for new production development.
- Water harvesting system development work is in progress inside the plant

• **Benefit derived from the above projects :-**

The above improvement jobs have done resulted many benefits have been observed i.e. Improvement in Quality, Environment & Power Generation, Reduction of Raw Mix and cement manufacturing Cost, Improvement in Equipment's/ Machine's/System reliability, Reduction in water consumption, Regularity requirements, Reduction in break down etc.

• **Projects under progress and proposed for the year 2021-22 :-**

UNDER PROGRESS :

- 1 Bio mass feeding system for Kiln-I is under progress.
- 2 Biomass shed construction

• **PROPOSED :**

1. Replacement of Unit-2 Complete Cooler by efficient Cooler.
2. Unit-2 Coal firing systems POLDOS system will be replaced with PFIESTER (ROTA SCALE)
3. Installation of new MV drive (1250 KW) for Unit-2 kiln ESP Fan.
4. Installation of new MV drive for VCM1 & 2 main drive. (800KW)
5. Biomass Rotor Shaft Dia Increasing At The End From 28Mm To 35Mm And Hollow Shaft Gear Box Replaced With Geared Motor Chain And Sprocket System.(Under progress)
6. Installation hopper for PH-1 and PH-2 boiler for dumping dust material during DCC maintenance or breakdown.
7. Feasibility Study of Mines Limestone beneficiation for utilization of Subgrade Limestone

2. Expenditure on R&D

(₹ in Lakhs)

	2020-21	2019-20
i Capital	Nil	0.71
ii Recurring Expenses	57.18	5.00
iii Total (i+ii)	57.18	5.71
iv Total R&D Expenditure as a percentage of Total Turnover	0.04%	0.01

3. Technology absorption, adoption and innovation :

Efforts made in brief

a) Towards technology absorption

1. Continuous interaction with the main plant supplier and other for technical assistance, has helped to achieve optimum benefits of the advancement in technology such as plant optimization, efficient use of energy etc.
2. Plant personnel were trained by experts, in-house and outside through Seminars and visits.

Improved quality and productivity throughput and cost reduction, due to thermal and electrical Energy savings.

b) Benefits derived as a result of above efforts e.g. products improvement, cost reduction, product development, import substitution etc.

c) Incase of imported technology (imported during the last 3 years reckoned from the beginning of the Financial year) following information may be furnished

- | | | |
|--|---|-----|
| (i) Technology imported | : | NIL |
| (ii) Year of import | : | N.A |
| (iii) Has Technology been fully absorbed | : | N.A |
| (iv) If not fully absorbed, areas where this has not taken place, reason thereof and future plan of action | : | N.A |

C. FOREIGN EXCHANGE EARNING AND OUTGO :

- | | |
|-----------------------------------|-----------------|
| (a) Total foreign exchange earned | Nil |
| (b) Total foreign exchange used | ₹ 7784.13 Lakhs |

Vidula Jalan, Co-Chairperson, (DIN: 01474162), Place: Kolkata
A V Jalan, Co-Chairperson, (DIN: 01455782), Place: Kolkata
Aruna Makhan, Director, (DIN: 00025727), Place: New Delhi
N G Khaitan, Director, (DIN: 00020588), Place: Kolkata
Gaurav Goel, Director, (DIN: 00076111), Place: New Delhi
K C Jain, Director, (DIN: 00029985), Place: Hyderabad

Date : May 22, 2021

Corporate Governance Report

Annexure – 4

A report on Corporate Governance is set out in compliance with the Corporate Governance requirements as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I. COMPANY'S PHILOSOPHY ON THE CORPORATE GOVERNANCE:

The Company's philosophy on Corporate Governance is embedded in the rich legacy of ethical governance practices. This includes its corporate and other structures, its culture, policies and the manner in which it deals with various stakeholders. Accordingly, timely and accurate disclosure of information regarding the financial situation, performance, ownership and governance of the company is an important part of Corporate Governance.

Integrity, accountability, transparency and compliance with laws which are the columns of good governance are cemented in the Company's robust business practices to ensure ethical and responsible leadership both at the Board and at the Management level. Your Company has complied with the requirement of Corporate Governance as laid down under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

II. BOARD OF DIRECTORS:

a) Composition of the Board:

The composition of the Board of Directors of the Company comprises of Executive and Non - Executive Directors. As on 31st March, 2021, the Board of Directors of the Company consists of Six Directors out of which four are Non-Executive Independent Directors, which is in conformity with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and the Companies Act, 2013 (Act*). The composition of Board of Directors is as follows: -

S. No.	Name of the Director	Category	No. of other Directorship held (excluding *)	No. of other board committee ** (excluding *)	
				As Chairman	As Member
1.	Smt. Vidula Jalan	Co-Chairperson, Promoter-Executive	2	-	0
2.	Shri A. V. Jalan	Co-Chairperson, Promoter-Executive	2	-	2
3.	Smt. Aruna Makhan	Independent-Non-Executive	0	-	0
4.	Shri N. G. Khaitan	Independent-Non-Executive	7	2	6
5.	Shri Gaurav Goel	Independent-Non-Executive	4	-	1
6.	Shri K. C. Jain	Independent-Non-Executive	0	-	0

*Mangalam Cement Limited, Private Companies, Companies under Section 8 of the Companies Act, 2013 ("the Act") and foreign Companies.

** Only two Committees viz., the Audit Committee and the Shareholders' / Stakeholder Relationship Committee have been considered for this purpose.

Except, Shri A. V. Jalan and Smt. Vidula Jalan, who are spouses, no Director are related to any other Directors on the Board in terms of the provisions of the Companies Act, 2013. All the Directors who are on various Committees are holding the membership as per permissible limits of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(ii) The attendance record of the Directors at the Board Meetings during the year ended 31st March, 2021 and the last Annual General Meeting (AGM) is as under:

S.No.	Name of the Director	No. of Board Meetings Attended	Attendance at the Last AGM
1.	Smt Vidula Jalan	5 out of 5	Yes
2.	Shri A V Jalan	5 out of 5	Yes
3.	Smt. Aruna Makhan	5 out of 5	Yes
4.	Shri N G Khaitan	5 out of 5	Yes
5.	Shri Gaurav Goel	4 out of 5	No
6.	Shri K C Jain	4 out of 5	Yes

b) Board Meetings and attendance of the Directors:

(i) The Company's Board of Directors play a primary role in ensuring good governance and functioning of the Company. All the required information is placed before the Board. The Board reviews from time to time compliance reports of all the laws applicable to the Company. The members of the Board have complete freedom to express their opinion and decisions are taken after detailed discussion.

During the year ended on 31st March, 2021, the Board of Directors had Five(5) meetings - 17th June 2020, 07th August 2020, 07th November 2020, 06th February 2021 and 21st February 2021.

c) **Shares and Convertible Instruments held by Directors**
Details of Shareholding of Directors as on 31st March, 2021 in the Company are as under:

S.No.	Name of the Director	No. of Equity Shares
1.	Smt Vidula Jalan	1,30,000
2.	Shri A V Jalan	85,000
3.	Smt Aruna Makhan	Nil
4.	Shri N G Khaitan*	440
5.	Shri Gaurav Goel	Nil
6.	Shri K C Jain	6,840

*held in HUF

The Company has no convertible instrument pending as on 31st March, 2021.

d) Familiarisation programme imparted to Independent Directors

The details of programmes for familiarisation of independent Directors with the Company, their roles, rights, responsibility in the Company, nature of the industry in which the Company operates and other related matters are put on the website of the Company at the link: http://www.mangalamcement.com/pdf/familiarisation_programme.pdf.

e) Code of Conduct

The Company has laid down a Code of Conduct applicable to all Board Members, Key Managerial Personnel and Senior Management Personnel for avoidance of conflicts of interest between each of the above individuals and the Company. All the Board Members, Key Managerial Personnel and Senior Management Personnel have affirmed compliance with the Code of Conduct as at the end of each Financial Year. The required declarations in respect of the financial year 2020-21 have been received from them. There were no materially significant transaction as defined in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 during the financial year with Board Members, Key Managerial Personnel and Senior Management Personnel, including their relatives that had or could have had a potential conflict with the interest of the Company at large.

The Code of Conduct is available on the website of the Company.

f) Core skill, expertise or competencies of Board of Directors

The Board of Directors comprises of professionals of eminence and stature drawn from diverse fields. They collectively bring to the fore a wide range of skills and experience to the Board, which elevates the quality of the Board's decision making process.

The list of Core skill, expertise or competencies required in the context of business and sector of the Company to function effectively includes follows :

- Business Management
- Operations, Finance & General Management
- Accounting, Auditing, Tax, Legal and Risk Advisory Services
- Expert knowledge in Cement industry
- Corporate Governance

The above said list of Core skill, expertise or competencies are available with Board of Directors of the Company.

Name of Directors who have such Core skill, expertise or competencies are as follows:

Particular of Core skill, expertise or competencies	Name of Directors having Core skill, expertise or competencies
Business Management	Smt. Vidula Jalan Shri A. V. Jalan Shri Gaurav Goel
Operations, Finance & General Management	Shri Gaurav Goel Shri K. C. Jain Smt. Aruna Makhan

Particular of Core skill, expertise or competencies	Name of Directors having Core skill, expertise or competencies
Accounting, Auditing, Tax,	Shri N. G. Khaitan
Legal and Risk	Shri K. C. Jain
Advisory Services	Smt. Aruna Makhan
Expert knowledge in Cement industry	Shri K. C. Jain
Corporate Governance	Shri N. G. Khaitan

g) Directorship in other listed companies and category of directorship

The details of listed companies, where director of the Company is director and his/her category of directorship are as follows :

Name of Director	Name of listed Company along with category*
Smt. Aruna Makhan	—
Shri Gaurav Goel	Dhampur Sugar Mills Ltd- Managing Director
Shri N. G. Khaitan	Chase Bright Steel Ltd- Non-Executive - Independent Director HSIL Ltd.- Non-Executive - Independent Director JK Lakshmi Cement Ltd.- Non-Executive - Independent Director Somany Home Innovation Ltd-- Non-Executive - Independent Director Reliance Chemotex Industries Ltd-Non-Executive - Non Independent Director India Power Corporation Ltd.- Non-Executive - Independent Director
Shri K. C. Jain	--
Smt. Vidula Jalan	Mangalam Timber Products Ltd-Non-Executive, Non Independent Director
Shri A. V. Jalan	Pilani Investment and Industries Corporation Ltd - Non-Executive - Non Independent Director

*excluding Mangalam Cement Limited

h) Confirmation as regards independence of Independent Directors

In the opinion of the Board, the existing Independent Directors fulfil the conditions specified in the SEBI Listing Regulations and are independent of the Management.

III. COMMITTEES OF THE BOARD:

A. Audit Committee :

- ✓ The Audit Committee consists of four Non-Executive Independent Directors. The terms of reference to the Audit Committee are as per the guidelines set out in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with section 177 of the Companies Act, 2013. These broadly include review of financial reporting systems, internal control systems, ensuring compliance with regulatory guidelines, discussions on quarterly/half yearly/annual financial results, interaction with statutory, internal and cost auditors and appointment and removal of Internal Auditors.

- ✓ During the year ended 31st March, 2021, the Audit Committee held 4 meetings - 17th June 2020, 07th August, 2020, 07th November, 2020 and 06th February, 2021.

- ✓ Details of the composition of the Audit Committee and the attendance at the Meetings held are as follows.

S.No.	Name of the Director	Position	Meetings attended
1.	Shri N. G. Khaitan	Chairman	4 out of 4
2.	Smt. Aruna Makhan	Member	4 out of 4
3.	Shri Gaurav Goel	Member	4 out of 4
4.	Shri K. C. Jain	Member	3 out of 4

- ✓ At the invitation of the Committee, Internal Auditors, Cost Auditors, Statutory Auditors, the Chief Financial Officer, the Company Secretary (who acts as the Secretary to the Audit Committee), the Co-Chairpersons also attends the meetings as and when required to respond to the queries raised at the Committee Meetings.

✓ **Terms & Reference of Audit Committee**

The terms of reference of Audit Committee includes following matters :

- (i) Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- (ii) Recommending the appointment / re-appointment, removal / replacement, terms of appointment, fixation of remuneration of auditors including approval for payment for any other services rendered by the Statutory Auditors.
- (iii) Reviewing, with the management, the annual financial statements and auditor reports thereon before submission to the Board for their approval, with particular reference to :
 - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section (3) of section 134 of the Companies Act, 2013
 - b) Any changes in accounting policies and practices and reasons for the same.
 - c) Major accounting entries involving estimates based on exercise of judgment by management.
 - d) Significant adjustments made in the financial statements arising out of audit findings.
 - e) Compliance with the requirements of the stock exchanges, if applicable, and legal requirements concerning financial statements.
 - f) Disclosure of any related party transactions.
 - g) Modified opinion(s) in the draft audit report
- (iv) Review of quarterly financial statements with the management before submission to the board for its approval
- (v) Review and monitor the auditor's independence, performance, effectiveness of audit process
- (vi) Approval or any subsequent modification of transactions of the Company with related parties, as may be required under the Companies Act / Listing Regulations.

- (vii) Provide omnibus approval for related party transactions
- (viii) Scrutiny of inter corporate loans and Investments.
- (ix) Valuation of undertakings or assets of the company, wherever it is necessary.
- (x) Evaluation of internal financial controls and risk management systems.
- (xi) Review with the Management, performance of statutory and internal auditors, adequacy of the internal control systems
- (xii) Reviewing the adequacy of internal audit function, including the structure of the internal audit department, approval of the audit plan and its execution, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
- (xiii) Reviewing the findings of any internal investigations by the Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
- (xiv) Discussing with the Internal Auditors of any significant findings and follow-up thereon
- (xv) Discussing with Statutory Auditors before the audit commences, the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- (xvi) Looking into the reasons for substantial defaults in the payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
- (xvii) The audit committee shall establish the vigil mechanism for directors and employee to report genuine concerns.
- (xviii) The Committee to review the functioning of the Vigil Mechanism (whistle blower mechanism).
- (xix) Assessing the qualifications, experience and background, etc. of the candidate for appointment of Chief Finance Officer and providing approval for his appointment
- (xx) To review the utilization of loan and/or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crores or 10% of the asset size of the subsidiary, whichever is lower (w.e.f. 01st April, 2019).
- (xxi) Monitoring the end use of funds raised through public offers and related matters.
- (xxii) Review the financial statements, in particular the investments made by the unlisted subsidiary companies
- (xxiii) To appoint the Registered Valuers under Section 247 of the Act.
- (xxiv) The Audit Committee may call for the comments of the auditor about the internal control system, the scope of audit, including the observations of the auditor and review of financial statement before their submission to the board. It will oversee compliance of internal control systems and may discuss any related issue with the internal and statutory auditors and the management of company.
- (xxv) Analyzing and providing the observation on the fraud reported by statutory auditor of the company in the course of performance of his duties

- (xxvi) To investigate any activity within its terms of reference or referred to it by Board of Directors.
- (xxvii) To seek information from any employee;
- (xxviii) To obtain outside legal or other professional advice;
- (xxix) To secure attendance of outsiders with relevant expertise, if it considers necessary
- (xxx) To have full access to information contained in the records of the Company
- (xxxi) Review of disclosure requirement as per Accounting Standard 18 & Transaction dealt with Section 188 of Companies Act 2013 and amendment thereof
- (xxxii) Details of material individual transactions with related parties which are not in the normal course of business shall be placed before the Audit Committee.
- (xxxiii) Details of material individual transactions with related parties or others, which are not on an arm's length basis, shall be placed before the Audit Committee, together with Management's justification for the same and
- (xxxiv) All other roles and responsibilities as prescribed in the Act and Listing Regulations as amended from time to time.
- ✓ **The Committee shall mandatorily review the following information:**
 - (i) Review of Management discussion and analysis of financial condition and results of operations.
 - (ii) Review of statement of significant related party transactions, submitted by management.
 - (iii) Review of Management letters / letters of internal control weaknesses issued by the Statutory Auditors.
 - (iv) Review of internal audit reports relating to internal control weakness;
 - (v) Reviewing the appointment, removal and terms of remuneration of the Internal Auditor (External Agencies).
 - (vi) Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to Stock Exchange(s) in terms of Regulation 32(1) of the Listing Regulations.

- (vii) Annual Statement of fund utilized for purpose other than those stated in the offer documents/prospectus/notice in terms of Regulation 32(7) of the Listing Regulations.

B. Nomination and Remuneration Committee :

- ✓ During the year ended 31st March, 2021, the Nomination and Remuneration Committee held 3 meetings - 17th June, 2020, 06th February, 2021 and 21st February, 2021.
- ✓ Details of the composition of the Nomination and Remuneration Committee and the attendance at the Meetings held are as follows.

S.No.	Name of the Director	Position	Meetings attended
1.	Shri N. G. Khaitan	Chairman	3 out of 3
2.	Smt. Aruna Makhan	Member	3 out of 3
3.	Shri Gaurav Goel	Member	3 out of 3

✓ **Terms & Reference of the Committee:**

- i. Formulation of the criteria for determining qualification, positive attributes and independence of Directors.
- ii. Recommending to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees in accordance with the provisions of the Section 178(4) of the Companies, 2013.
- iii. Formulation of criteria for evaluation of the Independent Directors and the Board and carryingout an evaluation of every Director's performance;
- iv. Devising a policy on Board's diversity;
- v. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.
- vi. Whether to extend or continue the term of appointment of independent director, on the basis of the report of performance evaluation of independent directors.
- vii. Recommend to the Board, all remuneration, in whatsoever form, payable to senior management.
- ✓ **Details of the sitting fee, commission and remuneration paid/payable to the Directors during the year ended 31st March, 2021 are as under:**

(In ₹)

Sr. No	Name of the Director	Salary	Commission Payable for the year	Perquisites & Others	Sitting Fee paid during the year	Total
1.	Smt Vidula Jalan	2,40,00,000	1,70,00,000	34,75,475	-	4,44,75,475
2.	Shri A. V. Jalan	2,40,00,000	1,70,00,000	36,60,923	-	4,46,60,923
3.	Smt. Aruna Makhan	-	7,00,000	-	7,90,000	14,90,000
4.	Shri N. G. Khaitan	-	7,00,000	-	7,00,000	14,00,000
5.	Shri Gaurav Goel	-	7,00,000	-	6,90,000	13,90,000
6.	Shri K. C. Jain	-	7,00,000	-	5,00,000	12,00,000

Remuneration by way of commission to the Non-Executive Directors is decided by the Board as permitted by the Companies Act, 2013 in line with the approval granted by shareholders. The members of the Company at the 42nd Annual General Meeting held on 08th September, 2018 had approved payment of commission to Non-Executive Directors at a rate not exceeding 1% (one percent) per annum of the net profit of the Company but not exceeding Rs. 7.00 lacs to each of the Non-Executive Director of the Company for a period of three years w.e.f. 01st April, 2018. The Board of Directors of the Company each year determine the quantum of commission payable to Non-Executive Directors considering the performance of the Company for the said year. During the year under review, the Non-Executive Directors are paid sitting fee at the rate of Rs. 1,00,000/- for attending each meeting of the Board and Rs. 20,000/- for attending each meeting of various Committees of the Board except Rs. 10,000/- for Share Transfer Committee meeting.

Board Evaluation :

Pursuant to the provisions of the Companies Act, 2013 and in compliance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of its Committees. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors, who were evaluated on parameters such as level of engagement and contribution, independence of judgement, safeguarding the interest of the Company etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Non-Independent Directors was carried out by the Independent Directors who also reviewed the performance of the Key Managerial Personnel. The Directors expressed their satisfaction with the evaluation process.

C. Stakeholder Relationship Committee:

The Stakeholder Relationship Committee of the Directors consists of three Non-Executive Independent Director. Stakeholder Relationship Committee meetings were held on 07th August, 2020 and 05th February, 2021. Details of the attendance at the meetings held are as follows:

S.No.	Name of the Director	Position	Meetings attended
1.	Shri K. C. Jain	Chairman	0 out of 2
2.	Shri Gaurav Goel	Member	2 out of 2
3.	Shri Aruna Makhan	Member	2 out of 2

Shri Manoj Kumar, Company Secretary is designated as the Compliance Officer for the redressal of the shareholders' grievances.

The Role of Committee are as follows :

- to resolve the grievances of the security holders of the Company including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
- to review measures taken for effective exercise of voting rights by shareholders.
- to review adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- to review the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company

In order to provide efficient and timely services to the investors, the board has delegated the power of approval of issue of duplicate / split / consolidation of share certificates, transfer of shares, transmission of shares, dematerialisation / rematerialisation of shares to the Share Transfer Committee.

The position as on 31st March, 2021 of the shareholders' complaints received and redressed during the financial year :

Nature of Complaint	Complaints received from			Total complaints Received During 2020-21	Total redressed	No. of grievances outstanding as on 31.3.2021
	Investors Directly	Stock Exchanges & SEBI	ROC			
Non-receipt of Dividend warrant(s)	2	Nil	Nil	2	2	Nil
Non-receipt of Share Certificate(s)/ after transfer/demat	Nil	Nil	Nil	Nil	Nil	Nil
Non-receipt of Duplicate Share certificate(s)	Nil	Nil	Nil	Nil	Nil	Nil
Non-receipt of Annual Report(s)	Nil	Nil	Nil	Nil	Nil	Nil
Others	Nil	1	Nil	1	1	Nil
TOTAL	2	1	Nil	3	3	Nil

D. Share Transfer Committee:

The Committee comprising Smt. Aruna Makhan, Shri Gaurav Goel and Shri K.C.Jain, Directors of the Company. Smt. Aruna Makhan is the Chairperson of the Committee. The Committee has been given the powers to deal with all the matters related to transfer, transmission, issuance of duplicate certificates, split and/or consolidation requests. In addition, the Company Secretary and certain officials of the Company have been given the powers to endorse registration of share transfers and transmission of share certificates. The Committee meets at frequent intervals as and when required.

E. Corporate Social Responsibility (CSR) Committee

The Committee comprises of 3 Members. During the period under review, the Committee met 3 (three) times i.e. on 17th June, 2020, 06th November, 2020 and 05th February, 2021. The Corporate Social Responsibility Committee consists of the following members :-

S.No.	Name of the Director	Position	Meetings attended
1.	Smt. Vidula Jalan	Chairperson	3 of 3
2.	Shri A. V. Jalan	Member	3 of 3
3.	Shri Gaurav Goel	Member	1 of 3

The Committee is primarily responsible for formulating and recommending to the Board a Corporate Social Responsibility (CSR) Policy and monitoring from time to time, the expenditure required to be incurred on the activities of CSR and monitoring the related projects undertaken.

Shri Manoj Kumar, Company Secretary acts as the Secretary to the Audit Committee, Nomination and Remuneration Committee, Stakeholder Relationship Committee, Share Transfer Committee and CSR Committee.

F. Committee for Investments

The Committee was constituted to take decisions on investment of surplus funds of the Company. Investment Committee meetings were held on 16th June, 2020, 06th November, 2020. The details of composition and of the meetings held are as under :

S.No.	Name of the Director	Position	Meetings attended
1.	Shri N. G. Khaitan	Chairman	2 out of 2
2.	Shri A. V. Jalan	Member	2 out of 2
3.	Smt. Vidula Jalan	Member	2 out of 2

G. Risk Management Committee

The Board of Directors in its meeting held on 22nd May, 2021 constituted a Risk Management Committee. The composition of Risk Management Committee are as under:

S.No.	Name of the Director	Position
1.	Shri A. V. Jalan	Chairman
2.	Smt. Vidula Jalan	Member
3.	Shri N. G. Khaitan	Member
4.	Shri Yaswant Mishra*	Member

* Shri Yaswant Mishra is the President (Corporate) & CFO of the Company.

The key role/function of the committee include the following:

- (1) To formulate a detailed risk management policy which shall include:

- (a) A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
- (b) Measures for risk mitigation including systems and processes for internal control of identified risks.
- (c) Business continuity plan.
- (2) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- (3) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- (4) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- (5) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- (6) The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

IV. Annual General Meeting:

- a) Details of the AGMs held during the past 3 years are as under:

AGM	Financial Year	Day, Date and time	Venue
42nd	2017-18	Saturday, 08.09.2018 at 11.30 AM	Club Hall, Mangalam Cement Ltd. Adityanagar 326520, Morak, Dist. Kota, Rajasthan.
43rd	2018-19	Thursday, 19.09.2019 at 11.30 AM	-do-
44th	2019-20	Friday, 25.09.2020 at 02.00 PM (IST)*	At deemed venue i.e. P.O Adityanagar 326520, Morak, Dist. Kota, Rajasthan

*The 44th Annual General Meeting of the Company was held through Video Conferencing/ Other Audio Visual Means.

- b) All the resolutions, including Special Resolutions set out in the respective Notices were passed by shareholders in their General Meetings. Details of such Special Resolution are as under:

AGMs

Date	Matter
08.09.2018	* Approval of the payment of Remuneration by way of commission to Non - Executive Directors of the Company.
19.09.2019	● Re-appoint Shri N. G. Khaitan (DIN: 00020588) as an Independent Non-Executive Director ● Re-appoint Shri Gaurav Goel (DIN: 00076111) as an Independent Non-Executive Director ● Re-appoint Smt. Aruna Makhan (DIN 00025727) as an Independent Non-Executive Director ● Appoint Shri K. C. Jain (DIN: 00029985) as an Independent Non-Executive Director ● Approve the revision in remuneration of Shri Anshuman Vikram Jalan, Executive Director (DIN: 01455782) of the Company

- Approve the revision in remuneration of Smt. Vidula Jalan, Executive Director (DIN: 01474162) of the Company.

- 25.09.2020 ● Approve the re-appointment and remuneration of Smt. Vidula Jalan, Co-Chairperson as Whole Time Director (DIN: 01474162) of the Company.
- Approve the re-appointment and remuneration of Shri Anshuman Vikram Jalan, Co-Chairperson as Whole Time Director (DIN: 01455782) of the Company.

EGMs**Date Matter**

- 01.03.2021 Resolution for approval of the Scheme of Amalgamation of Mangalam Timber Products Ltd with Mangalam Cement Limited by requisite majority as prescribed under Section 230(1) read with Section 232(1) of the Companies Act, 2013.

*A meeting of the equity shareholders of the Company was held on Monday, March 01, 2021 through Video Conferencing/Other Audio Visual Means ("VC/OAVM") as per direction of the Hon'ble Jaipur Bench of the National Company Law Tribunal, in which voting options i.e. remote e-voting, e-voting during the meeting and voting through postal ballot were provided to the Members of the Company.

- (a) Whether any special resolution passed last year through postal ballot and details of voting pattern?

Manner of Voting through	Votes in favour of the resolution		Votes against the resolution		Abstained / Invalid votes
	No. of shares	Percentage	No. of shares	Percentage	No. of shares
Remote E-voting	1,18,10,906	86.161	7,77,284	5.670	--
e-voting during the meeting	8,34,141	6.085	--	--	--
Postal Ballot	2,85,600	2.083	--	--	--
TOTAL	1,29,30,647	94.330	7,77,284	5.670	--

- (b) Person who conducted the postal ballot exercise?
The Hon'ble Jaipur Bench of the National Company Law Tribunal at Jaipur had appointed Mr. Akshit Kumar Jangid, Practicing Company Secretary, ACS-44537 as the scrutinizer for the Meeting including postal ballot.
- (c) Whether any special resolution is proposed to be conducted through Postal Ballot?
Presently there is no proposal for passing any Resolution through Postal Ballot.
- (d) Procedure for postal ballot?
Due to pandemic of COVID-19, the meeting of Equity shareholders of the Company was held on March 01, 2021 through Video Conferencing/Other Audio Visual Means ("VC/OAVM") as per direction of the Hon'ble Jaipur Bench of the National Company Law Tribunal at Jaipur, in which voting options i.e. remote e-voting, e-voting during the meeting and voting through postal ballot were provided to the Members of the Company. The procedure for postal ballot was as per order of the Hon'ble Jaipur Bench of the National Company Law Tribunal at Jaipur and provisions contained in the Companies Act, 2013 and rules made thereunder namely The Companies (Management and Administration) Rules, 2014 and various circulars issued by the Ministry of Corporate Affairs in this regard from time to time.

V. Means of Communication:

The quarterly, half-yearly and yearly financial results of the Company are sent to the Stock Exchanges immediately after they are approved by the Board. These financial results are normally published in Financial Express, Dainik Bhaskar. These results are also available on the website of the Company i.e. www.mangalamcement.com, BSE Limited and National Stock

Pursuant to the order dated March 12, 2020 in CA(CAA) No.72/230/JPR/2020 of the Hon'ble Jaipur Bench of the National Company Law Tribunal at Jaipur as modified by an order dated January 07, 2021 in connected application IA No. 427/JPR/2020 of the Hon'ble Jaipur Bench of the National Company Law Tribunal at Jaipur (hereinafter collectively referred to as the "Orders"), the Hon'ble Jaipur Bench of the National Company Law Tribunal at Jaipur ("Tribunal"), has directed to reconvene the meeting to be held of the equity shareholders of Mangalam Cement Limited ("Transferee Company") for the purpose of considering and approving with or without modification(s), the proposed Scheme of Amalgamation ("Scheme") of Mangalam Timber Products Limited ("Transferor Company") with the Transferee Company under Sections 230 to 232 and other applicable provisions of the Companies Act, 2013 ("Act").

Accordingly meeting of the equity shareholders of the Transferee Company was held on Monday, March 01, 2021 through Video Conferencing/Other Audio Visual Means ("VC/OAVM") at 10.00 A.M. in which voting options i.e. remote e-voting, e-voting during the meeting and voting through postal ballot were provided to the Members of the Company. The detail of voting result for this meeting are as follows:

Exchange of India Limited. The Company also holds conference calls for investors from time to time.

VI. Subsidiary Company:

The Company does not have any subsidiary company.

VII. CEO/CFO Certification

The CEO and the CFO of the Company have certified to the Board with regard to the compliance by them in terms of the Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and a certificate forms part of Annual Report.

VIII. Disclosures:

- a) All related party transactions have been entered into in the ordinary course of business and were also placed periodically before the Audit Committee in summary form. There were no material individual transaction with related parties which were not in the normal course of business required to be placed before the audit committee nor were there any transaction that may have had a potential conflict with the interests of the Company. All individual transactions with related parties or others were at arm's length. The Related Party Transaction Policy as approved by the Board is uploaded on the Company's website at the web link: http://www.mangalamcement.com/pdf/policy/related_party_transaction_policy.pdf
- b) During the year under review, the Company sought legal and professional advices on need basis from M/s Khaitan & CO. LLP, the firms in which Non Executive - Independent Director of the Company i.e. Shri N G Khaitan is a partner and paid a sum of Rs. 20,09,235/- for M/s Khaitan & CO. LLP, Kolkata and Rs. 185000/- for M/s Khaitan & CO. LLP,

Noida as fees. The amount paid does not form a significant portion of the revenue of M/s Khaitan & CO. LLP and thus is not considered material to impinge upon the independence of Shri. N G Khaitan. Accordingly, there is no pecuniary relationship or transactions of Non-Executive Independent Director vis-à-vis the Company which has potential conflict with the interests of the Company at large.

- c) All mandatory accounting standards have been followed in the preparation of financial statements and no deviation has taken place.
- d) A well-defined Risk Management Policy covering assessment, mitigation, monitoring and review of enterprise-wide risk, has been approved by the Board.
- e) No money was raised by the Company through any public issue, rights issue, preferential issue etc in the last financial year.
- f)
 - (i) All pecuniary relationship or transactions of the non-executive directors vis-a-vis the Company have been disclosed in this Report.
 - (ii) The Company has two Executive Directors whose appointment and remuneration have been approved by the Board in terms of resolution passed by the shareholders. The remuneration paid/payable to them is mentioned in this report.
 - (iii) The number of shares held by each director is mentioned in this report.
- g)
 - (i) The Management Discussion and Analysis Report forms part of the Annual Report to the Shareholders and it includes discussion on matters stated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
 - (ii) There were no material financial and commercial transactions by senior management as defined in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 where they have personal interest that may have a potential conflict with the interests of the Company any requiring disclosure by them to the Board of Directors.
- h) No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.
- i) The Company has complied and disclosed all mandatory corporate governance requirements under regulation 17 to 27 and sub-regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There is no non-compliance of any of the requirements of corporate governance report as required under the Listing Regulations.
- j) In terms of the amendments made to the SEBI Listing Regulations, the Board of Directors confirm that during the year, it has accepted all recommendations received from its mandatory committees.
- k) A Certificate from a Company Secretary in Practice that none of the directors on the board of the company have

been debarred or disqualified from being appointed or continuing as directors of companies by the Board/Ministry of Corporate Affairs or any such statutory authority. The Certificate of Company Secretary in practice is annexed herewith as a part of the report.

- l) Total fees paid/payable to Statutory Auditors for the financial year 2020-21 is Rs. 28,61,400/-.
- m) The Board of Directors in its meeting held on 22nd May, 2021 adopted and approved a Dividend Distribution Policy, in terms of Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and same is available on the Company's website on http://www.mangalamcement.com/codes_policies.php
- n) During the year under review, the Company has not received any complaint under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

No. of Complaint pending at the beginning of the year	Nil
No. of Complaint received during the year	Nil
No. of Complaint pending at the end of the year	Nil

- o) Disclosures in Relation to the Appointments and Re-appointments of Directors pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

At the 44th Annual General Meeting, Smt. Vidula Jalan (DIN: 01474162) Co-Chairperson of the Company, was re-appointed as Whole-time Director with effect from 1st April, 2020 for further period of three years. Smt. Vidula Jalan aged 41 years, is MBA in Strategic Marketing and Leadership and Change Management from the Indian School of Business, Hyderabad. Moreover, she also has an Accounting and Finance degree from The University of Manchester, U.K. She is also managing the affairs of reputed schools and charitable trusts of the Group.

The other Public Companies in which she holds directorship are Mangalam Timber Products Ltd and Vidula Consultancy Services Ltd.

Shares held in the Company	: 1,30,000 Equity Shares
Relationship with other Directors	: Smt. Vidula Jalan is wife of Shri Anshuman Vikram Jalan (DIN:01455782) Co-Chairperson of the Company

IX. Code of Conduct for Prohibition of Insider Trading

The Company has framed a Code of Conduct for prevention of Insider Trading based on SEBI (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time. The Code aims to prevent dealing in the shares by persons having access to unpublished information.

X. Whistle Blower Policy

The Board of Directors has adopted a Whistle Blower Policy and is available on the Company's website at

www.mangalamcement.com Further no personnel has been denied access to the Audit Committee.

XI. Management Discussion and Analysis Report

The Management Discussion and Analysis Report is attached and forms part of the Annual Report.

XII. General Shareholders' Information:

(a) 45th Annual General Meeting:

Date, Time and Venue	
Day and Date	: Saturday, 18th September, 2021
Time	: 2.00 PM (Indian Standard Time)
Venue	: Through Video Conferencing/ Other Audio Visual Means (Deemed Venue of Meeting : Registered Office: P. O. Adityanagar 326520, Morak, Dist. Kota (Rajasthan)

(b) Book Closure:

From Sunday, 12th September, 2021 to Saturday, 18th September, 2021, both the days inclusive.

(c) Dividend Payment Date

On approval by the Shareholders in the Annual General Meeting, the dividend will be paid to the shareholders within the statutory time limit.

(d) Financial Calendar 2021-2022 :

(i) Financial Year	1st April, 2021 to 31st March, 2022
(ii) First Quarterly Results for Quarter ending 30th June, 2021	On or before 14th August, 2021
(iii) Second Quarterly Results for the quarter ending 30th Sept, 2021	On or before 14th November, 2021
(iv) Third Quarterly Results for the Quarter ending 31st December, 2021	On or before 14th February, 2022
(v) Annual Results for the Year ending 31st March, 2022	On or before 30th May, 2022

(e) Listing of Securities:

Equity shares of the Company are listed at the following Stock Exchanges:

S.No.	Name of the Stock Exchange	Stock Code
1.	BSE Ltd, Phiroze Jeejeebhoy towers, Dalal Street, Mumbai 400001	502157
2.	National Stock Exchange of India Ltd, Exchange Plaza, Bandra Kurla Complex, Bandra (E), Mumbai 400051	MANGLMCEM

- ISIN No of the Company Equity Shares in Demat Form: INE 347A01017

(f) Listing Fee:

Company has paid the listing fee for the year 2021-22 to all the Stock Exchanges where the securities are listed. There are no arrears in payment of Listing Fees.

(g) Depository Connectivity:

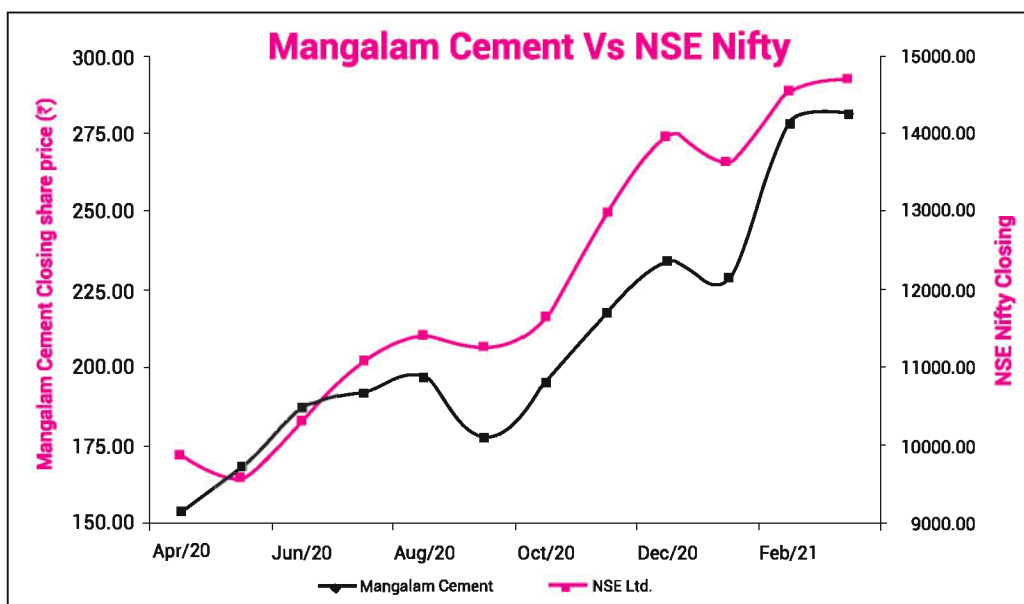
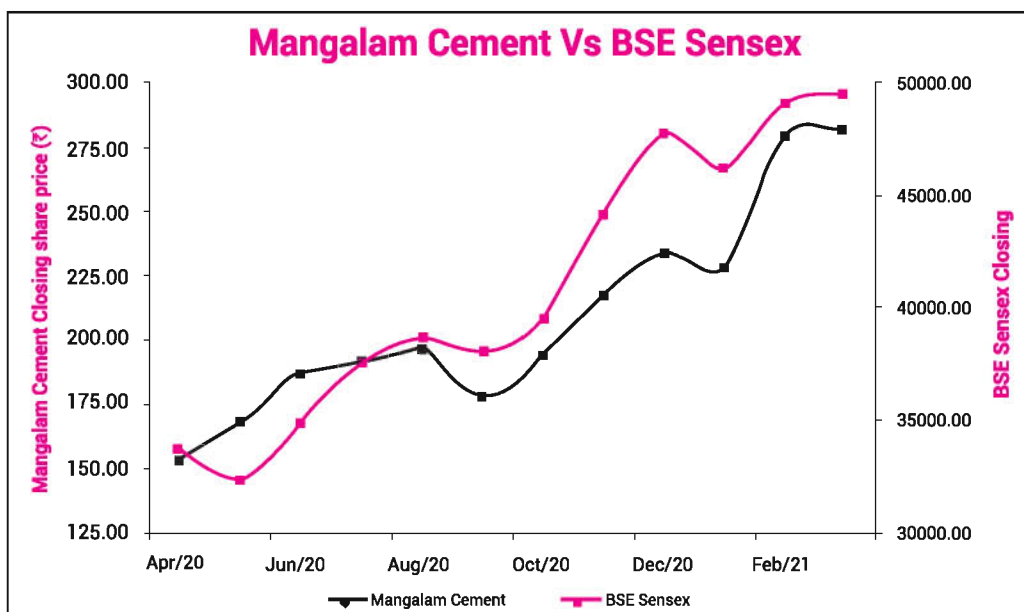
National Securities Depository Limited and Central Depository Services (India) Limited

(h) Market Price Data:

- The high/low market price of the Equity Shares during the year 2020-21 at the BSE Limited and at National Stock Exchange of India Ltd, were as under :

Month	BSE Ltd.		National Stock Exchange of India Ltd.	
	High	Low	High	Low
Apr-20	166.95	142.00	167.00	137.80
May-20	172.95	141.15	173.00	142.45
Jun-20	217.00	170.20	217.40	165.05
Jul-20	212.75	189.15	213.00	188.60
Aug-20	224.90	188.00	224.80	189.00
Sep-20	209.80	169.00	205.95	171.40
Oct-20	207.30	176.15	207.90	177.10
Nov-20	221.00	192.05	221.35	192.05
Dec-20	244.00	195.35	244.00	195.85
Jan-21	280.00	223.85	269.40	223.80
Feb-21	286.05	225.25	286.00	224.30
Mar-21	304.90	251.65	304.35	251.75

b. The Company's closing share price movement during the Financial Year 2020-21 on BSE and NSE vis-à-vis respective indices:



(i) **Share Transfer Agents:**

MAS Services Ltd,
T-34, 2nd Floor,
Okhla Industrial Area, Phase II,
New Delhi 110020
Tel. No. 011-26387281 / 82 / 83. Fax No.011-26387384
Email: info@masserv.com
Website: www.masserv.com

(ii) **Share Transfer System:**

In terms of Regulation 40(1) of SEBI Listing Regulations, as amended from time to time, securities can be transferred only in dematerialized form with effect from April 1, 2019, except in case of request received for transmission or transposition of securities. Further, SEBI has fixed March 31, 2021 as the cut-off date for re-lodgement of transfer deeds and the shares that are re-lodged for transfer shall be issued only in demat mode. Members holding shares in physical form are requested to consider converting their holdings to dematerialized form. In the case of Shares held in Electronic Form, the transfers are processed by NSDL/ CDSL through the respective Depository Participants. All share transfers etc. are approved by Committee of Directors which meets periodically, minutes of which are noted at subsequent Board Meetings.

(k) Distribution of shareholding:

The shareholding distribution of equity shares as on 31st March, 2021 is given below.

S.No.	No. of Equity Shares	No. of shareholders	No. of shares	Percentage of Shareholding
1.	1 to 500	17498	1829508	6.854
2.	501 to 1000	836	664298	2.489
3.	1001 to 2000	396	607029	2.274
4.	2001 to 3000	130	333883	1.251
5.	3001 to 4000	58	212224	0.795
6.	4001 to 5000	59	280418	1.050
7.	5001 to 10,000	78	587807	2.202
8.	10001 and above	124	22178613	83.085
Total		19179	26693780	100.00

(l) Shareholding Pattern as at 31st March, 2021:

S.No	Category	No. of Equity shares	Percentage
1.	Promoters	6539660	24.50
2.	Resident Individuals/HUF's	10846278	40.63
3.	Body Corporate/Trusts/Partnerships	6536070	24.49
4.	Mutual Funds, Banks, NBFCand Govt Institutions/ Insurance Companies/Clearing Members	827782	3.10
5.	FII's, NRIs, OCBs	1802864	6.75
6.	IEPF	141126	0.53
Total		26693780	100.00

(m) Dematerialisation of Shares

As on 31st March, 2021, 99.07% of the Company's total equity shares representing 2,64,46,623 shares were held in dematerialized form and balance 0.93% representing 247,157 shares were held in physical form.

(n) Reconciliation of Share Capital Audit

As stipulated by the Securities and Exchange Board of India (SEBI), a qualified practicing Company Secretary carries out Reconciliation of Share Capital Audit. This audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges and is also placed before the Board of Directors.

(o) Outstanding GDR'S/ ADR'S/ Warrants or any other Convertible Instruments, Conversion Date and Likely Impact on Equity:

During the year 2020-21, there were no outstanding GDR's/ADR's/Warrants or any other Convertible instruments, which would have an impact on the equity of the Company.

(p) Commodity Price/Foreign Exchange Risk and Hedging Activities :

During the year 2020-21, there are no significant commodity price risk, further necessary steps are being taken to minimize foreign exchange risks.

(q) Communication / Registered Office and Morak Plant Address:

P.O. Adityanagar 326520, Morak, Dist. Kota (Rajasthan)
Tel. No. 07459-233127, Fax: 07459-232036
Website: www.mangalamcement.com
CIN: L26943RJ1976PLC001705
Email: shares@mangalamcement.com

(r) Aligarh Plant : K/1, CDF Complex, UPSIDC Industrial Area, Anoopsahar Road, Cherat, Aligarh, Uttar Pradesh**(s) Corporate Office :** Birla Building, 10th Floor, 9/1, R. N. Mukherjee Road, Kolkata 700001

Tel. No. 033 2243 8706/07, Fax: 033 22438709
Email: kolkata@mangalamcement.com

(t) Credit Ratings : During the year under review CARE Ratings Limited ("CARE") has reaffirmed the rating for long term facilities/instruments of the Company to CARE A+ (Single A plus), which shows the stable outlook.

CARE has revised its rating for Company's short term facilities from CARE A1 (A One), to CARE A1+ (A One plus), which shows the stable outlook.

CARE has revised its rating for Company's Commercial paper issuance from CARE A1 (A One), to CARE A1+ (A One plus), which shows the stable outlook.

XIII. COMPLIANCE CERTIFICATE FROM AUDITOR

The Company has obtained a certificate from the Auditor of the Company confirming that it is in compliance with the conditions of Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

XIV. NON- MANDATORY REQUIREMENTS**a. The Board**

An office for the use of the Chairman is made available whenever required.

b. Shareholders' Rights:-

The Quarterly and Half yearly financial results including summary of the significant events are published in the newspapers and are also posted on the website, as such, the same are not being sent to shareholders of the Company.

c. Modified Opinion in Auditors Report: -

During the year under report, the Company financial statement does not contain any modified audit opinion.

d. Separate post of Chairman & CEO

The Company have two Co-Chairpersons and does not have Managing Director.

e. Reporting of Internal Auditors

The Internal auditor periodically reports to the Audit Committee

Vidula Jalan, Co-Chairperson, (DIN: 01474162), Place: Kolkata
A V Jalan, Co-Chairperson, (DIN: 01455782), Place: Kolkata
Aruna Makhan, Director, (DIN: 00025727), Place: New Delhi
N G Khaitan, Director, (DIN: 00020588), Place: Kolkata
Gaurav Goel, Director, (DIN: 00076111), Place: New Delhi
K C Jain, Director, (DIN: 00029985), Place: Hyderabad

Date : May 22, 2021

CEO AND CFO CERTIFICATION

To,
The Board of Directors,
Mangalam Cement Limited

We, to the best of our knowledge and belief, certify that;

1. We have reviewed the financial statements and the cash flow statement for the year ended 31st March, 2021 and that of the best of our knowledge and belief;
 - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violating the company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the company, pertaining to financial reporting and have disclosed to the auditors and the audit committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken, propose to take to rectify these deficiencies.
4. We have indicated to the auditors and the Audit committee that there are no;
 - (i) significant changes in internal controls for financial reporting, during the year;
 - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the Notes to the Financial Statements, and;
 - (iii) instances of significant fraud of which we have become aware and the involvement there in, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Place: Kolkata
Date: 22nd May, 2021

YASWANT MISHRA
President (Corporate)
& Chief Financial Officer

A. V. JALAN
Co-Chairperson

DECLARATION BY THE CEO REGARDING COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT

This is to confirm that the code of conduct for all board members and senior management personnel of the Company has been circulated to the concerned persons of the Company and the Company has received affirmation of compliance with the code of conduct from the members of the board of directors and the senior management personnel of the Company and there is no non-compliance thereof during the year ended 31st March, 2021.

Place: Kolkata
Date: 22nd May, 2021

A. V. JALAN
Co-Chairperson

Independent Auditor's Certificate on compliance with the conditions of Corporate Governance as per provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended

The Members of Mangalam Cement Ltd.

Aditya Nagar, Morak, Kota (Raj.) - 326520

1. The Corporate Governance Report prepared by Mangalam Cement Limited (hereinafter the "Company"), contains details as required by the provisions of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("the Listing Regulations") ('Applicable criteria') with respect to Corporate Governance for the year ended March 31, 2021. This Certificate is required by the Company for annual submission to the Stock Exchange and to be sent to the Shareholders of the Company.

Management's Responsibility

2. The preparation of the Corporate Governance Report is the responsibility of the management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Corporate Governance Report.
3. The management along with the Board of Directors of the Company are also responsible for ensuring that the Company complies with the conditions of Corporate Governance as stipulated in the Listing Regulations, issued by the Securities and Exchange Board of India.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion whether the Company has complied with the specific requirements of the Listing Regulations referred to in paragraph 3 above.
5. We conducted our examination of the Corporate Governance Report in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised) and the Guidance Note on Certification of Corporate Governance, both issued by the Institute of Chartered Accountants of India ("ICAI"). The Guidance Note on Reports or Certificates for Special Purposes (Revised) requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

7. Based on the procedures performed by us and according to the information and explanations given to us, that we are of the opinion that the Company has complied in all material respect with the conditions of Corporate Governance as stipulated in the Listing Regulations, as applicable for the year ended March 31, 2021, referred to in paragraph 1 above.

Other Matters and Restriction on Use

8. This report is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.
9. This Certificate is addressed to and provided to the Members of the Company solely for the purpose of enabling it to comply with its obligations under the Listing Regulations with reference to compliance with the relevant regulations of Corporate Governance and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care or for any other purpose or to any other party to whom it is shown or into whose hands it may come without our prior consent in writing. We have no responsibility to update this report for events and circumstances occurring after the date of this report.

For Singhi & Co.
Chartered Accountants,
Firm Registration No. 302049E

Bimal Kumar Sipani
Partner
Membership Number: 088926
UDIN : 21088926AAAAGM9400

Date : 22nd May, 2021
Place : Noida (Delhi-NCR)

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members,
Mangalam Cement Limited
Aditya Nagar, Morak, District: Kota-326520, Rajasthan

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Mangalam Cement Limited having CIN:L26943RJ1976PLC001705 and having registered office at Aditya Nagar, Morak, District: Kota-326 520, Rajasthan (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations, representations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2021 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority :

S. No.	Name of Director	DIN	Date of appointment in the Company
1	Aruna Makhan	00025727	05/05/2012
2	Nand Gopal Khaitan	00020588	23/10/2000
3	Gaurav Goel	00076111	05/05/2012
4	Kamal Chand Jain	00029985	05/05/2012
5	Vidula Jalan	01474162	30/07/2009
6	Anshuman Vikram Jalan	01455782	30/07/2009

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

For P. Pincha & Associates
Company Secretaries

Place : Jaipur
Date : 12.05.2021
UDIN : F005369C000308529

Pradeep Pincha
Proprietor
M. No.: FCS 5369
C. P. No.:4426

EXTRACT OF NOMINATION AND REMUNERATION POLICY**A. Introduction**

This policy on Nomination and Remuneration of Directors, Managerial Personnel and Senior Management has been formulated subject to the provisions of Section 178 of the Companies Act, 2013 (the Act) and the Listing agreement with the Stock Exchanges by the Nomination and Remuneration Committee of Directors of the Company in pursuance of the Company's policy to pay equitable remuneration to them in terms of the provisions of Section 178 of the Act and the Listing agreement with the Stock Exchanges, as amended from time to time

B. Terms of Reference

The Board of Directors of the Company at its meeting held on 13th May, 2014 reconstituted the existing "Remuneration Committee" of Directors as "Nomination & Remuneration Committee" of Directors (the Committee) with the following terms of reference.

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director;
2. Recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees in accordance with provisions of Section 178(4) of the Act;
3. Formulation of criteria for evaluation of Independent Directors and the Board and to carry out evaluation of every Director's performance;
4. Devising a policy on Board diversity;
5. To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

C. Criteria for recommending a person to become Director:

The Committee shall take into consideration the following criteria of qualification, positive attributes and independence for recommending to the Board for appointment of a Director;

1. Qualification & Experience:

The incumbent shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales & marketing, operations, research, corporate governance, education, community service or other disciplines.

2. Attributes/Qualities:

The incumbent Director may possess one or more of the following attributes/qualities:

- Respect for the strong willingness to imbibe the Company's Core Values.
- Honesty and professional integrity.
- Strategic capability with business vision.
- Entrepreneurial spirit and track record of achievement.
- Ability to be independent and capable of lateral thinking.
- Reasonable financial expertise.
- Have contacts in fields of the business/corporate world/Finance/Chambers of commerce and industry.
- Can effectively review and challenge the performance of management.

3. In case the proposed appointee is an Independent Director, he should fulfil the criteria for appointment as Independent Director as per the provisions of the Act, Listing Agreement with Stock Exchange and other applicable laws & regulations.

4. The incumbent should not be disqualified for appointment as Director pursuant to the provisions of the Act or other applicable laws & regulations.

D. Director's Compensation

The Committee will recommend to the Board appropriate compensation to Executive Directors subject to the provisions of the Act, Listing Agreement with Stock Exchanges and other applicable laws & regulations. The Committee shall periodically review the compensation of such Directors in relation to other comparable companies and other factors, the Committee deems appropriate. Proposed changes, if any, in the compensation of such Directors shall be reviewed by the Committee subject to approval of the Board.

E. Evaluation

The Board will review the performance of a Director as per the structure of performance evaluation. (As per Annexure-I).

F. Board Diversity

The Committee will review from time to time Board diversity to bring in professional performance in different areas of operations, transparency, corporate governance, financial management, risk assessment & mitigation strategy and human resource management in the Company. The Company will keep succession planning and board diversity in mind in recommending any new name of Director for appointment to the Board. It will be Committee's endeavor to have at least one Director from the following fields:

- a) Accounting Corporate Finance
- b) Legal and Corporate Laws
- c) Business, Management and Corporate Strategy

G. Eligibility Criteria & Remuneration of Key Managerial Personnel and other Senior Management Personnel

The eligibility criteria for appointment of key managerial personnel and other senior management personnel shall vary for different positions depending upon the job description of the relevant position. In particular, the position of key managerial personnel shall be filled by senior personnel having relevant qualifications and experience.

The Compensation structure for Key Managerial Personnel and other senior management personnel shall be as per Company's remuneration structure taking into account factors such as level of experience, qualification and suitability which shall be reasonable and sufficient to attract, retain and motivate them. The remuneration would be linked to appropriate performance benchmarks.

The remuneration may consist of fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

Business Responsibility Report

Section A: General Information about the Company :

1.	Corporate Identity Number (CIN) of the Company	L26943RJ1976PLC001705			
2.	Name of the Company	Mangalam Cement Ltd.			
3.	Registered Address	P. O. Aditya Nagar-326520 Morak, Dist. Kota, Rajasthan			
4.	Website	www.mangalamcement.com			
5.	E-mail ID	shares@mangalamcement.com			
6.	Financial Year Reported	01.04.2020 to 31.03.2021			
7.	Sector(s) that the Company is engaged in (industrial activity code-wise)	Sector	industrial activity code		
		Cement	2394		
8.	List three key products/services that the Company manufactures/provides (as in the balance sheet)	Cement	Clinker		
9.	Total number of locations where business activity is undertaken by the Company	(i) Number of International Locations: NIL (ii) Number of National Locations:2 National Locations have manufacturing units.			
10.	Markets served by the Company	Local	State	National	International
		✓	✓	✓	✕

Section B: Financial Details of the Company :

1.	Paid-up Capital (INR)	2669.38 (in Lakhs)
2.	Total Turnover (INR)	129825.95 (in Lakhs)
3.	Total Profit after taxes (INR)	10897.88 (in Lakhs)
4.	Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	2.13% of average net profit of last three financial years computed as per Section 198 of the Companies Act, 2013 (CSR spent is Rs. 84.90 Lakhs).
5.	List of Activities in which expenditure in 4 above has been incurred	Please refer details of CSR initiatives undertaken by the Company as available in the Annexure-1 of the Board's Report.

Section C: Other Details :

- Does the Company have any Subsidiary Company/Companies?
No
- Do the Subsidiary Company/Companies participate in the BR Initiatives of the parent company? If yes, then indicate the number of such subsidiary company(s):
Not Applicable
- Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? If yes, then indicate the percentage of such entity/entities? [Less than 30%, 30-60%, More than 60%]:
Other entities do participate to the extent possible but their participation level cannot be measured and expressed in terms of percentage.

Section D: BR Information:

1. Details of Director/Directors responsible for BR:

(a) Details of the Director/Directors responsible for implementation of the BR Policy/Policies			
(i)	DIN Number	01474162	01455782
(ii)	Name	Smt. Vidula Jalan	Shri A. V. Jalan
(iii)	Designation	Co-Chairperson	Co-Chairperson
(b) Details of the BR Head			
S. No.	Particulars	Details	
(i)	DIN Number (if applicable)	-	
(ii)	Name	Shri Yaswant Mishra	
(iii)	Designation	President (Corporate) & CFO	
(iv)	Telephone number	033-22438707 / 8857	
(v)	e-mail id	yaswant@mangalamcement.com	

The National Voluntary Guidelines (NVGs) on Social, Environmental and Economic Responsibilities of Business released by the Ministry of Corporate Affairs have identified nine areas of Business Responsibility which have been coined in the form of nine business principles. These principles are as under -

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

[illegible]

2b. If answer to Sr. No. 1 against any principle, is 'No', please explain why: (Tick up to 2 options)

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

3. Governance related to BR

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

The Board of Directors of the Company annually review the Business Responsibility performance of the Company.

- b. Does the Company publish a BR? What is the hyperlink for viewing this report? How frequently it is published?

Yes, the Company publishes a Business Responsibility report every year as part of the Integrated Annual Report. The hyperlink is: http://www.mangalamcement.com/finance_new.php

Section E: Principle- wise performance**Principle 1: Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.**

- a. Does the policy relating to ethics, bribery and corruption cover only the Company? Yes/No. Does it extend to the Group/ Joint Venture/Suppliers/Contractors/NGOs/Others?

We are having Code of Conduct Policy in which values, ethics and norms of behavior expected from the company, and, from all of us. The Company, as far as possible, encourages all the associated parties including vendors, suppliers and contractors to follow the principles envisaged in the policy.

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

In FY 2021, We have not received any Complaint.

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

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

The Company is engaged in the business of cement manufacturing. The Company is committed to adopt sustainable practices as a socially and environmental responsible company. Company, in its operations, has deployed best-in-class technology and processes which optimally utilize resources and leave minimal footprints. Apart from this, Company's specific efforts in addressing environmental concerns in its operations include the following :-

- Installation/ up-gradation of pollution control equipment at various locations for further emission reduction;
- Installation of 11 MW Waste Heat Recovery based Power Plant to capture waste heat of kilns and utilize the same for power generation and resultantly save fossil fuels;
- Installation of Air Cooled Condensers (ACC) in its thermal power plants to conserve water;
- The Company consumes alternative materials like fly ash, chemical gypsum, phospho-gypsum, Kota Stone Slurry etc., which helps in conserving natural raw materials used for the cement production;
- Installation of De NOx system for the control of NOx emissions;
- Implementation of Continuous Ambient Air Quality Monitoring System (CAAQMS) and Continuous Emission Monitoring System (CEMS) for better emission monitoring;
- Installation of wind power plant for increasing share of renewable power in captive power consumption;

- As a measure, the Company has also implemented a fully integrated Environmental, Health & Safety and Quality management system in its manufacturing plants, which are certified by the internationally recognized ISO-9001, ISO-14001, and ISO-45001 standards. Further, to improve operational efficiency, the Company has implemented Energy Management System (EnMS), ISO 50001.
- 2. **For each such product, provide following details in respect of resource use (energy, water, raw material etc.) as per unit of product (optional):**
 - a. **Reduction during sourcing/production/distribution achieved since the previous year through the value chain?**

At MCL, resource efficiency is given utmost importance. The resource efficiency is improved by optimizing energy usage, waste utilization in production processes and use of alternative fuel and raw materials. In this regard, the Company took various initiatives during the year for better operations and outcomes. We took initiatives towards energy conservation including optimizing use of equipment. Our operations consume alternative materials like fly ash, chemical gypsum, phospho-gypsum, Kota Stone Slurry etc. which helps in conserving natural resources. Further, alternative fuels such as Petcoke, agro-waste, plastic waste, etc. are consumed in kiln firing thus substituting fossil fuels to some extent. Recycling/ reuse of water, rain water harvesting and recharging of ground water are adopted at our both manufacturing sites. Further, the Company has tried to optimize the utilization from its renewable energy sources such as its wind turbines, Waste Heat Recovery (WHR) based power plant. The Company has laid great emphasis on ecological balance and sustainable development.
 - b. **Reduction during usage by consumers (energy, water) has been achieved since the previous year?**

Cement as a product is used by diverse consumers for different purposes. Hence, it is not feasible to measure the reduction of resource (energy, water) usage by the consumers.
- 3. **Does the Company have procedures in place for sustainable sourcing (including transportation)? If yes, what percentage of your inputs was sourced sustainably? Also provide details thereof, in about 50 words or so.**

Yes, the Company seeks to engage in long-term relationships with the suppliers and understands its impact on supply chain. The Company having ethical practices to promote the health, safety, human resource practices, work environment etc. within the Company, associated vendors/suppliers and transporters. All vendors and transporters compulsorily comply all relevant statutory laws along with environment, health and safety standards. Company gives preference to vendors which comply with the various principles of sustainability. Besides, the criteria used for selection of supplies, vendors go beyond cost relevant include resource efficiency, product quality, life cycle, environment impact, etc. this apart, the Company continuously strives for load and route optimization to ensure fuel and environmental efficiency of the fleets. The Company has its own railway siding to reduce road transportation and associated environment pollution and Company is also making dispatches of our end products as well as inter unit transfer of clinker through rail mode. Further, almost all our limestone requirements for cement production are being met from captive mine which are adjacent to the cement manufacturing plant which helps us to minimize transportation.
- 4. **Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work? If yes, what steps have been taken to improve their capacity and capability of local and small vendors?**

In order to sustainable development, the Company encouraged the local and small vendors around its plants. Various training programmes also were conducted to improve their capacity and capability. The Company procures most of its goods and services from help places near to the operating plants in order to get timely supplies, and this also help in improving/ developing Socio-economic conditions including increasing local employment. Company time to time takes several steps for capacity building of local and small vendors.
- 5. **Does the Company have a mechanism to recycle products and waste? If yes, what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also provide details thereof in 50 words or so.**

Company's product i.e. cement has high life span and is not meant for recycling. Also cement manufacturing process as such does not involve production of any by-products or waste. However, fly-ash, a solid waste, generated from operation of thermal power plants is 100% utilized in production of blended cement. The domestic waste water generated from plant & residential colony is 100% recycled through Sewage Treatment Plants in the Company. Apart from these, Company also utilizes waste of other industries in the form of Alternative Fuels and Raw Materials (AFR) in cement production process which ultimately provides feasible solution to industrial waste disposal.

Principle 3 - Businesses should promote the wellbeing of all employees.

1. **Please indicate the Total number of permanent employees.**
The total number of employees as on 31st March, 2021 were 1005.
2. **Please indicate the Total number of employees hired on temporary/contractual/casual basis.**
Total temporary/Contractual/Casual employees including retainers were 1657 as on 31st March, 2021.
3. **Please indicate the number of permanent women employees.**
There were 16 permanent women employees as on 31st March, 2021.
4. **Please indicate the number of permanent employees with disabilities.**
There were 2 permanent employees with disabilities as on 31st March, 2021.

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

Yes, the Company has recognized trade union affiliated to various trade union body i. e. Indian National Trade Union Congress INTUC

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

44% of total permanent employees are members of above trade union.

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

Sl. No.	Category	No. of complaints filed during the financial year	No. of complaints pending as at end of the financial year
1.	Child labour/forced Labour/involuntary labour	Nil	Nil
2.	Sexual harassment	Nil	Nil
3.	Discriminatory employment	Nil	Nil

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

S.No	Type of Employee	Total No. as on 31st March 2021	Training imparted to no. of persons during the year	% Training
(a)	Permanent Employees	1005	754	75%
(b)	Permanent Women Employees	16	11	69%
(c)	Casual/Temporary/Contractual Employees	1657	1465	88%
(d)	Employees with Disabilities	2	2	100%

*includes employees hired through contractors including retainers, Casual/ Contractual employees were covered under safety & compliance training

Principle 4: Businesses should respect the interest of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized

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

Yes, we have a long-standing history of carrying out community service, long before it became mandatory to invest in community engagement. We believe that a continuous, long-term and need-based CSR approach enhances the quality of life of the country, ensures a social license to operate, reduces the risk of community disruptions and aids in predicting and mitigating social issues. Our implementation approach is centered around two enablers: engagement and empowerment.

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

We regularly engage with local communities to understand the impact of our operations, as well as identification & mitigation of grievances. Based on the insights, we conduct CSR initiatives to empower the communities with holistic growth opportunities.

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

The initiatives are undertaken in focus areas such as healthcare, education, infrastructure, sustainable livelihood and social reform.

Principle 5: Businesses should respect and promote human rights.

1. Does the policy of the Company on Human Rights cover only the Company or extends to the Group/Joint Ventures/ Suppliers/Contractors/NGOs/Others?

Human Rights

- Support and respect the protection of internationally proclaimed human rights.
- Make sure that we are not complicit in human rights abuses.

- Uphold the freedom of association and the effective recognition of the right to collective bargaining.
- Elimination of all forms of forced and compulsory labour.
- Abolition of child labour.
- Elimination of discrimination in respect of employment and occupation.

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

Company did not receive any Complaint related to Human Rights during the last financial year.

Principle 6: Businesses should respect, protect, and make efforts to restore the environment.

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

IMS policy, which includes all aspects of Quality, Environment, Health and Safety, is applicable and admissible within the Company. The Company makes sure that policy is implemented at all levels within the organization and encourages the parties associated with it to follow the governing principles of this policy for the protection and restoration of environment.

2. Does the company have strategies/initiatives to address global environmental issues such as climate change, global warming, etc.? Yes/No. If yes, please give hyperlink for webpage etc.

Yes. The Company is always faithful in addressing the Global Environmental matter like climate change, global warming and reducing emission by taking the following steps. 1. Clinker substitute by fly ash in making blended cement. 2. Installation of equipment which helps in controlling harmful emission, 3. Installed Waste Heat Recovery (WHR) based power plant, Installed wind turbines etc. <http://www.mangalamcement.com/renewal-energy.php>

The Company is always dedicated in making efforts to reduce its ecological footprint. The Company has also framed an IMS policy to implement holistic approach to manage its carbon footprint and develop a proactive top level drive for tackling Climate Change issues within the organization. Company also believes that Global environmental issues are addressed as a part of our business context.

3. Does the company identify and assess potential environmental risks? Yes/No.

Yes, the Company products do not have any adverse impact on the environment. Company has also an Integrated Management System (QMS, EMS, OHSMS) to identify and assess risks including environment risk and company continuously alert for such environment risk. The system is review and revised every year and audited by BIS, New Delhi for continual improvement.

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

No, the Company does not have any project related to Clean Development Mechanism

5. Has the Company undertaken any other initiatives on - Clean Technology, Energy Efficiency, Renewable Energy, etc. Yes/ No. If yes, please give hyperlink for web page etc.

- Mangalam Cement operates wind turbines of an aggregate capacity of 13.65 MW at Jaisalmer, Rajasthan; reducing an equivalent of 22,700 MT of CO2 emissions by replacing fossil fuel. <http://www.mangalamcement.com/renewal-energy.php>
- Company has installed Waste Heat Recovery based Power Plant with capacity of 11 MW power generation for clean technology & energy efficiency.

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

Emission/ waste generated by the Company were within the permissible limits sets by CPCB/ SPCB for the relevant financial year. The Company ensures submission of report on the emission levels to CPCB/ SPCB at regular intervals.

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

No, the Company has not received any legal notice from CPCB / SPCB during the financial year.

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

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

The company is member of following trade chambers, association and forums which make efforts towards climate change, global warming and sustainable business development-

- Cement Manufacturers' Association (CMA)
- Bureau of Energy Efficiency (BEE)
- Federation of Indian Chamber of Commerce and Industry (FICCI)
- National Council for Cement & Building Materials (NCCBM)
- Employer Association of Rajasthan, Jaipur
- Divisional Employer Association, Kota

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

Yes, the Company has utilized these forums for advocating framing of policies for advancement of public good. Some of them are as below:

- Comment & Suggestion on draft rule of Labour Code
- Industrial Code 2019 (Proposed and released by Govt. of India)
- ESI Dispensary to open in Morak

Principle 8: Businesses should support inclusive growth and equitable development.

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

Yes, the company has specified programmes/ Initiatives/ projects in pursuit of the policy in a developing country like India, education, healthcare and skill enhancement are critical to leverage the country's huge demographic advantage and unleash its hidden potential. At Mangalam, we are doing our part in a modest way. We are strengthening our community engagements and helping people realize their potential.

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

The projects are undertaken by In House team, in coordination with external agencies like Gram Panchayats, Government institutions.

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

Yes, we have done impact assessment of our initiatives through Gram Panchayat and other local communities.

4. **What is your Company's direct contribution to Community Development Projects- Amount in INR and the details of the projects undertaken?**

Company has spent an amount of Rs. 84.90 lacs on various CSR activities during the year 2020-21. The details of the amount incurred and areas covered are given under CSR report i.e. Annexure-1 of the Director's Report.

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

Skill Development Programme

- We provided employable skills to rural youth by providing skill development programmes.
- Tailoring (124 beneficiaries)
- Technical Training Program (85 beneficiaries)
- ITI Apprenticeship Trainings (96 beneficiaries)
- GET & DET Apprenticeship Trainings (25 beneficiaries)

Health

- Village Health Camps: Periodic medical camps were organized in adjacent villages and free consultancy was provided. This was done as part of our commitment to ensure good health for the community.
- Adoption of CHC Morak: Under the scheme of Government of Rajasthan, we adopted CHC Morak for their maintenance and refurbishment, including supplies of equipment.
- Financial assistance to Hospital: We provided financial assistance of Rs. 1 crore to Rajkiya Mangalam Hospital.
- Medical Treatment: Mangalam Mahila Mandal Welfare Society extended financial assistance for treat of the underprivileged.
- Covid-19 relief activities: In Covid-19 pandemic period, we supported and provided the medical facilities to local villagers and other public through government authorities by providing them Mask, Sanitizer, Food/Ration Kits, Awareness Campaign and Poster Campaign etc.

Yes. Company has a process of engaging with local community to understand their concern. CSR activities are carried out on a need based approach, which are developed by the CSR team after interaction with local community.

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

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

Ans:

Company regularly conducts meetings with customers to educate, appraised and understand their concern. All the queries/concerns are taken up and resolved immediately to the satisfaction of the customer. Despite that, there were 4 complaints/consumer case are pending as on 31st March, 2021.

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

Ans:

Company displays all information as mandated by the regulations to ensure full compliance with relevant laws.

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

Ans:

There is no case filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years and pending as on end of financial year.

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

Ans:

Yes. your Company carry out consumer survey/consumer satisfaction trends from time to time.

Independent Auditor's Report

To

The Members of Mangalam Cement Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Mangalam Cement Limited ("the Company"), which comprise the Balance sheet as at March 31, 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the 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 financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements for the financial year ended March 31, 2021. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Valuation of Non Current and Current investments	
As at March 31, 2021, the total carrying amount of investments were Rs. 10444.63 Lakhs. The assessment of impairment of investments involves significant estimation uncertainty, subjective assumptions and the application of significant judgment. Valuation and existence of investments designated at amortised costs / fair value through profit or loss ("the Investments"). This was an area of focus for our audit and the area where significant audit effort was directed.	Our audit procedures included updating our understanding of the processes employed by the Company for accounting for, and valuing, their investments. We obtained accounts confirmation and verified that the company was the recorded owner of all investments. Our audit procedures over the valuation of the Investments included reviewing fair valuation of all Investments held at March 31, 2021 determined as per fair valuation methods described in Ind-AS 113 "Fair Value Measurement". Based on the audit procedures performed we are satisfied with existence and valuation of investment.
Evaluation of uncertain tax positions	
Refer Notes 30 and 42.2 to the Financial Statements. The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes. There are several pending legal and regulatory cases against the Company across various jurisdictions. Accordingly, management exercises its judgement in estimation of provision required in respect of such cases. The evaluation of management's judgements, including those that involve estimations in assessing the likelihood that a pending claim will succeed, or a liability will arise, and the quantification of the ranges of potential financial settlement have been a matter of most significance during the current year audit. Accordingly, due to complexity/ judgement involved in outcome of these litigations. Uncertain tax positions was determined to be a key audit matter in our audit of the financial statements.	We have obtained details of complete tax assessments and demands raised till March 31, 2021 from management. We considered management's assessment of the validity and adequacy of provisions for uncertain tax positions, evaluating the basis of assessment and reviewing relevant correspondence and legal advice where available including any information regarding similar cases with the relevant tax authorities. We have involved our internal experts to challenge the management's assumptions in estimating the tax provision and the possible outcome of the disputes. In respect of various tax demands and liabilities, we assessed the appropriateness of management's assumptions, estimates and disclosure / adjustments in the financial statements.

Other Information

The Company's 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 our 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 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 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 financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard. When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions, as applicable under the applicable laws and regulations.

Responsibilities of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity 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 read with [the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 financial statements.

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

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

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable

that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements for the financial year ended March 31, 2021 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies' (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure-A" statements on the matters specified in the paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

- (e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164 (2) of the Act;
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure B" to this report;
- (g) In our opinion, the managerial remuneration for the year ended March 31, 2021 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 42.2 to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Singhi & Co.
Chartered Accountants,
Firm Registration No. 302049E

Bimal Kumar Sipani
Partner

Date: May 22, 2021
Place: Noida (Delhi - NCR)

Membership Number: 088926
UDIN: 21088926AAAAGL5904

Annexure—A referred to in paragraph 1 of our report of even date on the other legal and regulatory requirements (Re:Mangalam Cement Limited)

- (i). (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant & equipment.
- b. The Company has a regular programme of physical verification of its property, plant and equipment by which property, plant and equipment are verified in a phased manner over a period of three years, which in our opinion, is reasonable having regard to the size of the Company and nature its property, plant and equipment. In accordance with this programme, fixed assets were verified during the year. The discrepancies noticed on such physical verification were not material.
- c. The title deeds of immovable properties included in property, plant & equipment [note no. 3 to the financial statements] are held in the name of the Company.
- (ii). The management has conducted physical verification of inventories, except stock in transit & inventories lying with third parties, during the year at reasonable interval and no material discrepancies were noticed on such physical verification.
- (iii). The Company has granted unsecured loans to a company covered in register maintained under section 189 of the Companies Act, 2013 during the year. The terms and conditions on which the loans were granted to above company were not, prima facie, prejudicial to the interest of the Company. The Company has stipulated schedule of repayment of principal including interest thereon. The Board of Directors has rescheduled payment of interest. Accordingly, payment of principal and interest is not overdue. The Company has not granted loan to firms, Limited Liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv). The Company has complied with provisions of section 186 of the Companies Act, 2013 with respect of loan granted and investment made during the year. According to information and explains given by the management, no loan or guarantee or security under section 185 and no guarantee and security under section 186 of the Companies Act, 2013 have been given or outstanding during the year.
- (v) The Company has not accepted any deposit covered under sections 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 (as amended) during the year. Therefore, provisions of clause 3(v) of the Order are not applicable.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013 in respect of the Company's products to which the said rules are applicable and are of the opinion that prima facie, the prescribed records have been made and maintained. We have not, however, made a detailed examination of the said records with a view to determine whether they are accurate or complete.
- (vii). a According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, where applicable, deducted/ accrued in the books, with the appropriate authorities. Except delay in depositing of goods and service tax, income tax There was no undisputed outstanding statutory dues as at the year end for a period of more than six months from the date they became payable.
- b. According to the records of the Company, there are no dues outstanding of income tax, sales tax, service tax, duty of customs, duty of excise, goods and service tax and value added tax on account of any dispute, other than the following :

The Name of Statute	Nature of Dues	Amount (₹ in Lakhs)*	Period to which the amount related	Forum where matter is pending
Central Excise Act, 1944	Cenvat	121.93	2006-2008	High Court, Jodhpur
		1378.12	2012-2013	High Court, Jaipur
		1.51	2005	CESTAT, New Delhi
		116.12	2012-2013	Commissioner, Udaipur
		15.45	2012	Additional commissioner, Udaipur
		22.38	2014 to 2017	Assistant Commissioner, Kota
Income Tax Act, 1961	Income Tax	941.17	AY 2009-10, 2011 to 2013	Supreme Court
		82.29	AY 2013-14	CIT(Appeals)
Sales Tax (Rajasthan)	Rajasthan Incentive	4161.84	2003-08	Supreme Court
Finance act, 1994	Service Tax	681.21	Various matters, from 2011 to 2015	High Court, Jaipur
		1197.97	Various matters, from 2011 to 2017	CESTAT, New Delhi
		112.31	Various matters, from 2010 to 2015	Addl. Commissioner
		0.39	2013-14	Asst. Commissioner
		9.36	2014-15	Superintendent
GST	GST	18.33	2016-17	Commissioner Appeals

*Net of amount paid under protest.

Since decided in the favor of the Company however department has filed appeal in Supreme Court

- (viii). The Company has not defaulted in repayment of dues to bank, financial institutions and Government. The Company did not have dues to debenture holders.
- (ix) During the year, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments). Term loans raised during the year were applied for the purpose for which loan was raised.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company by its officers and employees has been noticed or reported during the year.
- (xi) The managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable.
- (xiii) According to the information and explanations given to us, transactions with the related parties identified by the Company, are in compliance with section 177 and 188 of the Companies Act, 2013 where applicable and details for the same have

been disclosed in the standalone financial statements as required by the applicable Indian accounting standards.

- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Therefore, the provisions of clause 3(xiv) of the Order are not applicable.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with them. Therefore, the provisions of clause 3(xv) of the Order are not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Therefore, the provisions of clause 3(xvi) of the Order are not applicable.

For Singhi & Co.
Chartered Accountants,
Firm Registration No. 302049E

Bimal Kumar Sipani
Partner

Date: May 22, 2021
Place: Noida (Delhi - NCR)

Membership Number: 088926
UDIN: 21088926AAAAGL5904

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

We have audited the internal financial controls with reference to financial statements of Mangalam Cement Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over the financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "guidance Note") and the standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to as audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those standards and the Guidance Note require that we comply with ethical requirements of and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial controls with reference to financial statements issued by the Institute of Chartered Accountants of India however needs to be further strengthened.

For Singhi & Co.
Chartered Accountants,
Firm Registration No. 302049E

Bimal Kumar Sipani
Partner

Date: May 22, 2021
Place: Noida (Delhi - NCR)

Membership Number: 088926
UDIN: 21088926AAAAGL5904

Balance Sheet

as at March 31, 2021

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

Particulars	Note No.	As at March 31, 2021	As at March 31, 2020
I. ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment	3	85,803.90	88,745.87
(b) Capital work-in-progress	3A	11,145.69	2,073.88
(c) Right-of-use assets	4	2,322.01	1,925.25
(d) Other intangible assets	5	759.79	872.62
(e) Financial assets			
(i) Investments	6	621.01	3,485.22
(ii) Others financial assets	7	1,261.21	1,019.40
(f) Other non-current assets	8	4,949.26	7,997.94
Total-Non current assets		1,06,862.87	1,06,120.18
(2) Current assets			
(a) Inventories	9	20,800.01	16,417.99
(b) Financial assets			
(i) Investments	10	9,823.62	3,031.94
(ii) Trade receivables	11	3,696.46	2,691.14
(iii) Cash and cash equivalents	12	8,332.94	6,332.00
(iv) Bank balances other than (iii) above	13	8,258.81	2,030.59
(v) Loans	14	9,887.71	7,872.71
(vi) Other financial assets	15	3,475.90	2,733.76
(c) Current tax assets (Net)	16	23.88	494.16
(d) Other current assets	17	13,082.04	11,543.32
Total-Current assets		77,381.37	53,147.61
TOTAL ASSETS		1,84,244.24	1,59,267.79
II. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	18	2,669.38	2,669.38
(b) Other equity		65,483.85	54,921.26
Total-Equity		68,153.23	57,590.64
LIABILITIES			
(1) Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	19	40,570.69	34,834.55
(ii) Lease liabilities	20	471.67	105.00
(iii) Other financial liabilities	21	4,773.57	4,331.00
(b) Provisions	22	2,533.15	2,283.28
(c) Deferred tax liabilities (Net)	23	8,679.62	5,651.42
(d) Other non-current liabilities	24	546.16	209.92
Total-Non current liabilities		57,574.86	47,415.17
(2) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	25	12,000.00	14,421.91
(ii) Lease liabilities	26	117.40	50.12
(iii) Trade payables	27		
Total outstanding dues of micro enterprises and small enterprises		16.62	1.53
Total outstanding dues of creditor other than micro enterprises and small enterprises		22,934.37	18,036.14
(iv) Other financial liabilities	28	12,332.30	14,071.69
(b) Other current liabilities	29	7,989.12	5,180.62
(c) Provisions	30	1,673.32	1,735.89
(d) Current tax liabilities (Net)	31	1,453.02	764.08
Total-Current liabilities		58,516.15	54,261.98
TOTAL EQUITY AND LIABILITIES		1,84,244.24	1,59,267.79

Significant accounting policies and other notes forming part of financial statements 1-43

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

As per our report of even date attached

FOR SINGHI & CO.

Chartered Accountants

Firm Reg. No. 302049E

Bimal Kumar Sipani

Partner

M.No. 088926

Place: Noida (Delhi - NCR)

Yaswant Mishra
President (Corporate) & CFO

Manoj Kumar
Company Secretary

Date : May 22, 2021

For and on behalf of Board of Directors

Vidula Jalan, Co-Chairperson

A V Jalan, Co-Chairperson

Aruna Makhani, Director

N G Khaitan, Director

Gaurav Goel, Director

K C Jain, Director

Statement of Profit and Loss

for the Year ended March 31, 2021

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

Particulars	Note No.	For the Year ended March 31, 2021	For the Year ended March 31, 2020
I INCOME			
Revenue from operations	32	1,29,825.95	1,22,825.10
Other income	33	3,291.67	2,972.58
Total Income (I)		1,33,117.62	1,25,797.68
II EXPENSES			
Cost of materials consumed	34	19,671.55	19,719.16
Changes in inventories of finished goods and work-in-progress	35	19.26	(5,487.44)
Employee benefits expense	36	11,109.01	11,097.09
Finance costs	37	6,472.06	6,327.50
Depreciation and amortization expense	38	5,859.07	4,867.50
Other expenses	39	73,173.73	77,559.83
Total Expenses (II)		1,16,304.68	1,14,083.64
III Profit / (Loss) before tax (I-II)		16,812.94	11,714.04
IV Tax expense :	40		
Current tax/MAT		2,839.78	1,919.36
Income Tax Expenditure for Earlier Year (Net)		-	77.77
Deferred tax charge/(credit)	23	3,075.28	2,126.70
V Profit for the Year (III-IV)		10,897.88	7,590.21
VI Other Comprehensive Income (net of tax)	41		
(a) (i) Items that will not be reclassified to profit or loss			
- Re-measurement of the net defined benefit plan		(144.36)	(198.34)
- Changes in fair value of equity instruments through other comprehensive Income		28.93	(64.35)
(ii) Income tax relating to items that will not be reclassified to profit or loss		47.08	76.81
(b) (i) Items that will be reclassified to profit and loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Total-Other Comprehensive Income (net of tax) (VI)		(68.35)	(185.88)
VII Total Comprehensive Income for the Year (V+VI)		10,829.53	7,404.33
Earnings per equity share	42.1		
[Nominal Value per share: ₹10 (Previous Year : ₹10)]			
(a) Basic - ₹		40.83	28.43
(b) Diluted - ₹		40.83	28.43

Significant accounting policies and other notes forming part of financial statements 1-43

The accompanying notes are an integral part of the financial statements.
As per our report of even date attached

FOR SINGHI & CO.
Chartered Accountants
Firm Reg. No. 302049E
Bimal Kumar Sipani
Partner
M.No. 088926
Place: Noida (Delhi - NCR)

Yaswant Mishra
President (Corporate) & CFO

Manoj Kumar
Company Secretary

For and on behalf of Board of Directors
Vidula Jalan, Co-Chairperson
A V Jalan, Co-Chairperson
Aruna Makhan, Director
N G Khaitan, Director
Gaurav Goel, Director
K C Jain, Director

Date : May 22, 2021

Statement of Cash Flow

for the Year ended March 31, 2021

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

Particulars	For the Year ended March 31, 2021	For the Year ended March 31, 2020
A. CASH FLOWS FROM OPERATING ACTIVITIES:		
Net profit before tax	16812.94	11,714.04
Adjustments for :		
Depreciation and amortization expense	5859.07	4,867.50
Finance costs	6472.06	6,327.50
Interest income	(2105.86)	(1,849.21)
Net loss on sale of property, plant and equipment	5.74	15.25
Gain on fair valuation of financial assets measured at FVTPL	(422.95)	(328.79)
Net gain on sale of investments	(3.00)	(39.74)
Loss on interest rate swap	-	13.36
Operating profit before working capital Changes	26618.00	20,719.91
Changes in Working Capital		
Increase/ (decrease) in trade and other payables	8172.65	2,802.43
(Increase)/ decrease in trade and other receivables	(3131.55)	3,957.22
(Increase)/ decrease in inventories	(4382.02)	(4,754.57)
Cash generated from operation	27277.08	22,724.99
Income taxes refund /(paid)	(1680.56)	(1,143.29)
Net cash flow from operating activities (A)	25596.52	21,581.70
B. CASH FLOWS FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(7871.50)	(16,715.44)
Sale of property, plant and equipment	140.44	88.48
Purchase of investments	(6500.00)	(10,950.00)
Sale of investments	2977.01	8,026.87
Inter corporate deposits given	(19640.00)	(9,077.71)
Inter corporate deposits received back	17625.00	13,425.00
Movement in fixed deposits	(6384.63)	(1,193.65)
Interest received	1543.63	788.83
Net cash flows used in investing activities (B)	(18110.05)	(15,607.62)
C. CASH FLOWS FROM FINANCING ACTIVITIES:		
Interest and Financial charges	(6435.25)	(6,338.95)
Dividend paid (including dividend distribution tax)	(266.94)	(160.91)
Payment of lease liability	(207.84)	(76.86)
Proceed from borrowings from Government	1129.51	533.84
Proceeds from non current borrowings	20910.30	19,273.91
Repayment of non current borrowings	(18193.40)	(15,984.79)
Net proceed from current borrowings	(2421.91)	3,045.15
Net cash flows used in financing activities (C)	(5485.53)	291.39
Net increase/(decrease) in cash and cash equivalents (A+B+C)	2000.94	6,265.47
Cash and cash equivalents at the beginning of the year	6332.00	66.53
Cash and cash equivalents at the end of the year (Refer Note 12)	8332.94	6,332.00

Statement of Cash Flow

for the Year ended March 31, 2021

- Notes
1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Ind AS – 7 "Statement of Cash Flows"
 2. As per Ind AS 7, the Company is required to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. The Company did not have impact on the Statement of Cash Flows therefore reconciliation has not been given.

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

As per our report of even date attached

FOR SINGHI & CO.
Chartered Accountants
Firm Reg. No. 302049E
Bimal Kumar Sipani
Partner
M.No. 088926
Place: Noida (Delhi - NCR)

Yaswant Mishra
President (Corporate) & CFO

Manoj Kumar
Company Secretary

For and on behalf of Board of Directors
Vidula Jalan, Co-Chairperson
A V Jalan, Co-Chairperson
Aruna Makhan, Director
N G Khaitan, Director
Gaurav Goel, Director
K C Jain, Director

Date : May 22, 2021

Statement of Changes in Equity

for the Year ended 31 March, 2021

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

A. Equity Share Capital

Issued, subscribed and paid up Equity Shares of Rs. 10 each

Balance at the beginning of the year

Equity share capital issued during the year

Balance at the end of the reporting period

B. Other Equity

	As at March 31, 2021		As at March 31, 2020				
	No. of Shares	Amount	No. of Shares	Amount			
A. Equity Share Capital							
Issued, subscribed and paid up Equity Shares of Rs. 10 each							
Balance at the beginning of the year	2,66,93,780	2,669.38	2,66,93,780	2,669.38			
Equity share capital issued during the year	-	-	-	-			
Balance at the end of the reporting period	2,66,93,780	2,669.38	2,66,93,780	2,669.38			
B. Other Equity							
				(₹ Lakhs)			
	Reserve & Surplus			Other comprehensive income			
Particulars	Capital Redemption Reserve	Preference Share Capital Redemption Reserve	General Reserve	Retained Earnings	Actuarial Gain / (Loss) on Defined Benefit Obligation	Equity Instrument fair value through other comprehensive income	Total
As at April 1, 2019	155.30	20.00	6,513.15	41,190.54	(253.98)	52.82	47,677.83
Profit for the year (A)	-	-	-	7,590.21	-	-	7,590.21
Other Comprehensive Income (net of tax) (B)	-	-	-	(129.03)	-	(56.85)	(185.88)
Total Comprehensive Income for the Year (A+B)	-	-	-	7,461.18	-	(56.85)	7,404.33
Transfer to retained earnings	-	-	-	(253.98)	253.98	-	-
Transfer to Capital Redemption Reserve	20.00	(20.00)	-	-	-	-	-
Dividend including Dividend Distribution Tax Paid	-	-	-	(160.90)	-	-	(160.90)
As at March 31, 2020	175.30	-	6,513.15	48,236.84	-	(4.03)	54,921.26
Profit for the year (A)	-	-	-	10,897.88	-	-	10,897.88
Other Comprehensive Income (net of tax) (B)	-	-	-	(93.91)	-	25.56	(68.35)
Total Comprehensive Income for the Year (A+B)	-	-	-	10,803.97	-	25.56	10,829.53
Dividend Paid	-	-	-	(266.94)	-	-	(266.94)
As at March 31, 2021	175.30	-	6,513.15	58,773.87	-	21.53	65,483.85

(₹ Lakhs)

Statement of Changes in Equity for the Year ended 31 March, 2021

Nature and purpose of reserves

Capital Redemption Reserve

It represents transfer from Retained Earnings on redemption of Equity Shares and can be utilized in accordance with the provisions of the Companies Act, 2013.

General reserve

The Company appropriates a portion to general reserves out of the profits as decided by the board of directors and can be utilized in accordance with the provisions of the Companies Act, 2013.

Retained Earnings

Retained earnings are profits earned by the Company after transfer to general reserve and payment of dividend to shareholders.

Equity Instrument fair value through other comprehensive income

The Company has elected to recognise changes in the fair value of certain investments in equity securities in other comprehensive income. These changes are accumulated within FVOCI reserve within equity. The Company transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

The accompanying notes are an integral part of the financial statements

As per our report of even date attached

FOR SINGHI & CO.

Chartered Accountants

Firm Reg. No. 302049E

Bimal Kumar Sipani

Partner

MI No. 088926

Place: Noida (Delhi - NCR)

Date : May 22, 2021

For and on behalf of Board of Directors

Vidula Jalan, Co-Chairperson

A V Jalan, Co-Chairperson

Aruna Makhan, Director

N G Khaitan, Director

Gaurav Goel, Director

K C Jain, Director

Manoj Kumar

Company Secretary

Yaswant Mishra

President (Corporate) & CFO

Notes

Annexed to forming part of financial statements

Corporate Information and Significant Accounting Policies for the year ended March 31, 2021

1. Corporate Information

Mangalam Cement Limited ('MCL' or 'the Company') is a public limited company domiciled and incorporated in India and its shares are publicly traded on the National Stock Exchange Limited ('NSE') and the Bombay Stock Exchange of India ('BSE'), in India. The registered office of the company is at Aditya Nagar, Morak - 326520, Kota, (Rajasthan). The Company has own manufacturing plants in Morak (Rajasthan) and Aligarh (Uttar Pradesh), India. The Company is principally engaged in the manufacturing of Cement in India.

These financial statements were authorised for issue by the Board of Directors at their meeting held on May 22, 2021.

2 Significant Accounting Policies

2.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act 2013, read with Companies (Indian Accounting Standard) Rules, 2015, as amended time to time and other accounting principles generally accepted in India.

Accounting Policies have been consistently applied except where a newly issued accounting standards is initially adopted or a revision to an existing accounting standard required a change in the accounting policy hitherto in use.

2.2 Basis of measurement

The financial statements have been prepared under the historical cost convention on accrual basis except certain insurance and other claims which are accounted for on acceptance basis on account of uncertainties in measurement and the following items, which are measured on following basis on each reporting date:

- Non-current borrowings are initially measured at amortized cost.
- Certain financial assets and liabilities (including derivative instruments) that is measured at fair value at each reporting date
- Defined benefit liability/(assets): present value of defined benefit obligation less fair value of plan assets.
- Railway freight rebate under the long term traffic contract (LTTT) under the scheme of Ministry of Railways shall be accounted for as and when Company become eligible on achieving milestone.

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company take into account the characteristics of the asset or liability, if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- **Level 1** inputs are quoted prices /net asset value (unadjusted) in active markets for identical assets or liabilities that the company can access at the measurement date;
- **Level 2** inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- **Level 3** inputs are unobservable inputs for the asset or liability.

2.3 Functional and presentation currency

These financial statements are presented in Indian National Rupee ('₹'), which is the Company's functional currency. All amounts have been rounded to the nearest Lakhs, unless otherwise indicated.

2.4 Significant accounting Judgements and Estimates

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of the company's accounting policies and the reported amounts of assets, liabilities, income and expenses. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognised prospectively.

A. Judgements

Information about the judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the financial statements have been given below:

- assessing the lease term (including anticipated renewals) and the applicable discount rate.

Notes

Annexed to forming part of financial statements

- Classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding.

B. Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the financial statements for every period ended is included below:

- Measurement of defined benefit obligations: key actuarial assumptions;
- Recognition of deferred tax assets: availability of future taxable profit against which carry-forward tax losses can be used;
- Impairment test: key assumptions underlying recoverable amounts.
- Useful life and residual value of property, plant and equipment, other intangible assets and Right of Use assets;
- Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resource;
- Assessment of recoverability of receivables and advances which requires significant management judgement based on financial position of the counter-parties, market information and other relevant factors.
- In determining the fair value of the mine restoration obligation the Company uses technical estimates to determine the expected cost to restore the mines and the expected timing of these costs. Discount rates are determined based on expected rate of return
- Uncertainty relating to the global health pandemic

2.5 Classification of Assets and Liabilities as Current and Non-Current

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset/liabilities is treated as current when it is:

- Expected to be realised/settled (liabilities) or intended to be sold or consumed in normal operating cycle.
- Held primarily for the purpose of trading
- Expected to be realised/settled within twelve months after the reporting period, or
- Cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period or there is no

unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other assets/liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets/liabilities.

The operating cycle is the time between the acquisition of the assets for processing and their realisation in cash and cash equivalents.

2.6 Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment loss, if any. For this purpose, cost includes deemed cost which represents the carrying value of property, plant and equipment recognised as at 1st April, 2015 measured as per the previous Generally Accepted Accounting Principles (GAAP). The cost of assets comprises of purchase price and directly attributable cost of bringing the assets to working condition for its intended use including borrowing cost and incidental expenditure during construction incurred upto the date when the assets are ready to use. Capital work in progress includes cost of assets at sites, construction expenditure and interest on the funds deployed less any impairment loss, if any.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as a separate item (major components) of property, plant and equipment. Any gain on disposal of property, plant and equipment is recognised in Statement of Profit and loss.

Subsequent Measurement

Subsequent expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

Depreciation

Depreciation is calculated on Straight Line Method using the rates arrived at based on the estimated useful lives given in Schedule II of the Companies Act, 2013. Depreciation on additions to or on disposal of assets is calculated on pro-rata basis. Depreciation methods, useful lives and residual values are reviewed in each financial year end and changes, if any, are accounted for prospectively. Individual assets costing below Rs. 5000 are fully depreciated in the year of purchase.

Capital work-in-progress

Expenditure incurred during the construction period,

Notes

Annexed to forming part of financial statements

including all expenditure direct and indirect expenses, incidental and related to construction, is carried forward and on completion, the costs are allocated to the respective property, plant and equipment. Capital work-in-progress are carried at cost, less any recognised impairment loss.

Derecognition

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

2.7 Intangible assets

Intangible Assets (Other than Goodwill) acquired separately are stated at cost less accumulated amortization and impairment loss, if any. Cost of Site restoration is capitalised as Intangible Assets under the head "Mining Rights". Intangible assets are amortized on straight line method basis over their useful life estimated by the management. The useful lives of intangible assets are as follows:

- a) Mining rights are amortised over the period of the leases.
- b) Software is amortised over a period of 5 years.

Amortisation methods, useful lives and residual values are reviewed in each financial year end and changes, if any, are accounted for prospectively.

Derecognition

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit & Loss when the asset is derecognised.

2.8 Non-current assets (or disposal groups) held for sale

Non-current assets, or disposal groups comprising assets and liabilities, are classified as held-for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets, or disposal groups, are generally measured at the lower of their carrying amount and fair value less costs to sell. An impairment loss is recognised for any initial or subsequent write-down of the asset to fair value less costs to sell. A gain is recognised for any subsequent increases in fair value less costs to sell of an asset, but not in excess of any cumulative impairment loss previously

recognised. A gain or loss not previously recognised by the date of the sale of the non-current asset is recognised at the date of de-recognition.

Once classified as held-for-sale, intangible assets and property, plant and equipment are no longer amortised or depreciated

2.9 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.

2.10 Borrowing Cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalised as part of the cost of such assets upto the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

The loan origination costs directly attributable to the acquisition of borrowings (e.g. loan processing fee, upfront fee) are adjusted with the proceeds of the borrowings and are amortised on the basis of the Effective Interest Rate (EIR) method over the term of the loan.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

2.11 Foreign currency transactions

Transactions in foreign currencies are recorded by the Company at their respective functional currency considering exchange rates prevailing on the date of transactions first qualifies for recognition. Monetary assets and liabilities denominated in foreign currency are translated to the functional currency at the exchange rates prevailing at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in the Statement of Profit and Loss except exchange differences on foreign currency borrowings included in the borrowing cost when they are regarded as an adjustment to interest costs on those foreign

Notes

Annexed to forming part of financial statements

currency borrowings.

Non-monetary items that are measured at historical cost in a foreign currency are translated using the exchange rates at the date of initial transactions. Non-monetary items measure at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

2.12 Employee benefits

a. Short term employee benefits

Short-term employee benefits are expensed in the year in which the related service are provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

b. Defined contribution plans

Employee benefits in the form of Provident Fund are defined as contribution plan and charged as expenses during the period in which the employees perform the services. The company has following defined contribution plans:

- a) Provident fund
- b) Superannuation Fund

c. Defined benefit plans

For defined benefit plans, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each annual reporting period. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds.

The effect of the remeasurement changes (comprising actuarial gains and losses) to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in other equity and will not be reclassified to the Statement of Profit & Loss. Past service cost is recognised in the Statement of Profit & Loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset. 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
- remeasurement

The Company presents the first two components of defined benefit costs in the Statement of Profit & Loss in the line item employee benefits expense.

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 future contributions to the plans.

d. Other long-term employee benefits

The company has long term employment benefit plans i.e. accumulated leave. The liability for accumulated leave, which is a defined benefit scheme, is provided based on actuarial valuation as at the Balance Sheet date, based on Projected Unit Credit Method, carried out by an independent actuary.

2.13 Revenue Recognition

- a. The Company recognizes revenue when it satisfies a performance obligation in accordance with the provisions of contract with the customer. This is achieved when;
 - i) effective control of goods along with significant risks and rewards of ownership has been transferred to customer;
 - ii) the amount of revenue can be measured reliably;
 - iii) it is probable that the economic benefits associated with the transaction will flow to the Company; and
 - iv) the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue represents net value of goods and services provided to customers after deducting for certain incentives including, but not limited to discounts, volume rebates, etc. For incentives offered to customers, the Company makes estimates related to customer performance and sales volume to determine the total amounts earned and to be recorded as deductions. The estimate is made in such a manner, which ensures that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur. The actual amounts may differ from these estimates and are accounted for prospectively.

The Company considers shipping and handling activities as costs to fulfill the promise to transfer

Notes

Annexed to forming part of financial statements

the related products and the customer payments for shipping and handling costs are recorded as a component of revenue. In certain customer contracts, shipping and handling services are treated as a distinct separate performance obligation and the Company recognizes revenue for such services when the performance obligation is completed.

Revenue are net of Goods and Service Tax. No element of significant financing is deemed present as the sales are made with a credit term, which is consistent with market practice.

- b. Revenue (other than sale) is recognised to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. Export incentives and subsidies are recognized when there is reasonable assurance that the Company will comply with the conditions and the incentive will be received.
- c. Interest income are recognised on an accrual basis using the effective interest method.
- d. Dividends are recognised at the time the right to receive payment is established.

2.14 Government Grants and Subsidies

Grants from the government are recognised at their fair value where there is a reasonable assurance that the grant will be received and the Company will comply with all attached conditions. 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.

Government grants that compensate the Company for expenses incurred are recognised in the Statement of Profit and Loss, as income or deduction from the relevant expense, on a systematic basis in the periods in which the expense is recognised.

Government grant relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to Statement of Profit and Loss on a systematic basis over the expected lives of the related assets to match them with the cost for which they are intended to compensate and presented within other income.

2.15 Inventories

- i. Inventories are valued as follows :

Raw materials, stores and spares	Lower of cost and net realisable value. Cost is determined on a weighted average basis. Materials and other items held for use in the production of inventories are not written down below costs, if finished goods in which they will be incorporated are expected to be sold at or above cost.
Work-in-progress and finished goods	Lower of cost and net realisable value. Cost includes direct materials, labour and a proportion of manufacturing overheads.
Waste	At net realisable value.

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

- ii. Provision for obsolete/ old inventories is made, wherever required.

2.16 Mining Restoration

Mine restoration expenditure is provided for in the Statement of Profit and Loss based on present value of estimated expenditure required to be made towards site restoration at the time of vacation of mine. The unwinding of the discount is expensed as incurred and recognised as a finance cost in the Statement of Profit and Loss. The cost estimates are reviewed periodically and adjusted as appropriate. Changes in the estimated future costs or discount rate applied are added to or deducted from the site restoration cost.

2.17 Provisions and contingencies, Contingent liabilities and Contingent Assets

Based on the best estimate, provisions are recognized when there is a present obligation (legal or constructive) as a result of a past event and it is probable ("more likely than not") that it is required to settle the obligation, and a reliable estimate can be made of the amount of the obligation at reporting date. 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 contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is probable. Major contingent liabilities are disclosed in the financial statements unless the possibility of an outflow of economic resources is remote.

Notes

Annexed to forming part of financial statements

Contingent assets are not recognized in the financial statements but disclosed, where an inflow of economic benefit is probable.

2.18 Measurement of fair value

a. Financial instruments

The estimated fair value of the Company's financial instruments is based on market prices and valuation techniques. Valuations are made with the objective to include relevant factors that market participants would consider in setting a price, and to apply accepted economic and financial methodologies for the pricing of financial instruments. References for less active markets are carefully reviewed to establish relevant and comparable data.

b. Marketable and non-marketable equity securities

Fair value for listed shares is based on quoted market prices as of the reporting date. Fair value for unlisted shares is calculated based on commonly accepted valuation techniques utilizing significant unobservable data, primarily cash flow-based models.

c. Derivatives

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

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit and loss.

2.19 Financial instruments

a. Financial Assets

Initial recognition and measurement

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

Classifications

The company classifies its financial assets as subsequently measured at either amortised cost or fair value depending on the company's business model for managing the financial assets and the contractual cash flow characteristics of the financial assets.

Business model assessment

The company makes an assessment of the objective of a business model in which an asset is held at an instrument level because this best reflects the way the business is managed and information is provided to management.

Financial Assets at amortised cost

A financial asset is measured at amortised cost only if both of the following conditions are met:

- * it is held within a business model whose objective is to hold assets in order to collect contractual cash flows.
- * the contractual terms of the financial asset represent contractual cash flows that are solely payments of principal and interest.

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 as finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss.

Financial Assets at fair value through Other Comprehensive Income (FVOCI)

Financial Assets with contractual cash flow characteristics that are solely payments of principal and interest and held in a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets are classified to be measured at FVOCI.

Financial Assets at fair value through profit and loss (FVTPL)

Any Financial Assets, which does not meet the criteria for categorization as at amortized cost or as FVOCI, is classified as at FVTPL. In addition, the Company may elect to classify a Financial assets, which otherwise meets amortized cost or FVOCI 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 profit and loss.

b. Equity instruments

All equity instruments in scope of Ind AS 109 are measured at fair value. On initial recognition an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in FVOCI. This election is made on an investment-by-investment basis.

Notes

Annexed to forming part of financial statements

All other Financial instruments are classified as measured at FVTPL

De-recognition of financial assets

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

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

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

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the company could be required to repay.

On de-recognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset de-recognised) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognised in OCI is recognised the statement of profit or loss.

Impairment of financial assets

The Company assesses on a forward-looking basis the expected credit loss associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been

a significant increase in credit risk.

With regard to trade receivable, the Company applies the simplified approach as permitted by Ind AS 109, Financial Instruments, which requires expected lifetime losses to be recognised from the initial recognition of the trade receivables.

c. Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, amortised cost, as appropriate.

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

Subsequent measurement

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

Financial Liabilities measured at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are 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 statement of profit and loss.

Financial liabilities at fair value through profit or loss (FVTPL)

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss. Gains or losses on liabilities held for trading are recognised in the profit or loss.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/losses attributable to changes in own credit risks are recognized in OCI. These gains/loss are not subsequently transferred to Statement of Profit & Loss. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss.

De-recognition of financial liabilities

The company de-recognises a financial liability when its

Notes

Annexed to forming part of financial statements

contractual obligations are discharged or cancelled or expired.

2.20 Income tax

Income tax expense comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or in Other Comprehensive Income.

i. Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if, the Company :

- a) Has a legally enforceable right to set off the recognised amounts; and
- b) Intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

ii. Deferred tax

Deferred tax is recognised on differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

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

Credit of Minimum Alternative Tax (MAT) is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which

the MAT credit becomes eligible to be recognised as an asset, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT credit entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that the Company will pay normal income tax during the specified period.

2.21 Leases

Company as a lessee

The Company assesses whether a contract is or contains a lease, at inception of the contract. The Company recognises a right-of-use asset and a corresponding lease liability with respect to all lease arrangements in which it is the lessee, except for short-term leases (defined as leases with a lease term of 12 months or less) and leases of low value assets, wherein, the Company recognises the lease payments as an operating expense on a straight-line basis over the lease term, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased assets are consumed. Contingent and variable rentals are recognized as expense in the periods in which they are incurred.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership are transferred from the Company to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

2.22 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term deposits with an original maturity of three months or less.

For the purposes of the Cash Flow Statement, cash and cash equivalents is as defined above, net of outstanding

Notes

Annexed to forming part of financial statements

bank overdrafts. In the Balance Sheet, bank overdrafts are shown within borrowings in current liabilities.

2.23 Earning Per Share

The basic EPS is computed by dividing the profit after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted EPS, profit after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date. In computing the dilutive earnings per share, only potential equity shares that are dilutive and that either reduces the earnings per share or increases loss per share are included.

2.24 Offsetting Financial Instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

2.25 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The board of directors of the Company has been identified as being the chief operating decision maker by the Management of the Company.

2.26 Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2021. However, on March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable

from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- Specified format for disclosure of shareholding of promoters.
- Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development.
- If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- Specific disclosure under 'additional regulatory requirement' such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc

Statement of profit and loss:

Additional disclosures relating to Corporate Social Responsibility (CSR), undisclosed income and crypto or virtual currency specified under the head 'additional information' in the notes forming part of the standalone financial statements.

The amendments are extensive and the Company will evaluate the same to give effect to them as required by law.

Notes

Annexed to forming part of financial statements

Note No. 3. Property, plant and equipment

Gross Block	Freehold Land	Leasehold Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Railway Siding	Total
(₹ in Lakhs)									
Cost as at April 01, 2019	2,075.20	1,772.42	8,741.01	79,650.04	167.83	898.43	45.57	3,669.12	97,019.62
Transfer to Right-of-use assets as per Ind AS 116	-	(1,772.42)	-	-	-	-	-	-	(1,772.42)
Addition during the year	52.97	-	2,307.05	11,376.85	22.68	299.03	110.49	-	14,169.07
Sold/discarded during the year	-	-	-	18.45	6.99	151.83	-	-	177.27
Cost as at March 31, 2020	2,128.17	-	11,048.06	91,008.44	183.52	1,045.63	156.06	3,669.12	1,09,239.00
Addition during the year	143.51	-	82.45	2,364.27	22.93	39.77	2.04	-	2,654.97
Sold/discarded during the year	-	-	-	3.52	6.74	51.37	-	-	61.63
Cost as at March 31, 2021	2,271.68	-	11,130.51	93,369.19	199.71	1,034.03	158.10	3,669.12	1,11,832.34

Accumulated Depreciation	Freehold Land	Leasehold Land	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Railway Siding	Total
(₹ in Lakhs)									
Accumulated depreciation as at April 01, 2019	-	0.02	1,068.69	13,651.95	67.81	229.83	17.24	896.02	15,931.56
Transfer to Right-of-use assets as per Ind AS 116	-	(0.02)	-	-	-	-	-	-	(0.02)
Depreciation for the year	-	-	505.08	3,753.68	18.27	116.89	24.99	237.85	4,656.76
Deductions	-	-	-	7.89	4.97	82.29	-	-	95.15
Accumulated depreciation as at March 31, 2020	-	-	1,573.77	17,397.74	81.11	264.43	42.23	1,133.87	20,493.15
Depreciation for the year	-	-	814.44	4,168.58	18.15	116.03	28.01	405.17	5,550.38
Deductions	-	-	-	0.73	4.58	9.78	-	-	15.09
Accumulated depreciation as at March 31, 2021	-	-	2,388.21	21,565.59	94.68	370.68	70.24	1,539.04	26,028.44

Net carrying value as at March 31, 2021	2,271.68	-	8,742.30	71,803.60	105.03	663.35	87.86	2,130.08	85,803.90
Net carrying value as at March 31, 2020	2,128.17	-	9,474.29	73,610.70	102.41	781.22	113.83	2,535.25	88,745.87

3.1 Assets pledged and hypothecated against borrowings: Refer Note No. 19 & 25.

3.2 There are no restrictions as to the title of any of the items included in the property, plant and equipment.

Notes

Annexed to forming part of financial statements

3.3 The amount of expenditures recognised in the carrying amount of an item of property, plant and equipment / capital work-in-progress in the course of its construction :

(₹ in Lakhs)		
Nature of Costs	For the Year ended March 31, 2021	For the Year ended March 31, 2020
Employee benefits expense	18.66	98.12
Finance costs	634.45	859.75
Other expenses	3.63	17.30
Total	656.74	975.17

Note No. 3A : Capital work-in-progress

(₹ in Lakhs)

	Amount	Total
Cost as at April 01, 2019	7,299.08	7,299.08
Additions	8,037.90	8,037.90
Transfers / Capitalisation	(13,263.10)	(13,263.10)
Cost as at March 31, 2020	2,073.88	2,073.88
Additions	11,491.71	11,491.71
Transfers / Capitalisation	(2,419.91)	(2,419.91)
Cost as at March 31, 2021	11,145.69	11,145.69

Notes

Annexed to forming part of financial statements

Note No. 4. Right of Use Assets

(₹ in Lakhs)

Gross Block	Lease hold Land	Buildings	Total
Cost as at March 31, 2019	-	-	-
Transfer from Property, Plant & Equipment as per Ind AS 116 *	1,772.42	-	1,772.42
Cost as at April 01, 2019	1,772.42	-	1,772.42
Additions during the year	32.33	199.66	231.99
Sold/discarded during the year	-	-	-
Cost as at March 31, 2020	1,804.75	199.66	2,004.41
Additions during the year	-	596.17	596.17
Sold/discarded during the year	-	11.89	11.89
Cost as at March 31, 2021	1,804.75	783.94	2,588.69
Accumulated Depreciation	Lease hold Land	Buildings	Total
Accumulated depreciation as at March 31, 2019	-	-	-
Transfer from Property, Plant & Equipment as per Ind AS 116 *	0.02	-	0.02
Accumulated depreciation as at April 1, 2019	0.02	-	0.02
Depreciation for the year	24.60	54.55	79.15
Deductions	0.01	-	0.01
Accumulated depreciation as at March 31, 2020	24.61	54.55	79.16
Depreciation for the year	24.60	171.17	195.77
Deductions	-	8.27	8.27
Adjustment / Reclassification during the year	0.02	-	0.02
Accumulated depreciation as at March 31, 2021	49.23	217.46	266.68
Net carrying value as at March 31, 2021	1,755.52	566.48	2,322.01
Net carrying value as at March 31, 2020	1,780.14	145.11	1,925.25

* Refer Note No 42.12

Assets pledged and hypothecated against borrowings: Refer Note No. 19 & 25.

Note No. 5. Other Intangible assets

Gross Block	Computer software	Mining Rights	Total
Cost as at April 01, 2019	587.23	1,107.18	1,694.41
Addition during the year	1.66	-	1.66
Sold/discarded during the year	-	-	-
Cost as at March 31, 2020	588.89	1,107.18	1,696.07
Addition during the year	0.09	-	0.09
Sold/discarded during the year	-	-	-
Cost as at March 31, 2021	588.98	1,107.18	1,696.16
Accumulated Amortisation	Computer software	Mining Rights	Total
Accumulated amortisation as at April 01, 2019	376.93	314.92	691.85
Amortisation during the year	109.51	22.09	131.60
Deductions	-	-	-
Accumulated amortisation as at March 31, 2020	486.44	337.01	823.45
Amortisation during the year	90.82	22.10	112.92
Deductions	-	-	-
Accumulated amortisation as at March 31, 2021	577.26	359.11	936.37
Net carrying value as at March 31, 2021	11.72	748.07	759.79
Net carrying value as at March 31, 2020	102.45	770.17	872.62

* There are no restrictions as to the title of any of the items included in intangible assets except mining rights.

Notes

Annexed to forming part of financial statements

Note No. 6. Non Current Investments

	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Quoted		
Investments in Equity Instruments carried at fair value through other comprehensive income		
6,50,000 (previous year 6,50,000) Fully paid up Equity shares of ₹10/- each of Mangalam Timber Products Ltd. (Related party)	76.05	47.12
Unquoted		
Investments in Preference shares at fair value through profit & loss		
NIL (previous year 34,47,000) 7.5% Non-Cumulative Redeemable Preference shares of ₹ 100/-each of Mangalam Timber Products Ltd.* (Related Party)	-	2,938.31
Investments in Mutual Funds fair valued through profit & loss		
2139962 (Previous Year 2139962) ABSL Medium Term Plan - Growth \$	544.96	499.79
	621.01	3,485.22
Aggregate carrying value of non-current quoted investments	76.05	47.12
Aggregate market value of non-current quoted investments	76.05	47.12
Aggregate value of non-current unquoted investments	544.96	3,438.10
Aggregate value of impairment in value of non-current investment	-	-

* Redeemable at par within a period not exceeding nine years from date of allotment i.e. 10th October 2012. In the event of liquidation the preference shareholders are eligible to receive the paid up value of the preference share, if any, out of the remaining assets of the company in preference to equity shareholders. Since redemption is due in financial year 2021-22 hence the same has been classified as current investment.

\$ under lien against loan from Aditya Birla Finance Ltd.

Refer note 42.10 for determination of fair values of non-current investment

Note No. 7. Other non current financial assets

	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good :		
Security Deposits	519.26	438.20
Fixed Deposit with Banks held as Margin Money	715.02	571.21
Fixed Deposit with Banks pledged with Government departments	6.24	6.21
Interest accrued on Fixed Deposit with Banks	19.78	3.08
Others	0.91	0.70
	1,261.21	1,019.40

Note No. 8. Other Non Current Assets

	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
Capital advances	4,393.52	7,751.80
Advances to vendors	168.87	164.87
Prepaid expenses	386.87	81.27
	4,949.26	7,997.94

Notes

Annexed to forming part of financial statements

Note No. 9. Inventories

(₹ in Lakhs)

	As at March 31, 2021	As at March 31, 2020
(Valued at lower of cost and net realisable value)		
Raw materials	1,416.03	887.94
Work-in-progress	5,849.67	5,835.73
Finished goods	1,256.31	1,289.52
Fuel [including goods in transit ₹ 3,768.40 lakhs (Previous year ₹ Nil)]	5,588.69	2,258.95
Stores and Spare [Including Goods in Transit ₹ NIL (Previous year ₹ NIL)]	6,682.31	6,138.85
At net realisable value		
Scrap & Waste	7.00	7.00
	20,800.01	16,417.99

(a) Inventories are hypothecated to secure borrowings. Refer Note No. 19 & 25.

(b) Write downs of inventories (net of reversal) to net realizable value related to finished goods amounted to ₹ 14.55 Lakhs (Previous year ₹ 24.27 Lakhs). These were recognised as expense during the year and included in Changes in inventories of finished goods and work-in-progress in statement of profit and loss.

Note No. 10. Current Investments

(₹ in Lakhs)

	As at March 31, 2021	As at March 31, 2020
Unquoted		
Investments in Preference Shares at fair valued through profit & loss		
34,47,000 (previous year NIL) 7.5% Non-cumulative redeemable preference shares of ₹ 100/-each of Mangalam Timber Products Ltd. * (Related Party)	3,261.52	-
Investments in Mutual Funds fair valued through profit & loss		
10235.694 (Previous Year - 119844.62) ABSL Low Duration Fund - Growth	52.79	49.51
NIL (Previous Year 777840.193) ABSL Liquid Fund - Growth	-	2,471.55
218.879 (Previous Year 218.879) Kotak Liquid Fund - Growth	9.06	8.76
NIL (Previous Year 16230.999) SBI Liquid Fund - Growth	-	502.12
273691.337 (Previous Year NIL) Kotak Overnight Fund - Growth	3,000.11	-
315445.081 (Previous Year NIL) ABSL Overnight Fund - Growth	3,500.14	-
	9,823.62	3,031.94

* reclassified from non-current investment during the year.

(a) other disclosures :

Aggregate amount of unquoted investments	9,823.62	3,031.94
Aggregate amount of impairment in value of investments	-	-

Note No. 11 Trade receivables

(₹ in Lakhs)

	As at March 31, 2021	As at March 31, 2020
Secured, Considered good	1,423.24	1,559.37
Unsecured, Considered good	2,273.22	1,131.77
	3,696.46	2,691.14

(a) Trade Receivables are hypothecated to secure borrowings. Refer Note No. 19 & 25.

(b) No trade receivables are due from directors or other officers of the Company either severally or jointly with any other person. Further no trade receivables are due from firms or private companies respectively in which any director is a partner, or director or member.

(c) Trade receivables are non-interest bearing and are generally on terms of 0 to 90 days.

Note No. 12 Cash and Cash Equivalents

(₹ in Lakhs)

	As at March 31, 2021	As at March 31, 2020
Balances with banks [Current Account]	8,304.11	5,293.39
Cheque/Draft on hand	0.04	1,000.06
Cash in hand	28.79	38.55
	8,332.94	6,332.00

Notes

Annexed to forming part of financial statements

Note No. 13. Other Bank balances

(₹ in Lakhs)

	As at March 31, 2021	As at March 31, 2020
Balances with Banks		
Deposits with original maturity more than 3 months but less than 12 months	8,068.42	1,635.52
Other Bank Balances :		
Earmarked Balances		
On Unpaid Dividend Accounts	22.93	35.53
Fixed deposits with banks with original maturity more than 3 months but less than 12 months, held as margin money	167.46	359.54
Fixed deposits with banks with original maturity more than 12 months, held as margin money	715.02	571.21
	905.41	966.28
Less : Transfer to Non-Current Financial Assets	(715.02)	(571.21)
	8,258.81	2,030.59

Note No. 14. Loans

(₹ in Lakhs)

	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good)		
Inter Corporate Deposits		
(i) Related Party	5,887.71	4,997.71
(ii) Others	4,000.00	2,875.00
	9,887.71	7,872.71

Note No. 15. Other Financial Assets

(₹ in Lakhs)

	As at March 31, 2021	As at March 31, 2020
(Unsecured, considered good)		
Security deposits with Government department	7.05	6.15
Security deposits with others	32.28	17.82
Interest accrued on inter corporate deposits and fixed deposits	1,453.36	1,389.86
Interest accrued on inter corporate deposits to a related party	1,359.41	877.38
Subsidy receivable from Government	619.39	439.15
Others	4.41	3.40
	3,475.90	2,733.76

Note No. 16. Current Tax Assets (Net)

(₹ in Lakhs)

	As at March 31, 2021	As at March 31, 2020
Income tax refund receivable	23.88	494.16
	23.88	494.16

Note No. 17. Other current assets

(₹ in Lakhs)

	As at March 31, 2021	As at March 31, 2020
Advances recoverable in cash or in kind #	4,882.20	4,853.96
Advances for supplies and services	7,886.13	6,432.63
Prepaid expenses	313.71	256.73
	13,082.04	11,543.32

including ₹ 4763.98 lakhs (Previous year ₹ 4771.17 lakhs) paid under protest to Government departments.

Notes

Annexed to forming part of financial statements

Note No. 18. EQUITY SHARE CAPITAL

(₹ in Lakhs)

	As at March 31, 2021	As at March 31, 2020
Authorised		
40000000 (Previous Year : 40000000) Equity Shares of ₹ 10 each	4,000.00	4,000.00
200000 (Previous Year : 200000) Redeemable Cumulative Preference shares of ₹ 100 each	200.00	200.00
18000000 (Previous Year : 18000000) Optionally Convertible Cumulative Redeemable Preference shares of ₹ 10 each	1,800.00	1,800.00
	6,000.00	6,000.00
Issued, Subscribed and Paid up		
26693780 (Previous Year : 26693780) Equity Shares of ₹ 10/- each fully paid up	2669.38	2669.38
	2,669.38	2,669.38

Note :

	As at March 31, 2021	As at March 31, 2020
--	-------------------------	-------------------------

1 Reconciliation of the number of Equity Shares Outstanding

Number of Equity Shares Outstanding at the beginning of the year	26693780	26693780
Number of Equity Shares Outstanding at the end of the year	26693780	26693780

2 Shares held by each shareholder holding more than 5 percent shares

Name of shareholders	No. of Shares	%	No. of Shares	%
Vidula Consultancy Services Ltd.	2370720	8.88	1970720	7.38
Century Textiles & Industries Ltd.	2220500	8.32	2220500	8.32
Hardik Bharat Patel	1519032	5.69	1949002	7.30
Sachin Bansal	1394000	5.22	1978968	7.41
India Capital Fund Ltd. #	-	-	1903000	7.13

As at March 31, 2021, shareholding was nil.

3 Terms/rights attached to Equity Shares

The Company has one class of equity shares having a par value of ₹ 10/- per share. Each fully paid up share carries one vote. Dividend, if any, proposed by the Board of Directors is subject to approval of shareholders in an annual general meeting except in the case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts in proportion of their shareholding.

4 In preceding five (5) years, there was no issue of bonus, buy back, cancellation and issue of shares for consideration other than cash

Note No. 19. Borrowings

(₹ in Lakhs)

	Non Current Portion		Current Maturities	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
Secured :-				
Term Loan From banks				
- in Local Currency	28,178.06	28,579.36	6,186.42	8,684.32
Term Loan From Government	1,018.78	287.67	-	-
Term Loan From NBFCs	12,332.48	6,744.09	1,108.04	812.40
	41,529.32	35,611.12	7,294.46	9,496.72
Less:- Unamortised portion of upfront fee	(958.63)	(776.57)	(467.31)	(381.44)
Less:- Amount disclosed under the head "Other Financial Liabilities"			(6,827.15)	(9,115.28)
	40,570.69	34,834.55	-	-

Annexed to forming part of financial statements

(₹ in Lakhs)

Particulars	Security	Repayment Terms	Rate of interest (Current Year)	Rate of interest (Previous Year)	As at March 31, 2021	As at March 31, 2020
From HDFC Bank Ltd	A first pari-passu charge on entire movable fixed assets (Morak and Aligarh unit) (Present and future); Equitable mortgage of Morak unit (on first pari passu basis); Negative lien on immovable assets of Aligarh unit.	27 step-up quarterly installments starting from 29/06/2021.	Repo rate prevailing on disbursement date + Spread 290bps	-	7,500.00	-
From HDFC Bank Ltd-II	A first pari-passu charge on entire fixed assets (both movable and immovable, present and future) and a second pari passu charge on entire current assets of the company (present and future).	20 equal quarterly installments started from 30.06.2017.	HDFC Bank Base Rate+15bps	IHDFC Bank Base Rate+15bps	-	1,414.12
From IDFC Bank Ltd		15 quarterly installments started from October, 2019.	IDFC Bank MCLR + spread	IDFC Bank MCLR + spread	5,000.00	9,000.00
From ICICI Bank Ltd		22 equal quarterly installments after a moratorium of 18 months from the date of 1st disbursement.	1 Year MCLR + 145 BPS	1 Year MCLR + 145 BPS	4,090.91	5,000.00
From Indusind Bank Ltd.		16 structured quarterly instalment after a moratorium of 2 years i.e. repayment will commence from 27th month from the date of 1st disbursement.	1st Year MCLR + 5 BPS	1st Year MCLR + 5 BPS	-	4,600.00
From Indusind Bank-II	A first pari-passu charge on all immovable fixed assets of the company situated at factory plant location Kota/Morak, Rajasthan (including WHRS) and Aligarh, UP, both present and future. First pari-passu charge on all movable fixed assets of the Borrower, both present and future.	Equal quarterly installments, Repayment to commence from the end of 3rd month from the date of 1st disbursement.	Linked to one month MCLR	Linked to one month MCLR	4,553.57	7,232.14
From ICICI Bank Ltd-II	A first pari-passu charge over the immovable fixed assets of the company located at Kota/Morak (WHRs) (Rajasthan), and Aligarh (Uttar Pradesh). First pari-passu charge over the entire movable fixed assets of the company, present and future. Second pari-passu charge over entire current assets of the company, both present and future.	20 quarterly installments commencing from the end of third month from the date of first drawdown.	1 Year MCLR + spread per annum	1 Year MCLR + spread per annum	8,400.00	9,800.00
From ICICI Bank Ltd-III	A first pari-passu charge over the immovable fixed assets of the company located at Kota/Morak (WHRs) (Rajasthan). Negative lien over immovable property of the company located at Aligarh (Uttar Pradesh). First pari-passu charge over the entire movable fixed assets of the company, present and future. Second pari-passu charge over entire current assets of the company, both present and future.	16 step-up quarterly installments starting from 29/03/2022.	8.5%, 1Y MCLR + Spread	-	4,623.54	-
From ICICI Bank Ltd-Car Loan	Hypothecation in favour of ICICI Bank against car finance till payment of last installment	60 equal monthly installments commencing from 1st of next month.	8.99 to 9%	8.99 to 9%	196.46	217.42
Loan from Government under PICUP (IIPS-2012)	Secured by bank guarantee of equal amount of loan	on or before 14/01/2027 (seven year)	Interest free loan under scheme IIPS-2012	Interest free loan under scheme IIPS-2012	313.32	287.67
Loan from Government under PICUP (IIPS-2012)		on or before 31/03/2028 (seven year)	Interest free loan under scheme IIPS-2012	Interest free loan under scheme IIPS-2012	705.46	-
From Aditya Birla Finance Ltd	A first pari-passu charge on entire fixed assets (both movable and immovable, present and future) and a second pari passu charge on entire current assets of the company (present and future) and Mutual funds investments in ABSL Medium Term Plan - Growth	28 structured quarterly installments after construction period of 24 months.	ICICI Bank 1 Year MCLR + 55 BPS.	ICICI Bank 1 Year MCLR + 55 BPS.	5,892.86	7,500.00
Loan From Daimler Financial Services India Pvt Ltd- Car Loan	Hypothecation in favour of Daimler Financial Services India Pvt Ltd against car finance till payment of last installment	36 equal monthly installments commencing from 13th of next month	10.75%	10.75%	47.66	56.49
From Axis Finance Ltd	A first pari-passu charge over the immovable fixed assets of the company located at Kota/Morak (Rajasthan), and Aligarh (Uttar Pradesh). First pari-passu charge over the entire movable fixed assets of the company, present and future. Second pari-passu charge over entire current assets of the company, both present and future.	10 step up half yearly installments commencing from 31 March 2022.	9%, 1 Year Bank MCLR	-	7,500.00	-

Notes

Annexed to forming part of financial statements

Note No. 20. Lease Liabilities

(₹ in Lakhs)

	As at March 31, 2021	As at March 31, 2020
Lease liabilities (refer note 42.12)	471.67	105.00
	471.67	105.00

Note No. 21. Other Financial Liabilities

(₹ in Lakhs)

	As at March 31, 2021	As at March 31, 2020
Retention money	43.07	33.47
Security Deposits from agents and customers	4,730.50	4,297.53
	4,773.57	4,331.00

Note No. 22. Non Current Provisions

(₹ in Lakhs)

	As at March 31, 2021	As at March 31, 2020
Employee Benefits (Refer Note No. 42.4)	1623.04	1,470.68
Provision for Mines Restoration #	910.11	812.60
	2,533.15	2,283.28

Movement of provisions during the year as required by Ind AS 37 "Provision, Contingent Liabilities and Contingent Assets" :

Provision for Mines Restoration

Opening Balance	812.60	725.54
Add: Unwinding of discount / change in discount rate	97.51	87.06
Closing Balance	910.11	812.60

Note No. 23. Deferred tax liabilities (Net)

(₹ in Lakhs)

	As at March 31, 2021	As at March 31, 2020
(a) Deferred tax liability being tax impact on -		
(i) Property, plant and equipment, other intangible assets and right of use assets	18,217.54	16,835.91
(ii) Others	1,641.12	1,612.13
Total (a)	19,858.66	18,448.04
(b) Deferred tax assets being tax impact on -		
(i) Expenses allowable on payment basis under the Income Tax Act	2,108.47	1,828.41
(ii) Unabsorbed Depreciation and Carried forward tax losses	1,722.56	6,478.53
(iii) Others	540.36	521.81
(iv) MAT Credit Entitlement	6,807.65	3,967.87
Total (b)	11,179.04	12,796.62
(c) Net Deferred Tax Liabilities (a) - (b)	8,679.62	5,651.42

Notes

Annexed to forming part of financial statements

The Company has recognised deferred tax assets on unabsorbed depreciations, carried forward tax losses and MAT Credit Entitlement. The Company has MAT Credit Entitlement, unabsorbed depreciations and incurred the tax losses due to substantial expansion in earlier financial years. The Company has concluded that the deferred tax assets on MAT Credit Entitlement, unabsorbed depreciations and carried forward tax losses will be recoverable using the estimated future taxable income based on the business plans and budgets. The Company is expected to generate taxable income in near future. The MAT Credit Entitlement, unabsorbed depreciation and tax losses can be carried forward as per local tax regulations and the Company expects to recover the same in due course.

(C) Movement in deferred Tax Liabilities

(₹ in Lakhs)

Particulars	As at March 31, 2020	Recognised in P&L	Recognised in OCI	As at March 31, 2021
Deferred Tax liability being tax impact on -				
Property, plant and equipment	16,835.91	1,381.63	-	18,217.54
Others	1,612.13	28.99	-	1,641.12
Sub total (a)	18,448.04	1,410.62	-	19,858.66
Deferred Tax Assets being tax impact on -				
Expenses allowable on payment basis	1,828.41	280.06	50.45	2,158.92
Unabsorbed Depreciation and Carried forward tax losses	6,478.53	(4,755.97)	-	1,722.56
Others	521.81	(28.53)	(3.37)	489.91
MAT Credit Entitlement	3,967.87	2,839.78	-	6,807.65
Sub total (b)	12,796.62	(1,664.66)	47.08	11,179.04
Net Deferred Tax Liability (a)-(b)	5,651.42	3,075.28	(47.08)	8,679.62

(₹ in Lakhs)

Particulars	As at March 31, 2019	Recognised in P&L	Recognised in OCI	As at March 31, 2020
Deferred Tax liability being tax impact on -				
Property, plant and equipment	15,614.34	1,221.57	-	16,835.91
Others	1,690.39	(78.26)	-	1,612.13
Sub total (a)	17,304.73	1,143.31	-	18,448.04
Deferred Tax Assets being tax impact on -				
Expenses allowable on payment basis	1,593.61	165.49	69.31	1,828.41
Unabsorbed Depreciation and Carried forward tax losses	9,133.53	(2,655.00)	-	6,478.53
Others	927.55	(413.24)	7.50	521.81
MAT Credit Entitlement	2,048.51	1,919.36	-	3,967.87
Sub total (b)	13,703.20	(983.39)	76.81	12,796.62
Net Deferred Tax Liability (a)-(b)	3,601.53	2,126.70	(76.81)	5,651.42

	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
	Statement of Profit & Loss		Other Comprehensive Income	
Deferred tax Expenses Reconciliation				
(a) Deferred tax expenses	5,915.06	4,046.06	(47.08)	(76.81)
(b) MAT Credit Entitlement	(2,839.78)	(1,919.36)	-	-
Total	3,075.28	2,126.70	(47.08)	(76.81)

Notes

Annexed to forming part of financial statements

Note No. 24. Other non-current liabilities

(₹ in Lakhs)

	As at March 31, 2021	As at March 31, 2020
Deferred revenue arising from Government grant	546.16	209.92
	546.16	209.92

Note No. 25. Borrowings

(₹ in Lakhs)

	As at March 31, 2021	As at March 31, 2020
From Bank :-		
Secured [Repayable on demand]		
- Working Capital Loan from banks *	12,000.00	13,821.91
Unsecured		
- Loan from Banks	-	600.00
	12,000.00	14,421.91

* Out of above ₹ 1300 lakhs (Previous Year : Nil) are overdraft from HDFC Bank Ltd. against lien on fixed deposits. Remaining ₹ 10,700 lakhs (Previous Year ₹ 13,821.91 lakhs) are secured against a first pari passu charge over entire current assets, both present and future and second pari passu charge over the entire fixed assets, both present and future.

Note No. 26. Lease liabilities

(₹ in Lakhs)

	As at March 31, 2021	As at March 31, 2020
Lease liabilities (refer note 42.12)	117.40	50.12
	117.40	50.12

Note No. 27. Trade payables

(₹ in Lakhs)

	As at March 31, 2021	As at March 31, 2020
Creditors for Supplies and Services		
- Due to Micro and Small Enterprises (Refer Note No. 42.3)	16.62	1.53
- Due to Others	22,934.37	18,036.14
	22,950.99	18,037.67

Note No. 28. Other Financial Liabilities

(₹ in Lakhs)

	As at March 31, 2021	As at March 31, 2020
Current Maturities of long term loan from banks	6,827.15	9,115.28
Interest accrued	39.79	53.39
Unpaid Dividends	22.93	35.53
Liabilities for Capital Goods \$	756.57	209.11
Security Deposits and Retention Money	2,013.05	1,946.53
Employee Emoluments	2,169.74	1,711.66
Others	503.07	1,000.19
	12,332.30	14,071.69

\$ includes due to MSME

-

15.22

^ Others includes payable to gratuity fund, loan processing fee payable to banks etc.

Notes

Annexed to forming part of financial statements

Note No. 29. Other current liabilities

(₹ in Lakhs)

	As at March 31, 2021	As at March 31, 2020
Statutory Dues	6,048.84	3,668.74
Advances received from / Credit balance of Customers	1,841.87	1,475.63
Deferred revenue arising from Government grant	98.41	36.25
	7,989.12	5,180.62

Note No. 30. Provisions

(₹ in Lakhs)

	As at March 31, 2021	As at March 31, 2020
Employee Benefits (Refer Note No. 42.4)	404.21	337.10
Others * (includes provision for land tax, entry tax etc.)	1,269.11	1,398.79
	1,673.32	1,735.89

* Movement of provisions for others during the year as required by Ind AS 37 "Provision, Contingent Liabilities and Contingent Assets" specified under section 133 of the Companies Act, 2013 :

Opening Balance	1,398.79	1400.25
Addition during the year	-	-
Paid/Adjustment during the year	(129.68)	(1.46)
Closing Balance	1,269.11	1,398.79

Note No. 31. Current tax liabilities (Net)

(₹ in Lakhs)

	As at March 31, 2021	As at March 31, 2020
Provision for Income Tax (Net of advance tax)	1,453.02	764.08
	1,453.02	764.08

Note No. 32. Revenue from operations

(₹ in Lakhs)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Sale of products		
Cement	1,29,264.73	1,21,975.40
Clinker	3.40	451.65
Other operating revenue (refer Note 42.6)	557.82	398.05
	1,29,825.95	1,22,825.10

Also Refer Note 42.13

Note No. 33. Other income

(₹ in Lakhs)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest income (refer below 33.1)	2,105.86	1,849.21
Unclaimed liabilities written back	249.06	81.75
Miscellaneous income	378.39	414.12
Net gains / losses on fair value changes (refer below 33.2)	558.36	627.50
	3,291.67	2,972.58

Notes

Annexed to forming part of financial statements

33.1 Interest income on

	(₹ in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
income tax	21.35	36.88
others	2,084.51	1,812.33
	2,105.86	1,849.21

33.2 Net gains / losses on fair value changes

Net gain on exchange fluctuation on translation and transactions	132.41	258.97
Net gain on fair valuation of financial assets measured at FVTPL	409.30	328.79
Interest on financial assets carried at Amortised cost using EIR method	13.65	-
Net gain on sale of investments	3.00	39.74
	558.36	627.50

Note No. 34. Cost of materials consumed

	(₹ in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Cost of raw materials consumed including land tax	19,671.55	19,719.16
	19,671.55	19,719.16

Note No. 35. Changes in inventories of finished goods and work-in-progress

	(₹ in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Opening Stock		
Finished Goods	1,289.51	512.61
Work-in-Progress	5,835.73	1,122.91
Scrap & waste	-	2.28
	7,125.24	1,637.80
Closing Stock		
Finished Goods	1,256.31	1,289.51
Work-in-Progress	5,849.67	5,835.73
Scrap & waste	-	-
	7,105.98	7,125.24
Decrease / (Increase) in inventories	19.26	(5,487.44)

Note No. 36. Employee benefits expense

	(₹ in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Salaries, Wages and Bonus	9,929.99	9,972.47
Gratuity Expenses	29.62	2.04
Contribution to Provident and other funds	991.34	1,016.93
Staff welfare expenses	176.72	203.77
	11,127.67	11,195.21
Less:- Amount transferred to Capital Work-in-Progress/Capitalised	18.56	98.12
	11,109.01	11,097.09

Note No. 37. Finance costs

	(₹ in Lakhs)	
	For the year ended March 31, 2021	For the year ended March 31, 2020
Interest Expenses	5,400.77	5,720.55
Interest paid to income tax department	168.23	53.18
Interest on lease obligations	72.20	19.79
Loss on foreign currency translations & transactions (considered as finance cost)	-	102.77
Loss on Fair valuation of Option Contracts	-	69.64
Other Borrowing costs	1,465.31	1,221.32
	7,106.51	7,187.25
Less:- Amount transferred to Capital Work-in-Progress/Capitalised (Refer Note No. 42.5)	634.45	859.75
	6,472.06	6,327.50

Notes

Annexed to forming part of financial statements

Note No. 38. Depreciation and amortization expense

(₹ in Lakhs)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Depreciation of Property, plant and equipment	5,550.38	4,656.76
Depreciation on Right of use assets	195.77	79.14
Amortisation of Intangible assets	112.92	131.60
	5,859.07	4,867.50

Note No. 39. Other expenses

(₹ in Lakhs)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Stores and Spares consumed	2,910.35	3,718.68
Power and Fuel	29,309.46	33,643.89
Rent	303.72	414.99
Repairs and Maintenance		
Plant and Machinery	1,821.50	2,252.47
Buildings	229.90	223.21
Others	303.50	70.80
Insurance	212.66	141.56
Rates and Taxes	242.65	197.21
Packing Expenses	5,042.31	4,551.05
Advertisement & Sales Promotion	1,750.46	1,134.95
Commission & Brokerage to Selling Agents	1,623.16	912.00
Freight, Forwarding etc.@	27,399.12	26,513.95
Loss on sale of Property, plant & equipment (net)	5.74	15.25
Corporate Social Responsibility Expenditure	84.91	44.09
Amalgamation Expenses	103.34	-
Directors sitting fees	26.80	30.10
Directors Commission	28.00	28.00
Remuneration to Auditors :		
(a) Statutory Auditor		
Audit Fees	15.31	14.18
Limited review	2.58	2.39
Tax Audit Fee	3.06	2.83
Certification & Other services	7.66	3.27
Out of pocket expenses	0.96	3.38
(b) Cost Auditor		
Audit Fee	1.32	1.26
Other services	0.04	0.08
Out of pocket expenses	0.05	0.04
Miscellaneous	1,748.80	3,657.50
	73,177.36	77,577.13
Less:- Amount transferred to Capital Work-in-Progress/Capitalised	3.63	17.30
	73,173.73	77,559.83

@ net of Railway freight rebate ₹ Nil (Previous year ₹ 896.55 lakhs) under the long term traffic contract (LTTC), scheme of Ministry of Railway.

Notes

Annexed to forming part of financial statements

Note No. 40. Income tax expenses

(₹ in Lakhs)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Current Income tax :		
Current tax	2,839.78	1,919.36
Tax related to earlier year	-	77.77
Net Current tax (a)	2,839.78	1,997.13
Deferred tax (b)	3,075.28	2,126.70
Tax expenses reported (a+b)	5,915.06	4,123.83
Reconciliation of tax expenses and accounting profit		
Net Profit before tax	16812.94	11,714.04
Enacted tax rates (in %)	34.94	34.94
Computed tax expenses	5,875.11	4,093.35
Increase/(reduction) in taxes on account of:		
Previous year tax adjustments	-	77.77
Income not taxable /exempt from tax	(70.57)	(27.37)
Non deductible expenses	89.44	39.70
Others	21.08	(59.62)
Income tax expense reported	5,915.06	4,123.83

Note No. 41. Other Comprehensive Income (net of tax)

(₹ in Lakhs)

	For the year ended March 31, 2021	For the year ended March 31, 2020
Remeasurement of defined benefit plans	(144.36)	(198.34)
Tax effect on above	50.45	69.31
Net gains / (loss) on Fair value through Other Comprehensive		
Income (OCI) - Equity Instruments	28.93	(64.35)
Tax effect on above	(3.37)	7.50
	(68.35)	(185.88)

Notes

Annexed to forming part of financial statements

Note No. 42.1. Earning Per Share (EPS) :

The following table reflect the income and shares data used in computation of the basic and diluted earning per share.

		(₹ in Lakhs)	
		For the year ended March 31, 2021	For the year ended March 31, 2020
a. Profit / (Loss) for the year		10,897.88	7,590.21
b. Nominal value of equity shares	in rupees	10.00	10.00
c. No of shares at the beginning of the year	Nos.	2,66,93,780	2,66,93,780
Add: Issued during the year		-	-
Less: Cancelled/buyback during the year		-	-
No of shares at the end of the year		2,66,93,780	2,66,93,780
d. Weighted average no. of shares outstanding	Nos.	2,66,93,780	2,66,93,780
e. Effect of dilution	Nos.	-	-
f. Weighted average no. of shares outstanding for diluted earnings per share	Nos.	2,66,93,780	2,66,93,780
g. Basic and Diluted Earning Per Share	in rupees	40.83	28.43

Note No. 42.2. Contingent Liabilities and Commitments :**i. Contingent Liabilities (not provided for) in respect of :**

	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
(a) Claims against the Company not acknowledged as debts-		
- Demand raised by Income tax Department for Direct tax	2,217.91	2,217.91
- Demand raised by Excise Department for various matters	3,781.22	8,635.21
- Demand for Sales Tax, GST, Land Tax and Entry Tax	1,418.65	1,102.36
- Demand for Differential Royalty on Lime Stone	851.81	851.81
- Others	1,167.09	1,165.72
(b) The Jute Packaging (Compulsory use in Packing Commodities) Act 1987 was stayed by the Rajasthan High Court in 1997. However, the Jute Commissioner issued a show cause notice on 14.08.2002 for non-use of Jute Packaging Material. This has been challenged by the Company and the amount involved is not quantifiable.		
(c) Rajasthan Sales-tax Authorities has raised demand ₹ 3890.17 Lakhs (Previous year ₹ 3890.17 Lakhs) and interest thereon ₹ 4246.48 Lakhs (Previous year ₹ 4246.48 Lakhs) against Sales-tax incentive claimed by the Company in earlier years relying upon direction of BIFR dated 31.05.2007. On appeal, Rajasthan Tax Board has given order in favour of the Company. Thereafter, appeal of Commercial taxes department against the order of Rajasthan Tax Board was also dismissed by Hon'ble Rajasthan High Court vide order dated 23/04/2019 and decided the case in favour of the Company. However, Commercial taxes department filed appeal before Hon'ble Supreme court against the order of Hon'ble Rajasthan High Court. Pending disposal of the appeal, no adjustment has been done.		

The Company has engaged competent professional advisors to defend its positions against all disputed claims/notices and the Company is hopeful of favourable decisions and expect no outflow of resources, hence no provision is made in the books of accounts.

ii. Commitments:

	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
(a) Estimated amount of Contracts remaining to be executed on Capital Account (Net of advances) not provided for	2,465.15	4,909.00

(b) The Company has availed certain Government subsidies. As per the terms and conditions, the Company has to continue production for specified number of years and comply with other conditions failing which amount of subsidies availed along with interest, penalty etc. will have to be refunded.

Notes

Annexed to forming part of financial statements

Note No. 42.3. Trade Payables under MSME Development Act, 2006

- A. Based on the information available as identified by the management there are certain vendors who have confirmed that they are covered under the Micro, Small and Medium Enterprises Development Act, 2006. Disclosures relating to dues of Micro and Small enterprises under section 22 of 'The Micro, Small and Medium Enterprises Development Act, 2006, are given below:

	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount due to micro and small enterprises	16.62	16.75
- Interest due thereon	-	-
The amount of interest paid by the buyer under MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of accounting year; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23.	-	-

- B The Company considers its maximum exposure to liquidity risk with respect to vendors as at March 31, 2021 to be ₹ 22,950.99 lakhs (Previous year: ₹ 18,037.67 lakhs), which is the fair value of trade payables.

Note No. 42.4. Employee Defined Benefits :**A. Defined Contribution Plans**

- a. The Company makes contributions towards provident fund and superannuation fund to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit plan to fund the benefits.

	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
i. Contribution to Superannuation fund	157.39	237.33
ii. Contribution to Govt. Provident fund	594.04	555.47

B. Defined Benefit Plans

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. Gratuity liability is being contributed to Group Gratuity cum Life Assurance Schemes administered by the LIC of India.

The most recent actuarial valuation of plan assets and the present value of the defined benefit obligation for gratuity were carried out as at 31 March 2021. The present value of the defined benefit obligations and the related current service cost and past service cost, were measured using the Projected Unit Credit Method.

Notes

Annexed to forming part of financial statements

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
I. Reconciliation of Defined Benefit Obligations (DBO)		
Present value of DBO at the beginning of period	2,648.96	2,339.86
Current service cost	195.88	184.99
Interest cost	179.07	179.23
Past Service Cost	-	-
Actuarial (Gains)/Losses	126.28	198.97
Benefits paid	(302.59)	(254.09)
Present value of DBO at the end of period	2,847.60	2,648.96
II. Reconciliation of Fair Value of plan assets during the year		
Plan assets at the beginning of period	2,254.23	2,190.97
Expected return on plan assets	152.39	167.82
Actuarial Gains/(Loss)	(18.08)	0.63
Contribution	394.84	148.90
Benefits paid	(302.59)	(254.09)
Plan assets at the end of period	2,480.79	2,254.23
III. Reconciliation of fair value of assets defined and benefit obligation		
Present value of Defined Benefit Obligation	2,847.60	2,648.96
Fair value on plan assets	2,480.79	2,254.23
Net asset/(liability) recognised in the Balance Sheet	(366.81)	(394.73)
IV. Expenses recognised during the year in Statement of Profit and Loss		
Current service cost	195.88	184.99
Net Interest cost	26.68	11.41
Total expenses recognised in the Statement of Profit & Loss	222.56	196.40
V. Amount recognised in Other Comprehensive Income		
Re-measurements of the net defined benefit liability/(assets)		
Actuarial (gain)/loss for the year on Defined Benefit Obligation	126.28	198.97
Actuarial (gain)/loss on Plan Assets (excluding amount included in net interest expense)	18.08	(0.63)
VI. Category of plan assets as a % of the total plan assets		
Interest based scheme with Insurance companies	100%	100%
VII. Actuarial assumptions		
Discount rate (%)	6.70	6.76
Future salary escalation (per annum) (%)	5.50	5.50
Mortality table (IALM)	2012-14	2012-14
VIII. Sensitivity analysis		
Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.		
Effect of change in discount rate - 0.50 % increase	(97.29)	(89.78)
Effect of change in discount rate - 0.50 % decrease	104.16	96.10
Effect of change in salary increase - 0.50 % increase	104.87	96.81
Effect of change in salary increase - 0.50 % decrease	(98.81)	(91.23)

Notes

Annexed to forming part of financial statements

- The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligation as a result of reasonable changes in key assumptions occurring at the end of the reporting period.
- Sensitivities due to mortality and withdrawals are insignificant, hence ignored. Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement and life expectancy are not applicable being a lump sum benefit on retirement.
- Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
IX. Maturity profile of defined benefit obligation :		
Within next twelve months	403.74	342.27
Between one to five years	767.25	743.49
Beyond five years	1,676.61	1,563.21
	2,847.60	2,648.97
X. Expected contribution for the next Annual reporting period.		
Service Cost	206.51	196.85
Net Interest Cost	24.57	26.68
Expected Expense for the next annual reporting period	231.08	223.53
XI. Description of Risk Exposures :		
"Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such the Company is exposed to various risks as follow -		
A) Salary Increases- Higher than expected increase in salary will increase the defined benefit obligation.		
B) Discount Rate: Reduction in discount rate in subsequent valuations can increase the plan's liability.		
C) Mortality & disability – Actual deaths & disability cases proving lower or higher than assumption in the valuation can impact the liabilities.		
D) Withdrawals – Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.		
E) Investment Risk – If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability."		
XII. Weighed average duration of the plan	11.71	11.86

Note No. 42.5. Borrowing costs

During the year, borrowing cost amounting to ₹ 621.51 Lakhs (Previous year ₹ 834.58 Lakhs) has been capitalized by the Company. The capitalization rate used to determine the amount of borrowing costs to be capitalized is weighted average interest rate applicable to the borrowings i.e. 9.38% (Previous year 10.25%).

Note No. 42.6. Other Operating income

The income includes investment subsidy and employment subsidy aggregating ₹ 557.82 Lakhs (Previous year ₹ 398.05 Lakhs).

Note No. 42.7. Segment Reporting

According to Ind AS 108, identification of operating segments is based on Chief Operating Decision Maker (CODM) approach for making decisions about allocating resources to the segment and assessing its performance. The business activity of the company falls within one broad business segment viz. "Cement" and substantially sale of the product is within the country. Hence, the disclosure requirement of Ind AS 108 of 'Segment Reporting' is not considered applicable.

There is no revenue of 10% or more of total revenue from a single customer in current year and previous year.

Notes

Annexed to forming part of financial statements

Note No. 42.8. Related Party Transactions

Sl. No.	Particulars		
I.	List of related parties		
A	Key Management Personnel	(1) Shri A.V. Jalan (2) Smt. Vidula Jalan	Executive Director and Co-Chairperson Executive Director and Co-Chairperson
B	Additional KMPs (Pursuant to Ind AS 24)	(1) Smt. Aruna Makhan (2) Shri N G Khaitan (3) Shri Gaurav Goel (4) Shri K C Jain	Independent & Non Executive Director Independent & Non Executive Director Independent & Non Executive Director Independent & Non Executive Director
C	Associates Companies & Enterprises in which Key Management Personal is able to exercise significant influence	(1) Vidula Consultancy Service Ltd. (2) Mangalam Timber Products Ltd. (3) Rambara Trading Private Limited (4) Kurma Trading Private Ltd (5) Grandiflora Solutions Private Ltd (6) Rigdom Products Private Ltd	

II. Transactions with related parties:

Particulars	As at March 31, 2021	As at March 31, 2020
(₹ in Lakhs)		
a. Remuneration to KMP #		
- Short term employee benefits	879.44	738.44
- Defined Contribution Plan	64.80	58.32
# The amount related to gratuity cannot be ascertained separately since they are included in the contribution in respect made to the insurance company on a group basis for all employees together. As the liability for leave encashment are provided on actuarial basis for the Company as a whole, hence not included in above.		
b. Rent Expenses		
- Mangalam Timber Products Ltd.	0.76	50.63
c. Dividend Paid		
- Vidula Consultancy Services Ltd.	23.71	9.00
- Shri A.V. Jalan	0.55	0.20
- Smt. Vidula Jalan	1.00	0.38
- Rambara Trading Private Limited	2.00	-
d. Interest Income		
- Mangalam Timber Products Ltd.	521.33	393.03
e. Rent Income		
- Rambara Trading Private Limited	0.07	-
- Kurma Trading Private Limited	0.04	-
- Grandiflora Solutions Private Ltd	0.06	-
- Rigdom Products Private Ltd	0.06	-
f. Sales		
- Mangalam Timber Products Ltd.	1.70	2.86
g. Inter Corporate Deposit / Loan Given		
- Mangalam Timber Products Ltd.	890.00	2,827.71
h. Advance given against supply		
- Mangalam Timber Products Ltd.	-	6.18

Notes

Annexed to forming part of financial statements

III. Closing Balances :

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Managerial Remuneration		
Shri A.V. Jalan	10.63	10.09
Smt. Vidula Jalan	10.76	10.09
Director Commission		
Shri A.V. Jalan	170.00	110.00
Smt. Vidula Jalan	170.00	110.00
Smt. Aruna Makhan	6.47	6.30
Shri N G Khaitan	6.47	6.30
Shri Gaurav Goel	6.47	6.30
Shri K C Jain	6.47	6.30
Inter Corporate Deposit / Loan receivable		
Mangalam Timber Products Limited	5,887.71	4,997.71
Interest Accrued		
Mangalam Timber Products Limited	1,359.41	877.38
Rent Receivable		
- Grandiflora Solutions Private Ltd	0.06	-
- Rigdom Products Private Ltd	0.06	-
Rent Payable		
- Mangalam Timber Products Ltd.	1.33	0.63
Debtors for Scrap Sales*		
- Mangalam Timber Products Ltd.	4.89	2.86
Advance given against supply		
- Mangalam Timber Products Ltd.	294.18	294.18

*Including GST and TCS

Note No. 42.9. Capital Management

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The primary objective of the Company's capital management is to maximize the shareholder value. The Company's primary objective when managing capital is to ensure that it maintains an efficient capital structure and healthy capital ratios and safeguard the Company's ability to continue as a going concern in order to support its business and provide maximum returns for shareholders. The Company also proposes to maintain an optimal capital structure to reduce the cost of capital. No changes were made in the objectives, policies or processes during the year ended March 31, 2021 and March 31, 2020.

For the purpose of the Company's capital management, capital includes issued capital, share premium and all other equity reserves. Net debt includes, interest bearing loans and borrowings, trade and other payables less cash and short term deposits. The Company monitors capital using gearing ratio, which is net debt divided by total capital as under:

(₹ in Lakhs)		
Particulars	As at March 31, 2021	As at March 31, 2020
Loans and borrowings	59,397.84	58,371.74
Less : Cash and Cash Equivalents	8,332.95	6,332.00
Net debts	51,064.89	52,039.74
Equity Share Capital	2,669.38	2,669.38
Other Equity	65,483.85	54,921.26
Total capital	68,153.23	57,590.64
Capital and net debt	1,19,218.12	1,09,630.38
Gearing ratio	43%	47%

Notes

Annexed to forming part of financial statements

Note No. 42.10. Financial Instrument – Fair Value and Risk Management

The Company maintains policies and procedures to value financial assets or financial liabilities using the best and most relevant data available. The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

I. Fair Value Measurement**A. Financial Instrument by category**

Particulars	As at March 31, 2021			As at March 31, 2020		
	FVTPL	FVOCI	Amortized Cost	FVTPL	FVOCI	Amortized Cost
Financial Assets						
Investments						
- Non Current	544.96	76.05	-	3,438.10	47.12	-
- Current	9,823.62	-	-	3,031.94	-	-
Trade Receivables	-	-	3,696.46	-	-	2,691.14
Cash and Cash Equivalents	-	-	8,332.94	-	-	6,332.00
Other Bank Balances	-	-	8,258.81	-	-	2,030.59
Loans	-	-	9,887.71	-	-	7,872.71
Other Financial Assets						
- Non Current	-	-	1,261.21	-	-	1,019.40
- Current	-	-	3,475.90	-	-	2,733.76
Financial Liabilities						
Borrowings						
- Non Current	-	-	40,570.69	-	-	34,834.55
- Current	-	-	12,000.00	-	-	14,421.91
Lease Liabilities						
- Non Current	-	-	471.67	-	-	105.00
- Current	-	-	117.40	-	-	50.12
Trade Payables	-	-	22,950.99	-	-	18,037.67
Other Financial Liabilities						
- Non Current	-	-	4,773.57	-	-	4,331.00
- Current	-	-	12,332.30	-	-	14,071.69

B. Fair Value Hierarchy

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are:

- Recognised and measured at fair value and
- measured at amortised cost and for which fair values are disclosed in the financial statements.

To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

(i) Financial Instruments at FVTPL

Particulars	As at March 31, 2021	Fair value measurement		
		Level 1	Level 2	Level 3
Assets				
Investments in preference Share	3,261.52	-	-	3,261.52
Investment in Mutual Fund	7,107.06	7,107.06	-	-

Notes

Annexed to forming part of financial statements

(₹ in Lakhs)

Particulars	As at March 31, 2020	Fair value measurement		
		Level 1	Level 2	Level 3
Assets				
Investments in preference Share	2,938.31	-	-	2,938.31
Investment in Mutual Fund	3,531.73	3,531.73	-	-

(ii) Financial Instruments at FVOCI

(₹ in Lakhs)

Particulars	As at March 31, 2021	Fair value measurement		
		Level 1	Level 2	Level 3
Assets				
Investments in equity instruments	76.05	76.05	-	-

(₹ in Lakhs)

Particulars	As at March 31, 2020	Fair value measurement		
		Level 1	Level 2	Level 3
Assets				
Investments in equity instruments	47.12	47.12	-	-

(iii) Financial Instruments at Amortised Cost

(₹ in Lakhs)

Particulars	As at March 31, 2021		As at March 31, 2020	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial Assets designated at Amortized Cost				
Cash and Cash Equivalent	8,332.94	8,332.94	6,332.00	6,332.00
Other Bank Balances	8,258.81	8,258.81	2,030.59	2,030.59
Trade Receivables	3,696.46	3,696.46	2,691.14	2,691.14
Loan	9,887.71	9,887.71	7,872.71	7,872.71
Other Financial assets	4,737.11	4,737.11	3,753.16	3,753.16
Financial Liabilities designated at amortised cost				
Borrowings	52,570.69	52,570.69	49,256.46	49,256.46
Lease Liabilities	589.07	589.07	155.12	155.12
Trade payables	22,950.99	22,950.99	18,037.67	18,037.67
Other Financial Liabilities	17,105.87	17,105.87	18,402.69	18,402.69

Level 1 : Hierarchy includes financial instruments measured using quoted prices. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

Level 2 : The fair value of financial instruments that are not traded in an active market (for example, over-the counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. 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. This is the case for unlisted equity securities.

There are no transfers between level 1 and level 2 during the year.

Notes

Annexed to forming part of financial statements

iv Valuation technique used to determine fair value

The following methods and assumptions were used to estimate the fair values

- Fair value of cash and bank, loans and other financial assets and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
- Fair value of borrowings from banks and other financial liabilities, are estimated by discounting future cash flows using rates currently available for debt on similar terms and remaining maturities.
- Specific valuation techniques used to value financial instruments include:
 - the use of quoted market prices or dealer quotes for similar instruments
 - the use of net assets value for investments in unquoted mutual funds
 - the fair value of forward foreign exchange contracts is determined as per valuation provided by the bank
 - the fair value of the remaining financial instruments is determined using discounted cash flow analysis.

All of the resulting fair value estimates are included in level 2 except for unlisted equity securities and preference shares, where the fair values have been determined based on present values and the discount rates used were adjusted for counterparty or own credit risk.

v Fair value measurements using significant unobservable inputs (level 3)

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 2020
	Unlisted preference shares	
Opening balance	2,938.31	2,647.30
Acquisitions	-	-
Gains recognized in Statement of Profit & Loss	323.21	291.01
Closing balance	3,261.52	2,938.31

vi Valuation inputs and relationships to fair value

Type of Financial Instruments	Fair Value as at		Significant unobservable inputs	Discounting Rate	Sensitivity
	As at March 31, 2021	As at March 31, 2020			
Unquoted Preference shares	3,261.52	2,938.31	Risk-adjusted discount rate	11% (previous year 11%)	Change of (+) 50/ (-) 50 basis points - Fair value would changes by (-) 7.81 and (+) 7.76 respectively

vii Valuation Process

The Company gets the valuations performed from an independent valuer, required for financial reporting purposes, including level 3 fair values.

The main level 3 inputs for unlisted preference shares used by the Company are derived and evaluated as follows:

- Risk adjusted discount rates are estimated based on expected cash inflows arising from the instrument and the entity's knowledge of the business and how the current economic environment is likely to impact it.

Changes in level 2 and 3 fair values are analysed at the end of each reporting period.

Notes

Annexed to forming part of financial statements

Note No. 42.11. Financial risk management objective and policies

Risk Management Framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The board of directors has established the processes to ensure that executive management controls risks through the mechanism of property defined framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed by the board annually to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's Audit Committee oversees compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company. The Audit Committee is assisted in its oversight role by Internal Audit. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Audit Committee.

"The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk; and
- Market risk"

a. Credit Risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and investments in debt securities.

The carrying amount of financial assets represents the maximum credit exposure. The Company monitor credit risk very closely both in domestic market. The Management impact analysis shows credit risk and impact assessment as low.

Trade receivables

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. However, management also considers the factors that may influence the credit risk of its customer base, including the default risk of the industry and country in which customers operate.

The management has established a credit policy under which each new customer is analyzed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. The Company's review includes market check, industry feedback, past financials and external ratings, if they are available. Sale limits are established for each customer and reviewed periodically.

The Company establishes an allowance for impairment that represents its expected credit losses in respect of trade and other receivables. The management uses a simplified approach for the purpose of computation of expected credit loss for trade receivables.

In monitoring customer credit risk, customers are reviewed according to their credit characteristics, including whether they are an individual or a legal entity, their geographic location, industry and existence of previous financial difficulties.

The ageing analysis of the receivables has been considered from the date the invoice falls due

(₹ in Lakhs)

Particulars	Neither due nor impaired (including unbilled)	Past due			Total
		Up to 6 months	6 to 12 months	Above 12 months	
As at March 31, 2021	116.64	3,531.17	5.28	43.36	3,696.45
As at March 31, 2020	131.98	2,517.29	1.12	40.74	2,691.13

During the year, the Company has made no write-offs of trade receivables, it does not expect to receive future cash flows or recoveries from collection of cash flows previously written off. The Company management also pursue all legal option for recovery of dues wherever necessary based on its internal assessment.

Notes

Annexed to forming part of financial statements

b. Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are fallen due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, Company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities) and cash and cash equivalents on the basis of expected future cash flows. This is generally carried out in accordance with practice and limits set by the Company. These limits vary by location to take into account requirement, future cash flow and the liquidity in which the entity operates. In addition, the Company's liquidity management strategy involves projecting cash flows in major currencies and considering the level of liquid assets necessary to meet these, monitoring balance sheet liquidity ratios against internal and external regulatory requirements and maintaining debt financing plans.

Financing Arrangement

The Company had access to the following undrawn borrowing facilities at the end of the reporting period :

Particulars	(₹ in Lakhs)	
	As at March 31, 2021	As at March 31, 31st March, 2020
Floating rate		
Expiring within one year (bank overdraft and other facilities)	3,276.85	1,026.40
Expiring beyond one year (bank loans)	-	-

The bank overdraft facilities may be drawn at any time and may be terminated by the bank without notice. Subject to the continuance of satisfactory credit ratings, the bank loan facilities may be drawn at any time in Indian Rupee and have an average maturity within a year.

Maturity profile of Financial Liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on contractual undiscounted payments (excluding transaction cost on borrowings).

Financial Liabilities	(₹ in Lakhs)			
	0-1 year	2-5 year	6-10 year	Above 10 years
As at 31st March 2021				
Borrowings	12,000.00	33,870.36	6,700.33	-
Trade Payables	22,950.99	-	-	-
Other financial liabilities	12,332.30	4,773.57	-	-
Total	47,283.29	38,643.93	6,700.33	-
As at March 31, 2020				
Borrowings	14,421.91	29,811.35	5,023.20	-
Trade Payables	18,037.67	-	-	-
Other financial liabilities	14,121.89	4,331.00	-	-
Total	46,581.47	34,142.35	5,023.20	-

Notes

Annexed to forming part of financial statements

c. 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. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk, such as commodity price risk and equity price risk. Financial instruments affected by market risk include trade payables, trade receivables, borrowings, etc.

(i) Foreign currency risk

The Company is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD and EURO. Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the company's functional currency. The risk is measured through a forecast of highly probable foreign currency cash flows. The objective of the hedges is to minimise the volatility of the cash flows of highly probable forecast transactions by hedging the foreign exchange inflows on regular basis. The Company also take help from external consultants who for views on the currency rates in volatile foreign exchange markets.

Currency risks related to the principal amounts of the Company's foreign currency payables, have been partially hedged using forward contracts taken by the Company.

In respect of other monetary assets and liabilities denominated in foreign currencies, the Company's policy is to ensure that its net exposure is kept to an acceptable level by buying or selling foreign currencies at spot rates when necessary to address short-term imbalances.

The summary of quantitative data about the Company's exposure (Unhedged) to currency risk as reported to the management of the Company is as follows :

Particulars of unhedged foreign currency exposure as at the reporting date	Cross Currency	As at March 31, 2021		As at March 31, 2020	
		Foreign Currency	(₹ Lakhs)	Foreign Currency	(₹ Lakhs)
Trade Payable - USD		35.94	2,641.65	-	-
Trade Payable - EURO		0.15	12.93	0.26	21.45

The following significant exchange rates have been applied

	As at March 31, 2021	As at March 31, 2020
INR / USD	73.5047	75.3859
INR / EURO	86.0990	83.0496

Notes

Annexed to forming part of financial statements

Sensitivity Analysis

Every percentage point depreciation / appreciation in the exchange rate for the closing balances between the Indian Rupee and respective currencies would affect the Company's incremental profit before tax and equity, net of tax as per below :

Particulars	%	Year	Profit or (loss)		Equity, net of tax	
			Increase	Decrease	Increase	Decrease
USD	10%	As at March 31, 2021	(264.17)	264.17	(171.86)	171.86
EURO	10%	As at March 31, 2021	(1.29)	1.29	(0.84)	0.84
USD	10%	As at March 31, 2020	0.00	0.00	-	-
EURO	10%	As at March 31, 2020	-2.15	2.15	(1.40)	1.40

(ii) Interest rate risk

The Company's exposure to the risk of changes in market interest rates relates primarily to long term debt. To protect itself from the volatility prevailing, the Company maintain its long term borrowing on fixed interest rate through interest rate swap instrument for borrowings in foreign currency, in which it agrees to exchange at specific intervals, the difference between fixed and variable interest amounts calculated by reference to an agreed upon principal amount.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings. With all other variables held constant, the Company's profit before tax and equity, net of tax is affected through the impact on floating rate borrowings, as follows.

Particulars	Increase/ decrease in basis points	Effect on profit before tax	Effect on Equity, net of tax
As at March 31, 2021	50 basis point	262.02	170.46
As at March 31, 2020	50 basis point	293.81	191.14

(iii) Commodity price risk

Commodity price risk for the Company is mainly related to fluctuations in coal and pet coke prices linked to various external factors, which can affect the production cost of the Company. Since the Energy costs is one of the primary costs drivers, any adverse fluctuation in fuel prices can lead to drop in operating margin. To manage this risk, the Company enters into long-term supply agreement for pet coke, identifying new sources of supply etc. There are no derivatives available for pet coke, in the absence, has to be procured at spot prices. Additionally, processes and policies related to such risks are reviewed and controlled by senior management and fuel requirement are monitored by the procurement team.

Note No. 42.12. Leases

- In previous year, effective from 1st April, 2019, the Company has adopted Ind AS 116 'Leases' using modified retrospective approach in accordance with the modified retrospective transition method. This had resulted in the recognition of right-of-use assets and lease liabilities for lease contracts aggregating to ₹ 2,004.41 lakhs and ₹ 155.12 lakhs
- The Company recognizes the expenses of short-term leases on a straight-line basis over the lease term. The expenses related to short-term leases are ₹ 303.72 lakhs for the year ended March 31, 2021 (Previous Year ₹ 414.99 lakhs).
- On March 31, 2021, lease liabilities were ₹ 589.07 lakhs (Previous Year : 155.12 lakhs). The corresponding interest expense for the year ended March 31, 2021 was ₹ 72.20 lakhs (Previous Year ₹ 19.79 lakhs). The portion of the lease payments recognized as a reduction of the lease liabilities and as a cash outflow from financing activities amounted to ₹ 207.84 lakhs for the year ended March 31, 2021 (Previous Year ₹ 76.86 lakhs).
- The maturity profile of the lease liabilities (discounted and undiscounted value) is as follows:

Particulars	0-1 year	1-3 years	3-5 Years	Total
Lease Liabilities (discounted)				
As at March 31, 2021	117.40	299.31	172.36	589.07
As at March 31, 2020	50.12	57.33	47.67	155.12
Lease Liabilities (undiscounted)				
As at March 31, 2021	176.44	373.43	182.44	732.31
As at March 31, 2020	64.71	74.83	52.24	191.77

Notes

Annexed to forming part of financial statements

- e. There are no income from subleasing right-of-use assets nor any gains or losses from sales and leaseback for the year ended March 31, 2020.
- f. There are no variable lease payment for the year ended March 31, 2021 & March 31, 2020.

Note No. 42.13. Revenue under Ind AS 115

- a. The Company is primarily in the Business of manufacture and sale of cement and cement related products. The product shelf life being short, all sales are made at a point in time and revenue is recognised upon satisfaction of the performance obligations which is typically upon dispatch/ delivery. The Company has a credit evaluation policy based on which the credit limits for the trade receivables are established. The company does not give significant credit period resulting in no significant financing component. The Company, however, has a policy for replacement of the damaged goods.
- b. **Movement in advances / credit balances of customers outstanding as at the beginning of the year :**

	(₹ in Lakhs)	
Particulars	For the year ended March 31, 2021	For the year ended March 31, 2020
Revenue recognised in the reporting year that was included in the contract liability balance at the beginning of the year	1,250.48	1,547.45
Revenue recognised in the reporting year from performance obligations satisfied (or partially satisfied) in previous years	-	-
	1,250.48	1,547.45

- c. **Receivables, assets and liabilities related to contracts with customers**

	(₹ in Lakhs)	
Particulars	As at March 31, 2021	As at March 31, 2020
Trade receivables (Contract assets)	3,696.46	2,691.14
Advances from customers (Contract liabilities)	1,841.87	1,475.63

- d. **Reconciliation of revenue as per contract price and as recognised in Statement of Profit or Loss:**

	(₹ in Lakhs)	
Particulars	As at March 31, 2021	As at March 31, 2020
Revenue as per Contract price*	1,36,266.15	1,29,037.17
Discounts, incentives etc.	(6,998.03)	(6,610.11)
Revenue as per Statement of Profit and Loss	1,29,268.12	1,22,427.06

*excludes investment subsidies of ₹ 557.82 lakhs (Previous Year ₹ 398.05 lakhs) recognised as other operating income.

- e. The Company does not provide performance warranty for goods sold, therefore there is no liability towards performance warranty.

Notes

Annexed to forming part of financial statements

Note No. 42.14. Other Disclosures

a. Disclosure as specified in Schedule V of SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015

(₹ in Lakhs)					
Name of the Entity	Particulars	As at March 31, 2021		As at March 31, 2020	
		Closing Balance	Maximum Balance Outstanding	Closing Balance	Maximum Balance Outstanding
Mangalam Timber Products Ltd.	Loan / Advance	5887.71	5887.71	4997.71	4997.71

*balance excluding interest thereon

b. Disclosure relating to loans or security given by the Company as per requirements of section 186 (4) to the Companies Act'2013

(₹ in Lakhs)					
Particulars	Investment made / Loan given (Refunded) during the year	Balance of Investment/ Loan as at 31 March, 2021	Rate of Interest	Purpose	Maturity Period
Investment made					
Mangalam Timber Products Ltd.	-	3,337.57	Not Applicable	-	Not Applicable
	(-)	(2,985.43)			
Note : Balance of Investments has been increased due to fair value changes under Ind AS.					
Loan given					
Mangalam Timber Products Ltd.	890.00	5,887.71	9% to 11% p.a.	Business Purpose	Not Applicable
	(2,827.71)	(4,997.71)	(10% to 11% p.a.)		

(previous year figures have been given in bracket)

Note No. 42.15. Events occurring after Balance Sheet Date :

Proposed Dividend

The Board of Directors has proposed a dividend of ₹ 1.50 (Full value) (Previous year ₹ 1.00) (Full value) per equity shares of ₹ 10 each and the total proposed dividend amounts to ₹ 400.41 Lakhs (Previous year ₹ 266.94 Lakhs) and same is subject to approval of shareholders at the ensuing Annual General Meeting.

Note No. 42.16. Impact of COVID-19

The Company is taking all possible steps to mitigate the impact of Covid-19. As per current indicators of the future economic conditions, management does not foresee any risk to service its Financial obligation and expects to recover the carrying amount of its Assets. The impact of COVID-19 on the Company's financial results may differ from that estimated as at the date of approval of the same.

Note No. 42.17. Business Combination

Scheme of Amalgamation between Mangalam Timber Products Limited with Mangalam Cement Limited ("the Company") w.e.f. April 1, 2019 (appointed date), has been filed with respective NCLTs. The equity shareholders, secured and unsecured creditors of both companies have approved the Scheme in their respective meeting held as per order of Honourable NCLT's. Petition for approval has already been filed with the NCLT's but in view of Covid-19, the final approval is still pending from NCLT's. Pending sanction of the scheme, no impact has been considered in these financial statements.

Notes

Annexed to forming part of financial statements

Note No. 43

The figures for the previous periods have been regrouped/ rearranged, wherever considered necessary, to conform current period classifications.

The accompanying notes are an integral part of the financial statements.
As per our report of even date

As per our report of even date attached

FOR SINGHI & CO.
Chartered Accountants
Firm Reg. No. 302049E
Bimal Kumar Sipani
Partner
M.No. 088926
Place: Noida (Delhi - NCR)
Date : May 22, 2021

Yaswant Mishra
President (Corporate) & CFO

Manoj Kumar
Company Secretary

For and on behalf of Board of Directors

Vidula Jalan, Co-Chairperson
A V Jalan, Co-Chairperson
Aruna Makhan, Director
N G Khaitan, Director
Gaurav Goel, Director
K C Jain, Director



The Group Logo - As represented by the 21st Century Atlas

Atlas, the Titan - Collective Strength

Atlas, bearer of the heavens is synonymous with vast, all encompassing strength and is used to symbolise the Group's own collective strength. It reflects the combined qualities of astute and dynamic management while emphasising the Group's tenacity, consistency, reliability and overall leadership.

The Sun - Enlightenment and Growth

The Sun, as a source of infinite energy and inspiration, is used here in conjunction with the Atlas head to represent the vitality and powerful presence of the Group - both in its industrial prowess and its financial, technological and intellectual skills.

The Earth Segments - Diversified Activities

Each of the latitudes around the Titan represent various sections- industrial, agricultural, financial and other activities of the Group. As with the infinite variety of the world, so is the strength of the Group, made up of its diverse activities.

The Globe - Global Vision

The Group's global presence and vision is reflected in the entirety of the Earth's sphere.

The Base - Solid Foundations

The strength of the entire edifice depends upon the strength of the foundation embedded in the bedrock, represented here by the Group Name.

The Symmetry - The Resilience, Versatility and Stability

Seen in its entirety, each of the elements - Atlas, the Sun, the Earth divisions, the Globe and the Base, together sum up a well conceptualised and balanced conglomerate.

Strong Foundation • Sustained Growth • Proven Leadership



www.mangalamcement.com



MANGALAM CEMENT LIMITED

CIN: L26943RJ1976PLC001705

Regd. Office: P.O. Aditya Nagar-326520, Morak, Distt. Kota (Rajasthan)

Phone: 07459-233127; Fax: 07459-232036

E.mail: shares@mangalamcement.com

Website: www.mangalamcement.com

Notice

To The Members

NOTICE is hereby given that the 45th Annual General Meeting of the Shareholders of the Mangalam Cement Limited (CIN: L26943RJ1976PLC001705) will be held on Saturday, the 18th September, 2021 at 2:00 P.M. Indian Standard Time ("IST") through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM"), to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the Company for the year ended 31st March, 2021 and the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on Equity Shares for the year ended 31st March, 2021.
3. To appoint a Director in place of Smt. Vidula Jalan (DIN: 01474162) who retires by rotation at this Annual General Meeting and being eligible has offered herself for re-appointment.

SPECIAL BUSINESS:

4. To approve the payment of Remuneration by way of commission to Non-Executive Directors of the Company and in this regard to consider and if thought fit, to pass, with or without modification(s) the following Resolution as a **Special Resolution**.

"RESOLVED THAT pursuant to the provisions of Sections 197 and 198 and all other applicable provisions of the Companies Act, 2013 and the Rules made thereunder, as applicable (including any statutory modification(s) or re-enactment thereof, for the time being in force) and subject to all other approvals, as may be required, the consent of the members be and is hereby accorded to make payment of commission in such amounts or proportions and in such manner and in all respects as the Board of Directors may from time to time determine, to its Non-Executive Directors (i.e. Directors other than Managing Directors and/or the Whole time Directors)

at a rate not exceeding 1% (one percent) per annum of the net profit of the Company but not exceeding Rs. 10.00 Lacs (Rupees Ten Lacs Only) to each of the Non-Executive Director (NED) of the Company for a period of three years w.e.f. 1st April, 2021 in every financial year computed in the manner referred to in Section 198 of the said Act, in addition to the sitting fee for attending the meeting of the Board of Directors or Committees thereof and reimbursement of expenses in accordance with the relevant provisions of the Article of Association of the Company and the statutory regulations for the time being in force."

5. To approve the remuneration of the Cost Auditor for the financial year ending 31st March, 2022 and in this regard, to consider and, if thought fit to pass, with or without modification(s) the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), M/s J. K. Kabra & Co., the Cost Auditors appointed by the Board of Directors of the Company for the financial year ending 31st March, 2022, be paid the remuneration as set out in the statement annexed to the Notice.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary to give effect to this resolution."

By Order of the Board,

Registered Office:

P.O. Adityanagar 326520,
Morak, Dist. Kota (Rajasthan)
May 22, 2021

Manoj Kumar
Company Secretary
Membership No. A22913

NOTES:

1. In view of the massive outbreak of the COVID-19 pandemic, social distancing is a norm to be followed and pursuant to the Circular No. 14/2020 dated April 08, 2020, Circular No.17/2020 dated April 13, 2020 issued by the Ministry of Corporate Affairs followed by Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its circular no. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and circular no. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 (collectively referred to as "SEBI Circulars"), permitted the holding of the Annual General Meeting ("AGM") through Video Conferencing ("VC")/Other Audio Visual Means ("OAVM"), without the physical presence of the Members at the meeting. In compliance with the provisions of the Companies Act, 2013 ("Act"), SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), MCA Circulars and SEBI Circulars, the 45th AGM of the Company will be held through VC / OAVM. Therefore, Members can attend and participate in the 45th AGM through VC/OAVM only. The deemed venue for the 45th AGM of the Company shall be the Registered Office of the Company. The detailed procedure for participating in the meeting through VC/OAVM and voting during the AGM is annexed herewith (Refer point no. 26).
2. The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013, in respect of the Special Businesses to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.
3. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on her/his behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars and SEBI Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
However pursuant to Section 113 of the Companies Act, 2013, Institutional/Corporate Members (i.e. other than Individuals / HUF, NRI, etc.) can appoint their representatives to attend the AGM through VC/OAVM and vote through e-voting. They are requested to send the scanned copy (PDF/JPEG Format) of their Board or governing body Resolution/ Authorization etc., authorizing their representative to attend the AGM through VC/OAVM to the Scrutinizer by e-mail through its registered e-mail address to ppincha@gmail.com with a copy marked to evoting@nsdl.co.in
4. The Register of members and Share Transfer Books of the Company shall remain closed from September 12, 2021 to September 18, 2021 both the days inclusive on account of Annual General Meeting and dividend payment.
5. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended), MCA Circulars and SEBI Circulars, the Company is providing facility of remote e-Voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has made arrangement with National Securities Depository Limited (NSDL) for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-Voting system as well as venue voting on the date of the AGM will be provided by NSDL.
6. In compliance with the aforesaid MCA Circulars and SEBI Circular, Notice of the AGM inter-alia, indicating the process and manner of voting through electronic means along with the Annual Report 2020-21 is being sent only through electronic mode to those Members whose e-mail addresses are registered with the Company/Registrar and Share Transfer Agent (RTA) or Depositories/ Depository Participants. Members may note that the Notice and Annual Report 2020-21 will also be available on the Company's website i.e. www.mangalamcement.com, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, the AGM Notice is also available on the website of NSDL (agency for providing the E-Voting facility) i.e. www.evoting.nsdl.com
7. In case of Joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
8. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
9. The Members can join the AGM through VC / OAVM mode 30 minutes before the scheduled time of commencement of the AGM and 15 minutes after the scheduled time of commencement of the meeting by following the procedure mentioned in the notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
10. Pursuant to the provisions Sections 124 and 125 of the Companies Act, 2013, dividends for the financial year ended 31st March, 2014 and thereafter, which remain unpaid or unclaimed for a period of 7 years will be transferred to the 'Investor Education and Protection Fund' ("IEPF") constituted by the Central Government. Members, who have not encashed their dividend, warrant(s) for the Financial Year ended 31st March, 2014 or any subsequent Financial Year(s) are urged to claim such amount from the Share Department of the Company/Registrar and Share Transfer Agent. The Company has uploaded the details of unpaid and unclaimed amounts lying with the Company on the website of the Company which can be accessed through the link: http://www.mangalamcement.com/unclaimed_dividend.php
11. Members may claim refund of their dividend which has been transferred in IEPF by following the procedure as prescribed under the IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 (as amended from time to time).
12. Members are requested to note that pursuant to the provisions of the Companies Act, 2013, SEBI Listing Regulations and the IEPF Rules, (as amended from time to time) the Company is also required to transfer the shares to the IEPF Authority respect of which dividends remained unpaid/ unclaimed for a period of seven consecutive years or more. In compliance with the said requirements, the Company has

transferred shares which were liable to be transferred in favour of IEPF Authority in the prescribed manner. Such shares could be claimed from IEPF Authority by filing Form No. IEPF-5 in the prescribed manner. The details thereof are available on the website of the Company i.e. www.mangalamcement.com

13. SEBI vide its Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20 April, 2018 has mandated that for making dividend payments, companies whose securities are listed on the stock exchanges shall use electronic clearing services, direct credit, real time gross settlement, national electronic funds transfer etc. The Company and its Registrar and Share Transfer Agent ("RTA") are required to seek relevant bank details of shareholders from depositories/ investors for making payment of dividends in electronic mode. Further, pursuant to recent MCA General Circular the 20/2020 dated 5 May, 2020 companies are directed to credit the dividend of the shareholders directly to the bank accounts of the shareholders using Electronic Clearing Service. Accordingly, Members are requested to provide or update (as the case may be) their bank details with the respective depository participant for the shares held in dematerialized form and with the RTA in respect of shares held in physical form.
14. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts and Arrangements in which Directors are interested maintained under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection during the meeting in electronic mode.
15. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants (DPs) with whom they are maintaining their de-mat accounts, if not updated already. Members holding shares in physical form can submit their PAN details to RTA viz. MAS Services Ltd / Company, if not updated already. Shareholders are advised to update their mobile number and email Id in their demat accounts or with Company/ RTA of the Company in case of share held in demat mode and physical mode respectively.
16. SEBI vide its Notification No. SEBI/LAD-NRO/GN/2018/24 dated 8th June, 2018 & Notification No. the SEBI/LAD-NRO/GN/2018/49 dated 30th November, 2018 amended Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which provides that from 1 April, 2019 transfer of securities would not be processed unless the securities are held in the dematerialized form with a depository. In view of the same, now the shares cannot be transferred in the physical mode. Hence, Members holding shares in physical form are requested to dematerialize their holdings immediately. However, Members can continue to make request for transmission or transposition of securities held in physical form.
17. In line with the measures undertaken by the Ministry of Corporate Affairs for promotion of Green Initiative, members holding shares in physical mode are requested to register their e-mail address with the Company and Members holding shares in de-mat mode are requested to register their e-mail address with their respective Depository Participants (DPs).

If there is any change in the e-mail address already registered with the Company, Members are requested to immediately notify such change to the Company or its RTA in respect of shares held in physical form and to DPs in respect of shares held in electronic form.

18. Effective from 1st April, 2020, dividend income is taxable in the hands of shareholders. Hence the Company is required to deduct tax at source [TDS] from the amount of dividend paid to shareholders at the prescribed rates. A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to info@masserv.com or shares@mangalamcement.com on/before 11th September, 2021. Further no tax shall be deducted on the dividend payable to a resident individual shareholder if the total amount of dividend to be received during the financial year 2021-22 does not exceed Rs. 5,000/-. Shareholders may note that tax will be deducted at a higher rate of 20% for resident shareholders, if copy of PAN card is not provided/not available.
- Non-resident shareholders can avail beneficial tax rates under Double Tax Avoidance Agreement [DTAA] i.e. tax treaty between India and their country of residence. Non-resident shareholders are required to provide details on applicability of beneficial tax rates and provide following documents:
- o Self-attested copy of PAN card, if any, allotted by the Indian Income Tax authorities.
 - o Self-attested copy of Tax Residency Certificate ("TRC") obtained from the tax authorities of the country of which the shareholder is resident.
 - o Self-declaration in Form 10F, if all the details required in this form are not mentioned in the TRC;
 - o Self-declaration by the non-resident shareholder of having no permanent establishment in India in accordance with the applicable Tax Treaty.
 - o Self-declaration of beneficial ownership by the non-resident shareholder.

The members/shareholders are required to provide above documents/declarations by sending an E-mail to info@masserv.com or shares@mangalamcement.com on or before 11th September, 2021. The aforesaid documents are subject to verification by the Company and in case of ambiguity, the Company reserves its right to deduct the TDS as per the rates mentioned in the Income Tax Act, 1961. In case of Foreign Institutional Investors / Foreign Portfolio Investors tax will be deducted under Section 196D of the Income Tax Act @20% plus applicable surcharge and cess.

19. The payment of dividend, if declared at the ensuing AGM, will be made to those shareholders whose names shall appear on the company's Register of Members on 11th September, 2021 or to their nominees. In respect of shareholding in dematerialized form, dividend will be paid to the beneficial owners as per details to be furnished by the Depositories for the purpose. Dividend Warrants will be dispatched or credit will be given under National Automated Clearing House (NACH) as the case may be within the stipulated time frame as specified in the Companies Act, 2013.
20. Dividend in respect of shares held in dematerialized form shall be credited to the beneficial owner's bank account

- directly through NACH subject to availability of bank account details and 9 digits code number. In case the said details have not been provided to the concerned Depository Participant or there is any change, the same may please be intimated to the concerned Depository Participant immediately.
21. Shareholders holding shares in physical form and desirous of availing NACH facility, should provide the bank details and 9 digits' code number in NACH Mandate Proforma. Shareholders who have already given their Bank details to avail the NACH facility should furnish the same only if there is any change.
 22. The NACH Mandate Proforma can be obtained from the Company's Share Transfer Agents, M/s MAS Services Ltd at the address mentioned herein-below in Note 23.
 23. In terms of provisions of Section 72 of the Companies Act, 2013, nomination facility is available to individual shareholders. The shareholders who are holding shares in physical form and are desirous of availing this facility may kindly write to the Company's Share Transfer Agents, M/s MAS Services Ltd, T-34, 2nd Floor, Okhla Industrial Area, Phase II, New Delhi 110020, for nomination form quoting their folio number. Shareholders holding shares in dematerialized form should write to their Depository Participant for the purpose.
 24. Members who are holding shares in physical form are requested to notify change in address, if any, to the Company's Share Transfer Agents at the address mentioned hereinabove in Note 23 quoting their folio number. Shareholders holding shares in dematerialized form, should intimate change of their address, if any, to the Depository participant.
 25. As per Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time read with MCA Circulars and Regulation 44 of the SEBI Listing Regulations, the items of business set out in the attached Notice may be transacted through electronic voting system. The Company is providing the facility of casting votes through the electronic voting system from a place other than venue of AGM under an arrangement with NSDL as specified more fully in the instructions hereunder provided that once the vote on a Resolution is cast, a Member shall not be allowed to change it subsequently. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on 11th September, 2021, i.e. the cut-off date are entitled to vote on the Resolutions set forth in this Notice. The Remote e-voting period will commence at 9.00 a.m. on Wednesday, 15th September, 2021 and will end at 05.00 p.m. on Friday 17th September, 2021. The Notice of the Meeting will also be available on the Company's website: www.mangalamcement.com and the website of NSDL i.e. www.evoting.nsdl.com
- 26. THE INSTRUCTIONS FOR MEMBERS FOR REMOTE E-VOTING AND JOINING GENERAL MEETING ARE AS UNDER:-**
- How do I vote electronically using NSDL e-Voting system?**
- The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:*
- Step 1: Access to NSDL e-Voting system**
- A) Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode**
- In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.
- Login method for Individual shareholders holding securities in demat mode is given below:

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

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

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

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

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

B) Login Method for shareholders other than Individual shareholders holding securities in demat mode and shareholders holding securities in physical mode.

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

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

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.

- Your User ID details are given below :

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****.
c) For Members holding shares in Physical Form	EVEN Number followed by Folio Number registered with the company For example if folio number is 001 and EVEN is 101456 then user ID is 1014560000001, if Folio No. is B-1 then user ID is 101456B000001.

5. Password details for shareholders other than Individual shareholders are given below:

- a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
- c) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, please follow steps mentioned below in **process for those shareholders whose email ids are not registered**
6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address etc.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
8. Now, you will have to click on "Login" button.
9. After you click on the "Login" button, Home page of e-Voting will open.

Step 2 : Cast your vote electronically and join General Meeting on NSDL e-Voting system.**How to cast your vote electronically and join General Meeting on NSDL e-Voting system?**

1. After successful login at Step 1, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle and General Meeting is in active status.
2. Select "EVEN" of company for which you wish to cast your vote during the remote e-Voting period and casting your vote during the General Meeting. For joining virtual meeting, you need to click on "VC/OAVM" link placed under "Join General Meeting".
3. Now you are ready for e-Voting as the Voting page opens.
4. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
5. Upon confirmation, the message "Vote cast successfully" will be displayed.
6. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
7. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to ppincha@gmail.com with a copy marked to evoting@nsdl.co.in
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800 1020 990 and 1800 22 44 30 or send a request to Mr. Amit Vishal, Asst. Vice President at evoting@nsdl.co.in Further, Members may also contact with Mr. Deepanshu Rastogi, Asst. Manager, MAS Services Limited, RTA at info@masserv.com or on Telephone No.: 011-26387281/82/83.

Process for those shareholders whose email ids are not registered with the depositories for procuring user id and password and registration of e mail ids for e-voting for the resolutions set out in this notice:

1. In case shares are held in physical mode please send signed request letter with Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to info@masserv.com with subject line "user detail required for Mangalam Cement Limited Annual General Meeting 2021 mention folio no".
2. In case shares are held in demat mode, please update your email id with your depository participant and send scan copy of updated client master report to info@masserv.com with subject line "user detail required for Mangalam Cement Limited Annual General Meeting 2021 mention DPID-Client ID". If you are an Individual shareholders holding securities in demat mode, you are requested to refer to the login method explained at **step 1 (A) i.e. Login method for e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode.**
3. Alternatively shareholder/members may send a request to evoting@nsdl.co.in for procuring user id and password for e-voting by providing above mentioned documents.
4. In terms of SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are required to update their mobile number and email ID correctly in their demat account in order to access e-Voting facility.

THE INSTRUCTIONS FOR MEMBERS FOR e-VOTING ON THE DAY OF THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for remote e-voting.
2. Only those Members/ shareholders, who will be present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system in the AGM.
3. Members who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.
4. The details of the person who may be contacted for any grievances connected with the facility for e-Voting on the day of the AGM shall be the same person mentioned for Remote e-voting.

INSTRUCTIONS FOR MEMBERS FOR ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

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

AFTER CLICKING ON VC/OAVM LINK, YOU WILL BE REDIRECTED TO 'CISCO' WEBSITE:

- | | | |
|--------------------------|---|--|
| In the "Name" field | - | Put your name |
| In the "last name" field | - | Enter your folio no. as informed in e-mail |
| In the "Email ID" field | - | Put your email ID |
| Event password | - | nsdl@1234 is pre-field |

Click join now button

Event will start and you will be in the AGM through Video conferencing.

You can join meeting through laptop, tablet, and desktop. In case you want to join through mobile, you need to download the webex meet app from the respective play store.

PRE-REQUISITE FOR JOINING OF MEETING THROUGH DESKTOP OR LAPTOP:

1. System requirement:
 - * Windows 7, 8 or 10
 - * I3
 - * Microphone, speaker
 - * Internet speed minimum 700 kbps
 - * Date and time of computer should be current date and time

PRE-REQUISITE FOR JOINING OF MEETING THROUGH MOBILE :

- Please download webex application from play store

NOTE : IT IS ADVISABLE TO LOGIN BEFORE HAND AT E-VOTING SYSTEM AS EXPLAINED IN E-VOTING INSTRUCTIONS ABOVE, TO BE FAMILIAR WITH THE PROCEDURE, SO THAT YOU DO NOT FACE ANY TROUBLE WHILE LOGGING-IN DURING THE AGM.

2. Members are encouraged to join the Meeting through Laptops for better experience.
3. Further Members will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

27. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 11th September, 2021.

28. Any person, who acquires shares and becomes member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e 11th September, 2021, will be provided the notice through e-mail after the cut-off date on request of shareholder. Such members may also obtain the login ID and password by sending a request at evoting@nsdl.co.in or info@masserv.com RTA, MAS Services Limited.

29. Members who would like to express their views or ask questions during the AGM may register themselves by sending an e-mail to shares@mangalamcement.com upto 13th September, 2021 with name of shareholder, folio/ dpid-clid, email id, mobile number and number of shares held as on cut-off date. Only those members who are registered will be allowed to express their views or ask questions. The Company reserves the right to restrict the number of questions and number of speakers, depending upon availability of time as appropriate for smooth conduct of the AGM.

30. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again during the AGM.

31. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting or e-voting during the AGM.

32. Shri Akshit Kumar Jangid, Practicing Company Secretary (Membership No. ACS-44537 & CP No. 16300), Partner of M/s. Pinchaa & Co., Company Secretaries has been appointed as the Scrutinizer to scrutinize the e-voting during the AGM and remote e-voting process in a fair and transparent manner.

33. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of Meeting i.e. 18th September, 2021.

34. A person who is not a Member as on the cut-off date should

treat this Notice for information purposes only.

35. The Results of voting will be declared within 2 working days from the conclusion of the AGM. The declared Results, along with the Scrutinizer's Report will be submitted with the Stock Exchanges where the Company's equity shares are listed (BSE Limited & National Stock Exchange of India Ltd.) and shall also be displayed on the Company's website www.mangalamcement.com and NSDL's website <https://www.evoting.nsdl.com> The Scrutinizer's decision on the validity or otherwise of the E-voting will be final. The relevant information w.r.t. voting by electronic means shall be under the safe custody of the scrutinizer till the Chairperson consider, approves and sign the minutes.

36. Since the AGM will be held through VC / OAVM, the Route Map is not annexed with Notice.

37. Reappointment of Smt. Vidula Jalan (DIN: 01474162), Director Retiring by Rotation

Information about the Appointees pursuant to SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015

At the 44th Annual General Meeting, Smt. Vidula Jalan (DIN: 01474162) Co-Chairperson of the Company, was re-appointed as Whole-time Director with effect from 1st April, 2020 for further period of three years. Smt. Vidula Jalan aged 41 years, is MBA in Strategic Marketing and Leadership and Change Management from the Indian School of Business, Hyderabad. Moreover, she also has an Accounting and Finance degree from The University of Manchester, U.K. She is also managing the affairs of reputed schools and charitable trusts of the Group.

The other Public Companies in which she holds directorship are Mangalam Timber Products Ltd and Vidula Consultancy Services Ltd.

Shares held in the : 1,30,000 Equity Shares
Company

Relationship with other : Smt. Vidula Jalan is wife of
Directors Shri Anshuman Vikram Jalan
(DIN: 01455782), Co-Chairperson
of the Company

ANNEXURE TO THE NOTICE**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013 ("the Act")****Item No. 04**

Section 197 of the Companies Act, 2013 provides that in the case of Director who are neither managing director nor whole-time director/executive director may by way of special resolution, authorise payment of commission in addition to the fee for attending the meetings of the Board where such Directors are rendering useful advice to the Company. To retain such Non-Executive Director, it is desirable that they should be paid commission @ 1% of the net profit of the Company not exceeding Rs. 10.00 Lacs (Rupees Ten Lacs Only) to each of the Director in any financial year, except the Managing Director and Executive Directors. The shareholders in their Annual General Meeting held on 08th September, 2018 had approved payment of commission @ 1% of the net profits of the Company but not exceeding Rs. 7.00 Lacs to each of the Non-Executive Directors of the Company for a period of three years. This period of three years completes on 31st March, 2021. Hence the proposed resolution seeks authority for such payment to the Non-Executive Directors for a period of three years effective from 01st April, 2021.

Therefore, the Board of Directors in the best interest of the Company, recommends the special resolution set out at item no. 4 of this

Notice, for approval by the shareholders.

All the Directors of the Company (except Smt. Vidula Jalan and Shri Anshuman Vikram Jalan, Executive Directors and the Key Managerial Personnel and their respective relatives) are interested in the Resolution to the extent the remuneration is payable to them in accordance with the proposed resolution.

Item No.5

The Board of Directors of the Company on the recommendation of the Audit Committee has approved the re-appointment of M/s. J K Kabra & Co., Cost Accountants, New Delhi as Cost Auditors to conduct the audit of the cost records of the Company for the financial year ending 31st March, 2022 pursuant to Section 148 of the Companies Act, 2013 on a remuneration of Rs.1,39,000/- (Rupees One Lac Thirty-Nine Thousand only) plus GST and all cess as applicable and out of pocket expenses.

As per Rule 14 of Companies (Audit and Auditors) Rules 2014, the remuneration payable to the Cost Auditors is to be ratified by the Shareholders. Hence this resolution is put for the consideration of the shareholders.

None of the Directors and Key Managerial personnel or their relatives are interested in the above resolution.

The Board of Directors recommends the Ordinary Resolution set out at item no. 5 of this Notice, for your approval.