

Ref: APCL/SECTL/2022-23/43

August 22, 2022

<p><b>The BSE Limited</b> <b>Phiroje Jeejeebhoy Towers,</b> <b>Dalal Street,</b> <b>Mumbai – 400 001</b></p> <p><b>Scrip Code: 518091</b></p>	<p><b>National Stock Exchange of India Limited</b> <b>Exchange Plaza, 5th Floor, Plot No. C/1, G-Block,</b> <b>Bandra Kurla Complex, Bandra (East),</b> <b>Mumbai – 400 051</b></p> <p><b>Symbol: APCL</b></p>
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Dear Sir/Madam,

**Sub: 1. Intimation under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) – Notice of 38th Annual General Meeting and Annual Report for the financial year ended March 31, 2022:**

**2. Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements), 2015:**

In terms of Regulation 34(1) of the SEBI Listing Regulations, please find attached herewith the Notice of the 38th Annual General Meeting of the Members of Anjani Portland Cement Limited (“the Company”) to be held on Friday, September 16, 2022 at 10:00 a.m. (IST) through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”) and the Annual Report for the Financial Year ended March 31, 2022.

The aforesaid documents are being dispatched electronically to those Members whose email IDs are registered with the Company/ KFin Technologies Limited, Registrar and Transfer Agent of the Company and the Depositories viz. the National Securities Depository Limited and Central Depository Services (India) Limited.

The Notice of the 38th Annual General Meeting and Annual Report shall be uploaded on the Company’s website at <http://www.anjanacement.com>.

The above is for your information, record and dissemination please.

Thanking you,

Yours faithfully,

For **Anjani Portland Cement Limited**

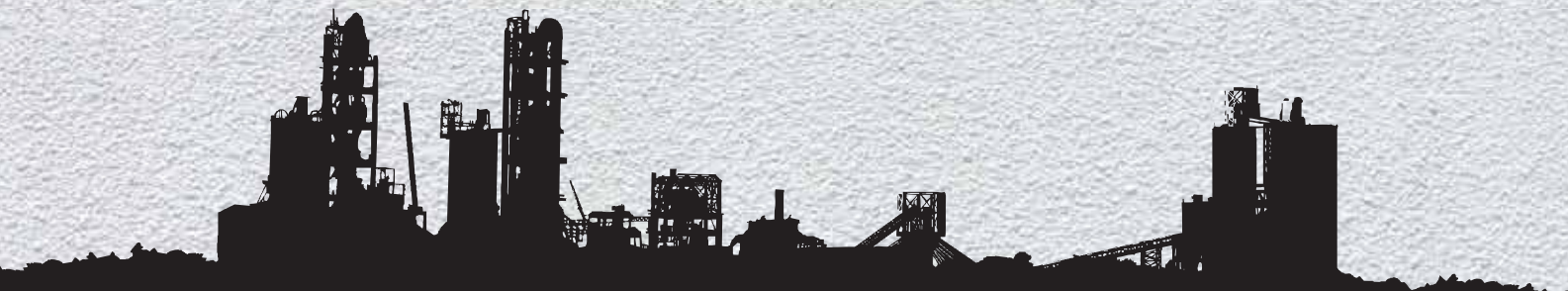
**Subhanarayan Muduli**  
**Company Secretary & Compliance Officer**



**Anjani Portland Cement Limited**

# **38<sup>th</sup> Annual Report**

## **2021-22**





38<sup>th</sup> Annual Report 2021 - 22

[www.anjanicement.com](http://www.anjanicement.com)

# Anjani Portland Cement Limited

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## Board of Directors

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Mr. N. Venkat Raju		Managing Director
Mrs. V. Valliammai		Chairperson, Independent Director
Mr. A. Subramanian		Non-Executive Director
Mr. RM Palaniappan		Independent Director
Mr. V. Palaniappan		Non-Executive Director
Dr. (Mrs.) S.B. Nirmalatha		Non-Executive Director

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## Management Team

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Mr. M.L. Kumavat		Chief Financial Officer (Till May 13, 2022)
Mr. Subhanarayan Muduli		Company Secretary
Mr. A. Narayana Rao		Sr. Vice President (Marketing)
Mr. D.V. Subba Raju		Assistant Vice President (E & I)

### Registered Office

#6-3-553, Unit Nos. E3 & E4,  
4th Floor, Quena Square,  
Off Taj Deccan Road, Erramanzil,  
Hyderabad – 500082

### Secretarial Auditors

D. Hanumanta Raju & Co.,  
#B-13, F-1 & F-2, P.S. Nagar,  
Vijaya Nagar Colony,  
Hyderabad – 500057

### Statutory Auditors

Ramanatham & Rao  
Chartered Accountants,  
P.B.No. 2102, Flat No. 302,  
Kala Mansion, Sarojini Devi Road,  
Secunderabad – 500003, Telangana

### Cost Auditors

Narasimha Murthy & Co.,  
3-6-365, 104 & 105, Pavani Estate,  
Himayat Nagar,  
Hyderabad - 500029

### Factory

Chintalapalem (V & M),  
Suryapet (District),  
Telangana State – 508246

### Internal Auditors

M. Bhaskara Rao & Co.,  
Chartered Accountants,  
5-4, 5th Floor, "Kautilya", 6-3-652,  
Somajiguda, Hyderabad– 500482

### Registrars & Share Transfer Agents

KFIN Technologies Limited,  
Karvy Selenium Tower B,  
Plot No 31-32, Gachibowli,  
Financial District, Nanakramguda,  
Hyderabad - 500032

### Bankers

HDFC Bank,  
State Bank of India  
Lakshmi Vilas Bank

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## PERFORMANCE AT A GLANCE

Particulars	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22 Standalone	2021-22 Consolidated
<b>PRODUCTION in MT's</b>								
Cement	7,57,229	8,49,656	9,18,441	9,88,030	8,29,656	8,31,901	9,28,560	17,17,438
Capacity Utilisation(%)	65%	73%	79%	85%	72%	72%	80%	78%
<b>SALES IN MT's</b>								
Cement & Clinker	7,60,174	8,49,933	9,26,810	11,69,878*	11,07,446**	9,70,403***	10,64,396#	18,57,800##

\*Including 1,77,565 MT of Traded Cement, \*\* Including 2,24,098 MT of Traded Cement.

\*\*\*Including 1,12,722 MT of Traded Cement, # including 1,20,675 MT of Traded Cement.

## including 1,20,675 MT of Traded Cement.

FINANCIAL HIGHLIGHTS	₹ In Lakhs							
	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22 Standalone	2021-22 Consolidated
Turnover (Gross)	31,944	36,010	37,359	43,747	40,893	40,720	47,021	80,126
Gross Profit	8,300	8,369	6,068	5,750	8,393	12,243	9,702	14,715
Finance Costs	1,584	944	625	172	33	65	2,853	3,001
Depreciation	2,312	1,706	1,875	1,913	2,004	2,026	1,935	5,837
Profit/(Loss) Before Tax	4,404	5,719	3,568	3,665	6,356	10,152	4,914	5,877
Provision for Taxation								
- Current Tax	929	1,247	763	1,419	2,369	2,903	1,657	2,305
- Deferred Tax	1,496	(16)	461	(70)	(48)	(1,249)	(240)	(627)
Net Profit/(Loss) After Tax	1,979	4,488	2,344	2,316	4,035	8,498	3,497	4,199
Cash Profit	5,787	6,178	4,680	4,159	5,991	9,275	5,192	9,409
<b>PAID - UP SHARE</b>	1,839	2,529	2,529	2,529	2,529	2,529	2,529	2,529
<b>CAPITAL RESERVES &amp; SURPLUS</b>	6,894	17,894	19,944	21,636	24,863	32,102	34,341	29,303
<b>RATIOS</b>								
PBDIT to Gross Sales	25.99%	23.26%	16.25%	13.14%	20.52%	30.07%	20.63%	18.36%
(%) PBT to Gross Sales	13.79	15.90	9.55	8.38	15.54	24.93	10.45	7.34
(%) EPS (in Rupees)	9.87	18.60	9.27	9.16	15.96	33.61	13.83	16.38
Debt to Equity	1.58	0.37	0.18	0	0	0	17.20	19.64
Book Value per Share (in Rupees)	47	81	89	96	108	137	146	126
Dividend (%)	-	20	20	25	50	50	30	-

**ANJANI PORTLAND CEMENT LIMITED**

CIN: L26942TG1983PLC157712

**Registered Office:** #6-3-553, Unit No. E3 & E4, 4th Floor, Quena Square Off. Taj Deccan Road, Erramanzil, Hyderabad – 500 082, Telangana, India. Tel. No.: 040 2335 3096/3106

**Email id:** [secretarial@anjanicement.com](mailto:secretarial@anjanicement.com), **website:** [www.anjanicement.com](http://www.anjanicement.com)

**NOTICE**

Notice is hereby given that the 38th Annual General Meeting of the Members of Anjani Portland Cement Limited will be held on Friday, September 16, 2022, at 10:00 a.m. (IST) through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM") facility, to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt:
  - a. The Audited Standalone Financial Statements of the Company for the Financial Year ended March 31, 2022, together with the Reports of the Board of Directors and Auditors thereon; and
  - b. The Audited Consolidated Financial Statements of the Company for the Financial Year ended March 31, 2022, together with the Report of the Auditors thereon.
2. To declare dividend for the financial year 2021-22.
3. To appoint a Director in place of Mr. N. Venkat Raju (DIN: 08672963) who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment.

**SPECIAL BUSINESS:**

4. **Re-appointment of Mrs. V. Valliammai (DIN: 01197421) as an Independent Director of the Company:**

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 Section 149, 152 read with Schedule IV and any other applicable provisions, if any of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), read with Regulation 16(1)(b) and any other applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("Listing Regulations") (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and pursuant to the recommendation of the Nomination and Remuneration Committee and approval of the Board of Directors, Mrs. V. Valliammai (DIN: 01197421), who has submitted a declaration that she meets the criteria for independence as provided in Section 149(6) of the Act and Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations, as amended, and who is eligible for re-appointment as an Independent Director of the Company and in respect of whom a notice in writing pursuant to Section 160 of the Act having been received in the prescribed manner, be and is hereby re-appointed as a Non-Executive Independent Director of the Company for a second term of five consecutive years commencing from the conclusion of the ensuing 38th Annual General Meeting of the Company till the conclusion of the 43rd Annual General Meeting of the Company to be held in the year 2027, not liable to retire by rotation.

**RESOLVED FURTHER THAT** any one of the Directors of the Company or Company Secretary of the Company, be and are hereby severally authorised to do all necessary acts, deeds, matters and things as may be considered necessary, expedient and desirable to give effect to this resolution."

5. **Ratification of Remuneration of Cost Auditors:**

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(3) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), and the Companies (Audit and Auditors) Rules, 2014, as amended from time to time, the Company hereby ratifies the remuneration of ₹2,00,000 (Rupees Two Lakhs only) plus applicable taxes and reimbursement of out of pocket expenses actually incurred and payable to M/s. Narasimha Murthy & Co, Cost Accountants (Firm Registration Number 000042), who have been appointed by the Board of Directors on recommendation of the Audit Committee, as Cost Auditors of the Company, to conduct the audit of the cost records maintained by the Company as prescribed under the Companies (Cost Records and Audit) Rules, 2014, as amended, for the financial year ending March 31, 2023.



**RESOLVED FURTHER THAT** any one of the Directors of the Company or Company Secretary of the Company, be and are hereby severally authorised to do all necessary acts, deeds, matters and things as may be considered necessary, expedient and desirable to give effect to this resolution."

By Order of the Board of Directors  
For **Anjani Portland Cement Limited**

**Subhanarayan Muduli**

Company Secretary  
Membership No.: A41513

Place: Chennai  
Date: August 9, 2022

**NOTES:**

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
2. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its General Circulars Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 20/2020 dated May 5, 2020, 02/2021 dated January 13, 2021, 19/2021 dated December 8, 2021, 21/2021 dated December 14, 2021 and 02/2022 dated May 5, 2022 (collectively referred to as "MCA Circulars") and Securities and Exchange Board of India ("SEBI") vide its Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020, SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 (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 a common venue. Accordingly, in compliance with the provisions of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") and MCA Circulars, the AGM of the Company is being held through VC / OAVM. The deemed venue for the 38th Annual General Meeting shall be the Registered Office of the Company.
3. Since this AGM is being held pursuant to the MCA 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.
4. A statement providing additional details of the Director(s) seeking appointment/re-appointment as set out at Item No.3 & 4 of the Notice dated August 9, 2022 is annexed herewith as required under Regulation 36(3) of the Listing Regulations and Secretarial Standards on General Meeting issued by The Institute of Company Secretaries of India ("ICSI").
5. Institutional/Corporate Members (i.e. other than individuals/HUF,NRI, etc.) are required to send a scanned copy (PDF / JPG Format) of its Board or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorisation shall be sent to the Scrutinizer by email through its registered email address to [dh300@gmail.com](mailto:dh300@gmail.com) with a copy marked to [evoting@kfintech.com](mailto:evoting@kfintech.com), [raghu.veedha@kfintech.com](mailto:raghu.veedha@kfintech.com) and [secretarial@anjanacement.com](mailto:secretarial@anjanacement.com).
6. M/s. KFin Technologies Limited (KFinTech) (Formerly known as KFin Technologies Pvt. Ltd.) will be providing facility for voting through remote e-voting, for participation in the 38th AGM through VC/OAVM and e-voting during the AGM.
7. Members may join the 38th AGM through VC/OAVM by following the procedure which shall be kept open for the Members from 9:45 a.m. i.e. 15 minutes before the time scheduled to start the AGM and the Company may close the window for joining the VC/OAVM 15 minutes after the scheduled time to start the 38th AGM. The detailed instructions for participating in the 38th AGM through VC/OAVM are given as a separate attachment to this Notice.
8. Members may note that the VC/OAVM provided by KFinTech, allows participation of at least 1000 Members on a first-come-first-served basis. The large shareholders (i.e. shareholders holding 2% or more shareholding), promoters, institutional investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee, Auditors, etc. can attend the AGM without any restriction on account of first-come-first-served principle.
9. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
10. The voting rights of Members shall be in proportion to their share in the paid-up equity share capital of the Company as on the cut-off date of Friday, September 9, 2022.

11. The Register of Members and Share Transfer Books of the Company shall remain closed from Saturday, September 10, 2022 to Friday, September 16, 2022 (both days inclusive). Valid Transfers of Shares received at the office of Registrar and Transfer Agents of the Company, KFintech, before the close of business hours on Friday, September 9, 2022 will be registered in time for the transferees to become eligible for dividend, if declared.

Dividend, if declared, will be paid, subject to deduction of tax at source, within 30 days of the approval of the Shareholders at the Annual General Meeting to those Members entitled thereto and whose names shall appear on the Register of Members of the Company as on the close of business hours of Friday, September 9, 2022, or to their mandatees. In respect of dematerialized shares, the dividend will be payable on the basis of beneficial ownership as on the close of business hours of Friday, September 9, 2022, as per details to be furnished by National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for this purpose.

12. Brief profile of the Directors proposed to be appointed/reappointed is given towards the end of this Notice pursuant to Regulations 26(4) & 36(3) of the Listing Regulations and Secretarial Standard issued by The Institute of Company Secretaries of India. None of the Directors is related to one another.
13. As per Regulation 40 of SEBI Listing Regulations, as amended, securities of listed companies 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. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, KFintech, for assistance in this regard. Members may also refer to Frequently Asked Questions ("FAQs") on Company's website: <http://anjaniment.com/Notice%20to%20the%20Shareholders%20-%20Demat%20%20of%20shares.pdf>
14. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs, in case the shares are held by them in electronic form and with Company's Registrars and Transfer Agents, KFintech, in case the shares are held by them in physical form.
15. The Securities and Exchange Board of India (SEBI) vide circular No. SEBI/HO/MIRSD/MIRSD\_RTAMB/P/CIR/2021/655 dated November 3, 2021, inter alia mandated furnishing of PAN, email address, mobile number, bank account details and nomination by shareholders holding shares in physical form and also mandated that any service request shall be entertained only upon registration of the PAN, Bank details and the nomination. SEBI had also asked the shareholders to ensure their PAN is linked to Aadhaar by March 31, 2022 or any other date as may be specified by the Central Board of Direct Taxes to avoid freezing of their folio. Company's Registrar and Transfer Agent, KFintech, has sent physical letters to all the shareholders of the Company holding shares in physical form in this regard on 8th February, 2022 requesting them to furnish the required documents/details within due timelines.
16. Members are requested to update and/or intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to Company's Registrars and Transfer Agents, KFintech, in case the shares are held by them in physical form. Members are encouraged to utilize the Electronic Clearing System (ECS) for receiving dividends.
17. SEBI has directed listed Companies to use electronic payment modes such as NEFT, RTGS, ECS etc., for payments to the investors. Members are requested to update their bank details such as MICR, IFSC code etc., with the Registrar and Transfer Agents, KFintech by submitting a cancelled cheque, while Members holding shares in electronic form are requested to update such bank details with their respective Depository Participants.
18. Members who have multiple folios in identical names or joint names in the same order are requested to intimate the Registrar and Transfer Agents, KFintech about these folios to enable consolidation of all such shareholdings into one folio.
19. The Securities and Exchange Board of India (SEBI) vide circular ref no. MRD/DoP/CIR-05/2007 dated April 27, 2007, made PAN the sole identification number for all participants transacting in the securities market, irrespective of the amount of transaction. In continuation of the aforesaid circular, it is hereby clarified that for securities market transactions and off market/private transactions involving transfer of shares of listed companies in physical form, it shall be mandatory for the transferee(s) to furnish copy of PAN card to the Company/Registrar and Share Transfer Agent for registration of such transfer of shares.

20. 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.
21. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Act, and the relevant documents referred to in the Notice will be available electronically for inspection by the members during the AGM. All documents referred to in the Notice will also be available electronically for inspection without any fee by the members from the date of circulation of this Notice upto the date of AGM. Members seeking to inspect such documents can send an email to [secretarial@anjanicement.com](mailto:secretarial@anjanicement.com)
22. Pursuant to Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Rules, 2015 and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide the facility to Members to exercise their right to vote on the resolution proposed to be passed at AGM by electronic means. The detailed instructions for e-voting are given as a separate attachment to this Notice. The Members, whose names appear in the Register of Members/List of Beneficial Owners as on close of business hours of Friday, September 9, 2022, i.e. the date prior to the commencement of book closure, being the cut-off date, are entitled to vote on Resolutions set forth in this Notice. Members may cast their votes on electronic voting system from any place (remote e-voting).
- The remote e-voting period will commence at 9:00 A.M. on Tuesday, September 13, 2022 and will end at 5:00 P.M. on Thursday, September 15, 2022. Members who have cast their vote by remote e-voting prior to the 38th AGM may also participate in the AGM through VC/OAVM but shall not be entitled to cast their vote again. The Members joining the AGM through VC/OAVM, who have not cast their vote by remote e-voting shall be eligible to vote through e-voting system at the e- AGM.
23. The Company has appointed M/s. D. Hanumanta Raju & Co., Company Secretaries Firm, to act as the Scrutinizer, to scrutinize the entire e-voting process in a fair and transparent manner. The Scrutinizer shall not later than 48 hours of conclusion of the AGM, submit their report of the votes cast in favour or against, if any, to the Chairperson of the Company or any person authorised by the Board of the Directors of the Company in this regard, and the result of the same will be disclosed forthwith. The Company has appointed M/s. KFin Technologies Limited (Formerly known as KFin Technologies Pvt. Ltd.) as the Agency for the purpose of facilitating the electronic voting.
24. In compliance with the above referred MCA Circulars and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 and SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021 and SEBI Circular No. SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022, Notice of the AGM along with the Annual Report 2021-22 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2021-22 will also be available on the Company's website [www.anjanicement.com](http://www.anjanicement.com), websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively and on the website of Company's Registrar and Transfer Agent, KFintech at <https://evoting.kfintech.com/>
25. For receiving all communication (including Annual Report) from the Company electronically:
- Members holding shares in physical mode and who have not registered/updated their email address with the Company are requested to register/update the same by writing to the Company with details of folio number and attaching a self-attested copy of PAN card at [secretarial@anjanicement.com](mailto:secretarial@anjanicement.com) or to KFintech at [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com)
  - Members holding shares in dematerialised mode are requested to register/update their email addresses with the relevant Depository Participant.
26. Members are requested to note that, dividends if not encashed for a consecutive period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). The shares in respect of such unclaimed dividends are also liable to be transferred to the demat account of the IEPF Authority. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web Form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in)
27. Pursuant to Rule 8 of Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016, the Company has uploaded the details of unclaimed/ unpaid dividends lying with the Company on the website of the Company at [http://anjanicement.com/statement\\_unclaimed\\_dividend.html](http://anjanicement.com/statement_unclaimed_dividend.html), and also on the website of the Ministry of Corporate Affairs. The following

table shows the details of dividend relating to financial year 2016-17 to 2020-21 and the due dates on which the unclaimed/un-encashed dividend amount with respect to the same have to be remitted into the IEPF Authority. Members are requested to contact KFinTech for encashing the unclaimed dividends standing to the credit of their account.

Financial Year	Date of Declaration	Dividend (%)	Due date of Transfer to IEPF
2016-17 (Interim)	14-09-2016	10	19-10-2023
2016-17 (Final)	08-09-2017	10	12-10-2024
2017-18	07-09-2018	20	11-10-2025
2018-19	28-08-2019	25	03-10-2026
2019-20	21-08-2020	50	26-09-2027
2020-21	15-09-2021	50	20-10-2028

In accordance with Section 125(5) of the Companies Act, 2013, the Company has transferred the unclaimed/unpaid dividends lying with the Company for a period of over 7 years, to the IEPF established by the Central Government.

In accordance with Section 124(6) of the Companies Act, 2013, read with the Investor Education and Protection Fund Authority (Accounting, Auditing, Transfer and Refund) Rules, 2016, the shares in respect of which, dividend has not been paid or claimed for 7 consecutive years or more have been transferred by the Company to IEPF. The shareholders / their legal heirs are entitled to claim the said shares and the dividend so transferred from the IEPF by making an online application in Form No: IEPF-5 to the IEPF Authority.

28. Pursuant to Finance Act, 2020, dividend income will be taxable in the hands of shareholders w.e.f. April 1, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company/KFinTech (in case of shares held in physical mode) and depositories (in case of shares held in demat mode). 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 uploading the same at the link given here in i.e. <https://ris.kfintech.com/form15/> by 11:59 p.m. IST on Friday, September 9, 2022. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.
29. Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by uploading the same at the link given here in i.e. <https://ris.kfintech.com/form15/>. The aforesaid declarations and documents need to be submitted by the shareholders by 11:59 p.m. IST on Friday, September 9, 2022.
30. Since the AGM will be held through VC / OAVM, the Route Map of the AGM venue is not annexed to this Notice.

#### **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013 AND LISTING REGULATIONS**

As required by Section 102 of the Act, the following Explanatory Statement sets out all material facts relating to the business mentioned under Item Nos. 4 & 5 of the accompanying Notice dated August 9, 2022.

##### **Item No.4**

Mrs. V. Valliammai (DIN: 01197421) was appointed as an Independent Director of the Company with the approval of Members at the 33rd Annual General Meeting of the Company held on September 8, 2017, for a tenure of 5 (five) consecutive years until the conclusion of the 38th Annual General Meeting.

In accordance with Section 149(10) and (11) of the Companies Act, 2013 ("Act"), an Independent Director shall hold office for a term up to five years on the Board of the Company, but shall be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such re-appointment in the Boards' Report.

The Board of Directors of the Company at its meeting held on August 9, 2022, on the recommendation of the Nomination and Remuneration Committee has re-appointed Mrs. V. Valliammai as an Independent Director for a second term of 5 (five) consecutive years from the conclusion of this 38th Annual General Meeting till the conclusion of 43rd Annual General Meeting to be held in the year 2027, not liable to retire by rotation. The appointment of Mrs. V. Valliammai is subject to the approval of Members of the Company at the 38th Annual General Meeting.

The Company has received a declaration from Mrs. V. Valliammai that, she is not disqualified from being re-appointed as an Independent Director in terms of Section 164 of the Act and declaration that she meets with the criteria of independence as prescribed under Section 149(6) of the Act & Regulation 16(1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and her consent to continue as an Independent Director.

The Company has also received notice in writing from a member under Section 160 of the Act, proposing the candidature of Mrs. V. Valliammai for the office of Non-Executive Independent Director of the Company. In the opinion of the Board, Mrs. V. Valliammai fulfills the conditions for her re-appointment as a Non-Executive Independent Director as specified in the Act and the Listing Regulations and is independent of the management.

Accordingly, consent of the Members is sought for passing a Special Resolution as set out at Item No.4 of the Notice for re-appointment of Mrs. V. Valliammai as an Independent Director for a second term of 5 (five) consecutive years from the conclusion of this 38th Annual General Meeting till the conclusion of 43rd Annual General Meeting to be held in the year 2027, not liable to retire by rotation.

A brief profile and other information as required under Regulation 36 of SEBI Listing Regulations and Secretarial Standard-2 issued by ICSI is provided as Annexure to this Notice.

Except Mrs. V. Valliammai, no other Director(s) and Key Managerial Personnel(s) or their relatives, is in any way, concerned or interested, financially or otherwise, in this resolution.

#### Item No.5

The Board of Directors at their meeting held on May 12, 2022, on recommendation of the Audit Committee, had approved the re-appointment of M/s Narasimha Murthy & Co, Cost Accountants (Firm Registration Number 000042) as Cost Auditors to conduct the audit of Cost records of the Company for the financial year ending 31st March, 2023 on a remuneration of ₹2,00,000/- (Rupees Two Lakhs only) plus applicable taxes and out of pocket expenses actually incurred for the purpose of such audit.

In terms of the provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor is required to be ratified by the members of the Company.

Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No.5 of the Notice for remuneration payable to the Cost Auditors for the financial year ending on March 31, 2023.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are, in any way, concerned or interested, financially or otherwise, in this resolution.

#### A STATEMENT GIVING ADDITIONAL DETAILS OF THE DIRECTORS SEEKING APPOINTMENT AND REAPPOINTMENT AS SET OUT AT ITEMS NO. 3 & 4 OF THE NOTICE:

Details of Director(s) seeking appointment / re-appointment at the forthcoming Annual General Meeting

[Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015 and Secretarial Standard -2 on General Meeting]

Nature of Information	Item No.3 of the Notice	Item No.4 of the Notice
Name of the Directors	Mrs. V. Valliammai	Mr. N. Venkat Raju
Director Identification Number (DIN)	01197421	08672963
Date of Birth	24-01-1975	30-09-1960
Date of first appointment on Board	May 25, 2017	January 24, 2020
Qualification	Chartered Accountant	M.Sc Chemistry from Andhra University, Visakhapatnam. Certified Energy Manager from Bureau of Energy Efficiency, Ministry of Power, Govt. of India.

Nature of Information	Item No.3 of the Notice	Item No.4 of the Notice
Nature of expertise is specific functional areas	<p>Mrs. V. Valliammai is a member of the Institute of Chartered Accountants of India and holds a Bachelor's degree in Commerce with an experience of over 20 years.</p> <p>Her core areas of expertise include debt financing and project management. She is currently serving as the Chief Financial Officer at Chettinad Super Specialty Hospital.</p>	<p>Mr. N Venkat Raju worked as Joint President-Works (Unit Head) in the Company prior to his appointment as Managing Director w.e.f. January 24, 2020.</p> <p>Further, he is having an overall experience of 39 years out of which 37 years of vast experience pertains to Cement Industry and is mainly responsible for Operations, Process, Quality Assurance &amp; Administration of the cement plant and allied activities which encompasses the entire operations of a Cement Plant. He is a veteran in the Industry and ideally suited for the post.</p>
Terms and conditions for re-appointment	<p>She is a Non-Executive Independent Director of the Company. She is required to comply with the applicable provisions of the Companies Act and SEBI Regulations and other applicable laws. Mrs. V. Valliammai will serve for a second terms of 5 (five) years commencing from the conclusion of this 38th AGM up to the conclusion of 43rd AGM to be held in the year 2027.</p>	<p>Tenure as a Director is subject to retirement by rotation in terms of Section 152 of the Companies Act, 2013.</p>
Remuneration	Please refer to Corporate Governance Report	Please refer to Corporate Governance Report
Relationship with other Directors, and Key Managerial Personnel of the Company	None	None
Number of Board Meeting attended during the year	Please refer to Corporate Governance Report	Please refer to Corporate Governance Report
Directorships held in other companies	Please refer to Corporate Governance Report	Please refer to Corporate Governance Report
Memberships/Chairmanships of Committees of other companies		
Shareholding in the Company	Nil	Nil





#### PROCEDURE AND INSTRUCTION FOR REMOTE E-VOTING

- In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, Regulation 44 of the SEBI Listing Regulations and in terms of SEBI vide circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 in relation to e-Voting Facility Provided by Listed Entities, the Members are provided with the facility to cast their vote electronically, through the e-Voting services provided by KFintech, on all the resolutions set forth in this Notice. The instructions for e-Voting are given herein below.
- However, in pursuant to SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on "e-Voting facility provided by Listed Companies", e-Voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts/websites of Depositories/DPs in order to increase the efficiency of the voting process.
- Individual demat account holders would be able to cast their vote without having to register again with the e-Voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-Voting process. Shareholders are advised to update their mobile number and e-mail ID with their DPs to access e-Voting facility.
- The remote e-Voting period will commence at 9:00 A.M. on Tuesday, September 13, 2022 and will end at 5:00 P.M. on Thursday, September 15, 2022.

5. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
6. Any person holding shares in physical form and non-individual shareholders, who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at [evoting@kfintech.com](mailto:evoting@kfintech.com). However, if he/she is already registered with KFintech for remote e-Voting then he/she can use his/her existing User ID and password for casting the vote.
7. In case of Individual Shareholders holding securities in demat mode and who acquires shares of the Company and becomes a Member of the Company after sending of the Notice and holding shares as of the cut-off date may follow steps mentioned below under "Login method for remote e-Voting and joining virtual meeting for Individual shareholders holding securities in demat mode."
8. The details of the process and manner for remote e-Voting and e-AGM are explained herein below:  
 Step 1: Access to Depositories e-Voting system in case of individual shareholders holding shares in demat mode.  
 Step 2: Access to KFintech e-Voting system in case of shareholders holding shares in physical and non-individual shareholders in demat mode.  
 Step 3: Access to join virtual meetings (e-AGM) of the Company on KFin system to participate in e-AGM and vote at the AGM.

**DETAILS ON STEP 1 ARE MENTIONED BELOW:**

- I. **Login method for remote e-Voting for Individual shareholders holding securities in demat mode.**

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	<ol style="list-style-type: none"> <li>1. Existing <b>IDeAS</b> user can visit the e-Services website of NSDL Viz. <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. On the e-Services home page click on the "<b>Beneficial Owner</b>" icon under "<b>Login</b>" which is available under "<b>IDeAS</b>" section , this will prompt you to enter your existing User ID and Password. After successful authentication, you will be able to see e-Voting services under Value added services. Click on "<b>Access to e-Voting</b>" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2. If your are not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "<b>Register Online for IDeAS Portal</b>" or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> 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 hold 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 company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>4. Shareholders/Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.</li> </ol> <p style="text-align: center;">NSDL Mobile App is available on</p> <div style="display: flex; justify-content: center; align-items: center;"> <div style="text-align: center; margin-right: 20px;">    </div> <div style="text-align: center;">    </div> </div>

Individual Shareholders holding securities in demat mode with CDSL	<ol style="list-style-type: none"> <li>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 <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on New System Myeasi.</li> <li>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. KARVY. Click on KARVY to cast your vote.</li> <li>If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP i.e. CDSL where the e-Voting is in progress.</li> </ol>
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 for e-Voting facility. upon logging in, you will be able to see e-Voting option. Click on e-Voting option, you will be redirected to NSDL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website 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
Securities held with NSDL	Please contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Securities held with CDSL	Please contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at 022- 23058738 or 022-23058542-43

**DETAILS ON STEP 2 ARE MENTIONED BELOW:**

- II. **Login method for e-Voting for shareholders other than Individual's shareholders holding securities in demat mode and shareholders holding securities in physical mode.**
  - A. **Members whose email IDs are registered with the Company/Depository Participants (s), will receive an email from KFintech which will include details of E-Voting Event Number (EVEN), USER ID and password. They will have to follow the following process:**
    - i. Launch internet browser by typing the URL : <https://evoting.kfintech.com>
    - ii. Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) XXXX, followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with KFintech for e-voting, you can use your existing User ID and password for casting the vote.
    - iii. After entering these details appropriately, click on "LOGIN".
    - iv. You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@,#,\$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
    - v. You need to login again with the new credentials.

- vi. On successful login, the system will prompt you to select the "EVEN" i.e., 'Anjani Portland Cement Limited- AGM" and click on "Submit".
- vii. On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.
- viii. Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat accounts.
- ix. Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.
- x. You may then cast your vote by selecting an appropriate option and click on "Submit".
- xi. A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- xii. Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., authorizing its representative to attend the AGM through VC/OAVM on its behalf and to cast its vote through remote e-voting together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email id [dh300@gmail.com](mailto:dh300@gmail.com) with a copy marked to [evoting@kfintech.com](mailto:evoting@kfintech.com). The scanned image of the above-mentioned documents should be in the naming format "Corporate Name Even No."

**B. Members whose email IDs are not registered with the Company/Depository Participants(s), and consequently the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, will have to follow the following process:**

- i. Members who have not registered their email address and in consequence the Annual Report, Notice of AGM and e-voting instructions cannot be serviced, may temporarily get their email address and mobile number provided with KFintech, by accessing the link: <https://ris.kfintech.com/clientservices/mobilereg/mobileemailreg.aspx>

Members are requested to follow the process as guided to capture the email address and mobile number for sending the soft copy of the notice and e-voting instructions along with the User ID and Password. In case of any queries, member may write to [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com).

- ii. Alternatively, member may send an e-mail request at the email id [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) along with scanned copy of the signed copy of the request letter providing the email address, mobile number, self-attested PAN copy and Client Master copy in case of electronic folio and copy of share certificate in case of physical folio for sending the Annual report, Notice of AGM and the e-voting instructions.
- iii. After receiving the e-voting instructions, please follow all steps above to cast your vote by electronic means.

**DETAILS ON STEP 3 ARE MENTIONED BELOW:**

**III. Instructions for all the shareholders, including Individual, other than Individual and Physical, for attending the AGM of the Company through VC/OAVM and e-Voting during the meeting.**

- i. Member will be provided with a facility to attend the AGM through VC/OAVM platform provided by KFintech. Members may access the same at <https://emeetings.kfintech.com/> by using the e-voting login credentials provided in the email received from the Company/KFintech. After logging in, click on the Video Conference tab and select the EVEN of the Company. Click on the video symbol and accept the meeting etiquettes to join the meeting. 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 above.
- ii. Facility for joining AGM though VC/OAVM shall be open at least 15 minutes before the commencement of the Meeting.
- iii. Members are encouraged to join the Meeting through Laptops/Desktops with Google Chrome (preferred browser), Safari, Internet Explorer, Microsoft Edge, Mozilla Firefox 22.
- iv. Members will be required to grant access to the webcam to enable VC/OAVM. Further, Members connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot

- may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
- v. As the AGM is being conducted through VC/OAVM, for the smooth conduct of proceedings of the AGM, Members are encouraged to express their views/send their queries in advance mentioning their name, demat account number/folio number, email id, mobile number at [secretarial@anjaniment.com](mailto:secretarial@anjaniment.com). Questions/queries received by the Company till Saturday, September 10, 2022 shall only be considered and responded during the AGM.
  - vi. The Members who have not cast their vote through remote e-voting shall be eligible to cast their vote through e-voting system available during the AGM. E-voting during the AGM is integrated with the VC/OAVM platform. The Members may click on the voting icon displayed on the screen to cast their votes.
  - vii. A Member can opt for only single mode of voting i.e., through Remote e-voting or voting at the AGM. If a Member casts votes by both modes, then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.
  - viii. Facility of joining the AGM through VC/OAVM shall be available for at least 1000 members on first come first served basis.

## OTHER INSTRUCTIONS

- I. **Speaker Registration:** The Members who wish to speak during the meeting may register themselves as speakers for the AGM to express their views. They can visit <https://emeetings.kfintech.com> and login through the user id and password provided in the mail received from KFinTech. On successful login, select 'Speaker Registration' which will be opened from 9:00 A.M. on Tuesday, September 13, 2022 to 5:00 P.M. on Thursday, September 15, 2022. Members shall be provided a 'queue number' before the meeting. The Company reserves the right to restrict the speakers at the AGM to only those Members who have registered themselves, depending on the availability of time for the AGM.
- II. **Post your Question:** The Members who wish to post their questions prior to the meeting can do the same by visiting <https://emeetings.kfintech.com>. Please login through the user id and password provided in the mail received from KFinTech. On successful login, select 'Post Your Question' option which will be opened from 9:00 A.M. on Tuesday, September 13, 2022 to 5:00 P.M. on Thursday, September 15, 2022.
- III. In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.kfintech.com> (KFinTech Website) or write at [evoting@kfintech.com](mailto:evoting@kfintech.com) or [einward.ris@kfintech.com](mailto:einward.ris@kfintech.com) or call KFinTech's toll free No. 1-800-309-4001 for any further clarifications.
- IV. The Members, whose names appear in the Register of Members/list of Beneficial Owners as on the close of Friday, September 9, 2022, being the cut-off date, are entitled to vote on the Resolutions set forth in this Notice. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.
- V. The results of the electronic voting shall be declared to the Stock Exchanges, not later than 48 hours of conclusion of the AGM. The results along with the Scrutinizer's Report, shall also be placed on the website of the Company.



# Directors' Report

Dear Members,

The Board of Directors of your Company is pleased to present the 38th Annual Report and the Audited Financial Statements (Consolidated and Standalone) of your Company for the financial year ended March 31, 2022.

## FINANCIAL SUMMERY AND HIGHLIGHTS

The highlights of the Consolidated and Standalone Financial Statements are detailed hereunder.

(₹ In Lakhs)

Particulars	Standalone		Consolidated	
	Financial Year Ended		Financial Year Ended	
	31.03.2022	31.03.2021	31.03.2022	31.03.2021
Revenue from Operations	47,021	40,720	80,126	-
Other Income	102	695	310	-
<b>Total Income</b>	<b>47,123</b>	<b>41,415</b>	<b>80,436</b>	-
<b>Total Expenses</b>	<b>42,209</b>	<b>31,263</b>	<b>74,559</b>	-
Profit before Interest, Depreciation & Tax	9,702	12,243	14,715	-
Less: Interest	2,853	65	3,001	-
Less: Depreciation	1,935	2,026	5,837	-
<b>Profit/(Loss) Before Tax</b>	<b>4,914</b>	<b>10,152</b>	<b>5,877</b>	-
Tax expenses:				
Current Tax	1,657	2,903	2,305	-
Deferred Tax	(240)	(1,249)	(627)	-
<b>Profit/(Loss) After Tax</b>	<b>3,497</b>	<b>8,498</b>	<b>4,199</b>	-
Other comprehensive income Items that will not be reclassified to profit or loss				-
- Remeasurement of post-employment benefit obligations	8	7	20	-
- Income tax relating to these items	(2)	(2)	(5)	-
Net Other comprehensive income for the year, net of tax	6	5	15	-
<b>Total comprehensive income for the year</b>	<b>3,503</b>	<b>8,503</b>	<b>4,214</b>	-

## FINANCIAL PERFORMANCE OF THE COMPANY

The Company's total revenue from operations for the financial year 2021-22 stood at ₹47,021 lakhs as against ₹40,720 lakhs in the previous year, a growth of 15.47% over the previous year driven by higher sales volume and better realization. The operational profit for the year under review was ₹7,767 lakhs. Profit before tax for the year was ₹4,914 lakhs as compared to ₹10,152 lakhs in previous year. Profit after tax for the year was ₹3,497 lakhs as compared to ₹8,498 lakhs in previous year. The reduction in profit was primarily on account of increase in raw material cost, power and fuel cost and finance cost. Tax expenses for the year ended March 31, 2022 was lower by ₹237 lakhs primarily on account of reduction of profit for the financial year ended March 31, 2022.

## OPERATIONS

### PRODUCTION AND SALES

#### CEMENT

(In MT)

Particulars	Financial Year Ended 31.03.2022	Financial Year Ended 31.03.2021
Production		
- Cement	9,28,560	8,31,901
Sales		
- Cement	10,45,428*	9,52,367

\*Including 1,20,675 MT of traded cement

As evident from the above table, during the year under review, the cement production increased by 11.62% over the previous year and the sales volume of cement increased by 9.77%. The operating profit of the company which was ₹10,217 lakhs for the financial year 2020-21 was reduced to ₹7,767 lakhs during the year under review due to abnormal rise in the price of raw materials and coal. There was a steep rise in finance cost from ₹65 lakhs in the previous year to ₹2,853 lakhs in 2021-22 on account of the Inter-Corporate borrowing from the holding company to part finance the acquisition of M/s. Bhavya Cements Private Limited. All these together resulted in the net profit for the financial year 2021-22 falling to ₹3,497 lakhs as compared to ₹8,498 lakhs in the previous year.

#### **CAPTIVE POWER PLANT**

The Gross power generation from the 16MW Captive Thermal Power Plant during the year under review was 849.05 lakhs units as against 735.94 lakhs units in the previous year, with an auxiliary consumption of 60.13 lakhs units as against 52.96 lakhs units in the previous year. The net generation for the current year was 788.92 lakhs units as against 682.98 lakhs units last year. Out of the net units generated in the current year, 770.16 lakhs units were captively consumed and 18.76 lakhs units were sold.

#### **DIVIDEND**

Your Directors have recommended a final dividend of ₹3 /- per equity share of the face value of Rs.10/- each (30%) (subject to deduction of tax at source) for the financial year 2021-22. The Dividend subject to the approval of the shareholders at the ensuing Annual General Meeting will be paid within the time as stipulated in the Companies Act, 2013. The dividend will absorb an amount of ₹758.57 lakhs.

The Dividend Distribution Policy of the Company is available on the Company's website and can be accessed at: <http://anjaniment.com/investor/policies/Dividend-Distribution-Policy.pdf>

#### **AMOUNT TRANSFER TO RESERVES**

The Board of Directors of the Company do not propose to transfer any amount to reserves out of profits for the financial year 2021-22.

#### **MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT**

Management's Discussion and Analysis Report for the year under review, as stipulated under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is attached as **Annexure VI**, forms part of this Annual Report

#### **SHARE CAPITAL**

The authorised share capital of the Company is ₹31,00,00,000/- divided into ₹30,00,00,000/- divided into 3,00,00,000 Equity Shares of Rs.10/- each and ₹1,00,00,000 14% cumulative redeemable preference shares consisting of 10,00,000 share of Rs.10/- each as on March 31, 2022.

As on March 31, 2022, the paid-up share capital of the Company was ₹25,28,56,960. During the year under review, the Company has not issued any shares, granted stock options, or issued sweat equity.

#### **SHIFTING OF REGISTERED OFFICE OF THE COMPANY**

During the year under review, the registered office of the Company has been shifted from the State of Maharashtra to the State of Telangana pursuant to RD order no. RD/Section13/SRN T33857400/1873 dated September 8, 2021. Further the Board of Directors of the Company has approved the shifting of the registered office of the Company from 'A-610, Kanakia Wall Street, 6th Floor, Andheri Kurla Road, Chakala Junction, Andheri (E), Mumbai – 400093, Maharashtra to # 6-3-553, Unit No.: E3 & E4, 4th Floor, Quena Square, Off: Taj Deccan Road, Erramanzil, Hyderabad – 500 082, Telangana with effect from September 21, 2021.

#### **CHANGE IN THE NATURE OF THE BUSINESS, IF ANY**

There has not been any change in the nature of the business of the Company during the financial year under review.

#### **SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES**

As of March 31, 2022, the Company has one material subsidiary company, viz. Bhavya Cements Private Limited. Bhavya Cements Private Limited, which was incorporated in the year 2007 and based in Andhra Pradesh and primarily engaged in manufacturing and selling of cements. Bhavya Cements Private Limited has a cement production capacity of 12 lakhs MT p.a.

During the year under review, the Company has entered into a Share Purchase Agreement dated May 26, 2021 with Mr. V. Anand Prasad, Ms. V. Krishnakumari, Mr. V. Aditya and Bhavya Constructions Private Limited ("Sellers") for acquisition of 11,54,55,015 equity shares of Bhavya Cements Private Limited aggregating to 82.51% of the paid-up equity share capital of Bhavya Cements Private Limited. The Company has completed the acquisition on June 7, 2021. With this acquisition, Bhavya Cements Private Limited has become subsidiary of the Company with effect from the closure of business hours of June 7, 2021. Further the Company has also acquired 1,56,41,380 equity shares of Bhavya Cements Private Limited aggregating to 11.18% of the paid-up equity share capital of Bhavya Cements Private Limited from its existing shareholders. This has resulted in an increase in the Company's shareholding in Bhavya Cements Private Limited to 93.53%. The Bhavya Cements Private Limited came with a Buyback

offer on March 10, 2022, pursuant to the completion of the Buyback offer given by Bhavya Cements Private Limited, the shareholding percentage of the Company in Bhavya Cements Private Limited has been increased from 93.53% to 99.08% as March 31, 2022. The Company did not participate in the Buyback offer given by Bhavya Cements Private Limited, considering the fact that it will be beneficial to the Company to increase its percentage of shareholding in Bhavya Cements Private Limited, after completion of buyback process.

Subsequent to the financial year 2021-22, our Company has further acquired 17579 equity shares of Bhavya Cements Private Limited aggregating to approximately 0.0133% of the paid-up equity share capital of Bhavya Cements Private Limited from its existing shareholders. This has resulted in an increase in Company's shareholding in Bhavya Cements Private Limited to 99.09% as on the date of this report.

The revenue and profit after tax for the Company for the year ended March 31, 2022 were ₹40,636.17 lakhs and ₹2,740.79 lakhs compared to ₹39,344.03 lakhs and ₹3,751.54 lakhs respectively of the previous year.

The Policy for determining Material Subsidiaries was adopted by the Board pursuant to Regulation 16 of the Listing Regulations at its meeting held on August 12, 2021, and can be accessed on the Company's website at <http://anjanicement.com/investor/policies/Material-Subsidiaries-Policy.pdf>

Your Company does not have any Joint Ventures or Associate Companies during the financial year under review.

### CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of the Company and its subsidiary for the financial year 2021-22 are prepared in compliance with the Section 129(3) read with Schedule III of the Companies Act, 2013 and Rules made thereunder, including Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 and as stipulated by Regulation 33 of the Listing Regulations. The audited consolidated financial statements together with the Auditors' Report thereon forms parts of the Annual Report.

Pursuant to Section 129(3) of the Companies Act, 2013 read with the rules made there under, a statement containing salient features of the Financial Statements of the Subsidiary is disclosed in **Form AOC-1**, is attached as **Annexure I**, forms part of this Annual Report.

In accordance with Section 136(1) of the Companies Act, 2013, and Regulation 46 of SEBI Listing Regulations the electronic copy of financial statements of the subsidiary company shall be available for inspection in the investor section of website of the company at [www.anjanicement.com](http://www.anjanicement.com). Any member desirous of obtaining a copy of the said financial statements may write to the Company Secretary at the registered office of the company. The financial statements including the consolidated financial statements, and all other documents required to be attached to this report have been uploaded on the website of the Company at [www.anjanicement.com](http://www.anjanicement.com).

### INTERNAL FINANCIAL CONTROLS WITH RESPECT TO FINANCIAL STATEMENTS

Based on the compliance systems established and maintained by the Company, the work performed by the internal, statutory, secretarial auditor and external consultants including the audit of internal financial controls over financial reporting by statutory auditors along with the Company's self-assessment procedures the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year ended March 31, 2022.

### DEPOSITS

During the year under review, your Company has neither accepted nor renewed any deposits from the public within the meaning of Section 73 of the Act and the Companies (Acceptance of Deposits) Rules, 2014. Further, there are no un-matured / unpaid Fixed Deposits at the end of the financial year 2021-22.

### CORPORATE GOVERNANCE

The Company has complied with the requirements regarding Corporate Governance as stipulated in SEBI Listing Regulations. Pursuant to Schedule V(C) of the Listing Regulations, a Report on Corporate Governance is attached as **Annexure VII**, forms part of this Annual Report.

As required under Schedule V(E) of Listing Regulations, a Certificate from the Secretarial Auditors confirming compliance of conditions of Corporate Governance is also attached as **Annexure IX**, forms part of this Annual Report.

As required under Schedule V Para C clause (10) (i) read with Regulation 34(3) of the Listing Regulations, Certificate from the Secretarial Auditors that none of the Company's Director have been debarred or disqualified from being appointed or continuing as Director of Companies, is attached as **Annexure VIII**, forms part of this Annual Report.

As required under Schedule V para B of the Listing Regulations read with Regulation 34(3) of the Listing Regulations, a Report on Management Discussion and Analysis is attached as **Annexure VI**, forms part of this Annual Report.

## DIRECTORS AND KEY MANAGERIAL PERSONNEL

During the year under review, there were no changes in the Directors of the Company. During the year under review, Mr. Subhanarayan Muduli, appointed as Company Secretary and Compliance Officer (KMP) of the Company with effect from April 1, 2021.

Pursuant to the provisions of Section 152 of the Act and the Articles of Association of the Company, Mr. N Venkat Raju (DIN: 08672963) Managing Director of the Company who retires by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment. Resolution seeking his re-appointment along with a brief profile forms part of the Notice convening the Annual General Meeting.

Mrs. V. Valliammai, who was appointed as an Independent Director of the Company for a term of 5 (five) consecutive years until the conclusion of the ensuing Annual General Meeting by the members at the 33rd Annual General Meeting, in terms of Section 149 of the Act, is eligible for being re-appointed as an Independent Director of the Company. The Board of Directors of the Company at its meeting held on August 9, 2022, on the recommendation of the Nomination and Remuneration Committee has re-appointed Mrs. V. Valliammai as an Independent Director for a second term of 5 (five) consecutive years commencing from the conclusion of the ensuing Annual General Meeting of the Company till the conclusion of the 43rd Annual General Meeting of the Company to be held in the year 2027, not liable to retire by rotation. The appointment of Mrs. V. Valliammai is subject to the approval of Members of the Company at the ensuing Annual General Meeting. Necessary resolutions for the re-appointment of Mrs. V. Valliammai for the second term have been included in the Notice convening the ensuing Annual General Meeting and requisite details have been provided in the explanatory statement of the Notice. Brief profile of Mrs. V. Valliammai is also provided in the Notice convening the ensuing Annual General Meeting for reference of the members. The Board recommends her appointment.

In terms of the provisions of Section 203 of the Companies Act, 2013, Mr. N. Venkat Raju, Managing Director, Mr. M.L. Kumavat, Chief Financial Officer and Mr. Subhanarayan Muduli, Company Secretary are the Key Managerial Personnel of your Company as on March 31, 2022.

Subsequent to the year under review, Mr. M.L. Kumavat, Chief Financial Officer of the Company resigned with effect from May 13, 2022.

The Composition of Board of Directors is in conformity with the applicable provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Board has two Independent Directors, including one Woman Independent Director, representing diversified fields and expertise. The details are provided in the relevant section of the Corporate Governance Report attached to this Annual Report as **Annexure VII**.

Your Company's Independent Directors have submitted requisite declarations confirming that they continue to meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of Listing Regulations. The Independent Directors have also confirmed that they have complied with Schedule IV of the Act and the Company's Code of Conduct. Your Company's Board is of the opinion that the Independent Directors possess requisite qualifications, experience and expertise in industry knowledge, and they hold highest standards of integrity.

All Independent Directors of your Company have registered themselves with the Indian Institute of Corporate Affairs for the inclusion of their name in the data bank of independent directors, pursuant to the provision of Rule 6 (1) of Companies (Appointment and Qualification of Directors) Rules, 2014. Further, as stipulated, under the Regulation 17 (10) of Listing Regulations, an evaluation exercise of Independent Directors was conducted by the Board and they have been satisfactorily evaluated by the Board.

In accordance with the Listing Regulation, a certificate has been received from the Secretarial Auditors of the Company, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as Director of Companies. The same is annexed herewith as **Annexure IX**.

As per the requirements of Regulation 25(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has taken Directors and Officers Liability Insurance ('D and O insurance') for all its Directors and members of the Senior Management.

## POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy, inter alia for nomination, appointment (including remuneration) of Directors, Senior Management and Key Managerial Personnel of the Company. The details of Nomination and Remuneration Policy of the Company is available on the Company's website, at [http://anjanicement.com/investor/corporategovernance/Nomination\\_Remuneration\\_Policy1.pdf](http://anjanicement.com/investor/corporategovernance/Nomination_Remuneration_Policy1.pdf)

The Board of Directors of your Company follows the criteria for determining qualifications, positive attributes, independence of a Director as per Nomination and Remuneration Policy. The details pertaining to the Nomination and Remuneration Committee have been provided in the Corporate Governance Report, formed part of this Annual Report.

## CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

The Directors and members of Senior Management have affirmed compliance with the Code of Conduct for Directors and Senior Management of the Company. The same is available on the website of the Company and can be accessed at: <http://www.anjanacement.com/investor/corporategovernance/CodeofConduct.pdf>

### AUDITORS

#### Statutory Auditors

The Statutory Auditors of your Company M/s. Ramanatham & Rao, Chartered Accountants, (Firm Registration Number S-2934) were re-appointed as Statutory Auditors for a second term of five years at the 35th Annual General Meeting held on August 28, 2019 to hold office from the conclusion of the said Meeting till the conclusion of the 40th Annual General Meeting of the Company. The Auditors' Report does not contain any qualifications, reservations or adverse remarks. The Statutory Auditors produced the certificates issued by Peer Review Board of the Institute of Chartered Accountants of India as required under Regulation 33(1) (d) of SEBI (LODR) Regulations, 2015.

#### Secretarial Auditors

Section 204 of the Companies Act, 2013, inter-alia requires every listed company to undertake Secretarial Audit and annex with its Board's Report a Secretarial Audit Report given by a Company Secretary in practice in the prescribed form.

In line with the requirement of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Regulation 24A of the Listing Regulations and other applicable provisions, if any, the Board of Directors of the Company had appointed M/s D. Hanumanta Raju & Co, Company Secretaries in Whole-time Practice, to carry out Secretarial Audit of the Company for the financial year 2021-22.

The Secretarial Audit Report for the financial year ended March 31, 2022, is annexed as **Annexure V(i)**, forms part of this Annual Report. The Secretarial Auditor's report does not contain any qualifications, reservations or adverse remarks.

#### Annual Secretarial Compliance Report

The Company has undertaken an audit for the financial year 2021-22 for all applicable compliances as per Securities and Exchange Board of India Regulations and Circulars/Guidelines issued thereunder. The Annual Secretarial Compliance Report issued by M/s D. Hanumanta Raju & Co, Company Secretaries, Hyderabad has been submitted to the Stock Exchanges within the specified time and same is annexed here with as **Annexure V(ii)**.

#### Secretarial Audit of Material Unlisted Indian Subsidiary

Secretarial Audit of Bhavya Cements Private Limited, the material unlisted Indian subsidiary of the Company was undertaken by M/s P.S. Rao & Associates, Company Secretaries, Hyderabad for the financial year 2021- 22 and their Report is annexed **Annexure V(iii)** to this Report in terms of Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### Cost Auditors

Pursuant to Section 148 of the Act read with Rule 3 of the Companies (Cost Record and Audit) Rules, 2014, the Company has maintained the cost records for the financial year 2021-22. The Board of Directors on the recommendation of the Audit Committee appointed M/s Narasimha Murthy & Co. Cost Accountants, as the Cost Auditors of the Company for the financial year 2021-22.

Further, the Board of Directors on the recommendation of the Audit Committee has appointed M/s Narasimha Murthy & Co. Cost Accountants, as the Cost Auditors of the Company for the financial year 2022-23 and fixed their remuneration, subject to ratification by the shareholders at the ensuing Annual General Meeting of the Company. M/s Narasimha Murthy & Co. have confirmed that their appointments is within the limits of the Section 139 of the Companies Act, 2013 and have also certified that they are free from any disqualifications specified under Section 141 of the Companies Act, 2013. The Audit Committee has also received a certificate from the Cost Auditors certifying their independence and arm's length relationship with the Company. Necessary resolution seeking Member's approval for ratification of remuneration payable to the Cost Auditors for the financial year 2022-23 in compliance with Section 148(3) of the Companies Act, 2013 read with Rule 14 of the Companies (Audit and Auditors) Rules, 2014, is included in the notice convening 38th Annual General Meeting.

The Cost Audit Report for the financial year ended March 31, 2021 which was due to be filed on September 10, 2021 was filed with the Central Government on August 25, 2021 vide SRN T37314549. The Cost Audit Report for the financial year ended 31st March, 2022 due to be received from the Cost Auditor of the company within 180 days from the closure of the financial year, would be filed with the Central Government within 30 days of its receipt thereof.

### AUDIT COMMITTEE

The Audit Committee comprises of three members, with majority of Independent Directors. The Chairperson of the Committee is an Independent Director. Further details pertaining to the composition, terms of reference, number of meetings held etc. of the Audit Committee are provided in the Report on Corporate Governance, which forms part of the Annual Report. During the year under review, all recommendations made by the Audit Committee were accepted by the Board.

## CORPORATE SOCIAL RESPONSIBILITY

Your Company has fulfilled its obligation towards Corporate Social Responsibility for the financial year 2021-22, by spending a sum of ₹1,37,12,295 during the year, which constitute over 2% of the average net profits of the last three financial years. Your Company's CSR activities are focused on Promoting Education, Rural Developments and Healthcare. Various activities across these segments have been initiated during the year around its plant locations and the neighboring villages.

A Report on CSR activities as required under Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility) Rules, 2014 is attached as **Annexure IV**, forms part of this Annual Report.

Further details pertaining to the composition of the CSR Committee and number of meetings held are provided in the Report on Corporate Governance, which forms part of the Annual Report.

Your Company also has in place a CSR Policy, which is available on the website of the Company and can be accessed at: <http://www.anjanicement.com/investor/corporategovernance/CorporateSocialResponsibilityPolicy.pdf>

## RISK MANAGEMENT

Pursuant to Section 134(3) (n) of the Companies Act, 2013 and Regulation 17(9) of SEBI Listing Regulations, the Company has developed and implemented a Risk Management Policy. The management of the Company is spearheaded by a Whole time Managing Director and risk assessment and mitigation, forms a concurrent part of the management process. Periodical reviews by the Risk Management Committee, Audit Committee and Board of Directors of various operational, marketing and legal parameters affecting the Company, as per the Risk Management Policy is conducted and risk management and mitigating procedures are adopted on a continuous basis.

The Risk Management Policy is available at the Company's website and can be accessed at: <http://anjanicement.com/investor/policies/RISK%20MANAGEMENT%20POLICY-ANJANI.pdf>

## VIGIL MECHANISM/WHISTLE BLOWER POLICY

In accordance with Section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of the SEBI Listing Regulations, the Company has established a Vigil Mechanism and has a Whistle Blower Policy. The policy provides a platform for the directors and employees to report genuine concerns or grievances. The policy is available at the Company's website and can be accessed at: <http://anjanicement.com/investor/corporategovernance/VigilMechanism.pdf>

## POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORK PLACE

The Company has framed Anti Sexual Harassment Policy. The same is available on the website of the Company and can be accessed at: <http://anjanicement.com/investor/corporategovernance/SexualharassmentPolicy.pdf>. Your Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

- number of complaints filed during the financial year 2021-22: Nil
- number of complaints disposed of during the financial year 2021-22: Nil
- number of complaints pending as on end of the financial year 2021-22: Nil

## INSOLVENCY PROCEEDING

During the year under review, there are no application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016.

## ONE TIME SETTLEMENT WITH BANK

During the year under review, there are no cases of loan for which one time settlement is made with the Bank or Financial Institutions.

## BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Report as required under National Guidelines on Responsible Business Conduct formulated by Ministry of Corporate Affairs, Government of India, and under Regulation 34(2)(f) of the Listing Regulations, describing the initiatives taken by the Company from an environment, social and governance perspective, form an integral part of this Annual Report and annexed hereto as **Annexure X**.

The Business Responsibility Policy is available on the Company's website and can be accessed at: <http://anjanicement.com/investor/policies/Business%20Responsibility%20Policy.pdf>

## ANNUAL RETURN

Pursuant to the provisions of Section 92(3) and Section 134(3) (a) of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the Annual Return for the financial year ended on March 31, 2022 is available on the Company's website and can be accessed at: [http://www.anjanicement.com/annual\\_return.html](http://www.anjanicement.com/annual_return.html)

## MEETINGS OF THE BOARD AND ITS COMMITTEES

The Board of Directors of your Company met seven times during the financial year 2021-22. The details relating to the meetings of Board of Directors are provided in the Report on Corporate Governance, which forms part of the Annual Report. The interval between two meetings of the board is within the stipulated time frame prescribed in the Companies Act, 2013 and the Secretarial Standards -1 (SS-1) issued by The Institute of Company Secretaries of India (ICSI) and Listing Regulations.

Pursuant to the requirements of Para VII (1) of Schedule IV of the Act and the Listing Regulations, a separate Meeting of the Independent Directors of the Company was held on February 9, 2022, without the presence of Non-Independent Directors and Members of the management, to review the performance of Non-Independent Directors and the Board as a whole, the performance of the Chairperson of the Company, taking into account the views of Executive Directors, Non-Executive, Non-Independent Directors and also to assess the quality, quantity and timeliness of flow of information between the Company Management and the Board.

Your Company has the following five Board-level Committees, which have been established in compliance with the relevant provisions of the Companies Act, 2013 and Listing Regulations.

1. Audit Committee
2. Nomination and Remuneration Committee
3. Risk Management Committee
4. Corporate Social Responsibility Committee
5. Stakeholders' Responsibility Committee

The details with respect to the composition, terms of reference, number of meetings held, etc. of the above Committees are included in the Report on Corporate Governance, which forms part of the Annual Report.

## PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

Your Company has neither given any loan or guarantee nor has made any investment, except investment in its Subsidiary as appearing under Note No.3 to the Standalone Financial Statement of this report, during the year under review attracting the provisions of Section 186 of the Companies Act, 2013. The necessary compliance pursuant to Section 186 of the Companies Act, 2013 with regards to the above said investment have been complied with.

## PARTICULARS OF CONTRACT OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions are entered on arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013. There are no materially significant related party transactions made by the Company with Directors or Key Managerial Personnel which may have a potential conflict with the interest of the Company at large. In terms of Section 134 of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, the particulars of the material contract or arrangement entered into by the Company with related parties as referred to in Section 188 in **Form No. AOC-2** is attached as **Annexure II** of this report. However, the details of the transactions with the related parties are provided in the Company's financial statements in accordance with the Accounting Standards. Further, shareholder's approval is obtained pursuant to Section 188 of the Companies Act, 2013 and Regulation 23(4) of the SEBI (LODR) Regulation, 2015 in 36th AGM held on August 21, 2020 for company to enter into Material Related Party transactions with Chettinad Cement Corporation Private Limited ("CCCPL") for a maximum aggregate value of ₹200 Crore per financial year starting from financial year 2020-21 for a period of three financial years. Omnibus approval is obtained for the transactions which are foreseen and repetitive in nature. A statement of all related party transactions is presented before the Audit Committee and the Board on a quarterly basis, specifying the nature, value and terms and conditions of the transactions.

## MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year to which the financial statement relates and the date of the report.

## TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

During the financial year 2021-22 under review, the company is not required to transfer any unclaimed dividend or any equity shares in respect of which dividend has not been claimed by the member for seven consecutive years or more to the Investor Education and Protection Fund Authority (IEPF).

For details of dividend relating to financial years and the due dates on which the unclaimed dividend amounts with respect to the same have to be remitted into IEPF, please refer to the Corporate Governance Report.

Mr. Subhanarayan Muduli, Company Secretary & Compliance Officer acts as Nodal Officer of the Company.

## PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Act read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, in respect of employees of the Company, is as follows:-

The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:-

Directors	Ratio to Median Remuneration
Non-Executive Directors	
Mrs. V. Valliammai	-
Mr. A. Subramanian	-
Mr. RM. Palaniappan	-
Mr. V. Palaniappan	-
Dr.(Mrs.) S.B. Nirmalatha	-
Executive Directors	
Mr. N. Venkat Raju	15.36 times

The median remuneration of the employees of the Company for the financial year 2021-22 is ₹5.65 lakhs.

The percentage increase in remuneration of each Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the financial year:-

Directors	Percentage Increase in Remuneration
Non-Executive Directors	
Mrs. V. Valliammai	-
Mr. A. Subramanian	-
Mr. RM. Palaniappan	-
Mr. V. Palaniappan	-
Dr.(Mrs.) S.B. Nirmalatha	-
Executive Directors	
Mr. N. Venkat Raju	20.00
CFO and CS	
Mr. M.L. Kumavat – CFO*	11.00
Mr. Subhanarayan Muduli** – CS	-

\*Resigned with effect from May 13, 2022

\*\* Appointed with effect from April 1, 2021

The percentage increase in the median remuneration of employees in the financial year 2021-22 is 11.01%.

The number of permanent employees on the rolls of Company: 278

Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

On an average, salaries of employees decreased by 14.79%.

There has been an increase of 20.00% in the managerial remuneration in financial year 2021-22 as compared to previous financial year.

Statement containing Particulars of Employees pursuant to Section 197 (12) of the Companies Act, 2013 read with Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forms part of this Report. However, as per the provisions of Sections 134 and 136 of the Companies Act, 2013, the Report and Financial Statements are being sent to the Members and others entitled thereto, excluding the Statement containing Particulars of Employees, which is available for inspection by the Members at the Registered Office of the Company during business hours on all working days (except Saturdays), up to the date of ensuing Annual General Meeting. Any Member interested in obtaining a copy of such Statement may write to the Company Secretary at the Registered Office of the Company.

## DETAILS OF SIGNIFICANT & MATERIAL ORDERS PASSED BY REGULATORS, COURTS, TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN THE FUTURE

There has been no significant and material order passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations.

## PERFORMANCE EVALUATION OF BOARD, COMMITTEE AND DIRECTORS

Based on the parameters set out by the Nomination and Remuneration Committee the Board of Directors carried out an annual evaluation of its own performance, including that of its Committees and Individual Directors. Further, in a separate meeting of Independent Directors, the performance of non-independent directors, the Board as a whole and the Chairperson of the Company were evaluated. Performance of the Independent Director's was evaluated by the entire Board excluding the directors being evaluated.

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

The particulars as prescribed under 134 (3) (m) of the Companies Act, 2013 and the Rules prescribed thereunder are set out in **Annexure III** to this report.

## DIRECTORS RESPONSIBILITY STATEMENT

As required under Section 134(5) of the Companies Act, 2013, the Directors hereby confirm that:-

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures are made from the same;
- b) Appropriate accounting policies have been selected and applied consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the profits of the Company for the period;
- c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The annual accounts have been prepared on a going concern basis;
- e) Appropriate Internal Financial Controls have been laid down and followed and such internal financial controls are adequate and operating effectively; and
- f) Proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

## IMPACT OF COVID-19 PANDEMIC

The Company has considered the possible effects that may result from the pandemic relating to Covid-19 in the preparation of these standalone financial statements including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has, at the date of approval of these financial statements, used internal and external sources of information including credit reports and related information and economic forecasts and expects that the carrying amount of these assets will be recovered. The impact of Covid-19 on the Company's financial statements may differ from that estimated as at the date of approval of these standalone financial statements.

## SECRETARIAL STANDARDS

The Board of Directors have put in place adequate systems that ensure compliance with applicable Secretarial Standards issued by The Institute of Company Secretaries of India, by the Company and the system are adequate and operating effectively.

## ACKNOWLEDGEMENT

The Board of Directors wish to thank all the shareholders, statutory bodies and departments of the State and Central Government and Bankers, Suppliers, Customers and all employees for their valuable support to the Company.

For and on behalf of the Board of Directors  
**Anjani Portland Cement Limited**

Place: Chennai  
Date: August 9, 2022

V. Valliammai  
Chairperson  
DIN: 01197421

## Form No. AOC-1

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

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

### Part "A": Subsidiaries

(All Amounts are in INR lakhs, unless otherwise stated)

Sl. No.	Particulars	Details
1	Name of the subsidiary	<b>Bhavya Cements Private Limited</b>
2	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	1st April 2021-31st March 2022
3	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	INR
4	Share capital	13,232
5	Reserves & surplus	3,059
6	Total assets	28,661
7	Total Liabilities	12,370
8	Investments	-
9	Turnover	40,636
10	Profit/(Loss) before taxation	3,600
11	Provision for taxation	859
12	Profit/(Loss) after taxation	2,741
13	Proposed Dividend	-
14	Other Comprehensive Income	37
15	Total Comprehensive Income for the year	2,778
16	% of shareholding	99.08%

- List of Subsidiaries which are yet to commence the operations - NIL
- List of Subsidiaries sold/liquidated during the year - NIL

### For and on behalf of the Board

For Ramanatham & Rao  
Chartered Accountants  
FR No : S-2934

**N Venkat Raju**  
Managing Director  
(DIN: 08672963)

**V. Valliammai**  
Director  
(DIN: 01197421)

**C.Kameshwar Rao**  
Partner  
Membership No : 024363

**A Subramanian**  
Director  
(DIN: 06693209)

**S.B. Nirmalatha**  
Director  
(DIN: 03092392)

Place : Hyderabad  
Date : 12th May, 2022

**V Palaniappan**  
Director  
(DIN: 00645994)

**R M Palanippan**  
Director  
(DIN: 00143198)

**M.L. Kumavat**  
Chief Financial Officer

**Subhanarayan Muduli**  
Company Secretary  
M. No.A 41513

Place : Chennai  
Date : 12th May, 2022

## Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

**1. Details of contracts or arrangements or transactions not at arm's length basis:**

There were no contracts or arrangements, or transactions entered into during the year March 31, 2022, which are not at arm's length basis and not in ordinary course of business.

**2. Details of material contracts or arrangements or transactions at arm's length basis:**

The details of material contracts or arrangement or transaction conducted at arm's length and in the ordinary course of business for the year ended March 31, 2022 are as follows:

**(a) Name(s) of the Related Party and Nature of Relationship:**

Chettinad Cement Corporation Private Limited ("CCCPL"), Holding Company and Bhavya Cements Private Limited ("BCPL"), Subsidiary Company.

**(b) Nature of contracts/arrangements/transactions:**

- i. Sale/Purchase/Supply of cement and related product [Section 188(1)(a) of Companies Act, 2013]
- ii. Availing and Rendering of Services [Section 188(1)(d) of Companies Act, 2013]

**(c) Duration of the contracts / arrangements/transactions:** Continuous / On-going

**(d) Salient terms of the contracts or arrangements or transactions including the value, if any:**

The transaction with Chettinad Cement Corporation Private Limited ("CCCPL") includes:

- (i) Purchase / Sale of Cement
- (ii) Services Received / Provided

The transaction value for the financial year 2021-22 with "CCCPL" was ₹52,764 lakhs.

The transaction with Bhavya Cements Private Limited ("BCPL") includes:

- (i) Purchase / Sale of old Stores and Spares

The transaction value for the financial year 2021-22 with "BCPL" was ₹7 lakhs.

**(e) Date(s) of approval by the Board, if any:** Since these RPTs are in the ordinary course of business and are at arm's length basis, approval of the Board is not applicable. However, these are reported to the Audit Committee / Board at their quarterly meetings.

**(f) Amount paid as advances, if any:** NIL

For and on behalf of the Board of Directors  
**Anjani Portland Cement Limited**

Place: Chennai  
 Date: August 9, 2022

V. Valliammai  
 Chairperson  
 DIN: 01197421

**PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS REQUIRED UNDER THE COMPANIES (ACCOUNTS) RULES, 2014**

Information Under Section 134(3)(m) of the Companies Act, 2013 read with Clause 8 of the Companies (Accounts) Rules, 2014 and forming part of the Directors' Report for the year ending March 31, 2022.

**CONSERVATION OF ENERGY**

(i) The efforts made towards technology absorption	<ol style="list-style-type: none"> <li>1. Installed VFD for Line-2 CSP bag filter fan in place of DOL starter.</li> <li>2. Process optimization of RM-2 separator fan by reducing RPM from 970 to 840.</li> <li>3. Process optimization of packing plant-3 bag filter fan RPM reduced from 1260 to 1180.</li> <li>4. Installed VFD for Line-2 RABH RA fan in place of DOL starter.</li> <li>5. Installed VFD for Line-2 PA Blower in place of DOL starter.</li> <li>6. RM-1 CA fan 250 KW motor &amp; VFD replaced with 150 KW motor &amp; VFD.</li> <li>7. Replaced under rated motor 3.7 KW for CM-3 O/L water blower in place of 9.3.</li> <li>8. Lighting on &amp; off control switch provided for various locations.</li> </ol>
(ii) The steps taken by the Company for utilizing alternate sources of energy	Alternate fuels like industrial waste were used in place of indigenous / imported coal to substitute coal to an extent 11.435% of thermal energy requirement in the plant.
(iii) The capital investment on energy conservation equipment	<ol style="list-style-type: none"> <li>1. Replaced LED lights in place of conventional lights.</li> <li>2. New AC VFD Drive &amp; Motor replaced in place of outdated DC drive &amp; motor for CM-1 O-sepa Separator.</li> <li>3. Installed 4Kwp Solar Panels at Mines Pit-1 for office lighting in place of Conventional Power to avoid carbon.</li> </ol>

**TECHNOLOGY ABSORPTION**

(i) The efforts made towards technology absorption	<ol style="list-style-type: none"> <li>1. Energy management system installed for monitoring of power &amp; alertness of any abnormality of critical equipment's.</li> <li>2. Mines Water pumps monitoring taken into our EMS system by installing serial converter gateway.</li> <li>3. Insulation coating for 132Kv Switchyard T/F-1 &amp; 2 Bay and Line bay equipment insulators to avoid frequent tripping.</li> <li>4. LC-1 &amp; 2 insulated floor coating for safety purpose.</li> <li>5. Utilization of 24 Volts LED fittings in place of 230V Conventional lights for safety purpose.</li> </ol>
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(ii) The benefits derived from key projects like product improvement, cost reduction, product development or import substitution.	To reduce cost the following steps were implemented: 1. Consuming of alternative raw materials (like Iron sludge, casting sludge ETP sludge & Spent Gypsum) at zero cost. 2. Consuming of alternative fuels (like Spent Carbon, organic solids & organic liquid) at zero cost in place of coal / imported coal. 3. Consuming of fly ash in finished product. 4. Consuming of granulated slag in finished product. 5. Consuming of process sludge in place of Latrite at zero cost.
(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)- a. The details of technology Imported; b. The year of import; c. Whether the technology been fully absorbed; d. If not fully absorbed, areas where absorption has not taken place, and the reason thereof; and	NIL
(iv) The expenditure incurred on Research and Development	NIL

**FOREIGN EXCHANGE EARNINGS & OUTGO - NIL**

For and on behalf of the Board of Directors  
**Anjani Portland Cement Limited**

Place: Chennai  
Date: August 9, 2022

V. Valliammai  
Chairperson  
DIN: 01197421

## ANNUAL REPORT ON CSR ACTIVITIES

**1. Brief outline on CSR Policy of the Company:**

The CSR policy of the Company is focused on fostering social well-being. Through our CSR initiative, we strive to attain the same. The Company as per its CSR policy may carry out any project, program or activity in the areas specified under Schedule VII of the Act as on date, or as may be specified from time to time.

**2. Composition of CSR Committee:**

Sl. No.	Name of the 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	Mr. N Venkat Raju	Managing Director	2	1
2	Mrs. V. Valliammai	Independent Director	2	2
3	Dr.(Mrs.) S.B. Nirmalatha	Non-Executive Director	2	2

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

The Composition of the CSR committee is available on our website, at [http://anjanacement.com/our\\_committees\\_board.html](http://anjanacement.com/our_committees_board.html)

The Committee, with the approval of the Board, has adopted the CSR Policy in compliance with the provisions of Section 135 of the Companies Act, 2013. The CSR Policy of the Company is available on our website, at <http://anjanacement.com/investor/corporategovernance/CorporateSocialResponsibilityPolicy.pdf>

The CSR projects approved by the Board is available on our website, at <http://anjanacement.com/investor/policies/Annual%20Action%20Plan.pdf>

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

Not Applicable

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

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

**6. Average net profit of the company as per section 135(5): ₹67,24,58,195/-**

**7. (a) Two percent of average net profit of the company as per section 135(5): ₹1,34,49,164/-**

**(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, if any: NIL**

**(d) Total CSR obligation for the financial year (7a+7b-7c): ₹1,34,49,164/-**

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

Total Amount Spent for the Financial Year. (in ₹)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
₹ 1,37,12,795	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 (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation - Direct (Yes/No).	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
1	Donation to Ramasamy Chettiar's Town Higher Secondary School and Ramasamy Chettiar's Primary School	Promoting Education	No	Tamil Nadu,	Chennai	36 months	43,00,000	Nil	-	No	The Gandhi Nagar Education Society	CSR00010431
	Total						43,00,000					

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

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes/No).	Mode of implementation - Through implementing agency.	
				State	District			Name.	CSR registration number.
1	Smt. Sita Memorial School	Promoting Education	Yes	Suryapet,	Telangana	33,28,030	Yes	-	-
2	Building of Pakka Roads	Rural Development Project	Yes	Suryapet,	Telangana	49,74,957	Yes	-	-
3	Covid-19 support	Health Care, Hygiene & Sanitation	Yes	Suryapet,	Telangana	1,09,808	Yes	-	-
4	Donation to MPPS OC Gajasingavaram School	Promoting Education	No	Rajanna Sircilla,	Telangana	10,00,000	No	Guide India Village Empowerment Foundation	CSR00000535
	Total					₹ 94,12,795			

**(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): ₹1,37,12,795/-****(g) Excess amount for set off, if any:**

Sl. No.	Particulars	Amount (in ₹)
(i)	Two percent of average net profit of the company as per section 135(5)	1,34,49,164
(ii)	Total amount spent for the Financial Year	1,37,12,795
(iii)	Excess amount spent for the financial year [(ii)-(i)]	2,63,631
(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)]	2,63,631

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

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any.			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount	Date of transfer	
1	2018-19	NIL	-	-	NIL	-	-
2	2019-20	NIL	-	-	NIL	-	-
3	2020-21	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. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project -Completed/ Ongoing
NOT APPLICABLE								

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

For and on behalf of the Board of Directors  
Anjani Portland Cement Limited

Place: Chennai  
Date: August 9, 2022

N Venkat Raju  
Managing Director  
DIN: 08672963

V. Valliammai  
Chairperson - CSR Committee  
DIN: 01197421

Form No. MR-3

**SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31.03.2022**

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

To  
The Members,  
**ANJANI PORTLAND CEMENT LIMITED**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ANJANI PORTLAND CEMENT LIMITED** having CIN: L26942TG1983PLC157712 and having Registered Office at #6-3-553, Unit No. E3 & E4, 4th Floor, Quena Square Off: Taj Deccan Road, Erramanzil, Hyderabad, Telangana – 500 082 (hereinafter called the 'Company'). Secretarial Audit was conducted in accordance with the guidance note issued by the Institute of Company Secretaries of India and in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2022, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022, 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; (Not applicable to the Company during the period of audit)
- (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 (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (d) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 - (Not applicable to the company during the period under review);
  - (e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021- (Not applicable to the company during the period under review);
  - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - (Not applicable to the Company during the period of audit);
  - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 - (Not applicable to the Company during the period of audit);
  - (i) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 - (Not applicable to the company during the period under review);
  - (j) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares), Regulation, 2013-(Not applicable to the Company during the period of audit); and
  - (k) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

- (vi) Other laws **specifically** applicable to the Company include:
- A. The Factories Act, 1948 and Rules thereunder;
  - B. The Environment (Protection) Act, 1986 and Rules thereunder;
  - C. The Water (Prevention & Control of Pollution) Act, 1974 read with the Rules;
  - D. The Air (Prevention & Control of Pollution) Act, 1981 read with the Rules;
  - E. The Inter State Migrant Workmen Act, 1979 and The Inter State Migrant Workmen (Regulation of Employment and Conditions of Service) Central Rules, 1980 read with the Telangana Inter-State Migrant Workmen (Regulation of Employment & Conditions of Service) Rules, 1982;
  - F. The prevention of Food Adulteration Act, 1954 and Rules made thereunder;
  - G. Legal Metrology Act, 2009 & Legal Metrology (Packaged Commodities) Rules, 2011 read with Amendment Rules, 2017;
  - H. Sexual Harrassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
  - I. All other Labour, Employee and Industrial Laws to the extent applicable to the Company; and
  - J. The Mines Act, 1952 and rules thereunder;

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India and notified under Companies Act, 2013.
- (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 Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

#### **We further report that**

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

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent atleast seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decisions are carried through while the dissenting Board members' views, if any, are captured and recorded as part of the minutes.

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

#### **We further report that during the audit period under review**

- The Company has received demand notice from the Southern Power Distribution Company of Telangana Limited for payment of differential wheeling/ transmission charges between the tariffs and wheeling agreements of Rs.16,71,96,831/- (Rupees Sixteen Crore Seventy One Lakhs Ninety Six Thousand Eight Hundred and Thirty One Only).

Further, the Hon'ble High Court of Telangana has granted stay order on the ground that there is no privity of contract between the Company and the respondent, and there is no adjudication of the differential wheeling charges by any authority, and therefore, there shall be interim direction as prayed for.

- The Company has entered into a Share Purchase Agreement dated May 26, 2021 with Mr. V. Anand Prasad, Ms. V. Krishnakumari, Mr. V. Aditya and Bhavya Constructions Private Limited ("Sellers") for acquisition of 11,54,55,015 equity shares of Bhavya Cements Private Limited aggregating to 82.51% of the paid-up equity share capital of Bhavya Cements Private Limited. The Company has completed the acquisition on June 7, 2021. With this acquisition, Bhavya Cements Private Limited has become subsidiary of the Company with effect from the closure of the business hours of June 7, 2021. Further the Company has also acquired 1,56,41,380 equity shares of Bhavya Cements Private Limited aggregating to 11.18% of the paid-up equity share capital of Bhavya Cements Private Limited from its existing shareholders. This has resulted in an increase in the Company's shareholding in Bhavya Cements Private Limited to 93.53%. Pursuant to the completion of the Buyback offer given by Bhavya Cements Private Limited, the shareholding percentage of the Company in Bhavya Cements Private Limited has been increased from 93.53% to 99.08% as March 31, 2022. The Company did not participate in the Buyback offer given by Bhavya Cements Private Limited, considering the fact that it will be beneficial to the Company to increase its percentage of

shareholding in Bhavya Cements Private Limited, after completion of buyback process. Subsequent to the financial year 2021-22 under review, the Company has also acquired 17579 equity shares of Bhavya Cements Private Limited aggregating to 0.0133% of the paid-up equity share capital of Bhavya Cements Private Limited from its existing shareholders. This has resulted in an increase in Company's shareholding in Bhavya Cements Private Limited to 99.09% as on the date of this report.

- The Company had shifted its Registered Office from the State of Maharashtra to the State of Telangana vide RD order no. RD/Section13/SRN T33857400/1873 dated 08.09.2021 which was effective from 21.09.2021.

**We further report that** other than the above mentioned events there were no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

**For D.HANUMANTA RAJU & CO**  
COMPANY SECRETARIES

**CS D. HANUMANTA RAJU**  
PARTNER

FCS: 4044, CP NO: 1709  
UDIN: F004044D000766553  
PR NO: 699/2020

Place: Hyderabad  
Date: August 9, 2022

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

**'Annexure A'**

To  
The Members,  
**ANJANI PORTLAND CEMENT LIMITED**

Our 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. Our responsibility is to express an opinion on these Secretarial Records based on our Audit.
2. We 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 and on the basis of the information available for our inspection.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of 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 D.HANUMANTA RAJU & CO**  
COMPANY SECRETARIES

**CS D. HANUMANTA RAJU**  
PARTNER

FCS: 4044, CP NO: 1709  
UDIN: F004044D000766553  
PR NO: 699/2020

Place: Hyderabad  
Date: August 9, 2022

**SECRETARIAL COMPLIANCE REPORT OF  
ANJANI PORTLAND CEMENT LIMITED  
FOR THE YEAR ENDED 31.03.2022**

We, D. Hanumanta Raju & Co, Company Secretaries, having our office at B-13, F-1, P.S.Nagar, Vijayanagar Colony, Hyderabad – 500 057 have examined:

- a) all the documents and records made available to us and explanation, information and clarifications provided by **ANJANI PORTLAND CEMENT LIMITED**, ("the Listed Entity"),
- b) the filings/ submissions made by the Company to the Stock Exchanges,
- c) website of the Listed Entity,
- d) declaration received from the listed entity on Annual Compliance for the financial year ended 31<sup>st</sup> March, 2022 ("Review Period") in respect of compliance with the provisions of:
  1. the Securities and Exchange Board of India Act, 1992 ("SEBI Act") and the Regulations, circulars, guidelines issued thereunder; and
  2. the Securities Contracts (Regulation) Act, 1956 ("SCRA"), rules made thereunder and the Regulations, circulars, guidelines issued thereunder by the Securities and Exchange Board of India("SEBI");

The specific Regulations, whose provisions and the circulars/ guidelines issued thereunder, have been examined, include:-

- a) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- b) Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable to the Listed Entity during the period under review)
- c) Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- d) Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Listed Entity during the period under review)
- e) Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable to the Listed Entity during the period under review)
- f) Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Listed Entity during the period under review)
- g) Securities and Exchange Board of India (Issue and Listing of Non-Convertible and Redeemable Preference Shares) Regulations, 2013; (Not applicable to the Listed Entity during the period under review)
- h) Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- i) 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;
- j) Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

And circulars / guidelines issued thereunder; and based on the above examination, we hereby report that, during the Review Period:

- (a) The Listed Entity has complied with the provisions of the above Regulations and circulars/ guidelines issued thereunder.
- (b) The Listed Entity has maintained proper records under the provisions of the above Regulations and circulars/ guidelines issued thereunder in so far as it appears from our examination of those records.
- (c) No actions were taken against the Listed Entity/ its promoters/ directors either by SEBI or by Stock Exchanges (including under the Standard Operating Procedures issued by SEBI through various circulars) under the aforesaid Acts/ Regulations and circulars/ guidelines issued thereunder.

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- (d) The Listed Entity has taken the following actions to comply with the observations made in previous reports:

S.No.	Observations of the Practicing Company Secretary in the previous reports	Observations made in the Secretarial compliance report for the year ended	Actions taken by the listed entity, if any	Comments of the Practicing Company Secretary on the actions taken by the listed entity
1.	One of the independent directors due to technical glitch could participate only through telecom and not through Video Conferencing for two audit committee meetings held on May 08, 2020 and June 29, 2020. Regulation 18 of SEBI (LODR) Regulations, 2015 requires Quorum for audit committee meetings shall be either be two members or one third of the members of the audit committee, whichever is greater, with at least two independent directors.	31 <sup>st</sup> March, 2021	As informed to us, this was an inadvertent omission and will be avoided in future.	The Listed Entity had requisite quorum throughout the Audit Committee meetings conducted through video conferencing during the review period.

- (e) The reporting on compliance of Clause 6(A) and 6(B) of the Circular No. CIR/CFD/CMD1/114/2019 dated October 18, 2019 issued by Securities and Exchange Board of India on "Resignation of statutory auditors from listed entities and their material subsidiaries" is not applicable during the Review Period.

**For D.HANUMANTA RAJU & CO**  
COMPANY SECRETARIES

**CS D HANUMANTA RAJU**  
PARTNER

FCS: 4044, CP NO: 1709

UDIN: F004044D000308106

PR NO: 699/2020

Place: Hyderabad

Date: May 12, 2022

## Form No. MR-3

**SECRETARIAL AUDIT REPORT**

[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,**

**BHAVYA CEMENTS PRIVATE LIMITED**

**Hyderabad**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **BHAVYA CEMENTS PRIVATE LIMITED**, (hereinafter referred to as "the Company"). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of the Secretarial Audit, we hereby report that, in our opinion, the Company has, during the audit period covering the financial year ended **March 31, 2022**, complied with the statutory provisions listed hereunder and also that the Company has proper board processes and compliance mechanisms in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended March 31, 2022 according to the provisions of:
  - (i) The Companies Act, 2013 ("the Act") (applicable sections as on date) and the rules made thereunder;
  - (ii) The Depositories Act, 1996 and the regulations and bye-laws framed by the Securities and Exchange Board of India ("SEBI") thereunder;
2. The industry specific major laws that are applicable to the Company are as follows:
  - a) The Boilers Act, 1923
  - b) The Indian Explosives Act, 1884
  - c) The Water (Prevention and Control of Pollution) Act, 1974
  - d) The Air Prevention and Control of Pollution Act, 1981
  - e) The Environment (Protection) Act, 1986, The Environment (Protection) Rules, 1986 and Public Liability Insurance Act, 1991
  - f) Electricity Act, 2003
  - g) Factories Act, 1948
  - h) Static and Mobile Pressure Vessels (Unfired) Rules, 1981
  - i) Mines Act, 1952
  - j) Mines and Minerals (Development and Regulation) Act, 1957
  - k) Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016
  - l) Cement (Quality Control) order, 2003
  - m) Legal Metrology Act, 2009

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

- (i) Secretarial Standards SS-1 and SS-2 with respect to meetings of the Board of Directors, and General Meetings, respectively, issued by the Institute of Company Secretaries of India and notified by the Ministry of Corporate Affairs.

**We report that**, during the period under review, the Company has duly complied with the provisions of the Companies Act and other acts, as specified above, applicable to the industry of the Company.

**We further report that:**

The Board of Directors of the Company is duly constituted. During the period under review, the following is the composition of the Board of Directors:

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Sl.No.	Name of the Director	DIN	Designation	Comments
1	Valliammai Valliappan	01197421	Additional Director	Appointed as Additional Non-Executive Director Incapacity of Professional on 16/06/2021.
2	Maganthi Satyanarayana Murthy	01612799	Additional Director	Appointed as Additional Non-Executive Director Incapacity of Professional on 02/02/2022.
3	Venkat Raju Nadimpalli	08672963	Managing Director	Appointed as Additional Executive Director Incapacity of Professional, Appointed as Managing Director on 13/12/2021.
4	Palani Ramkumar	09207219	Additional Director	Appointed as Additional Non-Executive Director Incapacity of Professional on 09/08/2021.
5	Subramanya Rao Sandeep	09207372	Additional Director	Appointed as Additional Non-Executive Director Incapacity of Professional on 09/08/2021.

Adequate notice was given to all the Directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. As a general practice of the Board, the decisions were taken on unanimous consent.

**We further report that** during the year under review, the Board meetings were held on April 26<sup>th</sup>, 2021, May 22<sup>nd</sup>, 2021 (10 AM), May 22<sup>nd</sup>, 2021 (2 PM), June 7<sup>th</sup>, 2021, June 16<sup>th</sup>, 2021, July 05<sup>th</sup>, 2021, August 9<sup>th</sup>, 2021, November 9<sup>th</sup> 2021, December 13<sup>th</sup>, 2021, February 2<sup>nd</sup>, 2022 and February 7<sup>th</sup>, 2022.

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

**FOR P.S. RAO & ASSOCIATES**  
Company Secretaries

**Vanitha Nagulavari**

Company Secretary

M. No.: A26859

C.P. No.:10573

UDIN: A026859D000726712

PR Cer. No.: 1890/2022

Place: Hyderabad  
Date: August 2, 2022

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

To,  
**The Members,**  
**BHAVYA CEMENTS PRIVATE LIMITED**  
**Hyderabad**

Our 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. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We 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 the secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of the financial records and books of accounts of the Company.
4. Wherever required, we have obtained 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 the management. Our 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.S. RAO & ASSOCIATES**  
Company Secretaries

**Vanitha Nagulavari**  
Company Secretary  
M. No.: A26859  
C.P. No.: 10573

UDIN: A026859D000726712  
PR Cer. No.: 1890/2022

Place: Hyderabad  
Date: August 2, 2022



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### GLOBAL ECONOMY

Two years into the COVID-19 pandemic, the global economy continues to be plagued by uncertainty, with resurgent waves of mutant variants, supply-chain disruptions, and a return of inflation in both advanced and emerging economies. The Global economy was just crawling towards the healing path with the COVID showing signs of entering the endemic stage when it again took a body blow because of Russia's invasion of Ukraine - causing a tragic humanitarian crisis in Eastern Europe coupled with the pressures of the sanctions aimed at pressuring Russia to end hostilities.

### INDIAN ECONOMY

The last two years have posed unprecedented challenges for the Indian economy through the COVID-19 pandemic, repeated waves of infection, supply-chain disruptions and inflation tendencies in the aftermath of the above. The response of the Government of India to the challenges was quick and effective beginning with a bouquet of safety-nets to cushion the impact of the pandemic on vulnerable sections of society and the business sector. The next major effort was reiteration of focus on the infrastructure development with a view to build up medium-term demand followed up with strong supply-side measures to push the economy into the track of sustained long-term growth.

According to the provisional estimates of Gross Domestic Product (GDP) released on May 31, 2022, the Indian economy in 2021-22 has fully recovered the pre-pandemic levels of real GDP as in 2019-20. The real GDP growth in FY 2021-22 stands at 8.7%, which is 1.5% higher than the real GDP of FY 2019-20. The indication of strong growth momentum is also reflected in the increase in capacity utilization in the manufacturing sector from Q3 to Q4, reflecting a build-up of demand in the economy. Consistent with the demand build-up, the investment rate in Q4 has seen the highest levels.

### INDIAN OUTLOOK OF CEMENT INDUSTRY AND OPPORTUNITIES

India is the second largest producer of cement in the world behind only China. It accounts for more than 7% of the global installed capacity. But the per capital Cement consumption in India of around 240 Kgs is still less than 50% of that of developed countries clearly indicating the space available for growth of the Industry in India. India has a lot of potential for development in the infrastructure and construction sector and the cement sector is expected to largely benefit from it. Some of the recent initiatives, such as development of smart cities and connecting the northeastern states with the mainland India augur well for the growth of the Indian Cement Industry but still a lot needs to be done in terms of impetus to the Industry considering our current per capital consumption is only around 75% of our current production capacities.

Aided by suitable Government foreign policies, several multi-national manufactures have invested in the country in the recent past indicating the potential for growth in the Indian Cement Industry. A significant factor which aids the growth of this sector is the ready availability of raw materials for making cement, such as limestone and coal.

#### Robust Demand and Attractive Opportunities

Higher allocation for infrastructure - US\$ 26.74 billion in roads and US\$ 18.84 billion in railways in union budget of FY23, is likely to boost demand for cement.

As per market reports, the Indian cement industry is likely to add ~80 million tonnes (MT) capacity by FY24, the highest since the last 10 years, driven by increasing spending on housing and infrastructure activities. The capacity utilization too is expected to touch 80% over the next five years.

#### Road Ahead

The eastern states of India are likely to be the newer and untapped markets for cement companies and could contribute to their bottom line in future. In the next 10 years, India could become the main exporter of clinker and gray cement to the Middle East, Africa, and other developing nations of the world. Cement plants near the ports, for instance the plants in Gujarat and Visakhapatnam, will have an added advantage for export and will logistically be well armed to face stiff competition from cement plants in the interior of the country.

#### Your Company

The Southern India accounts for around 40% of total Indian Cement Industry capacities. A more important picture emanates when you make a comparison with the national average per capita consumption of cement. The southern region per capita production capacity is more than 2 times the per capita consumption of 235 Kgs of cement in India. While this being so, it is also important to note the southern India also boasts of having 35-40% of the country's limestone reserves.

While viewing the performance of your company in the above scenario, we can be proud to have put up a very resilient show during the previous year despite all the turbulence. The capacity utilization of your company during the year under review was 80%. It may not be long when the cement from southern

India would move to other parts of India with scarce production capacities at economically feasible costs. This would also greatly support the increase in the overall per capita consumption of Cement across the country.

### Segment wise or Product Performance

The Company has following business segments, which are its reportable segments during the year. These segments offer different products and services, and/or managed separately because they require different technology and production processes.

Reportable Segment	Product/ Services
Cement	Manufacturing and trading of cement
Power plant	Generation of power

(₹ in Lakhs)

Particulars	Year ended March 31, 2022			Year ended March 31, 2021		
	Cement	Power	Total	Cement	Power	Total
Segment Revenue	46,762	5,438	52,200	40,719	4,527	45,246
Less : Inter Segment Revenue	-	(5,179)	(5,179)	-	(4,526)	(4,526)
Total Revenue from Operations	46,762	259	47,021	40,719	1	40,720
Segment Result (Profit Before Tax and Interest) from each Segment	7,182	585	7,767	9,311	906	10,217
Less : Interest	-	-	(2,853)	-	-	(65)
Total Profit Before Tax			4,914			10,152

Capital Employed (Segment Assets - Segment Liabilities)	As on March 31, 2022			As on March 31, 2021		
Segment Assets	88,837	7,722	96,359	38,826	7,758	46,584
Segment Liabilities	59,380	109	59,489	11,798	155	11,953

### Internal Control System and their adequacy

The Company has got an adequate system of internal control in place commensurate with the size of its operation and is properly designed to protect and safeguard the assets of the Company. There is a proper system for recording all transactions which ensures that every transaction is properly authorized and executed according to norms.

The Company has also appointed M/s. M. Bhaskara Rao & Co., Chartered Accountants as Internal Auditors to conduct the Systems and Compliance Audit of the Company.

### Financial Performance in comparison to Operational Performance

During the Financial Year 2021-22, the Company's production level increased by 11.62% year on year to 9.29 lakhs tons.

The overall volume of Cement sale was 10.45 lakhs MT (including traded cement of 1.20 lakhs MT) recording a growth of 9.77% as compared to the previous year of 9.52 lakhs MT (including traded cement of 1.12 lakhs MT). The sale of Cement in Tamil Nadu and Kerala Market manufactured through its parent company has recorded a growth 7.06%. Cement Sales Revenue increased to ₹47,021 lakhs as compared to ₹40,720 lakhs in the previous year registering a growth of 15.47%.

The profit before tax decreased by 51.60% from ₹10,152 lakhs in the previous year to ₹4,914 lakhs in current year primarily due to increase in raw material cost, power & fuel cost and finance cost.

### Material Development in Human Resources/Industrial Relations front, including number of people employed

The Industrial relation during the current year has been cordial and contributed to mutual development. The number of personnel in direct employment of the Company are 278.

Details of Significant changes (i.e. 25 % or more as compared to the immediately previous financial year) in key financial ratios, along with detailed explanations thereof including –

Ratio	FY - 2021-22	FY - 2020-21	Change %	Reason for Change
Debtors Turnover	23.02	13.88	65.90	Increase in ratio is due to increase of sales by ₹6,301 lakhs.
Return on Net worth	0.10	0.27	(64)	Decrease in ratio is mainly because of increase in total equity and decrease in profit for the year.
Debt Equity Ratio	1.25	0.08	1462	Increase in ratio is mainly because of inclusion of borrowing ₹43,500 lakhs as ICD from the Parent Company.
Current Ratio	0.36	2.82	(87)	Reduction in ratio is mainly because of reduction in Bank Balances and inclusion of current portion of borrowing of ₹9,000 lakhs.
Inventory Turnover Ratio	16.83	12.03	40	Increase in ratio is due to increase in cost of goods sold and decrease in average inventory.
Net Profit Margin (%)	0.07	0.21	(64)	Decrease in ratio is mainly because of increase in sales and decrease in profit for the year.

**Details of any change in Return on Net worth as compared to the immediately previous financial year -**

The return on net worth for the financial year 2021-22 has gone down from 24.55% to 9.50% as total comprehensive income for the year decreased by 58.81% over the same of immediately previous financial year.

#### CAUTIONARY STATEMENT

The Management Discussion and Analysis Statement made above are on the basis of available data as well as certain assumptions.

Important factors that could influence Company's operations include global and domestic supply and demand conditions affecting the selling price of finished goods, availability of inputs and their prices, changes in government regulations, tax laws, economic developments within the country and outside and other factors such as litigations and Industrial relations.

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

## CORPORATE GOVERNANCE REPORT

The Company's philosophy on Corporate Governance is to achieve a set of systems, procedures and practices which ensure that the company is managed in the best interest of all corporate stakeholders. Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "SEBI Listing Regulations") as amended from time to time, compliance with the requirements of Corporate Governance is set out below:

### 1. A brief statement on Company's Philosophy on Code of Governance:

The Company's philosophy on Corporate Governance aims at ethical corporate behavior and a management policy aimed at meeting its commitment and assuring optimum tangible and intangible returns to all its stakeholders including the social and economic environment in which your company evolves. The Company always strives to achieve optimum performance at all levels by adhering to most ethical corporate governance practices.

### 2. Board of Directors:

As on March 31, 2022, the Company had Six Directors. Of the Six Directors two are Independent and Non-Executive, three Non-Independent and Non-Executive and one Executive. The Board also had two women Directors and the composition of the Board is in compliance with Regulation 17 of the SEBI Listing Regulations.

#### • Composition of the Board.

Name of the Director	Category
Mrs. V. Valliammai	Independent and Non-Executive, Chairperson
Mr. N. Venkat Raju	Managing Director, Executive
Mr. A. Subramanian	Non-Independent, Non-Executive
Mr. RM Palaniappan	Independent, Non-Executive
Mr. V. Palaniappan	Non- Independent, Non-Executive
Dr. (Mrs.) S.B. Nirmalatha	Non-Independent, Non-Executive

- Seven Board meetings were held during the year under review and the gap between two meetings did not exceed one hundred and twenty days. The said meetings were held on: April 30, 2021, May 11, 2021, May 25, 2021, August 12, 2021, August 16, 2021, November 12, 2021 and February 09, 2022. Necessary quorum was present for all the meetings.
- None of the Directors on the Board is a member of more than ten Committees or Chairman of five Committees (committees being Audit Committee and Stakeholders Relationship Committee) across all the Indian Public Companies in which he/she is a Director. Necessary disclosures regarding their Committee positions have been made by all the Directors.
- The Board members are not related to each other.
- Non-Executive Directors are not entitled for any remuneration other than the sitting fee.
- None of the Directors hold any shares in the Company except Mr. V. Palaniappan who holds 201 shares prior to his appointment and necessary declaration was given at the time of his appointment.
- Information as mentioned in Part A of Schedule II of the SEBI Listing Regulations has been placed before the Board for its consideration at the meetings of the Board.

Familiarization Programme: The Company has conducted familiarization programmes during the year for Independent Directors to assist them in performing their role as Independent Directors. Details of the Programme is available in the investor section on the Company's website at <http://anjanicement.com/investor/corporategovernance/DETAILS%20OF%20FAMILIRISATION%20PROGRAMMES%20IMPARTED%20TO%20INDEPENDENT%20DIRECTORS.docx-1.pdf>

- Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations and they are independent from the management.
- During the year under review, a separate meeting of the Independent Directors was held on February 09, 2022, which was attended by all the independent Directors. At the said meeting, the Independent Directors reviewed the performance of Non-Independent Directors, the Board as a whole and the Chairperson after considering the views of the Executive and Non-Executive Directors. They also assessed the quality, quantity and timeliness of flow of information between the Company's management and the Board.
- The Board periodically reviews the compliance reports of all laws applicable to the Company.
- The Company requires skills/expertise/competencies in the areas of strategy, finance, accounting, legal, marketing and regulatory matters, to efficiently carry on its core businesses. Apart from the

above-mentioned skills some of the Directors on the Board are professionally qualified with core competence and rich experience of dealing with the intricacies of the Cement Industry. Thus the Company confirms that the skills/expertise/competencies as required for efficient running of the operations of the Company are available with the Board. Detail of the same is given below:

Name of Directors	Area of Expertise
Mrs. V. Valliammai	Taxation & Auditing, Corporate Restructuring
Mr. N. Venkat Raju	Operations, Process, Quality Assurance & Administration
Mr. A. Subramanian	Management & Finance
Mr. RM Palaniappan	Management & Administration
Mr. V. Palaniappan	Accounts & Finance
Dr. (Mrs.) S.B. Nirmalatha	Legal

- The details of attendance of each Director of the Board and last AGM held during the financial year 2021-22 and details of number of outside directorships and committee positions held by each of the Directors in other public companies are given below.

Name	Category	Attendance		No. of Directorships in other public companies		No. of Committee Positions held in other public companies		Directorship in other listed entity
		Board Meetings	Last AGM	Chairman	Member	Chairman	Member	
Mrs.V. Valliammai	Independent, Non-Executive	7	Yes	-	1	1	3	-
Mr. N. Venkat Raju	Non- Independent, Executive	7	Yes	-	1	-	-	-
Mr. A. Subramanian	Non-Independent, Non – Executive	7	Yes	-	-	-	-	-
Mr. RM Palaniappan	Independent, Non-Executive	5	No	-	-	-	-	-
Mr. V. Palaniappan	Non-Independent, Non-Executive	7	No	-	-	-	-	-
Dr. (Mrs) S.B. Nirmalatha	Non-Independent, Non-Executive	7	Yes	-	-	-	-	-

### 3. Committees of the Board

As on March 31, 2022, the Board had five committees, the Audit Committee, Nomination and Remuneration Committee, Stakeholder's Relationship Committee, Corporate Social Responsibility Committee and Risk Management Committee.

#### 3.1. Audit Committee:

- The Audit Committee consists of three directors as on March 31, 2022.

Details of the composition of Audit Committee and attendance of the members during the financial year 2021-22 is as under:

Name	Category	Position	No of Meetings Attended
Mrs. V. Valliammai	Independent, Non-Executive	Chairperson	4
Mr. N. Venkat Raju	Executive, Managing Director	Member	4
Mr. RM Palaniappan	Independent, Non-Executive	Member	4

- The Audit Committee met four times during the year on May 25, 2021, August 12, 2021, November 12, 2021 and February 09, 2022.
- The quorum for the Audit Committee Meetings is either two members or one third of the members of the Committee, whichever is higher, with two independent members being present. Quorum was present for all the meetings during the year.
- Terms of Reference of the Audit Committee
  - ❖ Oversight of the Company's financial reporting process and the disclosures of its financial information to ensure that the financial statements are true and fair, sufficient and credible.
  - ❖ Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of statutory auditor, internal auditor and cost auditor and fixation of their fees.
  - ❖ Reviewing with management, the quarterly financial results before submission to the board for approval.

- ❖ Reviewing with the management, the annual financial statements before submission to the board for approval.
- ❖ Reviewing with the management, performance of Statutory and Internal Auditors, the adequacy of internal control systems.
- ❖ Reviewing the adequacy of internal audit function including reporting structure, coverage and frequency of internal audit.
- ❖ Discussion with internal auditors regarding any significant findings and follow up thereon.
- ❖ 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.
- ❖ To review the Risk Assessment and Management measures.
- ❖ Scrutiny of inter-corporate Loan & Advances.
- ❖ Reviewing of Financial Statements of the Subsidiaries and Investments made by them.
- ❖ Reviewing of Management Discussion and Analysis of Financial condition and Results of Operations.
- ❖ Reviewing the function of whistle blower mechanism.
- ❖ Reviewing of statements of significant related party transactions.
- ❖ Reviewing of Internal Audit Reports relating to Internal Control Weaknesses.
- ❖ Any other items considered appropriate or necessary to have effective oversight of financial reporting.

The Company Secretary & Compliance Officer acts as the Secretary to the Committee.

### 3.2 Nomination and Remuneration Committee (NRC):

- The Nomination and Remuneration Committee consists of three directors as on March 31, 2022. The Nomination and Remuneration Committee met one time during the year on November 11, 2021. The quorum for the Committee Meetings is either two members or one third of the members of the Committee, whichever is greater, including at least one independent director in attendance. The Constitution of committee and particulars of the attendance of the members during the financial year 2021-22 is as under:

Name	Category	Position	No of Meetings Attended
Mr. RM Palaniappan	Independent, Non-Executive	Chairman	1
Dr. (Mrs.) S.B. Nirmalatha	Non-Independent, Non-Executive	Member	1
Mrs. V. Valliammai	Independent, Non-Executive	Member	1

- Terms of Reference of the Nomination and Remuneration Committee:
  - ❖ To formulate a criteria for determining qualifications, positive attributes and independence of a Director.
  - ❖ Formulate criteria for evaluation of Independent Directors and the Board.
  - ❖ Identify persons who are qualified to become Directors or who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
  - ❖ To carry out evaluation of every Director's performance.
  - ❖ To recommend to the Board the appointment and removal of Directors and Senior Management.
  - ❖ To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
  - ❖ Ensure the level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
  - ❖ To devise a policy on Board diversity.
  - ❖ To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification amendment or modification, as may be applicable.
  - ❖ To perform such other functions as may be necessary or appropriate for the performance of its duties.

The Company Secretary & Compliance Officer acts as the Secretary to the Committee.

The Nomination and Remuneration policy of the Company is available on the following weblink [http://anjanicement.com/investor/corporategovernance/Nomination\\_Remuneration\\_Policy1.pdf](http://anjanicement.com/investor/corporategovernance/Nomination_Remuneration_Policy1.pdf)

- **Performance evaluation criteria for Independent Directors:**

The Company has laid down evaluation criteria separately for evaluating Independent Directors. The criteria for evaluation of Independent Directors includes parameters such as attendance, maintaining effective relationship with fellow Board members, providing quality and valuable contribution during meetings, successfully bringing their knowledge and experience for the benefit of the company. Based on such criteria, the evaluation is done in a structured manner through consultation and discussion.

- **Remuneration of Directors**

The Non-Executive Directors are paid sitting fees for meetings of the Board. There is no other pecuniary relationship or transaction of the non-executive directors with the Company. The Company pays remuneration to its Managing Director, by way of salary. Salary is paid within the range as approved by the shareholders. Details of the same have been disclosed in Annual Return, the link of which has been provided in Directors' Report.

The Company does not have any Stock Option Scheme. In the case of Managing Director, notice period is three months. No Severance fee payable to Managing Directors except the notice period.

### 3.3. Stakeholders Relationship Committee (SRC):

- The stakeholders' relationship committee is in line with the provisions of Regulation 20 of SEBI Listing Regulations and section 178 of the Companies Act, 2013. The Stakeholders Relationship Committee consists of three directors as on March 31, 2022. The SRC Committee met one time during the year on October 18, 2021.
- The constitution of committee and particulars of members of the committee and their attendance during the financial 2021-22 is as under:

Name	Category	Position	No of Meetings Attended
Mrs. V. Valliammai	Independent, Non-Executive	Chairperson	1
Mr. N. Venkat Raju	Non-Independent, Executive	Member	Nil
Mr. V. Palaniappan	Non-Independent, Non-Executive	Member	1

The Company Secretary & Compliance Officer acts as the Secretary to the Committee.

Shareholder's grievances status: The details of the complaints / grievances received and resolved during the financial year 2021-22 is as under:

Opening Balance	Received during the year 2021-22	Resolved during the Year 2021-22	Closing Balance
Nil	1	1	Nil

### 3.4 Corporate Social Responsibility Committee (CSR):

Our Corporate Social Responsibility Committee consists of three directors as on March 31, 2022. The CSR Committee met two times during the year on May 25, 2021 and November 11, 2021.

- The Committee and particulars of members of the committee and their attendance during the financial 2021-22 is as under:

Name	Category	Position	No of Meetings Attended
Mr. N. Venkat Raju	Executive, Managing Director	Chairman	1
Dr (Mrs) S.B. Nirmalatha	Non-Independent, Non-Executive	Member	2
Mrs.V. Valliammai	Independent, Non-Executive	Member	2

The Company Secretary & Compliance Officer acts as the Secretary to the Committee.

The Corporate Social Responsibility policy is available in the investor section on the Company's website at <http://anjaniment.com/investor/corporategovernance/CorporateSocialResponsibilityPolicy.pdf>

### 3.5 Risk Management Committee (RMC):

Our Risk management Committee consists of three members includes two Directors and one member from the senior management of the company. The terms of reference of the Risk Management Committee include:

- To formulate a detailed risk management policy which shall include:
  - A framework for identification of internal and external risks specifically faced by the Company, including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.

- Measures for risk mitigation including systems and processes for internal control of identified risks.
- Business continuity plan.
- b) To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- c) To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- d) To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- e) To keep the board of directors informed about the nature and content of its discussions, recommendations and actions to be taken;
- f) The appointment, removal, and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

The Risk Management Committee shall coordinate its activities with other committees, in instances where there is any overlap with activities of such committees, as per the framework laid down by the board of directors.

The Risk Management Committee met two times during the year on November 10, 2021 and February 08, 2022.

The Composition of the Risk Management Committee and the details of the attendance of its Members are as follows:

Name	Category	Position	No of Meetings Attended
Mrs.V. Valliammai	Independent, Non-Executive	Chairperson	Nil
Mr. N. Venkat Raju	Executive, Managing Director	Member	2
Mr. M. L. Kumavat*	Chief Financial Officer	Member	2

**\*Resigned with effect from May 13, 2022**

The Company Secretary & Compliance Officer acts as the Secretary to the Committee.

The Company has a Risk Management Policy and the same are disclosed in the Company's website and their web link are – <http://www.anjanicement.com/investor/policies/RISK%20MANAGEMENT%20POLICY-ANJANI.pdf>

#### 4. General Body Meetings:

The last three Annual General Meetings were held as under:

Year	Location	Date	Time
2018 – 2019	Hotel Kohinoor Continental, Ruby Hall, Andheri - Kurla Rd, J B Nagar, Andheri East, Mumbai - 400059.	August 28, 2019	10:00 a.m.
2019 – 2020	Meeting conducted through Video Conference (VC) / Other Audio Visual Mode (OVAM) pursuant to the MCA Circular	August 21, 2020	12:00 Noon
2020 –2021	Meeting conducted through Video Conference (VC) / Other Audio Visual Mode (OVAM) pursuant to the MCA Circular	September 15, 2021	10:30 a.m.

- No extraordinary general meeting of the members was held during financial year 2021-22.
- No special Resolutions were passed during the Financial Years 2018-19, 2019-20 and 2020-21.
- Four Special resolutions were passed on April 28, 2021 through Postal Ballot for shifting of registered office of the Company from the State of Maharashtra to the State of Telangana, Approval under Section 180(1) (c) of the Companies Act, 2013, Approval under Section 180(1) (a) of the Companies Act, 2013 and Approval under Section 186 of the Companies Act, 2013. The aforesaid resolutions were duly passed and the results of postal ballot/e-voting were announced on April 30, 2021. Ms. Meghna Shah, partners of MSDS & Associates, Practicing Company Secretaries, were appointed as the Scrutinizer to scrutinize the postal ballot and remote e-voting process in a fair and transparent manner.

The following Special Resolution is proposed to be passed vide Postal Ballot notice dated July 21, 2022 as on the date of this report:

*To increase Authorised Share Capital of the Company and consequential amendment in Memorandum of Association and Articles of Association of the Company, subject to shareholders approval sought by way of postal ballot.*

## 5. Procedure for Postal Ballot:

The postal ballot is conducted in accordance with the provisions contained in Section 110 and other applicable provisions, if any, of the Companies Act, 2013, read with Rule 22 of the Companies (Management and Administration) Rules, 2014. The shareholders are provided the facility to vote either by physical ballot or through e-voting. The postal ballot notice is sent to shareholders in electronic form to the email addresses, where available, or in physical form through permitted mode where email addresses are not available. The Company also publishes a notice in the newspapers in accordance with the requirements under the Companies Act, 2013.

Shareholders holding equity shares as on the cut-off date may cast their votes through e-voting or through postal ballot during the voting period fixed for this purpose. After completion of scrutiny of votes, the scrutiniser submits their report to the Chairperson and the results of voting by postal ballot are announced within 48 hours of conclusion of the voting period. The results are displayed on the website of the Company ([www.anjanicement.com](http://www.anjanicement.com)), and communicated to the Stock Exchanges, Depositories, and Registrar and Share Transfer Agents. The resolutions, if passed by the requisite majority, are deemed to have been passed on the last date specified for receipt of duly completed postal ballot forms or e-voting.

In view of the COVID-19 pandemic, the MCA permitted companies to transact items through postal ballot as per the framework set out in General Circular Nos. 14/2020 dated April 8, 2020, 17/2020 dated April 13, 2020, 22/2020 dated June 15, 2020, 33/2020 dated September 28, 2020, 39/2020 dated December 31, 2020, 10/2021 dated June 23, 2021, 20/2021 dated December 8, 2021 and 3/2022 dated May 5, 2022. In accordance with the aforementioned circulars, e-voting facility was provided to all the shareholders to cast their votes only through the remote e-voting process as per notice of postal ballot dated July 21, 2022 to increase authorised share capital of the Company and consequential amendment in Memorandum of Association and Articles of Association of the Company.

## 6. Means of Communication:

The Company's website, serves to inform the shareholders, by giving complete financial details, shareholding pattern, information relating to Stock Exchange, Registrar & Share Transfer Agents, and list of shareholders who have not claimed their dividend, to comply with MCA Guidelines.

The Company regularly interacts with the shareholders through the multiple channels of communication such as publication of results, Annual Report and the Company's website at [www.anjanicement.com](http://www.anjanicement.com). The Company also informs the Stock Exchange in a prompt manner, all price sensitive information and all such other matters which in its opinion, are material and relevant for the shareholders.

The results of the Company are published in Business Standard (English), Nav Shakthi (Marathi) and in Nava Telangana (Telugu) they are also displayed on the official website of the Company ([www.anjanicement.com](http://www.anjanicement.com)) under Investor section.

## 7. General Shareholder Information:

This Annual Report includes yearly financial statement, key financial data and a section on Shareholder information giving required information.

### • Annual General Meeting

The Thirty Eighth Annual General Meeting ("the AGM") of the Company will be held on Friday, September 16, 2022, at 10:00 a.m. through Video Conferencing (VC) / Other Audio Visual Means (OAVM).

### • Financial Year

April 1, 2021 to March 31, 2022.

### • Dates of Book Closure

The Register of Members and share transfer will remain closed from Saturday, September 10, 2022 to Friday, September 16, 2022 (both days inclusive).

### • Dividend Payment Date

The Board of Directors have recommended, a dividend of ₹3/- per equity share for the financial year ended March 31, 2022 which is payable on obtaining the shareholders' approval at the 38th Annual General Meeting. The dividend, if approved, shall be paid within the time prescribed in the Companies Act, 2013.

- Listing on Stock Exchange**

The Company's equity shares are listed on the following Stock Exchanges as on March 31, 2022.

- ❖ BSE Limited (Bombay Stock Exchange), Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001. (Scrip Code : 518091)
- ❖ NSE Limited (National Stock Exchange of India), Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai-400051. (Scrip Code: APCL)

Listing fees for the Financial Year 2021-22 has been paid to both NSE and BSE Limited within the stipulated time.

- Registrar and Share Transfer Agents**

KFin Technologies Limited, Selenium Tower B, Plot No. 31 & 32, Financial District, Nanakramguda, Gachibowli, Hyderabad-500 032.

- Share Transfer System**

The Stakeholders Relationship Committee attends to share transfer formalities. Demat requests are normally confirmed within an average period of 10 days, from the date of receipt, subject to the documents being valid and complete in all respects.

- Shareholder Statistics and Distribution of Shareholdings as on March 31, 2022 were as follows:

Category (No. of shares)	No. of Shareholders		No. of Shares		% to Total Equity	
	Physical	Demat	Physical	Demat	Physical	Demat
	(A)	(B)	(A)	(B)	(A)	(B)
1 - 500	1,936	17,951	2,94,652	13,45,305	1.17	5.32
501 - 1000	47	568	38,550	4,42,484	0.15	1.75
1001 - 2000	12	226	18,350	3,37,146	0.07	1.33
2001 - 3000	7	61	18,600	1,53,568	0.07	0.61
3001 - 4000	2	26	6,700	96,221	0.03	0.38
4001 - 5000	2	22	10,000	1,05,271	0.04	0.42
5001 - 10000	3	43	25,400	3,07,999	0.10	1.22
10001 & above	5	36	86,810	2,19,98,640	0.34	87.00
Total	2,014	18,933	4,99,062	2,47,86,634	1.97	98.03
<b>Grand Total (A+B)</b>	<b>20,947</b>		<b>2,52,85,696</b>		<b>100.00</b>	

Category	Number of shares held	As a percentage of total number of shares
Promoter and Promoter group	1,89,64,270	75.00
Resident Individuals	47,83,917	18.92
Bodies Corporate	7,07,561	2.80
IEPF	4,22,133	1.67
HUF	1,11,116	0.44
Mutual Fund	27,800	0.11
Non Resident Indians	67,996	0.27
Clearing Members	31,531	0.12
Banks	5,200	0.02
Non Resident Indian Non Repatriable	22,786	0.09
Foreign Portfolio Investors	1,41,386	0.56
<b>Total</b>	<b>2,52,85,696</b>	<b>100</b>

- The Monthly high and low share quotations of your company during the financial year 2021-22 as traded on the BSE Limited and NSE of India Limited are given below:

Month	BSE Limited		NSE Limited	
	High (₹)	Low (₹)	High (₹)	Low (₹)
April, 2021	228.35	202.00	229.00	202.00
May, 2021	330.05	208.00	330.00	208.05
June, 2021	361.00	299.20	360.00	295.20
July, 2021	531.00	342.15	531.95	342.05
August, 2021	526.25	380.65	526.50	381.25
September, 2021	457.95	379.35	450.00	378.05

Month	BSE Limited		NSE Limited	
	High (₹)	Low (₹)	High (₹)	Low (₹)
October,2021	421.50	365.00	422.75	366.00
November,2021	429.00	287.30	426.35	283.85
December,2021	320.00	284.60	323.00	286.10
January, 2022	340.15	282.60	338.80	293.20
February, 2022	331.00	236.65	333.50	240.15
March, 2022	276.60	230.00	279.25	230.00

- Performance in comparison to broad based indices**

The performance of the Company's scrip on the BSE as compared to the Sensex is as under:

	April 1, 2021	March 31, 2022	% Change
Company Share Price (closing)	214.05	233.15	+8.92
SENSEX (closing)	50,029.83	58,568.51	+17.07

The performance of the Company's scrip on the NSE as compared to the NSE Nifty is as under:

	April 1, 2021	March 31, 2022	% Change
Company Share Price (closing)	214.85	233.35	+8.61
NSE Nifty (closing)	14,867.35	17,464.75	+17.47

- Dematerialisation of Shares**

Trading in Company's shares is permitted only in dematerialized form for all investors. The Company has signed agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) to offer depository services to its shareholders. Investors are therefore advised to open a demat account with a Depository participant of their choice to trade in dematerialized form. Over 98% of the Company's shares are now held in electronic form.

The ISIN of Dematerialized shares of the Company is: "INE071F01012"

- Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, conversion date and like impact on Equity**

As on date the Company has not issued any GDRs/ADRs/Warrants or any convertible instruments.

- Commodity Price Risk or Foreign Exchange Risk and Hedging activities – Not applicable**

- Plant Location**

Chintalapalem Village & Mandal, Suryapet District, Telangana State – 508 246.

- Address for Correspondence**

The Company Secretary  
Anjani Portland Cement Limited,  
#6-3-553, Unit No.E3 & E4, 4th Floor,  
Quena Square Off: Taj Deccan Road,  
Erramanzil, Hyderabad 500082, Telangana  
Phone No. 040 – 2335 3096/3106

Any requests for transactions such as transfers, dematerialization of shares, change of address, nomination facilities, may please be taken up with the Registrar & Share Transfer Agents of the Company at the address given below:

KFin Technologies Limited  
Selenium Tower B, Plot No.31-32, Financial District, Nanakramguda,  
Gachibowli, Hyderabad – 500 032.  
Phone No(s): 040-67161605

- List of all credit ratings obtained by the entity along with any revisions thereto during the relevant financial year, for all debt instruments or any fixed deposit program or any scheme or proposal involving mobilization of funds, whether in India or abroad – Not Applicable**

8. **Other Disclosures:**

- Disclosure regarding materially significant related party transactions:**

There were no materially significant related party transactions that had a potential conflict with the interest of the Company. The Company has adopted a Related Party Transaction Policy and it is available on its website and can be accessed at: <http://anjanicement.com/investor/corporategovernance/Related%20Party%20Transaction%20%20Policy.pdf>

- **Disclosure of non-compliances by the Company:**

There were no instances of non-compliance or penalty, strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets, during the last 3 years.

- **Details of establishment of vigil mechanism whistle blower policy and affirmation that no personnel have been denied access to the Audit Committee:**

The Company has established a vigil mechanism for Directors and employees to report their genuine concerns. The Vigil Mechanism Policy/Whistle Blower Policy is available on the website of the Company and can be accessed at: <http://anjaniment.com/investor/corporategovernance/VigilMechanism.pdf> and the Company confirms that no personnel has been denied access to the Audit Committee.

- **Policy for determining Material Subsidiary** – The Company has adopted the Policy on Material Subsidiary consequent to the acquisition of Bhavya Cements Private Limited as Subsidiary Company. The Policy on Material Subsidiary is available on the website of the Company and can be accessed at: <http://anjaniment.com/investor/policies/Material-Subsidiaries-Policy.pdf>
- Related party transaction policy is available on the website of the Company and can be accessed at: <http://www.anjaniment.com/investor/corporategovernance/Related%20Party%20Transaction%20%20Policy.pdf>
- During the year the Board has accepted all the recommendations of its committees.
- The Company has complied with all the mandatory requirements of Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Following discretionary requirements as specified in Part E of Schedule II: Corporate Governance of the SEBI Listing Regulations have been adopted by the Company.

- The Company has moved towards a regime of financial statements with unmodified audit opinion.
- The Company has appointed separate persons to the posts of Chairperson and Managing Director.
- A certificate from M/s. D. Hanumanata Raju & Co. 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 on any such statutory authority is attached as **Annexure VIII** to this Annual Report.
- A compliance certificate from M/s. D. Hanumanata Raju & Co. Company Secretary in practice regarding compliance of conditions of corporate governance is attached as **Annexure IX** to this Annual Report.
- The internal auditor is free to report directly to the Audit committee.
- Total fees for all services paid by the listed entity on a consolidated basis to the Statutory Auditor and all entities in the firm/network entity of which the Statutory Auditor is a part.

(₹ in lakhs)

Payment to Statutory Auditors	₹ 13.00 (Statutory Audit and Limited Review Fee)
Other Services	₹ 3.00 (Tax Audit Fee)

- **Disclosures in relation to the sexual harassment of women at workplace.**

Number of Complaint's filed during the financial year	Nil
Number of Complaint's disposed during the financial year	Nil
Number of Complaint's pending at the end of the financial year	Nil

- There are no shares of the Company lying in the demat suspense account or unclaimed suspense account.

#### Unclaimed Dividend

The following table shows the details of Dividend relating to financial years 2016-17 to 2020-21 and the due dates on which the unclaimed/ un-encashed dividend amounts with respect to the same have to be remitted into IEPF.

Members who have not encashed their dividend warrant(s) pertaining to the dividend for the financial year 2016-17 and onwards are requested to make their claim without any delay to KFin Technologies Limited.

Financial Year	Date of Declaration	Dividend (%)	Due date of Transfer to IEPF
2016-17 (Interim)	14-09-2016	10	19-10-2023
2016-17 (Final)	08-09-2017	10	12-10-2024
2017-18	07-09-2018	20	11-10-2025
2018-19	28-08-2019	25	03-10-2026
2019-20	21-08-2020	50	26-09-2027
2020-21	15-09-2021	50	20-10-2028

Pursuant to the applicable provisions of the Companies Act, 2013 and the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 the shares on which dividends have not been claimed for seven consecutive years have been transferred to the IEPF Authority.

The IEPF Rules mandate Companies to transfer shares of Members whose dividends remain unpaid/unclaimed for a continuous period of seven years to the demat account of IEPF Authority. The members whose dividend / shares are transferred to the IEPF Authority can claim their shares / dividend from the Authority by following the procedure as given under Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016.

#### **Declaration on Code of Conduct**

I, N. Venkat Raju, Managing Director of Anjani Portland Cement Limited, hereby declare that all the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended March 31, 2022 as envisaged in Schedule V(D) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Place : Chennai  
Date : August 9, 2022

N. Venkat Raju  
Managing Director  
DIN: 08672963

## 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 of  
**ANJANI PORTLAND CEMENT LIMITED**

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **ANJANI PORTLAND CEMENT LIMITED** having CIN: L26942TG1983PLC157712 and having registered office at #6-3-553, Unit No. E3 & E4, 4th Floor, Quena Square Off: Taj Deccan Road, Erramanzil, Hyderabad, Telangana – 500 082 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal, www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2022 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No	Name of Director	DIN	Date of Appointment in Company
1.	Mrs. V. Valliammai	01197421	25.05.2017
2.	Mr. A. Subramanian	06693209	19.01.2015
3.	Dr. (Mrs.) S. B. Nirmalatha	03092392	10.02.2015
4.	Mr. RM Palaniappan	00143198	16.05.2019
5.	Mr. V. Palaniappan	00645994	16.05.2019
6.	Mr. N. Venkat Raju	08672963	24.01.2020

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 only to express an opinion on this as per 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 D.HANUMANTA RAJU & CO**  
COMPANY SECRETARIES

**CS D.HANUMANTA RAJU**  
PARTNER

FCS: 4044, CP NO: 1709  
UDIN: F004044D000766520  
PR NO: 699/2020

Place: Hyderabad  
Date: August 9, 2022

**CERTIFICATE**

To,  
The Members of  
**ANJANI PORTLAND CEMENT LIMITED**

We have examined the compliance of conditions of Corporate Governance by **ANJANI PORTLAND CEMENT LIMITED** ("the Company"), for the year ended on March 31, 2022, as stipulated in Regulation 15(2) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) for the period 1<sup>st</sup> April, 2021 to 31<sup>st</sup> March, 2022.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the Financial Statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us by the Directors, officers and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

**For D.HANUMANTA RAJU & CO**  
COMPANY SECRETARIES

**CS D.HANUMANTA RAJU**  
PARTNER

FCS: 4044, CP NO: 1709  
UDIN: F004044D000766531  
PR NO: 699/2020

Place: Hyderabad  
Date: August 9, 2022

## BUSINESS RESPONSIBILITY REPORT

[See Regulation 34(2)(f)]

### SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1	Corporate Identity Number	L26942TG1983PLC157712			
2	Name of the Company	Anjani Portland Cement Limited			
3	Registered Office Address	#6-3-553, Unit No.E3 & E4, 4th Floor, Quena Square Off: Taj Deccan Road, Erramanzil, Hyderabad 500 082, Telangana			
4	Website	<a href="http://www.anjanicement.com">www.anjanicement.com</a>			
5	E-mail id	<a href="mailto:secretarial@anjanicement.com">secretarial@anjanicement.com</a>			
6	Financial Year reported	April 01, 2021 to March 31, 2022			
7	Sector(s) that the company is engaged in (Industrial activity code-wise)	Group	Class	Sub Class	Description
		239	2394	23941	Manufacture of Clinker & Cement
		239	2394	23942	
8	List three key products or services that the company manufactures or provides ( as in Balance Sheet)	<ol style="list-style-type: none"> <li>Ordinary Portland Cement , Portland Pozollana Cement and Composite Cement</li> <li>Generation of Power for Captive Consumption</li> </ol>			
9	Total number of locations where business activity is undertaken by the company	<ol style="list-style-type: none"> <li>International locations – Nil</li> <li>National Locations – One integrated cement unit, registered office and nine zonal marketing offices</li> </ol>			
10	Markets served by the Company	Local	State	National	International
		Yes	Yes	Yes	No

### SECTION B: FINANCIAL DETAILS OF THE COMPANY

1	Paid Up Capital (INR)	₹2,529 Lakhs
2	Total Turnover (INR)	₹47,123 Lakhs
3	Total Profit after Taxes (INR)	₹3,497 Lakhs
4	Total spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	The company has spent ₹137 lakhs during the financial year 2021-22, which amounts to 2.01% of the average net profit of the preceding 3 financial years.
5	List of activities in which expenditure in 4 above has been incurred	<ol style="list-style-type: none"> <li>Promoting Education</li> <li>Rural Development</li> <li>Health Care, Hygiene &amp; Sanitation</li> </ol>

### SECTION C: OTHER DETAILS

- Does the Company have any Subsidiary Company/ Companies?
  - ❖ Yes. The Company has one Subsidiary namely Bhavya Cements Private Limited as on March 31, 2022.
- 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)?
  - ❖ During the year the Subsidiary Company has not participated in the BR initiatives of the Company.
- 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%]
  - ❖ No. The other entities with whom the Company does business do not participate in the BR initiatives of the Company.

### SECTION D: BR INFORMATION

- Details of Director/Directors responsible for BR:

a)	Details of the Director/Director responsible for implementation of the BR policy/policies :		
	1	DIN Number	08672963
	2	Name	Mr. N. Venkat Raju
	3	Designation	Managing Director

b) Details of BR head:		
No.	Particulars	Details
1	DIN Number (if applicable)	08672963
2	Name	Mr.N.Venkat Raju
3	Designation	Managing Director
4	Telephone Number	08683230164
5	Email ID	nvr@anjanacement.com

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

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities of Business (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These briefly are as follows:

<b>P1</b>	Businesses should conduct and govern themselves with Ethics, Transparency and Accountability.
<b>P2</b>	Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.
<b>P3</b>	Businesses should promote the wellbeing of all employees.
<b>P4</b>	Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.
<b>P5</b>	Businesses should respect and promote human rights.
<b>P6</b>	Businesses should respect, protect, and make efforts to restore the environment.
<b>P7</b>	Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.
<b>P8</b>	Businesses should support inclusive growth and equitable development.
<b>P9</b>	Businesses should engage with and provide value to their customers and consumers in a responsible manner.

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

No.	Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have a policy / policies for	Y	Y This is covered under sustainable development policy of the Company.	Y	Y	Y The policy is embedded in the Company's Code of Business Conduct, HR Policies & other various HR practices.	Y	-	Y	-
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	-	Y	-
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Company has adopted various standards specified by the International Organization for Standardization (ISO). These are- ISO 9001:2015 for quality management systems. ISO 14001: 2015 for environment management systems. BS OHSAS 45001:2018 for Occupational Health and Safety. Bureau of Indian Standards (BIS).								
4	Has the policy been approved by the Board? If yes, has it been signed by the MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	-	Y	-

No.	Question	P1	P2	P3	P4	P5	P6	P7	P8	P9
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy? Indicate the link for the policy to be viewed online?	Y	Y Reviewed by CSR committee only	Y	Y	Y	Y	-	Y	-
6	Has the policy been formally communicated to all relevant internal and external stakeholders?	Y	Y	Y	Y	Y	Y	-	Y	-
7	Indicate the link to view the policy online	www.anjanacement.com**								
8	Does the company have in-house structure to implement the policy/ policies?	Y	Y	Y	Y	Y	Y	-	Y	-
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	-	Y	-
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	No. The Company has not carried out independent audit of the policies. The management team periodically looks at the implementation of the relevant policies. CSR activities undertaken in pursuance of CSR policy will be reviewed by the CSR committee of the Board.								

\*\* Principle wise policy link mentioned below.

Principle	Name of the Policy	Link
P1 - Businesses should conduct and govern themselves with Ethics, Transparency and Accountability	Vigil Mechanism Policy or Whistle Blower Policy	<a href="http://www.anjanacement.com/policies.html">http://www.anjanacement.com/policies.html</a>
P2 - Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle.	Sustainable Development Policy	<a href="http://www.anjanacement.com/EnvironmentalCommitment.html">http://www.anjanacement.com/EnvironmentalCommitment.html</a>
P3-Businesses should promote the wellbeing of all employees	Code of Conduct and HR Policies	<a href="http://www.anjanacement.com/policies.html">http://www.anjanacement.com/policies.html</a>
P4- Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalised.	CSR Policy / Stakeholders Engagement Policy	<a href="http://www.anjanacement.com/policies.html">http://www.anjanacement.com/policies.html</a>
P6- Businesses should respect, protect, and make efforts to restore the environment	Environment Health and Safety Policy	<a href="http://www.anjanacement.com/EnvironmentalCommitment.html">http://www.anjanacement.com/EnvironmentalCommitment.html</a>
P8- Businesses should support inclusive growth and equitable development	CSR Policy	<a href="http://www.anjanacement.com/policies.html">http://www.anjanacement.com/policies.html</a>

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

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	The company has not understood the Principles	--	--	--	--	--	--	--	--	--
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)	--	--	--	--	--	--	The Company has a track record of pioneering achievements, long experience and leadership position in the relevant Market. However, no need for a formal policy has been felt.	--	The Company has a systematic process of assessing customer needs fulfilling them with innovative products and services. It also has customer complaint redressal system.

(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 BR Performance is reviewed annually.

- (b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published? –

The Company prepares Business Responsibility Report annually and is part of the Annual Report. The BR Report is also available on the Company's website [www.anjanacement.com](http://www.anjanacement.com).

**SECTION E: PRINCIPLE-WISE PERFORMANCE**

**PRINCIPLE 1: BUSINESSES SHOULD CONDUCT AND GOVERN THEMSELVES WITH ETHICS, TRANSPARENCY AND ACCOUNTABILITY**

1. Does the policy relating to ethics, bribery and corruption cover only the company? Yes/ No. Does it extend to the Group/Joint Ventures/ Suppliers/Contractors/NGOs /Others?

- ❖ The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of its business operations. The Company, in order to maintain these standards has adopted a Code of Conduct which lays down the principles and standards that govern the actions of its Employees in the course of conduct of business of the Company. Any actual or potential violation of the Code, however insignificant or perceived as such, would be a matter of serious concern for the Company. Although the Code is applicable to our employees, we also encourage our suppliers and business partners to follow the Code of Conduct.

The Company has a 'Whistle blower policy' which covers serious concerns that could have an impact on the operations and performance of the Company. The Whistle Blower has access to the Chairperson of the Audit Committee in exceptional cases. The Policy also protects the whistle blower from being victimized.

2. How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily resolved by the management? If so, provide details thereof, in about 50 words or so.
- ❖ During the year under review, the Company has received one complaint from the shareholders and the same has been resolved in time. Apart from this no other complaint was received during the financial year 2021-22.

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

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

- ❖ Company has two lines of business viz. manufacturing of cement and generation of power. Further, Company understands its obligations towards environmental concerns and accordingly, its manufacturing process is devised in such a manner so as to take care of its obligations. The Company has adopted the best techniques in its manufacturing process of cement (product) by using its resources optimally and leaving minimal footprints. The company's efforts in addressing these concerns include the following:
  - a. Alternate fuels like industrial waste were used in place of indigenous / imported coal to substitute coal to an extent 11.435% of thermal energy requirement in the plant.
  - b. Consuming of fly ash in finished product.
  - c. Consuming of granulated slag in finished product.
  - d. Installation of Captive Power Plant of 16 MW. Continual improvement in efficiency to bring down heat rate & auxiliary power consumption in the power plant.

2. For each such product, provide the following details in respect of resource use (energy, water, raw material etc.) per unit of product (optional):

- (i) Reduction during sourcing/production/ distribution achieved since the previous year throughout the value chain?

On the production front, the Company has been continuously striving hard to reduce the power and fuel consumption thereby contributing for the improvement of environment. Supply chain management plays a key role in achieving economies in cost of inward materials and logistics cost of outward movement.

The details of power and fuel consumption are as follows:

Resources	Units of measurement	Per unit Consumption	
		2020-21	2021-22
Electricity	Kwh/ton of cement	85.43KWH/T	86.45KWH/T
Fuel	Kcal/kg of Clinker	797.8	796.5

- (ii) Reduction during usage by consumers (energy, water) has been achieved since the previous year?
- The end usage of cement by customers and its purposes are not available with the Company and hence the reduction in consumption of energy and water by them by utilising our product cannot be quantified.

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.

- ❖ Company is seeking to engage in long-term relationships with its suppliers and the criteria used to source its suppliers is sustainability, resource efficiency, product quality, environment impact, etc. Limestone being the main raw material is extracted from its limestone mines using latest mining techniques which optimizes cost and reduces wastage. Further for other raw materials like fly ash and gypsum, the company has long term arrangement to procure them. The company has also installed a captive power plant for its power consumption.

The Company engages transporters based on the age of their vehicle and company insists that the vehicles have adequate pollution control certificates and the drivers carry valid driving licenses etc.

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?

- ❖ The marketing officials periodically visit main customers, namely, dealers, distributors, consumers and get the feedback on the satisfaction levels on supply, quality and other terms, etc.

5. Does the company have a mechanism to recycle products and waste? If yes what is the percentage of recycling of products and waste (separately as <5%, 5-10%, >10%). Also, provide details thereof, in about 50 words or so.

- ❖ Company's products i.e. Cement and Power are not meant for recycling as cement is used in construction and has a long life span. Power is consumed immediately. Fly ash, the solid waste generated from the captive power plant is also used in Portland Pozzolane Cement (PPC) Production. Granulated Slag, a waste product is also used in the finished product. The waste water generated from our plant is recycled and used for gardening, horticulture etc., in our factory.

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

1. Please indicate the total number of employees.

The total number of employees as on March 31, 2022 was 278.

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

The total number of temporary / contractual/casual basis as on March 31, 2022 were 283.

3. Please indicate total number of permanent women employees

The total number of permanent women employees as on March 31, 2022 was Nil.

4. Please indicate the total number of permanent employees with disabilities

The total number of permanent employees with disabilities as on March 31, 2022 was Nil.

5. Do you have any an employee association that is recognised by the management?

Yes. The Company has recognised trade unions.

6. What percentage of your permanent employees is members of this recognised employee associations?

23.02% of the total permanent employees are members of the above trade unions.

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 on end of the financial year
1	Child labour /forced labour/involuntary labour	Nil	NA
2	Sexual harassment	Nil	NA
3	Discriminatory employment	Nil	NA

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

Type of Employee	Total Number as on March 31, 2022	Training imparted to number of persons during the year	% Training
Permanent Employees	278	167	60.07%
Permanent Women Employees	Nil	Nil	-
Casual / Temporary/ Contractual Employees	283	242	85.51%
Employees with Disabilities	Nil	Nil	-

Company provides equal opportunity to all irrespective of gender, religion, caste, colour and does not discriminate based on any other factor.

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

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

- ❖ Yes.

2. Out of the above, has the Company identified the disadvantaged, vulnerable and marginalised stakeholders?

- ❖ The Company is taking initiatives to engage with the disadvantaged, vulnerable and marginalised stakeholders and considers the lower strata of the local communities around its manufacturing unit and its workers / contractors as disadvantaged and marginalised.

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

- ❖ The Company through its Corporate Social Responsibility initiatives is mainly targeting the area of education and development of infrastructure in the rural areas around its cement plant. The Company has been carrying out various social welfare activities such as providing financial assistance to poor and needy, health care including preventive health care and sanitation, medical camps and laying of external roads and bore-wells at neighbouring villages near to the Cement Plant. The Company has also constructed Smt. Sita Memorial School near the factory for the children of employees and neighboring villages and the children are being happily educated from pre-primary to class X.

**PRINCIPLE 5: BUSINESSES SHOULD RESPECT AND PROMOTE HUMAN RIGHTS**

1. Does the policy of the company on human rights cover only the Company or extend to the Group / Joint Ventures / Suppliers / Contractors / NGOs / Others?

- ❖ All aspects of the human right are in-built under the code of Business Conduct as well in various human resource practices/policies.

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

- ❖ We have not received any stakeholder complaints 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

- ❖ The Company has a Corporate Environment Policy, which covers all the operations Company. Subsidiary is not covered in BR initiatives of the Company. Our Company encourages its business partners to follow the policy.

2. Does the company have strategies/ initiatives to address global environmental issues such as climate change, global warming, etc? Y/N. If yes, please give hyperlink for webpage etc

Yes. The Company has always been proactive in measuring & reporting its carbon emissions. Our Company has consistently implemented various new initiatives and innovations to reduce its emissions from its value chain and will continue to adopt strategies to address global warming and ensure a low carbon growth path for our operations. The company's website also contains information on our sustainability endeavours at <http://anjanicement.com/sustainable.html>.

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

- ❖ Yes. The company identifies and assesses potential environmental risks.

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

- ❖ No.

5. Has the Company undertaken any other initiatives on Clean Technology, energy Efficiency, renewable Energy, etc. Y/N. If yes, please give hyperlink for webpage etc.

- ❖ Yes. The Company has undertaken several initiatives on clean technology, energy efficiency, renewable energy etc. The details of these initiatives are covered in the Director Report.

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

- ❖ The emissions / waste generated by the Company were within the permissible limits set by CPCB/SPCB for the relevant financial year. The Company ensures the submission of reports 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 such cases are pending at the end of the financial year 2021-22.

**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

- ❖ Yes, Company is member of the following chamber or association:



- i. Bureau of Energy Efficiency (BEE)
  - ii. Confederation of Indian Industries (CII)
  - iii. National Council for Cement and Building Materials (NCCBM)
2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/No; if yes specify the broad areas ( drop box: Governance and Administration, Economic Reforms, Inclusive Development Policies, Energy security, Water, Food Security, Sustainable Business Principles, Others)**
- ❖ The objective of these associations is to promote energy efficiency, environmentally sustainable business mechanisms etc which in-turn contributes to the greater public good. So the company is a partner to those objectives being a member of these associations.

#### 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 Directors' Report- Annexure IV shares details of our social inclusion initiatives.

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

  - ❖ The programmes are undertaken through the in-house team as well as an external agency like the Gandhi Nagar Education Society and Guide Indian Village Empowerment Foundation during the year under review.

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

  - ❖ The Company involves with the local community around the plant to understand their concerns and CSR initiatives are carried out as a need based approach and in consultation with the local community so that the activities are adopted by them. The Company is not required to do any impact assessment as per MCA Notification.

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

  - ❖ The Company has spent ₹137 lakhs as part of its CSR initiative during the year. Details of the projects are given in Annexure IV, Annual Report on CSR Activities forming part of 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.**

  - ❖ The Company involves with the local community around the plant to understand their concerns and CSR initiatives are carried out as a need based approach and in consultation with the local community so that the activities are adopted by them.

#### PRINCIPLE 9: BUSINESSES SHOULD ENGAGE WITH AND PROVIDE VALUE TO THEIR CUSTOMERS IN A RESPONSIBLE MANNER

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

  - ❖ There are no customer complaints / consumer cases pending as at the end of the financial year 2021-22.

2. **Does the Company display product information on the product label, over and above what is mandated as per local laws?**

  - ❖ The Company displays all the information regarding the product on the cement bag as mandated by Bureau of Indian Standards (BIS) and relevant Local Laws as applicable.

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

  - ❖ There are no case filed by any stakeholder against the Company regarding unfair trade practice, irresponsible advertising and / or anti-competitive behaviour during the last 5 years and pending as at the end of the financial year 2021-22.

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

  - ❖ The marketing officials periodically visit main customers, namely, dealers, distributors, consumers and get the feedback on the satisfaction levels on supply, quality and other terms, etc.

# Independent Auditor's Report

To the Members of Anjani Portland Cement Limited

Report on the Audit of the Standalone Financial Statements

## Opinion

We have audited the accompanying standalone financial statements of **Anjani Portland Cement Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

## Basis for Opinion

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

## Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significant in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	<p><b>Evaluation of uncertain tax positions</b></p> <p>The Company has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.</p> <p>Refer Notes 38 to the Standalone Financial Statements</p>	<p><b>Principal Audit Procedures</b></p> <p>Obtained details of completed tax assessments and demands as on March 31, 2022 from management. We involved our internal experts to challenge the management's underlying assumptions in estimating the tax provision and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions.</p>

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

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Directors Report and Corporate Governance Report but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. The Directors Report and Corporate Governance Report is expected to be made available to us after the date of this auditor's report.

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

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

When we read the Directors report and Corporate Governance Report if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with Governance.

## Management's Responsibility for the standalone financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, including other comprehensive income, changes in equity and cash flows of the Company in accordance with the IND AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, 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 standalone financial Statements**

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone 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 standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act based on our audit, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on 31st March, 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure-A".

- (g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid or provided by the company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements (Refer note 38);
  - ii. The Company did not have any long-term contracts including derivative contracts for which there are 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;
  - iv. (a) The Management has represented that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (b) The Management has represented, that, to the best of its knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
  - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11 (e), as provided under (a) and (b) above, contain any material misstatement;
  - v. As stated in Note 35(b) to the standalone financial statements,
    - (a) the dividend proposed in the previous year, declared and paid by the Company during the year is in accordance with Section 123 of the Act, as applicable;
    - (b) The Board of Directors of the Company have proposed dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
2. As required by the Companies (Auditor's Report) Order, 2020, ("the Order") issued by the Government of India in terms of Section 143 (11) of the Act, we give in "Annexure- B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Ramanatham & Rao**  
Chartered accountants  
(Firm Registration No. S-2934)

**C. Kameshwar Rao**  
Partner  
Membership No. 024363  
UDIN: 22024363AIVSJL9634

Place : Hyderabad  
Date : 12th May, 2022

# Annexure "A" to the Independent Auditor's Report

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

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

We have audited the internal financial controls over financial reporting of **Anjani Portland Cement Limited** ("the Company") as of 31 March 2022 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 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 ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, 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 over financial reporting.

### Meaning of Internal Financial Controls over Financial Reporting

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

### Inherent Limitations of Internal Financial Controls over Financial Reporting

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

### Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Ramanatham & Rao**  
Chartered accountants  
(Firm Registration No. S-2934)

**C. Kameshwar Rao**  
Partner  
Membership No. 024363  
UDIN: 22024363AIVSJL9634

Place : Hyderabad  
Date : 12th May, 2022

# Annexure "B" to the Independent Auditor's Report

With reference to Paragraph 2 under 'Report on Other Legal Regulatory Requirements' section of our report to the Members of the Company, we report that:

- i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:
  - (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant details of right-of-use assets.  
(B) The Company has maintained proper records showing full particulars of intangible assets.
  - (b) The Company has a program of physical verification of Property, Plant and Equipment and right-of-use assets so as to cover all the assets once every three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain Property, Plant and Equipment were due for verification during the year and were physically verified by the Management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
  - (c) Based on our examination of registered sale deeds and other documents, the title deeds of all the immovable properties disclosed in the financial statements are held in the name of the Company
  - (d) The Company has not revalued any of its Property, Plant and Equipment (including right-of-use assets) and intangible assets during the year.
  - (e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- ii. (a) The inventory has been physically verified by the management during the year. In our opinion, the coverage, frequency and procedure of such verification is reasonable and adequate in relation to the size of the Company and the nature of its business. The discrepancies noticed on verification between the physical stocks and the book records were not exceeding 10% or more in the aggregate for each class of inventory and have been properly dealt with in the books of account.  
(b) The Company is sanctioned working capital limits in excess of Rs.5 Crore during the year from banks on the basis of security of current assets. Further, the quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company.
- iii. During the year, the Company has made investments in a company. The Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties.
  - (a) During the Company has not provided loans or advances in the nature of loans or stood guarantee or provided security to any other entity, hence reporting under clause 3(iii)(a) of the Order is not applicable
  - (b) In our opinion, the investments made during the year are, prima facie, not prejudicial to the Company's interest.
  - (c) Company has not granted any loans and advances in the nature of loans. Hence reporting under clause 3(iii)(c),3(iii)(d),3(iii)(e) and 3(iii)(f) of the order is not applicable
- iv. The Company has complied with the provisions of Sections 185 and 186 of the Companies Act in respect investments made. Company has not given any loans, guarantees and Security.
- v. The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause 3(v) of the Order is not applicable.
- vi. We have broadly reviewed the cost records maintained by the Company as prescribed under subsection (1) of section 148 of the Act, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. In respect of statutory dues:
  - a) In our opinion, the Company has generally been regular in depositing undisputed statutory dues, including Goods and Services tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other material statutory dues applicable to it with the appropriate authorities.

There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2022 for a period of more than six months from the date they became payable.

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- b) Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2022 on account of disputes are given below:

Name of the Statute	Nature of dues	Forum where Dispute is pending	Period to which the amount relates	Amount (In Lakhs)
Central Excise Act, 1944	Excise Duty	CESTAT, Bangalore remanded back to Commissioner, Hyderabad.	2006 to 2010	180
Customs Act, 1962	Customs Duty	CESTAT, Bangalore	July, Oct & Nov 2012	97
Customs Act, 1962	Customs Duty	Commissioner of Customs (Appeals), Visakhapatnam	Nov 2013 & Jan 2014	24
Customs Act, 1962	Customs Duty	Commissioner of Customs (Appeals), Visakhapatnam	Mar 2012	9
Income Tax Act, 1961	Income Tax	High Court for the state of Telangana, Hyderabad	2007-08	102
Income Tax Act, 1961	Income Tax	High Court for the state of Telangana, Hyderabad	2008-09	193

- viii. There were no transactions relating to previously unrecorded income that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961).
- ix. a) The Company has not defaulted in repayment of loans taken from the banks, financial institutions and Government.
- b) The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- c) The Company has not taken any term loan during the year and there are no outstanding term loans at the beginning of the year and hence, reporting under clause 3(ix)(c) of the Order is not applicable.
- d) On an overall examination of the financial statements of the Company, funds raised on short-term basis have, prima facie, not been used during the year for long-term purposes by the Company.
- e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary.
- f) According to the information and explanations given to us and procedures performed by us, we report that the company has not raised loans during the year on the pledge of securities held in its subsidiary.
- x. a) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable.
- b) During the year, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and hence reporting under clause 3(x)(b) of the Order is not applicable.
- xi. a) No fraud by the Company and no material fraud on the Company has been noticed or reported during the year.
- b) No report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.
- c) As represented to us by the management, there are no whistle blower complaints received by the company during the year.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with Section 177 and 188 of the Companies Act with respect to applicable transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. a) In our opinion the Company has an adequate internal audit system commensurate with the size and the nature of its business.
- b) We have considered, the internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures.
- xv. In our opinion during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with its directors hence provisions of section 192 of the Companies Act are not applicable to the Company.
- xvi. a) In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a), (b) and (c) of the Order is not applicable.
- b) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause 3(xvi)(d) of the Order is not applicable.
- xvii. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors of the Company during the year.

- xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements and our knowledge of the Board of Directors and Management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. a) There are no unspent amounts towards Corporate Social Responsibility (CSR), requiring a transfer to a Fund specified in Schedule VII to the Companies Act in compliance with second proviso to sub-section (5) of Section 135 of the said Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- b) Company does not have ongoing projects relating to CSR. Hence reporting under clause 3(xx)(b) of the Order is not applicable.

For **Ramanatham & Rao**  
Chartered accountants  
(Firm Registration No. S-2934)

**C. Kameshwar Rao**  
Partner  
Membership No. 024363  
UDIN: 22024363AIVSJL9634

Place : Hyderabad  
Date : 12th May, 2022



# Standalone Balance Sheet

All amounts in INR Lakhs unless otherwise stated

Particulars	Note	As at March 31, 2022	As at March 31, 2021
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment	2a	18,560	19,954
Right of Use Assets	42	173	254
Capital work in progress	2c	141	83
Other intangible assets	2b	1	1
Financial assets			
i. Investments	3	68,663	-
ii. Other financial assets	4	309	198
Other non-current assets	5	332	366
<b>Total non-current assets</b>		<b>88,179</b>	<b>20,856</b>
<b>Current assets</b>			
Inventories	6	2,816	2,773
Financial assets			
i. Trade receivables	7	2,505	1,580
ii. Cash and cash equivalents	8	913	932
iii. Bank Balances other than (ii) above	9	9	17,714
iv. Loans	10	-	-
v. Other financial assets	4	286	1,073
Other current assets	11	1,651	1,656
<b>Total current assets</b>		<b>8,180</b>	<b>25,728</b>
<b>Total Assets</b>		<b>96,359</b>	<b>46,584</b>
<b>Equity and liabilities</b>			
<b>Equity</b>			
Equity share capital	12	2,529	2,529
Other equity	13	34,341	32,102
<b>Total equity</b>		<b>36,870</b>	<b>34,631</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
i. Borrowings	14	34,500	-
ia. Lease liabilities		139	209
Provisions	15	108	64
Deferred tax liabilities (net)	16	2,300	2,539
Government grants	17	12	19
<b>Total non-current liabilities</b>		<b>37,059</b>	<b>2,831</b>
<b>Current liabilities</b>			
Financial liabilities			
i. Borrowings	18	9,000	-
ia. Lease liabilities		69	71
ii. Trade payables			
(a) Total outstanding dues of micro enterprises and small enterprises	19	616	293
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		2,148	2,035
iii. Other financial liabilities	20	8,371	3,458
Other current liabilities	21	1,985	2,482
Provisions	15	33	27
Government grants	17	7	7
Current tax liabilities (net)	22	201	749
<b>Total current liabilities</b>		<b>22,430</b>	<b>9,122</b>
<b>Total liabilities</b>		<b>59,489</b>	<b>11,953</b>
<b>Total equity and liabilities</b>		<b>96,359</b>	<b>46,584</b>
<b>Significant Accounting Policies</b>	1		

The accompanying notes form an integral part of standalone financial statements.

As per our report of even date

**For Ramanatham & Rao**  
Chartered Accountants  
FR No : S-2934

**C. Kameshwar Rao**  
Partner  
Membership No : 024363

Place : Hyderabad  
Date : 12th May, 2022

For and on behalf of the Board

**N Venkat Raju**  
Managing Director  
(DIN: 08672963)

**S. B. Nirmalatha**  
Director  
(DIN: 03092392)

**M. L. Kumavat**  
Chief Financial Officer

**V. Valliammai**  
Director  
(DIN: 01197421)

**V Palaniappan**  
Director  
(DIN: 00645994)

**Subhanargyan Muduli**  
Company Secretary  
M. No.A 41513

**A Subramanian**  
Director  
(DIN: 06693209)

**R M Palanippan**  
Director  
(DIN: 00143198)

Place : Chennai  
Date : 12th May, 2022

# Statement of Profit and Loss

All amounts in INR Lakhs unless otherwise stated

Particulars	Note	Year ended March 31, 2022	Year ended March 31, 2021
<b>Income</b>			
Revenue from operations	23	47,021	40,720
Other income	24	102	695
<b>Total income</b>		<b>47,123</b>	<b>41,415</b>
<b>Expenses</b>			
Cost of materials consumed	25	4,263	3,708
Purchase of stock-in-trade		4,169	3,302
Changes in inventories of finished goods, stock-in-trade and work-in-progress	26	60	214
Employee benefits expense	27	2,384	2,132
Finance costs	28	2,853	65
Depreciation and amortisation expense	29	1,935	2,026
Power and fuel	30	15,153	9,483
Freight and forwarding expense		6,832	6,778
Other expenses	31	4,560	3,555
<b>Total expenses</b>		<b>42,209</b>	<b>31,263</b>
<b>Profit before tax</b>		<b>4,914</b>	<b>10,152</b>
Tax expenses			
Current Tax	32	1,657	2,903
Deferred tax		(240)	(1,249)
<b>Total tax expense</b>		<b>1,417</b>	<b>1,654</b>
<b>Profit for the year</b>		<b>3,497</b>	<b>8,498</b>
<b>Other comprehensive income</b>			
Items that will not be reclassified to profit or loss			
Remeasurement of post employment benefit obligations		8	7
Income tax relating to these items		(2)	(2)
<b>Other comprehensive income for the year, net of tax</b>		<b>6</b>	<b>5</b>
<b>Total comprehensive income for the year</b>		<b>3,503</b>	<b>8,503</b>
Earnings per equity share (Face Value of Rs 10/- each) :			
Basic earnings per share in Rupees	41	13.83	33.61
Diluted earnings per share in Rupees		13.83	33.61
<b>Significant Accounting Policies</b>	<b>1</b>		

The accompanying notes form an integral part of standalone financial statements.

As per our report of even date

**For Ramanatham & Rao**

Chartered Accountants  
FR No : S-2934

**C. Kameshwar Rao**

Partner  
Membership No : 024363

Place : Hyderabad  
Date : 12th May, 2022

For and on behalf of the Board

**N Venkat Raju**

Managing Director  
(DIN: 08672963)

**S. B. Nirmalatha**

Director  
(DIN: 03092392)

**M. L. Kumavat**  
Chief Financial Officer

Place : Chennai  
Date : 12th May, 2022

**V. Valliammai**

Director  
(DIN: 01197421)

**V Palaniappan**

Director  
(DIN: 00645994)

**Subhanarayan Muduli**  
Company Secretary  
M. No.A 41513

**A Subramanian**

Director  
(DIN: 06693209)

**R M Palanippan**

Director  
(DIN: 00143198)

# Statement of Cash Flows

All amounts in INR Lakhs unless otherwise stated

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Cash flow from operating activities</b>		
<b>Profit before tax</b>	4,914	10,152
Adjustments for		
Depreciation and amortisation expense	1,935	2,026
Property Plant and Equipment written off	123	313
Creditors payable /Debtors advance written back	(44)	(16)
(Gain)/loss on disposal of property, plant and equipment	(5)	(1)
Provisions for doubtful debts	57	(135)
Bad debts written off	-	146
Amortisation of government grants	(7)	(7)
Amortisation of interest on rental deposit	2	2
Interest income on rental deposit	(2)	(2)
Finance costs	2,853	65
<b>Change in operating assets and liabilities</b>		
(Increase)/Decrease in trade receivables	(982)	2,698
(Increase)/Decrease in inventories	(43)	1,223
Increase/(Decrease) in trade payables	436	(689)
(Increase)/Decrease in other financial assets	676	(191)
(Increase)/decrease in other current assets	5	(874)
Increase/(Decrease) in employee benefit obligations/Provisions	56	(48)
Increase/(Decrease) in financial liabilities	3,256	487
Increase/(Decrease) in other current liabilities	(533)	831
<b>Cash generated from operations</b>	<b>12,697</b>	<b>15,980</b>
Income taxes paid	(2,130)	(2,223)
<b>Net cash inflow from operating activities</b>	<b>10,567</b>	<b>13,757</b>
<b>Cash flows from investing activities</b>		
Payments for property, plant and equipment	(641)	(374)
Increase / (Decrease) in capital creditors	(41)	73
(Increase) / Decrease in capital advances	34	(1)
Proceeds from sale of property, plant and equipment	7	2
Fixed deposits (Increase)/Decrease- (Net)	17,705	(11,458)
Investments increase	(68,663)	-
<b>Net cash outflow from investing activities</b>	<b>(51,599)</b>	<b>(11,758)</b>
<b>Cash flows from financing activities</b>		
Increase/Decrease in Borrowings (net)	43,500	-
Interest paid	(1,165)	(38)
Payment of lease liabilities	(92)	(88)
Dividends paid to company's shareholders	(1,264)	(1,264)
Increase in unpaid dividend account	17	20
<b>Net cash inflow (outflow) from financing activities</b>	<b>40,996</b>	<b>(1,370)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(36)</b>	<b>629</b>
Cash and cash equivalents at the beginning of the financial year	879	250
<b>Cash and cash equivalents at end of the year</b>	<b>843</b>	<b>879</b>
Add :Balances in statutory restricted accounts	70	53
Cash and Cash Equivalents (Note 8)	913	932

## 1) Components of cash and cash equivalents

All amounts in INR Lakhs unless otherwise stated

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Balances with banks in current accounts	843	879
Balances with banks in deposit accounts	-	-
Cash on hand	-	-
<b>Cash and cash equivalents considered in the cash flow statement</b>	<b>843</b>	<b>879</b>

2) The above cash flow statement has been prepared in accordance with the 'Indirect method' as set out in Indian Accounting Standard - 7 specified under Section 133 of the Companies Act, 2013.

## 3) Reconciliation of liabilities arising from financing activities

Particulars	Outstanding as at 01 Apr 2021	Cash flows	Non-Cash Changes	Outstanding as at 31 Mar 2022
Inter Corporate Deposits	-	43,500	-	43,500
Total Borrowings				

## Significant Accounting Policies

## Note 1

The accompanying notes form an integral part of standalone financial statements.

As per our report of even date

**For Ramanatham & Rao**  
Chartered Accountants  
FR No : S-2934

**C. Kameshwar Rao**  
Partner  
Membership No : 024363

Place : Hyderabad  
Date : 12th May, 2022

For and on behalf of the Board

**N Venkat Raju**  
Managing Director  
(DIN: 08672963)

**S. B. Nirmalatha**  
Director  
(DIN: 03092392)

**M. L. Kumavat**  
Chief Financial Officer

Place : Chennai  
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**V. Valliammai**  
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Director  
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**Subhanarayan Muduli**  
Company Secretary  
M. No.A 41513

**A Subramanian**  
Director  
(DIN: 06693209)

**R M Palanippan**  
Director  
(DIN: 00143198)

# Statement of changes in Equity

All amounts in INR Lakhs unless otherwise stated

## I) Equity share capital

Particulars	Note No	Amounts
Balance as at April 1, 2021		2,529
Add: Changes in equity share capital due to prior period errors		-
<b>Restated balance at the beginning of the year</b>		<b>2,529</b>
Changes in equity share capital during the year	12	-
<b>Balance as at March 31, 2022</b>		<b>2,529</b>

## II) Other equity

Particulars	Note No	Reserves and surplus			
		Securities Premium	General Reserve	Retained earnings	Total
Balance as at April 1, 2021		6,810	500	24,792	32,102
Profit for the year	13	-	-	3,497	3,497
Other comprehensive income	13	-	-	6	6
<b>Transactions with owners in their capacity as owners</b>					
Dividends paid	35(b)	-	-	(1,264)	(1,264)
<b>Balance as at March 31, 2022</b>		<b>6,810</b>	<b>500</b>	<b>27,031</b>	<b>34,341</b>

Particulars	Note No	Reserves and surplus			
		Securities Premium	General Reserve	Retained earnings	Total
Balance as at April 1, 2020		6,810	500	17,553	24,863
Profit for the year	13	-	-	8,498	8,498
Other comprehensive income	13	-	-	5	5
<b>Transactions with owners in their capacity as owners</b>					
Dividends paid	35(b)	-	-	(1,264)	(1,264)
<b>Balance as at March 31, 2021</b>		<b>6,810</b>	<b>500</b>	<b>24,792</b>	<b>32,102</b>

As per our report of even date

**For Ramanatham & Rao**

Chartered Accountants  
FR No : S-2934

**C. Kameshwar Rao**

Partner  
Membership No : 024363

Place : Hyderabad  
Date : 12th May, 2022

For and on behalf of the Board

**N Venkat Raju**

Managing Director  
(DIN: 08672963)

**S. B. Nirmalatha**

Director  
(DIN: 03092392)

**M. L. Kumavat**  
Chief Financial Officer

Place : Chennai  
Date : 12th May, 2022

**V. Valliammai**

Director  
(DIN: 01197421)

**V Palaniappan**

Director  
(DIN: 00645994)

**Subhanarayan Muduli**  
Company Secretary  
M. No.A 41513

**A Subramanian**

Director  
(DIN: 06693209)

**R M Palanippa**

Director  
(DIN: 00143198)

# Notes to Accounts

## Note 1. Significant Accounting Policies

### a) Brief description of the Company

Anjani Portland Cement Limited ('the Company') is a public limited company incorporated and domiciled in India whose shares are publicly traded. The registered office is located at- #6-3-553, Unit No. E3 & E4, 4th Floor, Quena Square Off: Taj Deccan Road, Erramanzil, Hyderabad, Telangana 500082.

The Company manufactures high quality premium cement. The Company has manufacturing plant located at Chintalapalem, Suryapeta District, Telangana.

The financial statements are approved for issue by the Company's Board of Directors on 12th May, 2022

### b) Basis of preparation

The financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. The financial statements have been prepared under the historical cost convention on accrual basis of accounting except for certain financial assets and liabilities (as per the accounting policies given below) which have been measured at fair value.

### c) Use of estimates

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. The management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.

This note provides an overview of the areas that involve a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in the relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

### d) Critical Estimates and judgments

The areas involving critical estimates or judgments are:

- i) Estimation of current tax expense and payable
- ii) Estimation of defined benefit obligation
- iii) Estimation of useful life of Property, Plant and Equipment
- iv) Impairment of trade receivables
- v) Impairment of Investments in subsidiaries
- vi) Estimation of decommissioning liabilities for quarry mines
- vii) Leases

### e) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are and net of returns, trade allowances, rebates, and amounts collected on behalf of third parties.

#### Sale of products:

Timing of recognition – Revenue from sale of products is recognized when control of the products is transferred to customers based on terms of sale.

Measurement of Revenue: Revenue from sales is based on the price specified in the sales contract, net of all discounts and returns in relation to sales made until end of the reporting period.

No element of financing is deemed present as the sales are made with credit terms consistent with market practices. Receivable is recognized when the goods are dispatched as this is the point in time that the consideration is unconditional and only passage of time is required before payment is done.

#### Interest, Dividends and Other Income:

Dividend income is recognised when the right to receive payment has been established, it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and the applicable effective interest rate.

### f) Property, Plant and Equipment

Freehold Land is stated at historical cost. All other property plant and equipment are stated at cost of acquisition less accumulated depreciation / amortization and impairment, if any. Cost includes purchase price, taxes and duties, labour cost and directly attributable overhead expenditure incurred upto the date the asset is ready for its intended use. However, cost excludes input credit of the duty or tax is availed of.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as separate asset is derecognized when replaced. All other repairs and maintenance are charged to Profit or Loss during the reporting period in which they are incurred.

**g) Depreciation and amortization**

- i) Depreciation of Property, plant and Equipment is provided on straight line method of depreciation based on the useful lives estimated by the Company from the technical evaluation carried out. The useful lives so determined are equal to those prescribed under the Part C of Schedule II of the Companies Act, 2013.
- ii) The assets' residual values are measured at not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period.
- iii) On tangible property, plant and equipment added / disposed-off during the year, depreciation is charged on pro-rata basis from the date of addition / till the date of disposal.
- iv) Gains and losses on disposal of assets are determined by comparing the sale proceeds with the carrying amount. These are included in profit or loss within other income.

**h) Intangible assets**

Intangible assets, namely computer software are recorded at their acquisition cost and are amortised over 4 years from the date on which they are ready for intended use.

**i) Impairment of assets**

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which separately identifiable cash inflows can be generated which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets other than goodwill that suffer impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

**Impairment of investments in subsidiaries** :The Company reviews its carrying value of investments carried at cost (net of impairment, if any) annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in the statement of profit and loss

**j) Borrowings**

Borrowings are initially recognised at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction cost) and the redemption amount is recognised in profit or loss over the period of the borrowings, using the effective interest method. Fees paid on the established loan facilities are recognised as transaction cost of the loan, to the extent that it is probable that some or all the facility will be drawn down.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, (including any non-cash assets transferred or liabilities assumed), is recognised in profit or loss as other gain/(loss).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

**k) Borrowing costs**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised up-to the time when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete. Qualifying assets are assets that necessarily take a substantial period of time to get 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 capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

**l) Transactions in foreign currencies**

- i) Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction.
- ii) Foreign currency monetary assets and liabilities such as cash, receivables, payables, etc., are translated at year end exchange rates.
- iii) Exchange differences arising on settlement of transactions and translation of monetary items are recognised as income or expense in the year in which they arise.

**m) Inventories**

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

- i) Cost of raw materials and components, packing materials, stores and spares, work-in-process and finished goods are ascertained on a weighted average basis.
- ii) Cost of finished goods and work-in-process comprises of direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts.
- iii) Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.
- iv) Materials and supplies held for use in production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost.
- v) Slow and non-moving material, obsolesces, defective inventories are duly provided for.

**n) Employee benefits**

i) Short term obligations:

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services upto the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

ii) Other long term employee benefit:

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of the expected future payments to be made in respect of services provided by employee upto the end of reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

iii) Post-employment obligation:

The Company operates the following post-employment schemes:

- a) Defined benefit plans such as gratuity for its eligible employees; and
- b) Defined contribution plans such as provident fund.

a) Gratuity obligation:

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on the government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

b) Provident fund

The Company pays provident fund contributions to publicly administered provident funds as per local regulations. The Company has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

iv) Bonus plans:

The Company recognises a liability and an expense for bonuses. The Company recognises a provision where statutory liability exists, contractually obliged or where there is a past practice that has created a constructive obligation.

**o) Income tax**

Tax expense comprises of current and deferred taxes.

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. The management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a

business combination that at the time of the transaction affects neither accounting profit nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Where the Company is entitled to claim special tax deductions for investments in qualifying assets or in relation to qualifying expenditure (the Research and Development or other investment allowances), the Company accounts for such allowances as tax credits, which means that the allowance reduce income tax payable and current tax expense. A deferred tax asset is recognised for unclaimed tax credits that are carried forward as deferred tax assets.

**p) Provisions and contingent liabilities**

i) Provision:

A provision is recorded when the Company has a present or constructive obligation as a result of present obligation, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expenses.

ii) Contingent liabilities:

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

**q) Leases**

**The Company as a lessee**

The Company's lease asset classes primarily consist of leases for land and buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

#### The Company as a lessor

Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Company is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

#### r) Government Grants

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

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented under other income.

Grants related to income are recognised in statement of profit or loss by deducting it from the related expense.

#### s) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

#### t) Cash and Cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

#### u) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

#### v) Trade payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid as per the agreed terms. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

#### w) Investments and Other financial assets

##### i) Classification

The Company classifies its financial assets as those subsequently measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flow.

##### ii) Measurement

###### Amortised Cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets are included in finance income using the effective interest rate method.

##### iii) Impairment of financial assets:

The company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been significant increase in credit risk. Note 33 details how the company determines whether there has been a significant increase in credit risk.

##### iv) Investment in Subsidiaries:

Investments in subsidiaries are measured at cost less impairment loss, if any.

For trade receivables, the Company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected credit losses to be recognised from initial recognition of the receivables.

##### v) Derecognition of financial assets:

A financial asset is de-recognised only when:

- a) The Company has transferred the rights to receive cash flows from the financial asset or
- b) The Company retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized, if the Company has not retained control of the financial asset. Where the company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

**x) Current and Non-current classification**

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

Cash or cash equivalent is treated as current, unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. In respect of other assets, it is treated as current when it is:

- expected to be realized or intended to be sold or consumed in the normal operating cycle
- held primarily for the purpose of trading
- expected to be realized within twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

- it is expected to be settled in the normal operating cycle
- it is held primarily for the purpose of trading
- it is due to be settled within twelve months after the reporting period, or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

**y) Recent accounting announcements**

On March 23, 2022, the Ministry of Corporate Affairs (MCA) amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from April 1st, 2022. Amendments applicable to the Company are given below:

Ind AS 16 – Proceeds before intended use - The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment, amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in the statement of profit and loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts – Costs of Fulfilling a Contract - The amendments specify that the ‘cost of fulfilling’ a contract comprises the ‘costs that relate directly to the contract’. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021) - The amendment clarifies which fees an entity includes when it applies the ‘10 percent’ test of Ind AS 109 in assessing whether to de-recognize a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

## Note - 2a : Property, plant and equipment

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2022 are as follows:

Asset Description	Gross carrying amount				Accumulated Depreciation				Net carrying amount
	As at April 1, 2021	Additions	Deletions / Adjustments	As at March 31, 2022	As at April 1, 2021	Depreciation for the year	Deletions	As at March 31, 2022	As at March 31, 2022
Land - freehold	1,210	72	-	1,282	6	0	-	6	1,276
Building	3,650	4	-	3,654	538	104	-	642	3,012
Plant and equipment	26,233	503	263	26,473	10,620	1,747	141	12,226	14,246
Furniture and fixtures	22	4	1	25	13	1	1	13	12
Office equipment	76	6	3	79	64	4	2	66	13
Vehicles	11	-	2	9	7	1	-	8	1
<b>Total</b>	<b>31,202</b>	<b>588</b>	<b>269</b>	<b>31,521</b>	<b>11,248</b>	<b>1,856</b>	<b>144</b>	<b>12,961</b>	<b>18,560</b>

## Note - 2b : Other intangible assets

Asset Description	Gross carrying amount				Accumulated Amortisation				Net carrying amount
	As at April 1, 2021	Additions	Deletions / Adjustments	As at March 31, 2022	As at April 1, 2021	Amortisation for the year	Deletions	As at March 31, 2022	As at March 31, 2022
Computer software - Acquired	13	-	-	13	12	-	-	12	1
<b>Total</b>	<b>13</b>	<b>-</b>	<b>-</b>	<b>13</b>	<b>12</b>	<b>-</b>	<b>-</b>	<b>12</b>	<b>1</b>

## Note - 2c : Capital work in progress

Capital work in progress	83	212	154	141	-	-	-	-	141
<b>Total</b>	<b>83</b>	<b>212</b>	<b>154</b>	<b>141</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>141</b>

### CWIP AGEING SCHEDULE

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	
Projects in progress	68	44	29	-	141
Projects temporarily suspended	-	-	-	-	-

**Notes:** (i) Refer to note 39 for disclosure of contractual commitments for the acquisition of Property, Plant and Equipment.

## Note - 2a : Property, plant and equipment

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2021 are as follows:

Asset Description	Gross carrying amount				Accumulated Depreciation				Net carrying amount
	As at April 1, 2020	Additions	Deletions / Adjustments	As at March 31, 2021	As at April 1, 2020	Depreciation for the year	Deletions	As at March 31, 2021	As at March 31, 2021
Land - freehold	1,206	4	-	1,210	6	-	-	6	1,204
Building	3,648	2	-	3,650	432	106	-	538	3,112
Plant and equipment	26,657	289	713	26,233	9,189	1,831	400	10,620	15,613
Furniture and fixtures	22	-	-	22	12	1	-	13	9
Office equipment	73	3	-	76	59	5	-	64	12
Vehicles	20	-	9	11	15	1	9	7	4
<b>Total</b>	<b>31,626</b>	<b>298</b>	<b>722</b>	<b>31,202</b>	<b>9,713</b>	<b>1,944</b>	<b>409</b>	<b>11,248</b>	<b>19,954</b>

## Note - 2b : Other intangible assets

Asset Description	Gross carrying amount				Accumulated Amortisation				Net carrying amount
	As at April 1, 2020	Additions	Deletions / Adjustments	As at March 31, 2021	As at April 1, 2020	Amortisation for the year	Deletions	As at March 31, 2021	As at March 31, 2021
Computer Software - Acquired	13	-	-	13	12	-	-	12	1
<b>Total</b>	<b>13</b>	<b>-</b>	<b>-</b>	<b>13</b>	<b>12</b>	<b>-</b>	<b>-</b>	<b>12</b>	<b>1</b>

## Note - 2c : Capital work in progress

Asset Description	Gross carrying amount				Accumulated Amortisation				Net carrying amount
	As at April 1, 2020	Additions	Deletions / Adjustments	As at March 31, 2021	As at April 1, 2020	Amortisation for the year	Deletions	As at March 31, 2021	As at March 31, 2021
Capital work in progress	33	196	146	83	-	-	-	-	83
<b>Total</b>	<b>33</b>	<b>196</b>	<b>146</b>	<b>83</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>83</b>

## CWIP AGEING SCHEDULE

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	
Projects in progress	54	29	-	-	83
Projects temporarily suspended	-	-	-	-	-

## Note - 3 : Investments

Particulars	As at March 31 2022	As at March 31 2021
<b>Investments in Equity Instruments</b>		
<i>Investments in Subsidiaries</i>		
Bhavya Cements Private Limited	68,663	-
13,10,96,395 (P.Y Nil) equity shares of Rs. 10 each		-
<b>Total Investments</b>	<b>68,663</b>	<b>-</b>
Aggregate amount of un-quoted investmnets	68,663	-
Agrragate amount of impairment in value of investmnets	-	-

## Note - 4 : Other financial assets

Particulars	As at March 31 2022	As at March 31 2021
<b>Non-current</b>		
Unsecured, considered good		
Security deposits	33	31
Fixed Deposits with banks with maturity greater than 12 Months *	276	167
<b>Total other financial assets - non-current</b>	<b>309</b>	<b>198</b>
* Represents margin money deposits against Bank Guarantees		
<b>Current</b>		
Security deposits	32	19
DIC Claim receivable	201	651
Interest Receivable	53	403
<b>Total other financial assets - current</b>	<b>286</b>	<b>1,073</b>

## Note - 5 : Other non-current assets

Particulars	As at March 31 2022	As at March 31 2021
Capital advances	294	281
Balances with government authorities	38	85
<b>Total other non-current assets</b>	<b>332</b>	<b>366</b>

## Note - 6 : Inventories

Particulars	As at March 31 2022	As at March 31 2021
Raw materials	210	225
Work-in-progress	408	580
Finished goods	223	111
Coal and fuel*	1,165	1,046
Packing materials	70	121
Stores and spares	740	690
<b>Total inventories</b>	<b>2,816</b>	<b>2,773</b>

\* Includes coal in transit of INR NIL (PY 69 Lakhs)

## Note - 7 : Trade receivables

Particulars	As at March 31 2022	As at March 31 2021
a) Trade receivables considered good - secured	533	211
b) Trade receivables considered good - unsecured		
From Related Parties	4	13
From Others	2,123	1,454
c) Trade receivables which have significant increase in credit risk	-	-
d) Trade receivables - credit impaired	-	-
Less: Allowance for expected credit losses	(155)	(98)
<b>Total trade receivables</b>	<b>2,505</b>	<b>1,580</b>

## As on March 31, 2022

Particulars	Not Due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	1,352	775	175	53	85	-	2,440
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	10	67	143	-	220
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Less: Expected Credit Losses	(14)	(3)	(9)	(14)	(115)	-	(155)
<b>Total</b>	<b>1338</b>	<b>772</b>	<b>176</b>	<b>106</b>	<b>113</b>	<b>-</b>	<b>2505</b>

## As on March 31, 2021

Particulars	Not Due	Outstanding for following periods from due date of payment					
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	809	445	80	118	18	-	1,470
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	66	4	7	131	-	208
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Less: Expected Credit Losses	(4)	(3)	(4)	(12)	(75)	-	(98)
<b>Total</b>	<b>805</b>	<b>508</b>	<b>80</b>	<b>113</b>	<b>74</b>	<b>-</b>	<b>1,580</b>

**Note - 8 : Cash and cash equivalents**

Particulars	As at March 31 2022	As at March 31 2021
Balances with banks		
- in current accounts	843	879
- in earmarked accounts *	70	53
Cash on hand	-	-
<b>Total cash and cash equivalents</b>	<b>913</b>	<b>932</b>

\* Represents amounts in unpaid dividend accounts

**Note - 9 : Bank Balances other than cash and cash equivalents above**

Particulars	As at March 31 2022	As at March 31 2021
Balances with banks		
Term deposits *	9	17,714
<b>Total Bank Balances other than cash and cash equivalents</b>	<b>9</b>	<b>17,714</b>

\* Rs. 7 lakhs(PY 6 lakhs ) represents margin money deposit against BG

**Note - 10 : Loans**

Particulars	As at March 31 2022	As at March 31 2021
<b>Unsecured considered good</b>		
Salary advance to employees	-	-
<b>Total loans</b>	<b>-</b>	<b>-</b>

**Note - 11 : Other current assets**

Particulars	As at March 31 2022	As at March 31 2021
Advances other than capital advances		
Supplier advances	1,254	1,290
Balances with government authorities	335	307
Prepaid Expenses	62	59
<b>Total other current assets</b>	<b>1,651</b>	<b>1,656</b>

**Note - 12 : Equity share capital**

Authorised equity share capital

Particulars	Number of shares (in lakhs)	Amount
<b>As at March 31 2021</b>	300	3,000
Increase during the year	-	-
<b>As at Mar 31 2022</b>	<b>300</b>	<b>3,000</b>

Authorised preference share capital

Particulars	Number of shares (in lakhs)	Amount
<b>As at March 31 2021</b>	10	100
Increase during the year	-	-
<b>As at Mar 31 2022</b>	<b>10</b>	<b>100</b>

Issued and Subscribed equity Share capital

Particulars	Number of shares (in lakhs)	Amount
<b>As at March 31 2021</b>	253	2,529
Increase during the year	-	-
<b>As at Mar 31 2022</b>	<b>253</b>	<b>2,529</b>

**(i) Movements in equity share capital**

Particulars	Number of shares (in lakhs)	Amount
<b>As at March 31 2021</b>	253	2,529
Add : Issue of shares	-	-
<b>As at Mar 31 2022</b>	<b>253</b>	<b>2,529</b>

Terms and rights attached to equity shares

The company has one class of equity shares having a par value of INR 10. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of and amounts paid on equity shares held.

**(ii) Shares of the company held by holding company**

Particulars	As at Mar 31 2022		As at March 31 2021	
	Number of shares	Amount (INR)	Number of shares	Amount (INR)
Chettinad Cement Corporation Private Limited, Holding Company	18,964,270	189,642,700	18,964,270	189,642,700
	<b>18,964,270</b>	<b>189,642,700</b>	<b>18,964,270</b>	<b>189,642,700</b>

**(iii) Details of shareholders holding more than 5% shares in the company**

Particulars	As at Mar 31 2022		As at March 31 2021	
	Number of shares (in lakhs)	% holding	Number of shares (in lakhs)	% holding
Chettinad Cement Corporation Private Limited, Holding Company	190	75%	190	75%
Sangeetha S	12	5%	14	6%
	<b>202</b>	<b>80%</b>	<b>204</b>	<b>81%</b>

## Promoter's Shareholding

Year ended March 31, 2022

Shares held by promoters at the end of the year			% Change During the Year
Promoter Name	No. of Shares	% of Total Shares	
Chettinad Cement Corporation Private Limited	18964270	75	NIL
<b>Total</b>	<b>18964270</b>	<b>75</b>	

Year ended March 31, 2021

Shares held by promoters at the end of the year			% Change During the Year
Promoter Name	No. of Shares	% of Total Shares	
Chettinad Cement Corporation Private Limited	18964270	75	NIL
<b>Total</b>	<b>18964270</b>	<b>75</b>	

## Note - 13 : Other Equity

Particulars	As at March 31 2022	As at March 31 2021
Securities premium	6,810	6,810
General reserve	500	500
Retained earnings	27,031	24,792
<b>Total other equity</b>	<b>34,341</b>	<b>32,102</b>

## a) Securities premium

Particulars	As at March 31 2022	As at March 31 2021
Opening balance	6,810	6,810
Additions during the year	-	-
Deductions/Adjustments during the year	-	-
<b>Closing balance</b>	<b>6,810</b>	<b>6,810</b>

## b) General reserve

Particulars	As at March 31 2022	As at March 31 2021
Opening balance	500	500
Additions during the year	-	-
Deductions/Adjustments during the year	-	-
<b>Closing balance</b>	<b>500</b>	<b>500</b>

## c) Retained earnings

Particulars	As at March 31 2022	As at March 31 2021
Opening balance	24,792	17,553
Net profit for the year	3,497	8,498
Items of other comprehensive income recognised directly in retained earnings	-	-
- Remeasurements of post-employment benefit obligation, net of tax	6	5
Appropriations		
- Dividend (including dividend distribution tax)	(1,264)	(1,264)
<b>Closing balance</b>	<b>27,031</b>	<b>24,792</b>

## Nature and purpose of other reserves

## (i) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

## (ii) General reserve

This reserve is used to record the transfers made from the retained earnings and was made on account of the requirements of the Companies Act, 1956 for payment of dividends.

## (iii) Retained Earnings

This reserve represents the cumulative profits of the Company and effects of the remeasurement of defined benefit obligations. This Reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

**Note - 14 : Borrowings**

Particulars	As at March 31 2022	As at March 31 2021
<b>Un-Secured Loans</b>		
Inter Corporate Deposits from Related Party	34,500	-
<b>Total Borrowings</b>	<b>34,500</b>	<b>-</b>

Un-secured loan from related party represents loan from parent company which carries interest rate of 7% repayable in four equal annual instalments starting from 31 Mar 2023.

**Note - 15 : Provisions**

Particulars	As at Mar 31 2022			As at March 31 2021		
	Current	Non-current	Total	Current	Non-current	Total
<b>Employee benefit obligations</b>						
Compensated absences	23	70	93	17	55	72
Gratuity	-	29	29	-	-	-
Superannuation	10	-	10	10	-	10
<b>Others</b>						
De-commissioning Liability	-	9	9	-	9	
<b>Total</b>	<b>33</b>	<b>108</b>	<b>141</b>	<b>27</b>	<b>64</b>	<b>82</b>

**(i) Compensated absences**

The compensated absences obligations cover the Company's liability for the earned leave. The provision is presented as current and non-current based on the actuarial report obtained by the Company. However, based on past experience the Company does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

Particulars	As at March 31 2022	As at March 31 2021
Current compensated absences expected to be settled within the next 12 months	23	17

**(ii) Post-employment obligations - gratuity**

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. The gratuity plan is a funded plan and the Company makes contributions to the recognised funds in India.

**(iii) Defined contribution plans**

The Company also has certain defined contribution plans. Contributions are made to the provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to the registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligations. The expense recognised during the period towards defined contribution plan is INR 122 (March 31, 2021 - INR 104)

**Gratuity**

Particulars	Present value of obligation	Fair value of plan assets	Net amount
<b>April 1, 2021</b>	<b>573</b>	<b>(582)</b>	<b>(9)</b>
Current service cost	49	-	49
Interest expense/(income)	41	(40)	1
<b>Total amount recognised in profit or loss</b>	<b>90</b>	<b>(40)</b>	<b>50</b>
Remeasurements			
Return on plan assets, excluding amounts included in interest expense/(income)	-	4	4
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	(26)	-	(26)
Experience (gains)/losses	19	(1)	18
<b>Total amount recognised in other comprehensive income</b>	<b>(7)</b>	<b>3</b>	<b>(4)</b>
Employer contributions	-	(7)	(7)
Benefit payments	(19)	19	-
<b>March 31, 2022</b>	<b>636</b>	<b>(607)</b>	<b>29</b>

All amounts in INR lakhs unless otherwise stated

The net liability disclosed above relates to funded and unfunded plans are as follows:

Particulars	As at March 31 2022	As at March 31 2021
Present value of funded obligations	636	573
Fair value of plan assets	(607)	(582)
<b>Deficit (Excess) of funded plan</b>	<b>29</b>	<b>(9)</b>

\* Excess contribution to Gratuity fund has been shown in pre-paid

(iv) **Post-Employment benefits**

Significant estimates: actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Particulars	As at March 31 2022	As at March 31 2021
Discount rate	7%	7%
Salary growth rate	8%	8%

Assumptions regarding future mortality for pension and medical benefits are set based on actuarial advice in accordance with published statistics and experience. These assumptions translate into an average life expectancy in years for an employee retiring at age 58.

(v) **Sensitivity analysis**

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Impact on defined benefit obligation (Increase/Decrease)					
	Change in assumption		Increase in assumption		Decrease in assumption	
	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021	March 31, 2022	March 31, 2021
Discount rate	1%	1%	8%	-9%	9%	10%
Salary growth rate	1%	1%	10%	10%	-9%	-9%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

(vi) **The major categories of plan assets are as follows:**

The Company has plan assets by way of investment funds in Life Insurance Corporation of India (LIC) under the group gratuity scheme. The fair value of the plan assets.

Particulars	As at March 31 2022	As at March 31 2021
	Unquoted	Unquoted
Investment funds (Investments in LIC)	607	582
<b>Total</b>	<b>607</b>	<b>582</b>

(vii) **Risk exposure**

Through its defined benefit plans, The company is exposed to a number of risks, the most significant of which are detailed below:

**Investment risks:**

The present value of the defined benefit plan obligation is calculated using a discount rate determined by reference to Government of India bond rate. If the return on plan asset is lower than this rate, then it will create a plan deficit.

**Interest risks:**

A decrease in bond rate will increase the plan liability although this will be partially offset by an increase in the value of the plans bond holdings.

**Longevity risks (Life expectancy):**

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

**Salary risks**

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

**Note - 16 : Deferred tax liabilities(net)**

The balance comprises temporary differences attributable to:

Particulars	As at March 31 2022	As at March 31 2021
<b>Deferred tax liabilities</b>		
On account of depreciation and amortisation on Property Plant and Equipment and intangible assets	2,424	2,637
Total deferred tax liabilities	2,424	2,637
<b>Deferred tax assets</b>		
Provision for employee benefits	(33)	(21)
Provision for doubtful debts	(39)	(25)
Others	(52)	(52)
<b>Deferred tax liabilities(net)</b>	<b>2,300</b>	<b>2,539</b>

**Movement in deferred tax liabilities/(assets)**

Particulars	On account of depreciation and amortisation on Property Plant and Equipment and intangible assets	Provision for employee benefits	Provision for doubtful debts	Others	Total
<b>At March 31, 2021</b>	<b>2,637</b>	<b>(21)</b>	<b>(25)</b>	<b>(52)</b>	<b>2,539</b>
(Charged)/credited:					
- to profit or loss	(213)	(14)	(14)	-	(241)
- to other comprehensive income	-	2	-	-	2
- to current tax liabilities	-	-	-	-	-
<b>At March 31, 2022</b>	<b>2,424</b>	<b>(33)</b>	<b>(39)</b>	<b>(52)</b>	<b>2,300</b>

**Note - 17 : Government grants**

Particulars	As at March 31 2022	As at March 31 2021
Opening balance	26	33
Less: Released to profit or loss	(7)	(7)
<b>Closing balance</b>	<b>19</b>	<b>26</b>
Current portion	7	7
Non-current portion	12	19
<b>Total</b>	<b>19</b>	<b>26</b>

**Note - 18 : Current borrowings**

Particulars	Maturity date	Terms of repayment	Coupon/Interest rate	As at March 31 2022	As at March 31 2021
<b>Secured</b>					
From banks					
Bank overdrafts	Payable on demand	Payable on demand	7.7% and 7.35% w.e.f. 15-Dec-21	-	-
Current maturities of long term debt			7%	9,000	-

*The borrowings are secured as follows;*

- Bank Overdraft, HDFC Bank is secured under hypothecation by way of first pari-passu charge on current assets of the Company.
- The carrying amount of financial and non-financial assets pledged as security for current borrowings are disclosed in Note 43.

**Note - 19 : Trade payables**

Particulars	As at March 31 2022	As at March 31 2021
Dues to micro and small enterprises	616	293
Dues to other than micro and small enterprises	2,148	2,035
<b>Total trade payables</b>	<b>2,764</b>	<b>2,328</b>

As on March 31, 2022

Particulars	Not Due	Outstanding for following periods from due date of payment				
		Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
i) MSME	616	-	-	-	-	616
ii) Others	1,149	812	160	15	-	2,136
iii) Disputed Dues-MSME	-	-	-	-	-	-
IV) Disputed Dues-Others	-	-	-	-	12	12
<b>Total</b>	<b>1,765</b>	<b>812</b>	<b>160</b>	<b>15</b>	<b>12</b>	<b>2,764</b>

As on March 31, 2021

Particulars	Not Due	Outstanding for following periods from due date of payment				
		Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
i) MSME	293	-	-	-	-	293
ii) Others	1,725	287	1	10	-	2,023
iii) Disputed Dues-MSME	-	-	-	-	-	-
IV) Disputed Dues-Others	-	-	-	-	12	12
<b>Total</b>	<b>2,018</b>	<b>287</b>	<b>1</b>	<b>10</b>	<b>12</b>	<b>2,328</b>

**Note - 20 : Other financial liabilities**

Particulars	As at March 31 2022	As at March 31 2021
Interest accrued and due on ICD	1,508	-
Deposits from dealers	2,190	1,580
Capital creditors	124	165
Expenses payable	1,997	1,660
Unpaid dividends*	70	53
Deferred Consideration-Liability	2,482	-
<b>Total other current financial liabilities</b>	<b>8,371</b>	<b>3,458</b>

Note : \* There are no amounts due to be remitted to Investor Education and Protection Fund out of these amounts.

**Note - 21 : Other current liabilities**

Particulars	As at March 31 2022	As at March 31 2021
Advances from customers	951	1,555
Statutory dues	1,034	927
<b>Total other current liabilities</b>	<b>1,985</b>	<b>2,482</b>

**Note - 22 : Current tax liabilities(net)**

Particulars	As at March 31 2022	As at March 31 2021
Provision for income-tax (net of advance tax and TDS)	201	749
<b>Total current tax Liabilities(net)</b>	<b>201</b>	<b>749</b>

**Note - 23 : Revenue from operations**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Sale of manufactured products	41,336	35,249
Sale of traded products	5,361	5,370
Other operating revenue	324	101
<b>Total revenue</b>	<b>47,021</b>	<b>40,720</b>

23.1: Disaggregated Revenue Disclosures are not applicable to the Company since the Company deals mainly in one product i.e., manufacturing and selling of Cement.

23.2: Trade Receivables and Contract Balances

- The Company classifies the right to consideration in exchange for deliverables as receivable.
- A receivable is a right to consideration that is unconditional upon passage of time. Trade receivables are presented net of impairment in the Balance Sheet.

23.3: Disclosures relating to pending performance obligations are not given since there are no pending obligations.

**Note - 24 : Other income**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest income on deposits with banks	42	645
Profit on sale of property, plant and equipment	5	1
Interest income from financial assets at amortised cost	2	2
Government grants	7	7
Others	46	40
<b>Total other income</b>	<b>102</b>	<b>695</b>

# Government grants relates to the capital subsidy and power subsidy received for investment in property, plant and equipment. There are no unfulfilled conditions or other contingencies attached to these grants.

**Note - 25 : Cost of material consumed**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Raw materials consumed:</b>		
i) Limestone	2,711	2,256
ii) Gypsum	501	491
iii) Fly ash	650	439
iv) Granulated slag	372	367
v) Laterite	29	155
<b>Total cost of material consumed</b>	<b>4,263</b>	<b>3,708</b>

**Note - 26 : Changes in inventories of finished goods, stock-in-trade and work-in-progress**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Opening balance</b>		
Finished goods	111	283
Work-in-progress	580	622
<b>Total opening balance (A)</b>	<b>691</b>	<b>905</b>
<b>Closing balance</b>		
Finished goods	223	111
Work-in-progress	408	580
<b>Total closing balance (B)</b>	<b>631</b>	<b>691</b>
<b>Total Changes in inventories of finished goods, stock-in-trade and work-in-progress (A-B)</b>	<b>60</b>	<b>214</b>

**Note - 27 : Employee benefits expense**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Salaries, wages and bonus	1,898	1,708
Contribution to provident and other funds	242	230
Gratuity	50	50
Compensated absences	26	8
Staff welfare expenses	85	73
Directors' remuneration	83	63
<b>Total employee benefits expense</b>	<b>2,384</b>	<b>2,132</b>

**Note - 28 : Finance costs**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Interest and finance charges on financial liabilities calculated using effective interest rate	211	36
Interest on Inter-corporate Deposits	2,564	-
Interest on shortfall in payment of advance tax	78	29
<b>Total finance costs</b>	<b>2,853</b>	<b>65</b>

**Note - 29 : Depreciation and amortisation expense**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Depreciation of property, plant and equipment	1,856	1,944
Amortisation of intangible assets	-	-
Depreciation on Right-of-use Assets	79	82
<b>Total depreciation and amortisation expense</b>	<b>1,935</b>	<b>2,026</b>

**Note - 30 : Power and fuel**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Power and fuel	15,153	9,483
<b>Total power and fuel expense</b>	<b>15,153</b>	<b>9,483</b>

**Note - 31 : Other expenses**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Consumption of stores and spares	777	546
Packing materials	1,566	1,103
<b>Repairs and maintenance</b>		
Repairs and maintenance - building	6	10
Repairs and maintenance - plant and machinery	288	167
Repairs and maintenance - others	102	85
Communication expenses	6	8
Rent	26	26
Rates and taxes	37	30
Travel and conveyance	131	111
Printing and stationery	9	7
Professional charges	118	80
Payment to Auditors	11	12
Insurance	74	67
Bad debts written off	-	146
Provision for doubtful debts	57	(135)
Selling and marketing expenses	484	427
Misc. expenses	249	180
Corporate social responsibility expenses	137	91
Fixed Assets written off	123	313
Others	359	281
<b>Total other expenses</b>	<b>4,560</b>	<b>3,555</b>

**Details of payments to auditors**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>Payment to auditors</b>		
<b>As auditors:</b>		
Statutory Audit fee(including Quarterly Limited Review)	8	7
Tax audit fee	2	2
Others	1	3
<b>Total</b>	<b>11</b>	<b>12</b>

**Note - 32 : Income tax expense**

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
<b>(a) Income tax expense</b>		
Current tax		
Current tax on profits for the year	1,561	2,770
Adjustments for current tax of prior periods	96	133
<b>Total current tax expense</b>	<b>1,657</b>	<b>2,903</b>
Deferred tax		
Decrease/(increase) in deferred tax assets	(26)	98
(Decrease)/increase in deferred tax liabilities	(214)	(1,347)
<b>Total deferred tax expense/(benefit)</b>	<b>(240)</b>	<b>(1,249)</b>
<b>Income tax expense</b>	<b>1,417</b>	<b>1,654</b>

All amounts in INR lakhs unless otherwise stated

(b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

Particulars	Year ended March 31, 2022	Year ended March 31, 2021
Profit before income tax expense	4,914	10,152
Tax at the Indian tax rate of 25.168%	1,237	2,555
Reduction in Deferred Tax due to adoption of reduced corporate tax rate under section 115 BAA of Income Tax Act 1961	-	(1,032)
Tax credits for which no deferred income tax was recognised	84	-
Prior period tax expense	96	133
Other items	-	(2)
<b>Income tax expense</b>	<b>1,417</b>	<b>1,654</b>

**Note - 33 : Fair value measurements**

Financial instruments by category

Particulars	As at Mar 31 2022			As at March 31, 2021		
	FVTPL	FVOCI	Amortised cost	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>						
Investments (other than investments in subsidiaries)	-	-	-	-	-	-
Trade receivables	-	-	2,505	-	-	1,580
Cash and cash equivalents	-	-	913	-	-	932
Bank Balances other than cash and cash equivalents	-	-	9	-	-	17,714
Loans	-	-	-	-	-	-
Other financial assets	-	-	595	-	-	1,271
<b>Total financial assets</b>	<b>-</b>	<b>-</b>	<b>4,022</b>	<b>-</b>	<b>-</b>	<b>21,497</b>
<b>Financial liabilities</b>						
Borrowings	-	-	43,500	-	-	-
Lease Liability	-	-	208	-	-	280
Trade payables	-	-	2,764	-	-	2,328
Others	-	-	8,371	-	-	3,458
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>54,843</b>	<b>-</b>	<b>-</b>	<b>6,066</b>

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) 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 group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

As at Mar 31 2022	Notes	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>					
Trade receivables				2,505	2,505
Cash and cash equivalents				913	913
Bank Balances other than cash and cash equivalents				9	9
Security deposits	4	-	-	595	595
Loans	10	-	-	-	-
<b>Total financial assets</b>		<b>-</b>	<b>-</b>	<b>4,022</b>	<b>4,022</b>
<b>Financial Liabilities</b>					
Borrowings	20	-	-	43,500	43,500
Lease Liabilities	42	-	-	208	208
Trade payables	19	-	-	2,764	2,764
Others	14 & 20	-	-	8,371	8,371
<b>Total financial liabilities</b>		<b>-</b>	<b>-</b>	<b>54,843</b>	<b>54,843</b>

Assets and liabilities which are measured at amortised cost for which fair values are disclosed

As at March 31, 2021	Notes	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>					
Trade receivables				1,580	1,580
Cash and cash equivalents				932	932
Bank Balances other than cash and cash equivalents				17,714	17,714
Security deposits/Other Financial Assets	4	-	-	1,271	1,271
Loans to employees	10	-	-	-	-
<b>Total financial assets</b>		-	-	<b>21,497</b>	<b>21,497</b>
<b>Financial Liabilities</b>					
Borrowings	18	-	-	-	-
Lease Liabilities	42			280	280
Trade payables	19	-	-	2,328	2,328
Others	14 & 20	-	-	3,458	3,458
<b>Total financial liabilities</b>		-	-	<b>6,066</b>	<b>6,066</b>

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on 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, contingent consideration and indemnification asset included in level 3.

There are no transfers between levels 1 and 2 during the year. The company's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

(ii) **Valuation processes**

**Fair value of financial assets and liabilities measured at amortised cost**

Particulars	As at March 31 2022		As at March 31, 2021	
	Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>				
Loans	-	-	-	-
Security deposits/Other Financial Assets	595	595	1,271	1,271
<b>Total financial assets</b>	<b>595</b>	<b>595</b>	<b>1,271</b>	<b>1,271</b>
<b>Financial Liabilities</b>				
Borrowings	43,500	43,500	-	-
Lease Liability	208	208	280	280
<b>Total financial liabilities</b>	<b>43,708</b>	<b>43,708</b>	<b>280</b>	<b>280</b>

The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other current financial liabilities are considered to be the same as their fair values, due to their short-term nature.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 2 fair values in the fair value hierarchy since significant inputs required to fair value an instrument are observable. Since there are no changes in the borrowing rate contracted with the bank, thus the fair value is equal to the amortised cost.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

## Note - 34 : Financial risk management

The company's activities expose it to credit risk, liquidity risk and market risk.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Ageing analysis Credit ratings	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Recognised financial liabilities not denominated in Indian rupee (INR)	Sensitivity analysis	Availability of committed credit lines and borrowing facilities
Market risk - interest rate	Long-term and Short-term borrowings at variable interest rates.	Sensitivity analysis	Availability of committed credit lines and borrowing facilities

The company's risk management is carried out by the treasury team under policies approved by the board of directors. The treasury identifies, evaluates and hedges financial risks in close co-operation with the company's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

### (A) Credit risk

Credit risk arises from cash and cash equivalents, deposits with banks and credit exposures to customers including outstanding receivables with dealers and advances given to vendors.

#### (i) Credit risk management

Credit risk is managed on a wholistic basis. For banks and financial institutions, only high rated banks/institutions are accepted.

For other financial assets, the Company assesses and manages credit risk based on external credit rating system. The finance department under the guidance of the board, assess the credit rating system. Credit rating is performed for each class of financial instruments with different characteristics. The company assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

VL 1 : High-quality assets, negligible credit risk

VL 2 : Quality assets, low credit risk

VL 3 : Standard assets, moderate credit risk

VL 4 : Substandard assets, relatively high credit risk

VL 5 : Low quality assets, very high credit risk

VL 6 : Doubtful assets, credit-impaired

The company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk The company compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are included -

- Internal credit rating assessment
- External credit rating (as far as available)
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations
- Macroeconomic information (such as regulatory changes, market interest rate or growth rates) is incorporated as part of the internal rating model.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due.

A default on a financial asset is when the counterparty fails to make contractual payments within 60 days of when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

## (ii) Provision for expected credit losses

The company provides for expected credit loss based on the following:

Internal rating	Category	Description of Category	Basis of recognition of expected credit loss provision	
			Loans and security deposits	Trade receivables
VL 1	High-quality assets, negligible credit risk	Assets where the counter-party has strong capacity to meet the obligations and where risk of default is negligible or nil	12-month expected credit losses	Life-time expected credit losses (simplified approach)
VL 2	Quality assets, low credit risk	Assets where there is low risk of default and where the counter-party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past		
VL 3	Standard assets, moderate credit risk	Assets where the probability of default is considered moderate, counter-party where the capacity to meet the obligations is not strong		
VL 4	Substandard assets, relatively high credit risk	Assets where there has been a significant increase in credit risk since initial recognition. Assets where the payments are more than 30 days past due	Life-time expected credit losses	
VL 5	Low quality assets, very high credit risk	Assets where there is a high probability of default. In general, assets where contractual payments are more than 60 days past due are categorised as low quality assets. Also includes assets where the credit risk of counter-party has increased significantly though payments may not be more than 60 days past due		
VL 6	Doubtful assets, credit-impaired	Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the Company. The Company categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 120 days past due. Where loans or receivables have been written off, the group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.	Assets being written off	

## Year ended 31 March 2022:

## (a) Expected credit loss for loans and security deposits

Particulars	Asset group	Internal credit rating	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision	
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	Loans and Security deposits	VL 1	65	0%	-	65

## (b) Expected credit loss for trade receivables under simplified approach:

Ageing	0 to 180	181 to 365	366 to 730	> 731	Total
Gross carrying amount	2,126	185	121	228	2,660
Expected loss rate	0.50%	5.00%	10.00%	50.00%	
Expected credit losses (Loss allowance provision)	11	9	12	114	146
Provision carried in books #	18	9	14	114	155
<b>Carrying amount of trade receivables (net of impairment)</b>	<b>2,108</b>	<b>176</b>	<b>107</b>	<b>114</b>	<b>2,505</b>

## Year ended 31 March 2021:

## (a) Expected credit loss for loans and security deposits

Particulars	Asset group	Internal credit rating	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision	
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	Loans and Security deposits	VL 1	50	0%	-	50

All amounts in INR lakhs unless otherwise stated

(b) Expected credit loss for trade receivables under simplified approach

Ageing	0 to 180	181 to 365	366 to 730	> 731	Total
Gross carrying amount	1,319	85	125	149	1,678
Expected loss rate	0.50%	5.00%	10.00%	50.00%	-
Expected credit losses (Loss allowance provision)	7	4	12	75	98
Provision carried in books #	7	4	12	75	98
<b>Carrying amount of trade receivables (net of impairment)</b>	<b>1,312</b>	<b>80</b>	<b>113</b>	<b>75</b>	<b>1,580</b>

# Provision carried in books include provision made on specific identification.

(iii) Reconciliation of loss allowance provision- Loans and deposits

There are no loss allowance provision created for the loans and deposits.

(iv) Reconciliation of loss allowance provision – Trade receivables

Loss allowance on 1 April 2021	<b>98</b>
Changes in loss allowance	57
<b>Loss allowance on 31 March 2022</b>	<b>155</b>

(B) Liquidity risk

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. The funding sources of the Company include short-term working capital loans from banks.

(i) Financing arrangements

The company had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at March 31 2022	As at March 31 2021
<b>Floating rate</b>		
- Expiring within one year (bank overdraft)	3,500	3,000
- 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.

(ii) Maturities of financial liabilities

The tables below analyse the company's financial liabilities into relevant maturity groupings based on their contractual maturities for non-derivative liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities:

Particulars	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
<b>31 March 2022</b>						
<b>Non-derivatives</b>						
Borrowings	-	-	9,000	11,500	23,000	43,500
Lease Liability	18	18	33	71	68	208
Trade payables	2,764	-	-	-	-	2,764
Other financial liabilities	5,819	70	2,482	-	-	8,371
<b>Total non-derivative liabilities</b>	<b>8,601</b>	<b>88</b>	<b>11,515</b>	<b>11,571</b>	<b>23,068</b>	<b>54,843</b>
<b>31 March 2021</b>						
<b>Non-derivatives</b>						
Borrowings	-	-	-	-	-	-
Lease Liability	17	17	36	72	138	280
Trade payables	2,328	-	-	-	-	2,328
Other financial liabilities	3,405	53	-	-	-	3,458
<b>Total non-derivative liabilities</b>	<b>5,750</b>	<b>70</b>	<b>36</b>	<b>72</b>	<b>138</b>	<b>6,066</b>

**(C) Market risk****(i) Foreign currency risk**

The Company is not exposed to foreign exchange risk arising from foreign currency transactions during the year. Foreign exchange risk arises from recognised liabilities denominated in a currency that is not the Company's functional currency (INR).

**a) Foreign currency exposure**

The Company's exposure to foreign currency risk at the end of the current and previous reporting period is NIL.

**(ii) Interest rate risk**

The Company's main interest rate risk arises from borrowings with variable rates, which expose the Company to cash flow interest rate risk.

The Company's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The Company has not taken any interest rate swaps to convert the floating rate borrowings to fixed rate loans. The Company monitors the movement in the interest rates and uses the prepayment option to repay the borrowings at the time when the interest rates are unfavorable. The assessment of viability of using the pre-payment option shall be evaluated by the finance team.

**a) Interest rate risk exposure**

The exposure of the group's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at March 31 2022	As at March 31 2021
Variable rate borrowings	-	-
Fixed rate borrowings	43,500	-
<b>Total</b>	<b>43,500</b>	<b>-</b>

**b) Sensitivity**

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	Impact on Profit after tax	
	As at March 31 2022	As at March 31 2021
Interest rates – increase by 70 basis points *	-	-
Interest rates – decrease by 70 basis points*	-	-

\* Holding all other variables constant

**Note - 35 : Capital management****(a) Risk management**

For the purpose of capital management, capital includes issued equity capital attributable to the parent Company.

The company's objectives when managing capital are to;

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, The company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, The company monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents) divided by Total 'equity' (as shown in the balance sheet).

Particulars	As at March 31 2022	As at March 31 2021
Net debt	46,059	2,831
Total equity	36,870	34,631
<b>Net debt to equity ratio</b>	<b>1.25</b>	<b>0.08</b>

**(i) Loan covenants**

In order to achieve this overall objective, the company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2021 and March 31, 2020.

## (b) Dividends

Particulars	As at March 31 2022	As at March 31 2021
<b>(i) Equity shares</b>		
Final dividend for the year ended March 31, 2021 of INR 5 per fully paid share	1,264	-
Final dividend for the year ended March 31, 2020 of INR 5 per fully paid share	-	1,264
<b>(i) Dividends not recognised at the end of the reporting period</b>		
Directors have recommended the payment of a dividend of INR 3 (PY INR 5) per fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	759	1,264

**Note - 36 : Segment information**

## (a) Description of segments and principal activities

The Company has following business segments, which are its reportable segments during the year. These segments offer different products and services, and/or managed separately because they require different technology and production processes. Operating segment disclosures are constant with the information provided to and reviewed by the chief operating decision maker.

Reportable segment	Product/ Services
Cement	Manufacturing and trading of cement
Power plant	Generation of power

Particulars	Year ended March 31, 2022			Year ended March 31, 2021		
	Cement	Power	Total	Cement	Power	Total
<b>Segment revenue</b>	46,762	5,438	52,200	40,719	4,527	45,246
Less : Inter segment revenue		(5,179)	(5,179)		(4,526)	(4,526)
<b>Total revenue from operations</b>	46,762	259	47,021	40,719	1	40,720
Segment result (Profit before tax and interest) from each segment	7,182	585	7,767	9,311	906	10,217
Less : Interest			(2,853)			(65)
Total Profit before tax			4,914			10,152
<b>Capital employed (Segment assets - segment liabilities)</b>	As at Mar 31 2022			Year ended March 31, 2021		
Segment assets	88,837	7,522	96,359	38,826	7,758	46,584
Segment liabilities	59,380	109	59,489	11,798	155	11,953

## (b) Major Customers in Cement Segment

15% of Revenue is coming from 15 customers in cement segment.

**Note - 37 : Related party transactions**

The related party relationships is as identified by the company and relied upon by the auditor.

## (a) Parent entities

The Company is controlled by following entity:

Name of entity	Ownership interest held by the parent entity			
	Place of Incorporation	Registered Address	As at March 31 2022	As at March 31 2021
Chettinad Cement Corporation Private Limited - Holding Company	India	"Chettinad Towers", No. 603, Anna Salai, Chennai, Tamil Nadu - 600 006	75%	75%

## (b) Fellow Subsidiaries

Name of entity	Ownership interest held by the parent entity			
	Place of Incorporation	Registered Address	As at March 31 2022	As at March 31 2021
Chettinad Power Corporation Private Limited	India	"Chettinad Towers", No. 603, Anna Salai, Chennai, Tamil Nadu - 600 006, India	100%	100%
Grand Paper & Boards Private Limited	India	N0.37, Old Mahabalipuram Road, Kazhipattur Village, Padur Post, Kanchipuram, Tamil Nadu - 603 103, India	100%	100%
Belaire Apartments Private Limited	India	Plot No. 18, Block No. 1 Rajmahal Vilas, 2nd Stage Bengaluru, Karnataka - 560 094, India	100%	100%
Grand Lanka Exim (Private) Ltd.	Srilanka	No.354 Hamilton Canal Rod, Dickovita, Hendala, Wattala, Sri Lanka	98%	98%

## (c) Subsidiaries to the entity

Bhavya Cements Private Limited, India w.e.f 8th June, 2021.

## (d) Associate Company

The Company does not have any associate Company in the current financial year.

## (e) Joint ventures in which the entity is a joint venturer

The Company does not have any joint venture.

## (f) Key management personnel (KMP) of the reporting entity and Parent of the reporting entity

Mr. M A M R Muthiah, Managing Director of Parent Company

Mr. N. Venkat Raju, Managing Director of Reporting Company

## Key management personnel compensation

Particulars	As at March 31 2022	As at March 31 2021
Short-term employee benefits	79	60
Post-employment benefits*	4	3
<b>Total compensation</b>	<b>83</b>	<b>63</b>

\* This does not include gratuity based on actuarial valuation as this is done for the company as a whole

## (g) Related Parties

## Entities controlled or jointly controlled by a person identified ( f ) above :

Chettinad Morimura Semiconductor Material Private Limited

Chettinad Inland Water Transport Services Private Limited

Chennai Computer and Software Services Private Limited

Chettinad Realtors Private Limited

Chettinad Lignite Transport Services Private Limited

## (h) Transactions with related parties

The following transactions occurred with related parties:

Particulars	As at March 31 2022	As at March 31 2021
<b>Parent Entity</b>		
Purchase of goods	4,189	3,916
Sale of goods	9	1,846
Rent Paid	1	1
Rent received	1	1
Dividend Paid	948	948
ICD Interest Paid/Accrued	2,564	-
ICD Received	46,000	-
ICD Repaid	2,500	-
<b>Subsidiary</b>		
Bhavya Cements Private Limited		
Purchase of goods	2	-
Sale of goods	5	-

All amounts in INR lakhs unless otherwise stated

(i) Outstanding balances arising from sales/purchases of goods and services

Particulars	As at March 31 2022	As at March 31 2021
<b>Parent Entity</b>		
Chettinad Cement Corporation Private Limited Receivable against sale of goods	-	13
Payable against purchase of goods	540	379
Inter Corporate Deposit (Principal and Interest payable)	45,008	-
<b>Subsidiary</b>		
Bhavya Cements Private Limited		
Receivable against Sale of goods	3	-

**Note - 38 : Contingent liabilities and contingent assets**

(a) Contingent liabilities

	As at March 31 2022	As at March 31 2021
<b>Claims against the Company not acknowledged as debts</b>		
Income tax related	295	295
Excise related *	180	180
Customs related **	130	130
Others	138	138
<b>Total</b>	<b>743</b>	<b>743</b>

\*Does not include penalty amount of INR 180.32 Lakhs

\*\*Does not include penalty amount of INR 103.70 Lakhs

During the year, Company has received a notice from Superintendent of Engineer, Southern Power Distribution Company of Telangana Limited, Suryapet purporting to claim and demand Rs.16,71,96,831/- (Rupees Sixteen Crore Seventy one lakh Ninety six thousand Eight hundred and thirty one) towards difference in wheeling charges and interest thereon pursuant to the judgment dated 29.11.2019 of the Hon'ble Supreme court. Company has approached to Hon'ble High court of Telangana State, Hyderabad and filed the writ petition on the ground that the demand raised is unauthorized and legally untenable as the Company was not party to any wheeling agreement entered into with transmission/distribution Licensee. The Hon'ble High Court of Telangana has granted stay order to the said demand.

(b) Contingent assets

The Company does not have any contingent assets as at March 31, 2022 and March 31, 2021.

**Note - 39 : Commitments**

**Capital commitments (net of capital advances)**

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Particulars	As at March 31 2022	As at March 31 2021
<b>Estimated amount of contracts remaining to be executed on capital account and not provided for</b>		
Property, plant and equipment	386	84
<b>Total</b>	<b>386</b>	<b>84</b>

## Note - 40 : Other Disclosure

### (a) Dues to Micro and Small Enterprises

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under, to the extent the Company has received intimation from the 'Suppliers' regarding their status under the Act.

Particulars	As at March 31 2022	As at March 31 2021
i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year	-	-
Principal amount due to micro and small enterprises	-	-
Interest due on above	-	-
ii) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	-	-
iii) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
v) 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 enterprises for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

### (b) Corporate Social Responsibility (CSR)

Section 135(5) of the Companies Act, 2013 stipulates that the company needs to spend two per cent of the average net profits made during the three immediately preceding financial years in pursuance of its Corporate Social Responsibility (CSR) Policy.

The Company has spent **INR 137 lakhs** during financial year 2021-22 towards CSR activities ( INR 91 Lakhs in FY 2020-21).

S. No	Particulars	Amount
1	Amount required to be spent by the company during the year	134
2	Amount of expenditure incurred	137
3	Shortfall at the end of the year	0
4	Total of previous years shortfall	0
5	Reason for shortfall	NA
6	Nature of CSR activities	Promoting Education, Rural Development, Health Care, Hygiene & Sanitation
7	Details of related party transactions, e.g., contribution to a trust controlled by the company in relation to CSR expenditure as per relevant Accounting Standard	NA
8	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year should be shown separately	NA

## Note - 41 : Earnings per share

### (a) Basic earnings per share

Particulars	As at March 31 2022	As at March 31 2021
Basic earnings per share attributable to the equity holders of the Company in Rupees	13.83	33.61

### (b) Diluted earnings per share

Particulars	As at March 31 2022	As at March 31 2021
Diluted earnings per share attributable to the equity holders of the Company in Rupees	13.83	33.61

All amounts in INR lakhs unless otherwise stated

(c) Reconciliations of earnings and number of shares used in calculating earnings per share

Particulars	As at March 31 2022	As at March 31 2021
Basic/Diluted earnings per share		
Profit attributable to equity holders of the company used in calculating basic/diluted earnings per share	3,497	8,498
Weighted average number of Equity Shares outstanding during the period(In Number)	25,285,696	25,285,696
Profit attributable to equity holders of the company used in calculating basic/diluted earnings per share	3,497	8,498

**Note - 42 : Leases**

Disclosures as per Ind AS 116:

The weighted average incremental borrowing rate applied to lease liabilities is 9%:

Particulars	Right of use (ROU)- Building
Opening Balance as on 1 <sup>st</sup> April 2021	254
Add: Additions	9
Less: Deletions	11
Less: Depreciation	79
Closing Balance as on 31 <sup>st</sup> March 2022	173

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.

The following is the break-up of current and non-current lease liabilities as at March 31, 2022:

Particulars	Year Ended 31 <sup>st</sup> March 2022	Year Ended 31 <sup>st</sup> March 2021
Current Lease Liability	69	71
Non Current Lease Liability	139	209
<b>Total</b>	<b>208</b>	<b>280</b>

The following is the movement in lease liabilities during the year ended March 31, 2022:

Particulars	Year Ended 31 <sup>st</sup> March 2022	Year Ended 31 <sup>st</sup> March 2021
Balance at the beginning	280	209
Additions	9	135
Finance Cost accrued during the period	22	27
Less: Deletion	11	3
Less: Payment of lease liabilities	92	88
Translation Difference	-	-
Balance at the end	208	280

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2022 on an undiscounted basis:

Particulars	Year Ended 31 <sup>st</sup> March 2022	Year Ended 31 <sup>st</sup> March 2021
Less than one year	83	91
One to five years	147	327
More than five years	-	-
<b>Total</b>	<b>230</b>	<b>418</b>

## Note - 43 : Assets pledged as security

The carrying amount of assets pledged as security for current and non-current borrowings are:

Particulars	As at March 31 2022	As at March 31 2021
<b>Current</b>		
<b>Financial assets</b>		
First charge		
Trade receivables	2,505	1,580
Cash and cash equivalents	913	932
Bank Balances other than cash and cash equivalents	9	17,714
Loans	-	-
Others	286	1,073
<b>Non-financial assets</b>		
First charge		
Inventories	2,816	2,773
Other current assets	1,651	1,656
<b>Total current assets pledged as security</b>	<b>8,180</b>	<b>25,728</b>
<b>Non-Current</b>		
First charge		
Plant and machinery	-	-
Furniture and fixtures	-	-
Office equipment	-	-
Vehicles	-	-
<b>Total non-current assets pledged as security</b>	<b>-</b>	<b>-</b>
<b>Total assets pledged as security</b>	<b>8,180</b>	<b>25,728</b>

## Note - 44 : Events occurring after the reporting period

No events were noted after the reporting period which require an adjustment nor disclosure as provided under Ind AS 10.

Notes to the financial statements for the year ended 31st March, 2022

## Note - 45 : Analytical Ratios

Ratio	Numerator	Denominator	Current Year	Previous year	Variance	Reasons
Current ratio (in times)	Total current Assets	Total current liabilities	0.36	2.82	(87)	Reduction in ratio is mainly because of reduction in Bank Balances other than (ii) above and inclusion of current portion of borrowing Rs.9,000 lakhs.
Debt-equity ratio (in times)	Long term liabilities+short term borrowings	Total equity	1.25	0.08	1,462	Increase in ratio is mainly because of inclusion of borrowing Rs.43,500 lakhs
Debt service coverage ratio (in times)	Earnings before debt service = Net profit after taxes + non cash operating expenses + Interest + Other non cash adjustments	Debt service = Interest + principle repayments	1.54	71.17	(98)	Decrease in ratio is mainly because of increase in interest expense
Return on equity ratio (in %)	Profit for the year	Average total equity	0.10	0.27	(64)	Decrease in ratio is mainly because of increase in total equity and decrease in profit for the year
Inventory turnover ratio (in times)	Revenue from operations	Average total inventory	16.83	12.03	40	Increase in ratio is due to increase in numerator and decrease in denominator
Trade receivables turnover ratio (in times)	Revenue from operations	Average trade receivables	23.02	13.88	9	Increase in ratio is due to increase in numerator.
Trade payables turnover ratio (in times)	Raw material purchase + Fuel purchase+Other expenses	Average trade payables	7.51	4.45	69	Increase in ratio is due to increase in fuel cost and other expenses.
Net capital turnover ratio ( in times)	Revenue from operations	Average working capital (ie., Total current asstes less Total current liabilities)	(3.30)	2.45	(235)	Due to Rs.9,000 lakhs of current portion of borrowings, net working capital become negative

All amounts in INR lakhs unless otherwise stated

Ratio	Numerator	Denominator	Current Year	Previous year	Variance	Reasons
Net profit ratio (in %)	Profit for the year	Revenue from operations	0.07	0.21	(64)	Decrease in ratio is mainly because of increase in denominator and decrease in profit for the year
Return on capital employed (in %)	Earning before tax and finance cost	Capital employed = Net worth + Deferred tax liabilities + Total Debt	0.09	0.27	(66)	Decrease in ratio is mainly because of inclusion of total debt Rs.43,500 lakhs
(k) Return on Investment	Inome generated from invested funds	Average invested funds in treasury investmens	-	-		NIL returns as acquisition happened during the year

### Note - 46 : Impact of Covid-19

The Company has considered the possible effects that may result from the pandemic relating to Covid-19 in the preparation of these standalone financial statements including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Company has, at the date of approval of these financial statements, used internal and external sources of information including credit reports and related information and economic forecasts and expects that the carrying amount of these assets will be recovered. The impact of Covid-19 on the Company's financial statements may differ from that estimated as at the date of approval of these standalone financial statements.

### Note - 47 : Note on "Code on Security, 2020"

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Company will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

### Note - 48 :

Previous period figures have been regrouped/rearranged wherever necessary to conform the current period classification.

The accompanying notes form an integral part of standalone financial statements.

As per our report of even date

**For Ramanatham & Rao**  
Chartered Accountants  
FR No : S-2934

**C. Kameshwar Rao**  
Partner  
Membership No : 024363

Place : Hyderabad  
Date : 12th May, 2022

For and on behalf of the Board

**N Venkat Raju**  
Managing Director  
(DIN: 08672963)

**S. B. Nirmalatha**  
Director  
(DIN: 03092392)

**M. L. Kumavat**  
Chief Financial Officer

Place : Chennai  
Date : 12th May, 2022

**V. Valliammai**  
Director  
(DIN: 01197421)

**V Palaniappan**  
Director  
(DIN: 00645994)

**Subhanargyan Muduli**  
Company Secretary  
M. No.A 41513

**A Subramanian**  
Director  
(DIN: 06693209)

**R M Palanippan**  
Director  
(DIN: 00143198)

# Independent Auditor's Report

To the Members of Anjani Portland Cement Limited

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated financial statements of Anjani Portland Cement Limited (hereinafter referred to as "the Holding Company") and its subsidiary Bhavya Cement Private Limited (the Holding Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at 31st March, 2022, and the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act"), in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March, 2022, of its consolidated profit (including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") and the relevant provisions of the Companies Act, 2013, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significant in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters.

Key Audit Matter	Auditor's Response
<p><b>Evaluation of uncertain tax positions</b></p> <p>The Group has material uncertain tax positions including matters under dispute which involves significant judgment to determine the possible outcome of these disputes.</p> <p>Refer Note No. 39 to the Consolidated Financial Statements</p>	<p><b>Principal Audit Procedures</b></p> <p>Obtained details of completed tax assessments and demands as on March 31, 2022 from managements of the respective companies. We involved our internal experts to challenge the managements' underlying assumptions in estimating the tax provision and the possible outcome of the disputes. Our internal experts also considered legal precedence and other rulings in evaluating management's position on these uncertain tax positions.</p>

### Other Information

The Holding Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Company's Annual Report but does not include the consolidated financial statements, standalone financial statements and our auditor's report thereon. The Directors Report is expected to be made available to us after the date of this auditor's report.

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

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

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

### Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance, changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether

due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective management and Boards of Directors of the companies included in the Group are responsible for assessing the ability of the group and respective entities to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Boards of Directors either intend to liquidate the group or respective entities or to cease operations, or have no realistic alternative but to do so.

The respective Boards of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

#### **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

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

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

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

Materiality is the magnitude of misstatements in the consolidated 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 of the Holding Company and other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

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

#### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

- (b) In our opinion, proper books of account as required by law relating to the preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
- (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of the preparation of the consolidated financial statements.
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2022 taken on record by the Board of Directors of the Holding Company and its subsidiary, none of the directors of the Group Companies is disqualified as on 31st March, 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and its subsidiary, which is incorporated in India and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (g) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Holding Company and its subsidiary, which is incorporated in India to its directors during the year is in accordance with the provisions of section 197 of the Act.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Group has disclosed the impact of pending litigations on its financial position in its consolidated financial statements (Refer note 39);
  - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There is no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and subsidiary company incorporated in India.
  - iv.
    - (a) The respective Management of the Company and its subsidiary which is incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or its subsidiary to or in any other person or entity, including foreign entity ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - (b) The respective Management of the Company and its subsidiary which is incorporated in India, whose financial statements have been audited under the Act, have represented to us that, to the best of their knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Company or any of such subsidiaries from any person or entity, including foreign entity ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
    - (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us on the Holding Company and its subsidiary which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement
  - v. As stated in Note 36(b) to the consolidated financial statements
    - (a) The dividend proposed in the previous year by the Holding Company, declared and paid by the Holding Company during the year is in accordance with Section 123 of the Act, as applicable.
    - (b) The Board of Directors of the Holding Company have proposed dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.
2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the Government of India in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company and its subsidiary included in the consolidated financial statements of the Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

For **Ramanatham & Rao**  
Chartered accountants  
(Firm Registration No.S-2934)

**C. Kameshwar Rao**  
Partner  
Membership No.024363  
UDIN: 22024363AIVSYU9366

# Annexure "A" to the Independent Auditor's Report

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

## 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 over financial reporting of Anjani Portland Cement Limited ("the Holding Company") and its subsidiary, which is incorporated in India, as of 31st March, 2022 in conjunction with our audit of the consolidated financial statements of the Holding Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

The Holding Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Holding 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.

### Auditor's Responsibility

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

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

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

### Meaning of Internal Financial Controls over Financial Reporting

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

### Inherent Limitations of Internal Financial Controls over Financial Reporting

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

## Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary company, incorporated in India have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2022, based on the internal control over financial reporting criteria established by the Holding Company and Subsidiary 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.

For **Ramanatham& Rao**  
Chartered accountants  
(Firm Registration No.S-2934)

**C. Kameshwar Rao**  
Partner  
Membership No.024363  
UDIN: 22024363AIVSYU9366

Place : Hyderabad  
Date : 12th May, 2022



# Consolidated Balance Sheet

All amounts in INR Lakhs unless otherwise stated

Particulars	Note	As at March 31, 2022
<b>Assets</b>		
<b>Non-current assets</b>		
Property, plant and equipment	2a	59,873
Right-of-use assets	42	369
Capital work-in-progress	2c	141
Investment property	2d	109
Goodwill	3	23,922
Other intangible assets	2b	8,130
Financial assets		
i. Other financial assets	4	1,810
Other non-current assets	5	1,140
<b>Total non-current assets</b>		<b>95,494</b>
<b>Current assets</b>		
Inventories	6	4,925
Financial assets		
i. Trade receivables	7	6,256
ii. Cash and cash equivalents	8	1,262
iii. Bank Balances other than (ii) above	9	96
v. Other financial assets	4	334
Other current assets	10	3,293
<b>Total current assets</b>		<b>16,166</b>
<b>Total Assets</b>		<b>111,660</b>
<b>Equity and liabilities</b>		
<b>Equity</b>		
Equity share capital	11	2,529
Other equity	12	29,303
Non-controlling Interest	12a	333
<b>Total equity</b>		<b>32,165</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
Financial liabilities		
i. Borrowings	13	37,500
ia. Lease liabilities		312
Provisions	14	313
Deferred tax liabilities (net)	16	10,913
Government grants	17	12
<b>Total non-current liabilities</b>		<b>49,050</b>
<b>Current liabilities</b>		
Financial liabilities		
i. Borrowings	18	12,180
ia. Lease liabilities	42	97
ii. Trade payables		
(a) Total outstanding dues of micro enterprises and small enterprises	19	1,301
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises		4,057
iii. Other financial liabilities	15	9,157
Other current liabilities	20	3,218
Provisions	14	38
Government grants	17	7
Current tax liabilities (net)	21	390
<b>Total current liabilities</b>		<b>30,445</b>
<b>Total liabilities</b>		<b>79,495</b>
<b>Total equity and liabilities</b>		<b>111,660</b>
<b>Significant Accounting Policies</b>	<b>1</b>	<b>-</b>

The accompanying notes form an integral part of consolidated financial statements

As per our report of even date

**For Ramanatham & Rao**  
Chartered Accountants  
FR No : S-2934

**C. Kameshwar Rao**  
Partner  
Membership No : 024363

Place : Hyderabad  
Date : 12th May, 2022

For and on behalf of the Board

**N Venkat Raju**  
Managing Director  
(DIN: 08672963)

**S. B. Nirmalatha**  
Director  
(DIN: 03092392)

**M. L. Kumavat**  
Chief Financial Officer

**V. Valliammai**  
Director  
(DIN: 01197421)

**V Palaniappan**  
Director  
(DIN: 00645994)

**Subhanarayan Muduli**  
Company Secretary  
M. No.A 41513

**A Subramanian**  
Director  
(DIN: 06693209)

**R M Palanippan**  
Director  
(DIN: 00143198)

Place : Chennai  
Date : 12th May, 2022

# Consolidated Profit and Loss



All amounts in INR Lakhs unless otherwise stated

Particulars	Note	Year ended March 31, 2022
<b>Income</b>		
Revenue from operations	22	80,126
Other income	23	310
<b>Total income</b>		<b>80,436</b>
<b>Expenses</b>		
Cost of material consumed	24	8,678
Purchase of stock-in-trade		4,169
Changes in inventories of finished goods, stock-in -trade and work-in-progress	25	(453)
Employee benefits expense	26	3,406
Finance costs	27	3,001
Depreciation and amortisation expense	28	5,837
Power and fuel	29	30,548
Freight and forwarding expense		11,168
Other expenses	30	8,205
<b>Total expenses</b>		<b>74,559</b>
<b>Profit before tax</b>		<b>5,877</b>
Tax expenses		
Current Tax	31	2,305
Deferred tax		(627)
<b>Total tax expense</b>		<b>1,678</b>
<b>Profit for the year</b>		<b>4,199</b>
<b>Other comprehensive income</b>		
<i>Items that will not be reclassified to profit or loss</i>		
Remeasurement of post employment benefit obligations		20
Income tax relating to these items		(5)
<b>Other comprehensive income for the year, net of tax</b>		<b>15</b>
<b>Total comprehensive income for the year</b>		<b>4,214</b>
<b>Profit attributable to:</b>		
Owners of the Company		4,142
Non-controlling Interests		57
<b>Profit for the year</b>		<b>4,199</b>
<b>Other comprehensive income attributable to:</b>		
Owners of the Company		16
Non-controlling Interests		(1)
<b>Other comprehensive income for the year, net of tax</b>		<b>15</b>
Total Comprehensive income attributable to:		
Owners of the Company		4,158
Non-controlling Interests		56
<b>Total comprehensive income for the year</b>		<b>4,214</b>
Earnings per equity share (Face Value of Rs 10/- each) :		
Basic earnings per share in Rupees	43	16.38
Diluted earnings per share in Rupees		16.38
<b>Significant Accounting Policies</b>	<b>1</b>	

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The accompanying notes form an integral part of consolidated financial statements

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Partner  
Membership No : 024363

Place : Hyderabad  
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For and on behalf of the Board

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Director  
(DIN: 00143198)

# Consolidated Statement of Cash Flows

All amounts in INR Lakhs unless otherwise stated

Particulars	Year ended March 31, 2022
<b>Cash flow from operating activities</b>	
<b>Profit before tax</b>	5,877
Adjustments for	
Depreciation and amortisation expense	5,837
Fixed Assets written off	123
Creditors payable /Debtors adv written back (Net of advances)	(44)
(Gain)/loss on disposal of property, plant and equipment	(45)
Provisions for bad debts	104
Bad debts written off	-
Amortisation of government grants	(7)
Amortisation of interest on rental deposit	(111)
Interest income on rental deposit	(56)
Finance costs	3,001
Liabilities no longer required written back	(1)
<b>Change in operating assets and liabilities</b>	
(Increase)/Decrease in trade receivables	(2,209)
(Increase)/Decrease in inventories	(659)
Increase/(Decrease) in trade payables	(954)
(Increase)/Decrease in other financial assets	709
(Increase)/decrease in other current assets and non current asset	(904)
Increase/(Decrease) in employee benefit obligations/Provisions	(24)
Increase/(Decrease) in financial liabilities	3,391
Increase/(Decrease) in other current liabilities	(1,351)
<b>Cash generated from operations</b>	<b>12,677</b>
Income taxes paid	(2,823)
<b>Net cash inflow from operating activities</b>	<b>9,854</b>
<b>Cash flows from investing activities</b>	
Payments for property, plant and equipment	(703)
Increase / (Decrease) in capital creditors	(42)
(Increase) / Decrease in capital advances	56
Proceeds from sale of property, plant and equipment	61
Fixed deposits (Increase)/Decrease- (Net)	18,023
Interest income	29
Acquisition of subsidiary and additional acquisition of stake from NCI	(68,663)
<b>Net cash outflow from investing activities</b>	<b>(51,239)</b>
<b>Cash flows from financing activities</b>	
Proceeds/(Repayment) of long term borrowings	37,855
Proceeds/(Repayment) of short term borrowings	10,680
Interest paid	(1,276)
Payments made towards Buyback of equity shares	(4,000)
Payments made towards Buyback tax	(929)
Payment of lease liabilities	(107)
Dividends paid to company's shareholders	(1,264)
Increase in unpaid dividend account	17
<b>Net cash inflow (outflow) from financing activities</b>	<b>40,976</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(409)</b>
Cash and cash equivalents at the beginning of the financial year	879
Cash and cash equivalents through business combination	722
<b>Cash and cash equivalents at end of the year</b>	<b>1,192</b>
Add :Balances in statutory restricted accounts	70
Cash and Cash Equivalents (Note 8)	1,262

## 1) Components of cash and cash equivalents

Particulars	Year ended March 31, 2022
Balances with banks in current accounts	1,190
Balances with banks in deposit accounts	
Cash on hand	2
<b>Cash and cash equivalents considered in the cash flow statement</b>	<b>1,192</b>

2) The above cash flow statement has been prepared in accordance with the 'Indirect method' as set out in Indian Accounting Standard - 7 specified under Section 133 of the Companies Act, 2013.

## 3) Reconciliation liabilities arising from financing activities

Particulars	Outstanding as at 01 April, 2021	Cash flows(Net)	Cash flows	Outstanding as at 31 March, 2022
From related parties	-	43,500	-	43,500
Loans from bank	-	6,180	-	6,180
Total Borrowings	-	49,680	-	49,680

## Significant Accounting Policies

## Note 1

The accompanying notes form an integral part of consolidated financial statements

As per our report of even date

**For Ramanatham & Rao**

Chartered Accountants  
FR No : S-2934

**C. Kameshwar Rao**

Partner  
Membership No : 024363

Place : Hyderabad  
Date : 12th May, 2022

For and on behalf of the Board

**N Venkat Raju**

Managing Director  
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**R M Palanippan**

Director  
(DIN: 00143198)

# Consolidated Statement of changes in Equity

All amounts in INR Lakhs unless otherwise stated

## I) Equity share capital

Particulars	Note No	Amounts
Balance as at April 1, 2021		2,529
Add: Changes in equity share capital due to prior period errors		-
<b>Restated balance at the beginning of the year</b>		<b>2,529</b>
Changes in equity share capital during the year	11	-
<b>Balance as at March 31, 2022</b>		<b>2,529</b>

## II) Other equity

Particulars	Reserves and surplus					
	Note No	Securities Premium	General Reserve	Capital Redemption Reserve	Retained earnings	Total
Balance as at April 1, 2021		6,810	500	-	24,792	32,102
Profit for the year	12	-	-	-	4,142	4,142
Other comprehensive income	12	-	-	-	16	16
<b>Transactions with owners in their capacity as owners</b>						
Dividends paid	36(b)	-	-	-	(1,264)	(1,264)
Transfer (from)/to Capital Redemption Reserve				761	(761)	-
Excess consideration for acquisition of NCI stake		-	-	-	(3,228)	(3,228)
Excess consideration for buy back of shares by subsidiary		-	-	-	(2,465)	(2,465)
<b>Balance as at March 31, 2022</b>		<b>6,810</b>	<b>500</b>	<b>761</b>	<b>21,232</b>	<b>29,303</b>

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The accompanying notes form an integral part of consolidated financial statements

As per our report of even date

**For Ramanatham & Rao**

Chartered Accountants  
FR No : S-2934

**C. Kameshwar Rao**

Partner  
Membership No : 024363

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**R M Palanippan**

Director  
(DIN: 00143198)

Anjani Portland Cement Ltd.

# Notes to Accounts

## Note - 1. SIGNIFICANT ACCOUNTING POLICIES

### a) Brief description of the Company

Anjani Portland Cement Limited ('the Company' or 'the Holding Company') is a public limited company incorporated and domiciled in India whose shares are publicly traded. The registered office is located at-#6-3-553, Unit No. E3 & E4, 4th Floor, Quena Square Off: Taj Deccan Road, Erramanzil, Hyderabad, Telangana 500082. The Company manufactures high quality premium cement. The Company has manufacturing plant located at Chintalapalem, Suryapeta District, Telangana.

During the year, the Company has acquired a controlling stake in Bhavya Cements Private Limited ('Bhavya' or 'the subsidiary company') Refer Note 32, as a result of which Bhavya has become a subsidiary of the Company with effect from 7<sup>th</sup> June 2021. The Company and Bhavya are hereinafter together referred to as 'the Group'.

The consolidated financial statements have been approved by the holding company's Board of Directors on May 12, 2022.

### b) Basis of preparation of the consolidated financial statements

These consolidated financial statements comply in all material aspects with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the Act. The consolidated financial statements have been prepared under the historical cost convention on accrual basis of accounting except for certain financial assets and liabilities (as per the accounting policies given below) which have been measured at fair value.

### c) Principles of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiary as at 31 March 2022. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee
- Rights arising from other contractual arrangements
- The Group's voting rights and potential voting rights
- The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March.

Consolidation procedures:

- a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.

- c) Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.
- d) Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.
- e) A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction. Any additional stake acquired in an existing subsidiary is also accounted for as an equity transaction.

As at March 31, 2022, the Company has only one subsidiary named Bhavya Cements Private Limited which is an entity incorporated in India. As at March 31, 2022, the Company had a stake of 99.08% in Bhavya. In the previous year, the Company did not have any subsidiaries and accordingly, there are no previous year figures to present in these consolidated financial statements.

**d) Use of estimates**

The preparation of these consolidated financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. The management believes that these estimates and assumptions are reasonable and prudent. However, actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in the current and future periods.

This note provides an overview of the areas that involve a higher degree of judgment or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgments is included in the relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

**e) Critical Estimates and judgments**

The areas involving critical estimates or judgments are:

- i) Estimation of current tax expense and payable
- ii) Estimation of defined benefit obligation
- iii) Estimation of useful life of Property, Plant and Equipment
- iv) Impairment of trade receivables
- v) Estimation of decommissioning liabilities for quarry mines
- vi) Leases

**f) Business combinations and Goodwill**

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any noncontrolling interests in the acquiree. For each business combination, the Group elects whether to measure the noncontrolling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred.

The Group determines that it has acquired a business when the acquired set of activities and assets include an input and a substantive process that together significantly contribute to the ability to create outputs. The acquired process is considered substantive if it is critical to the ability to continue producing outputs, and the inputs acquired include an organised workforce with the necessary skills, knowledge, or experience to perform that process or it significantly contributes to the ability to continue producing outputs and is considered unique or scarce or cannot be replaced without significant cost, effort, or delay in the ability to continue producing outputs.

At the acquisition date, the identifiable assets acquired, and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. However, the following assets and liabilities acquired in a business combination are measured at the basis indicated below:

- Deferred tax assets or liabilities, and the liabilities or assets related to employee benefit arrangements are recognised and measured in accordance with Ind AS 12 Income Tax and Ind AS 19 Employee Benefits respectively.
- Potential tax effects of temporary differences and carry forwards of an acquiree that exist at the acquisition date or arise as a result of the acquisition are accounted in accordance with Ind AS 12.
- Liabilities or equity instruments related to share based payment arrangements of the acquiree or share – based payments arrangements of the Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with Ind AS 102 Share-based Payments at the acquisition date.

- Assets (or disposal groups) that are classified as held for sale in accordance with Ind AS 105 Non-current Assets Held for Sale and Discontinued Operations are measured in accordance with that Standard.
- Reacquired rights are measured at a value determined on the basis of the remaining contractual term of the related contract. Such valuation does not consider potential renewal of the reacquired right.

If the business combination is achieved in stages, any previously held equity interest is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss or OCI, as appropriate.

Any contingent consideration to be transferred by the acquirer is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 Financial Instruments, is measured at fair value with changes in fair value recognised in profit or loss in accordance with Ind AS 109.

If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS and shall be recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured at subsequent reporting dates and subsequent its settlement is accounted for within equity.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interest held, over the net identifiable assets acquired and liabilities assumed.

If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in OCI and accumulated in equity as capital reserve. However, if there is no clear evidence of bargain purchase, the entity recognises the gain directly in equity as capital reserve, without routing the same through OCI.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Group's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

Where goodwill has been allocated to a cash-generating unit and part of the operation within that unit is disposed of, the goodwill associated with the disposed operation is included in the carrying amount of the operation when determining the gain or loss on disposal. Goodwill disposed in these circumstances is measured based on the relative values of the disposed operation and the portion of the cash-generating unit retained.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the Group reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted through goodwill during the measurement period, or additional assets or liabilities are recognised, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date. These adjustments are called as measurement period adjustments. The measurement period does not exceed one year from the acquisition date.

#### g) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are and net of returns, trade allowances, rebates, and amounts collected on behalf of third parties.

##### Sale of products:

Timing of recognition – Revenue from sale of products is recognized when control of the products is transferred to customers based on terms of sale.

Measurement of Revenue: Revenue from sales is based on the price specified in the sales contract, net of all discounts and returns in relation to sales made until end of the reporting period.

No element of financing is deemed present as the sales are made with credit terms consistent with market practices. Receivable is recognized when the goods are dispatched as this is the point in time that the consideration is unconditional and only passage of time is required before payment is done.

##### Interest, Dividends and Other Income:

Dividend income is recognised when the right to receive payment has been established, it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and the applicable effective interest rate.

#### h) Property, Plant and Equipment

Freehold Land is stated at historical cost. All other property plant and equipment are stated at cost of acquisition less accumulated depreciation / amortization and impairment, if any. Cost includes purchase price, taxes and duties, labour cost and directly attributable overhead expenditure incurred upto the date the asset is ready for its intended use. However, cost excludes input credit of the duty or tax is availed of.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as separate asset is derecognized when replaced. All other repairs and maintenance are charged to Profit or Loss during the reporting period in which they are incurred.

**i) Depreciation and amortization**

- i) Depreciation of Property, plant and Equipment of the holding company is provided on straight line method of depreciation based on the useful lives estimated by the holding company from the technical evaluation carried out. The useful lives so determined are equal to those prescribed under the Part C of Schedule II of the Companies Act, 2013.
- ii) Depreciation of Property, plant and Equipment of the subsidiary company is provided on written down value method of depreciation based on the useful lives estimated by the subsidiary company from the technical evaluation carried out. The useful lives so determined are equal to those prescribed under the Part C of Schedule II of the Companies Act, 2013.
- iii) The assets' residual values are measured at not more than 5% of the original cost of the asset. The assets' residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period.
- iv) On tangible property, plant and equipment added / disposed-off during the year, depreciation is charged on pro-rata basis from the date of addition / till the date of disposal.
- v) Gains and losses on disposal of assets are determined by comparing the sale proceeds with the carrying amount. These are included in profit or loss within other income.

**i) Intangible assets**

Intangible assets are recorded at their acquisition cost except for intangible assets which have arisen on account of Business combination which are recorded at fair value as on the date of business combination. These assets are amortized over their useful life from the date on which they are ready for intended use as follows:

Sl. No.	Name of the Intangible Asset	No. of years of amortization
1.	Computer software	4
2.	Brand	15
3.	Mining License	40

**k) Impairment of assets**

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which separately identifiable cash inflows can be generated which are largely independent of the cash inflows from other assets or group of assets (cash-generating units). Non-financial assets other than goodwill that suffer impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

**l) Borrowings**

Borrowings are initially recognised at fair value, net of transaction cost incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction cost) and the redemption amount is recognised in profit or loss over the period of the borrowings, using the effective interest method. Fees paid on the established loan facilities are recognised as transaction cost of the loan, to the extent that it is probable that some or all the facility will be drawn down.

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, (including any non-cash assets transferred or liabilities assumed), is recognised in profit or loss as other gain/(loss).

Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

**m) Borrowing costs**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised up-to the time when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete. Qualifying assets are assets that necessarily take a substantial period of time to get 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 capitalisation.

Other borrowing costs are expensed in the period in which they are incurred.

**n) Transactions in foreign currencies**

- i) Transactions in foreign currencies are recorded at the exchange rates prevailing on the date of transaction.
- ii) Foreign currency monetary assets and liabilities such as cash, receivables, payables, etc., are translated at year end exchange rates.

- iii) Exchange differences arising on settlement of transactions and translation of monetary items are recognised as income or expense in the year in which they arise.

**o) Inventories**

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

- i) Cost of raw materials and components, packing materials, stores and spares, work-in-process and finished goods are ascertained on a weighted average basis.
- ii) Cost of finished goods and work-in-process comprises of direct materials, direct labour and an appropriate proportion of variable and fixed overhead expenditure, the latter being allocated on the basis of normal operating capacity. Costs are assigned to individual items of inventory on the basis of weighted average costs. Costs of purchased inventory are determined after deducting rebates and discounts.
- iii) Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.
- iv) Materials and supplies held for use in production of inventories are not written down if the finished products in which they will be used are expected to be sold at or above cost.
- v) Slow and non-moving material, obsolesces, defective inventories are duly provided for.

**p) Employee benefits**

i) Short term obligations:

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognized in respect of employees' services upto the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

ii) Other long term employee benefit:

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of the expected future payments to be made in respect of services provided by employee upto the end of reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in profit or loss.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least twelve months after the reporting period, regardless of when the actual settlement is expected to occur.

iii) Post-employment obligation:

The group operates the following post-employment schemes:

- a) Defined benefit plans such as gratuity for its eligible employees; and
- b) Defined contribution plans such as provident fund.

a) Gratuity obligation:

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plan is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by Actuaries using the projected unit credit method.

The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on the government bonds that have terms approximating to the terms of the related obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in retained earnings in the statement of changes in equity and in the balance sheet.

Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in profit or loss as past service cost.

b) Provident fund

The Group pays provident fund contributions to publicly administered provident funds as per local regulations. The Group has no further payment obligations once the contributions have been paid. The contributions are accounted for as defined contribution plans and the contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

iv) Bonus plans:

The Group recognises a liability and an expense for bonuses. The Group recognises a provision where statutory liability exists, contractually obliged or where there is a past practice that has created a constructive obligation.

q) **Income tax**

Tax expense comprises of current and deferred taxes.

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. The management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting profit nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Where the Group is entitled to claim special tax deductions for investments in qualifying assets or in relation to qualifying expenditure (the Research and Development or other investment allowances), the Group accounts for such allowances as tax credits, which means that the allowance reduce income tax payable and current tax expense. A deferred tax asset is recognised for unclaimed tax credits that are carried forward as deferred tax assets.

r) **Provisions and contingent liabilities**

i) Provision:

A provision is recorded when the Group has a present or constructive obligation as a result of present obligation, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reasonably estimated.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expenses.

ii) Contingent liabilities:

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

s) **Leases**

**The Company as a lessee**

The Group's lease asset classes primarily consist of leases for land and buildings. The Group assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Group changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

#### **The Group as a lessor**

Leases for which the Group is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

When the Group is an intermediate lessor, it accounts for its interests in the head lease and the sublease separately. The sublease is classified as a finance or operating lease by reference to the right-of-use asset arising from the head lease.

For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

#### **t) Government Grants**

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

Government grants relating to the purchase of property, plant and equipment are included in non-current liabilities as deferred income and are credited to profit or loss on a straight-line basis over the expected lives of the related assets and presented under other income.

Grants related to income are recognised in statement of profit or loss by deducting it from the the related expense.

#### **u) Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

#### **v) Cash and Cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

#### **w) Trade receivables**

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment.

#### **x) Trade payables**

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid as per the agreed terms. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

#### **y) Investments and Other financial assets**

##### **i) Classification**

The Group classifies its financial assets as those subsequently measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flow.

## ii) Measurement

Amortised Cost:

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in finance income using the effective interest rate method.

iii) Impairment of financial assets:

The Group assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost. The impairment methodology applied depends on whether there has been significant increase in credit risk. Note 33 details how the company determines whether there has been a significant increase in credit risk.

For trade receivables, the Group applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected credit losses to be recognised from initial recognition of the receivables.

iv) Derecognition of financial assets:

A financial asset is de-recognised only when:

- a) the Group has transferred the rights to receive cash flows from the financial asset or
- b) The Group retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the entity has transferred an asset, the Group evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is de-recognised. Where the Group has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not de-recognised.

Where the Group has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognized, if the Group has not retained control of the financial asset. Where the Group retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

z) **Current and Non-current classification**

The Group presents assets and liabilities in the balance sheet based on current / non-current classification.

Cash or cash equivalent is treated as current, unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period. In respect of other assets, it is treated as current when it is:

- expected to be realized or intended to be sold or consumed in the normal operating cycle
- held primarily for the purpose of trading
- expected to be realized within twelve months after the reporting period.

All other assets are classified as non-current.

A liability is treated as current when:

- it is expected to be settled in the normal operating cycle
- it is held primarily for the purpose of trading
- it is due to be settled within twelve months after the reporting period, or
- there is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

aa) **Recent accounting announcements**

The Group applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 Apr 2021. The Group has not early adopted any other standard or amendment that has been issued but is not yet effective:

(i) **Interest Rate Benchmark Reform – Phase 2: Amendments to Ind AS 109, Ind AS 107, Ind AS 104 and Ind AS 116**

The amendments provide temporary reliefs which address the financial reporting effects when an interbank offered rate (IBOR) is replaced with an alternative nearly risk-free interest rate (RFR). The amendments include the following practical expedients:

- A practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest.

- Permit changes required by IBOR reform to be made to hedge designations and hedge documentation without the hedging relationship being discontinued.
- Provide temporary relief to entities from having to meet the separately identifiable requirement when an RFR instrument is designated as a hedge of a risk component.
- These amendments had no impact on the financial statements of the Group. The Group intends to use the practical expedients in future periods if they become applicable.

(ii) **Conceptual framework for financial reporting under Ind AS issued by ICAI**

The Framework is not a Standard and it does not override any specific standard. Therefore, this does not form part of a set of standards pronounced by the standard-setters. While, the Framework is primarily meant for the standardsetter for formulating the standards, it has relevance to the preparers in certain situations such as to develop consistent accounting policies for areas that are not covered by a standard or where there is choice of accounting policy, and to assist all parties to understand and interpret the Standards.

The amendments made in following standards due to Conceptual Framework for Financial Reporting under Ind AS includes amendment of the footnote to the definition of an equity instrument in Ind AS 102- Share Based Payments, footnote to be added for definition of liability i.e. definition of liability is not revised on account of revision of definition in conceptual framework in case of Ind AS 37 - Provisions, Contingent Liabilities and Contingent Assets etc.

The MCA has notified the Amendments to Ind AS consequential to Conceptual Framework under Ind AS vide notification dated June 18, 2021, applicable for annual periods beginning on or after April 1, 2021. Accordingly, the Conceptual Framework is applicable for preparers for accounting periods beginning on or after 1 April 2021.

These amendments had no impact on the financial statements of the Group.

(iii) **Ind AS 116: COVID-19 related rent concessions**

MCA issued an amendment to Ind AS 116 Covid-19-Related Rent Concessions beyond 30 June 2021 to update the condition for lessees to apply the relief to a reduction in lease payments originally due on or before 30 June 2022 from 30 June 2021. The amendment applies to annual reporting periods beginning on or after 1 April 2021. In case a lessee has not yet approved the financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after 1 April 2020.

These amendments had no impact on the financial statements of the Group.

(iv) **Ind AS 103: Business combination**

The amendment states that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Framework for the Preparation and Presentation of Financial Statements in accordance with Indian Accounting Standards issued by the Institute of Chartered Accountants of India at the acquisition date. Therefore, the acquirer does not recognise those costs as part of applying the acquisition method. Instead, the acquirer recognises those costs in its post-combination financial statements in accordance with other Ind AS.

These amendments had no impact on the financial statements of the Group.

**Amendment to Ind AS 105, Ind AS 16 and Ind AS 28**

The definition of "Recoverable amount" is amended such that the words "the higher of an asset's fair value less costs to sell and its value in use" are replaced with "higher of an asset's fair value less costs of disposal and its value in use". The consequential amendments are made in Ind AS 105, Ind AS 16 and Ind AS 28.

These amendments had no impact on the financial statements of the Group.

# Notes to Accounts

All amounts in INR Lakhs unless otherwise stated

## Note - 2a : Property, plant and equipment

The changes in the carrying value of property, plant and equipment for the year ended March 31, 2022 are as follows:

Asset Description	Gross carrying amount					Accumulated Depreciation				Net carrying amount	
	As at April 1, 2021	Fair value of assets taken over pursuant to a business combination*	Adjustment on account of IndAS adoption of subsidiary company	Additions	Deletions / Adjustments	As at March 31, 2022	As at April 1, 2021	Depreciation for the year	Deletions	As at March 31, 2022	As at March 31, 2022
Land - freehold	1,210	15,667	(5)	128	-	17,000	6	0	-	6	16,994
Building	3,650	9,698	(110)	4	-	13,242	538	830	-	1,368	11,874
Plant and equipment	26,233	19,266	85	503	282	45,805	10,620	4,555	159	15,016	30,789
Furniture and fixtures	22	-	2	4	1	27	13	2	1	14	13
Office equipment	76	-	2	6	3	81	64	4	2	66	15
Vehicles	11	319	0	-	33	297	7	125	17	115	182
Data Processing equipments	-	-	3	6	-	9	-	3	-	3	6
<b>Total</b>	<b>31,202</b>	<b>44,950</b>	<b>(23)</b>	<b>651</b>	<b>319</b>	<b>76,461</b>	<b>11,248</b>	<b>5,519</b>	<b>179</b>	<b>16,588</b>	<b>59,873</b>

\* Refer Note 32 for the details of the business combination.

## Note - 2b : Other intangible assets

Asset Description	Gross carrying amount										Net carrying amount
	As at April 1, 2021	Fair value of assets taken over pursuant to a business combination*	Adjustment on account of IndAS adoption of subsidiary company	Additions	Deletions / Adjustments	As at March 31, 2022	As at April 1, 2021	Amortisation for the year	Deletions	As at March 31, 2022	As at March 31, 2022
Computer software	-	-	-	-	-	-	-	-	-	-	-
- Acquired	13	-	-	-	-	13	12	-	-	12	1
- 'Bhavya' Brand	-	1,542	-	-	-	1,542	-	84	-	84	1,458
- Mining License	-	6,810	-	-	-	6,810	-	139	-	139	6,671
<b>Total</b>	<b>13</b>	<b>8,352</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>8,365</b>	<b>12</b>	<b>223</b>	<b>-</b>	<b>235</b>	<b>8,130</b>

\* Refer Note 32 for the details of the business combination.

## Note - 2c : Capital work in progress

<b>Capital work in progress</b>	83	-	-	212	154	141	-	-	-	-	141
	<b>83</b>	<b>-</b>	<b>-</b>	<b>212</b>	<b>154</b>	<b>141</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>141</b>

a) CWIP Ageing Schedule

CWIP	Amount in CWIP for a period of				Total
	Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	
Projects in progress	68	44	29	-	141
Projects temporarily suspended	-	-	-	-	-

**Notes:** Refer to note 39 for disclosure of contractual commitments for the acquisition of Property, Plant and Equipment.

# Notes to Accounts

All amounts in INR Lakhs unless otherwise stated



## Note - 2d : Investment property

Asset Description	Gross carrying amount						Accumulated Depreciation				Net carrying amount
	As at April 1, 2021	Fair value of assets taken over pursuant to a business combination*	Adjustment on account of IndAS adoption of subsidiary company	Additions	Deletions / Adjustments	As at March 31, 2022	As at April 1, 2021	De-precia-tion for the year	Dele-tions	As at March 31, 2022	As at March 31, 2022
Residential Buildings	-	110	-	-	-	110	-	1	-	1	109

The fair value of the investment property as at March 31, 2022 is Rs. 119 lakhs.

## Note - 3 : Goodwill

Particulars	As at March 31, 2022
As at 1 April 2021	-
Additions	-
Disposals / Adjustments	-
Acquisition through business combination (Refer note 32)	23,922
Other adjustments	-
<b>As at 31 March 2022</b>	<b>23,922</b>

## Note - 4 : Other financial assets

Particulars	As at March 31, 2022
<b>Non-current</b>	
Unsecured, considered good	
Security deposits	54
Fixed Deposits with banks with maturity greater than 12 Months *	276
Sales tax incentives receivable	376
Power incentives receivable	1,104
<b>Total other financial assets - non-current</b>	<b>1,810</b>
* Represents margin money deposits against Bank Guarantees	
<b>Current</b>	
Security deposits	50
DIC Claim receivable	201
Interest Receivable	83
<b>Total other financial assets - current</b>	<b>334</b>

## Note - 5 : Other non-current assets

Particulars	As at March 31, 2022
Capital advances	294
Balances with government authorities	55
Security deposits	791
<b>Total other non-current assets</b>	<b>1,140</b>

## Note - 6 : Inventories

Particulars	As at March 31, 2022
Raw materials	309
Work-in-progress	1,185
Finished goods	301
Coal and fuel	1,448
Packing materials	178
Stores and spares	1,504
<b>Total inventories</b>	<b>4,925</b>

# Notes to Accounts

All amounts in INR Lakhs unless otherwise stated

## Note - 7 : Trade receivables

Particulars	As at March 31, 2022
a) Trade receivables considered good - secured	904
b) Trade receivables considered good - unsecured	5,559
c) Trade receivables which have significant increase in credit risk	44
d) Trade receivables - credit impaired	17
e) Trade receivables from related parties	4
Less: Allowance for expected credit losses	(272)
<b>Total trade receivables</b>	<b>6,256</b>

### As on March 31, 2022

Particulars	Outstanding for following periods from due date of payment*						Total
	Not due	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	2,982	2,240	604	337	82	-	6,246
(ii) Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	18	26	44
(iii) Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables– considered good	-	-	10	67	143	-	220
(v) Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	0	13	5	18
(vi) Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
<b>Total</b>		2,240	614	404	256	31	6,528
<b>Less: Allowance for bad and doubtful debts</b>							(272)
<b>Trade Receivables net of Allowance for bad and doubtful debts</b>							<b>6,256</b>

## Note - 8 : Cash and cash equivalents

Particulars	As at March 31, 2022
Balances with banks	
- in current accounts	1,190
- in earmarked accounts *	70
Cash on hand	2
<b>Total cash and cash equivalents</b>	<b>1,262</b>

\* Represents amounts in unpaid dividend accounts

## Note - 9 : Bank Balances other than cash and cash equivalents above

Particulars	As at March 31, 2022
Balances with banks	
Term deposits *	14
Margin Money against Bank Guarantee	82
<b>Total Bank Balances other than cash and cash equivalents</b>	<b>96</b>

\* Rs. 7 lakhs represents margin money deposit against BG

## Note - 10 : Other current assets

Particulars	As at March 31, 2022
Advances other than capital advances	
Supplier advances	2,827
Balances with government authorities	335
Prepaid Expenses	131
<b>Total other current assets</b>	<b>3,293</b>

# Notes to Accounts

All amounts in INR Lakhs unless otherwise stated



## Note - 11 : Equity share capital

### Authorised equity share capital

Particulars	Number of shares (in lakhs)	Amount
As at March 31, 2021	300	3,000
Increase during the year	-	-
As at March 31 2022	300	3,000

### Authorised preference share capital

Particulars	Number of shares (in lakhs)	Amount
As at March 31, 2021	10	100
Increase during the year	-	-
As at March 31 2022	10	100

### Issued and Subscribed equity Share capital

Particulars	Number of shares (in lakhs)	Amount
As at March 31, 2021	253	2,529
Increase during the year	-	-
As at March 31 2022	253	2,529

### (i) Movements in equity share capital

Particulars	Number of shares (in lakhs)	Amount
As at March 31, 2021	253	2,529
Add : Issue of shares	-	-
As at March 31 2022	253	2,529

### Terms and rights attached to equity shares

The company has one class of equity shares having a par value of INR 10. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts. The distribution will be in proportion to the number of and amounts paid on equity shares held.

### (ii) Shares of the company held by ultimate holding company

Particulars	As at March 31 2022	
	Number of shares	Amount (INR)
Chettinad Cement Corporation Private Limited, Ultimate Holding Company	18,964,270	189,642,700
	18,964,270	189,642,700

### (iii) Details of shareholders holding more than 5% shares in the company

Particulars	As at March 31 2022	
	Number of shares (in lakhs)	% holding
Chettinad Cement Corporation Private Limited, Holding Company	190	75%
Sangeetha S	12	5%
	202	80%

### Promoter's Shareholding

#### Year ended March 31,2022

Shares held by promoters at the end of the year			% Change During the Year
Promoter Name	No. of Shares	% of Total Shares	
Chettinad Cement Corporation Private Limited	18964270	75	NIL
<b>Total</b>	<b>18964270</b>	<b>75</b>	

# Notes to Accounts

All amounts in INR Lakhs unless otherwise stated

## Note - 12 : Other Equity

Particulars	As at March 31, 2022
Securities premium	6,810
General reserve	500
Retained earnings	21,232
Capital redemption reserve	761
<b>Total other equity</b>	<b>29,303</b>

### a) Securities premium

Particulars	As at March 31, 2022
Opening balance	6,810
Additions during the year	-
Deductions/Adjustments during the year	-
<b>Closing balance</b>	<b>6,810</b>

### b) General reserve

Particulars	As at March 31, 2022
Opening balance	500
Additions during the year	-
Deductions/Adjustments during the year	-
<b>Closing balance</b>	<b>500</b>

### c) Retained earnings

Particulars	As at March 31, 2022
Opening balance	24,792
Net profit for the year	4,142
<i>Items of other comprehensive income recognised directly in retained earnings</i>	
- Remeasurements of post-employment benefit obligation, net of tax	16
<i>Appropriations</i>	
- Dividend (including dividend distribution tax)	(1,264)
- Transfer to Capital Redemption Reserve	(761)
Excess consideration towards equity share buyback by subsidiary	(2,465)
Excess consideration for acquisition of NCI stake	(3,228)
<b>Closing balance</b>	<b>21,232</b>

### d) Capital redemption reserve

Particulars	As at March 31, 2022
Opening balance	-
Additions during the year	761
Deductions/Adjustments during the year	-
Utilized towards equity share buy-back	-
<b>Closing balance</b>	<b>761</b>

## Note - 12a : Non-controlling interest

Particulars	As at March 31, 2022
Opening balance	-
Additions during the year	7,738
Add: Profit for the year	56
Deductions/Adjustments during the year	(7,461)
<b>Closing balance</b>	<b>333</b>

### Nature and purpose of other reserves

#### (i) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act, 2013.

# Notes to Accounts

All amounts in INR Lakhs unless otherwise stated



(ii) *General reserve*

This reserve is used to record the transfers made from the retained earnings and was made on account of the requirements of the Companies Act, 1956 for payment of dividends.

(iii) *Retained Earnings*

This reserve represents the cumulative profits of the Company and effects of the remeasurement of defined benefit obligations. This Reserve can be utilised in accordance with the provisions of the Companies Act, 2013

(iv) *Capital Redemption Reserve*

This reserve has been created on account of the buy back of equity shares by the subsidiary company in accordance with the requirements of the Companies Act, 2013.

## Note - 13 : Borrowings

Particulars	As at March 31, 2022
<b>Un-Secured Loans</b>	
From Related Party (refer note 13a)	34,500
<b>Secured Loans</b>	
Term Loan	
From Banks (refer note 13b)	3,000
<b>Total other non current financial liabilities</b>	<b>37,500</b>

13a) Un-secured loan from related party represents loan taken by holding company from ultimate holding company which carries interest rate of 7% repayable at four equal instalments starting from 31 Mar 2023.

13b) During the current year, i.e. FY 2021-22, the subsidiary Company has availed a Working Capital Term Loan of Rs 4,500 Lakhs from HDFC Bank, carrying interest rate of 6.05% p.a., repayable in 36 months with quarterly repayments starting from June 2, 2022 and ending on June 2, 2025. The same is secured under hypothecation by way of exclusive charge on movable fixed assets (Plant & Machinery) of the subsidiary Company with minimum cover of 1.3 times of the loan, amounting to Rs 5,850 lakhs.

## Note - 14 : Provisions

Particulars	As at March 31 2022		
	Current	Non-current	Total
<b>Employee benefit obligations</b>			
Compensated absences	24	140	164
Gratuity	4	57	61
Superannuation	10	-	10
<b>Others</b>			
Decommissioning liability	-	116	116
<b>Total</b>	<b>38</b>	<b>313</b>	<b>351</b>

(i) **Compensated absences**

The compensated absences obligations cover the Group's liability for the earned leave. The provision is presented as current and non-current based on the actuarial report obtained by the Group. However, based on past experience the Group does not expect all employees to take the full amount of accrued leave or require payment within the next 12 months.

Particulars	As at March 31, 2022
Current compensated absences expected to be settled within the next 12 months	24

(ii) **Post-employment obligations - gratuity**

The Group 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. The gratuity plan is a funded plan and the Group makes contributions to the recognised funds in India.

(iii) **Defined contribution plans**

The Group also has certain defined contribution plans. Contributions are made to the provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to the registered provident fund administered by the government. The obligation of the Group is limited to the amount contributed and it has no further contractual nor any constructive obligations. The expense recognised during the period towards defined contribution plan is INR 202 lakhs

# Notes to Accounts

All amounts in INR Lakhs unless otherwise stated

## Gratuity

Particulars	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2021	573	(582)	(9)
Addition on account of Business combination	258	(208)	50
Current service cost	78	-	78
Interest expense/(income)	57	(53)	4
<b>Total amount recognised in profit or loss</b>	<b>135</b>	<b>(53)</b>	<b>82</b>
<i>Remeasurements</i>			
Return on plan assets, excluding amounts included in interest expense/(income)	-	3	3
(Gain)/loss from change in demographic assumptions	-	-	-
(Gain)/loss from change in financial assumptions	(25)	-	(25)
Experience (gains)/losses	(32)	(1)	(33)
Expenses	-	-	-
<b>Total amount recognised in other comprehensive income</b>	<b>(57)</b>	<b>2</b>	<b>(55)</b>
Employer contributions	-	(7)	(7)
Benefit payments	(46)	46	-
<b>March 31, 2022</b>	<b>863</b>	<b>(802)</b>	<b>61</b>

The net liability disclosed above relates to funded and unfunded plans are as follows:

Particulars	As at March 31, 2022
Present value of funded obligations	863
Fair value of plan assets	(802)
<b>Deficit (Excess) of funded plan</b>	<b>61</b>

### (iv) Post-Employment benefits

Significant estimates: actuarial assumptions and sensitivity

The significant actuarial assumptions were as follows:

Particulars	As at March 31, 2022
Discount rate	7%
Salary growth rate	8%

Assumptions regarding future mortality for pension and medical benefits are set based on actuarial advice in accordance with published statistics and experience. These assumptions translate into an average life expectancy in years for an employee retiring at age 58.

### (v) Sensitivity analysis

The sensitivity of the defined benefit obligation to changes in the weighted principal assumptions is:

Particulars	Impact on defined benefit obligation (Increase/Decrease)		
	Change in assumption	Increase in assumption	Decrease in assumption
	March 31, 2022	March 31, 2022	March 31, 2022
Discount rate	1%	8%	9%
Salary growth rate	1%	10%	-9%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

### (vi) The major categories of plan assets are as follows:

The Group has plan assets by way of investment funds in Life Insurance Corporation of India (LIC) under the group gratuity scheme. The fair value of the plan assets

Particulars	March 31, 2022 Unquoted
Investment funds (Investments in LIC)	802
<b>Total</b>	<b>802</b>

# Notes to Accounts

All amounts in INR Lakhs unless otherwise stated



## (vii) Risk exposure

Through its defined benefit plans, The company is exposed to a number of risks, the most significant of which are detailed below:

### Investment risks:

The present value of the defined benefit plan obligation is calculated using a discount rate determined by reference to Government of India bond rate. If the return on plan asset is lower than this rate, then it will create a plan deficit.

### Interest risks:

A decrease in bond rate will increase the plan liability although this will be partially offset by an increase in the value of the plans bond holdings.

### Longevity risks (Life expectancy):

The present value of the defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and at the end of the employment. An increase in the life expectancy of the plan participants will increase the plan liability.

### Salary risks

The present value of the defined benefit plan liability is calculated by reference to the future salaries of plan participants. An increase in the salary of the plan participants will increase the plan liability.

## Note - 15 : Other financial liabilities

Particulars	As at March 31, 2022
<b>Current</b>	
Interest accrued and due on ICD	1,508
Deposits from dealers	2,190
Capital creditors	131
Expenses payable	1,997
Unpaid dividends*	70
Deferred Consideration-Liability	2,482
Security deposits	755
Retention money	2
Accrued interest	22
<b>Total other current financial liabilities</b>	<b>9,157</b>

Note : \* There are no amounts due to be remitted to Investor Education and Protection Fund out of these amounts.

## Note - 16 : Deferred tax liabilities(net)

The balance comprises temporary differences attributable to:

Particulars	As at March 31, 2022
<b>Deferred tax liabilities</b>	
On account of depreciation and amortisation on Property Plant and Equipment and intangible assets	11,091
DTA Addition/(Reversal) on account of Ind AS	8
Total deferred tax liabilities	11,099
<b>Deferred tax assets</b>	
Provision for employee benefits	(33)
Provision for doubtful debts	(69)
Others	(84)
<b>Deferred tax liabilities(net)</b>	<b>10,913</b>

### Movement in deferred tax liabilities/(assets)

Particulars	On account of depreciation and amortisation on Property Plant and Equipment and intangible assets	Provision for employee benefits	Provision for doubtful debts	Others	Total
<b>At March 31, 2021</b>	3,618	(112)	(30)	33	<b>3,509</b>
(Charged)/credited:					-
- to profit or loss	(164)	46	(38)	(642)	<b>(798)</b>
- to other comprehensive income	-	-	-	13	<b>13</b>
- to current tax liabilities	-	-	-	-	-
Adjustment due to business combination				8,189	<b>8,189</b>
<b>At March 31, 2022</b>	<b>3,454</b>	<b>(66)</b>	<b>(68)</b>	<b>7,593</b>	<b>10,913</b>

# Notes to Accounts

All amounts in INR Lakhs unless otherwise stated

## Note - 17 : Government grants

Particulars	As at March 31, 2022
Opening balance	26
Less: Released to profit or loss	(7)
<b>Closing balance</b>	<b>19</b>
Current portion	7
Non-current portion	12
<b>Total</b>	<b>19</b>

## Note - 18 : Current borrowings

Particulars	Maturity date	Terms of repayment	Coupon / Interest rate	As at March 31 2022
<b>Secured</b>				
From banks				
Bank overdrafts	Payable on demand	Payable on demand	7.7% and 7.35% w.e.f. 15-Dec-21	-
Working capital loan from banks (refer note a)	Payable on demand	Payable on demand	7.35%	1,680
<b>Current maturities of long term debt</b>				
Secured (Refer Note 13b)			6.05%	1,500
Unsecured (Refer Note 13a)			7.00%	9,000
<b>Total Current Borrowings</b>				<b>12,180</b>

The borrowings are secured as follows;

- During the current year, i.e. FY 2021-22, the subsidiary Company has availed Working capital facilities of Rs 4,500 Lakhs from HDFC Bank and the same are secured by way of exclusive charge on inventory and trade receivables of the subsidiary Company. The working capital loans are repayable on demand and the loans carry an interest rate of 7.35% p.a.
- The carrying amount of financial and non-financial assets pledged as security for current borrowings are disclosed in Note 43.

## Note - 19 : Trade payables

Particulars	As at March 31, 2022
Dues to micro and small enterprises	1,301
Dues to other than micro and small enterprises	4,057
<b>Total trade payables</b>	<b>5,358</b>

As on March 31, 2022

Particulars	Not Due	Outstanding for following periods from due date of payment				
		Less than 1 Year	1-2 Years	2-3 Years	More Than 3 Years	Total
i) MSME	1,296	5	-	-	-	1,301
ii) Others	3,003	844	161	15	22	4,045
iii) Disputed Dues-MSME	-	-	-	-	-	-
IV) Disputed Dues-Others	-	-	-	-	12	12
<b>Total</b>	<b>4,299</b>	<b>849</b>	<b>161</b>	<b>15</b>	<b>34</b>	<b>5,358</b>

## Note - 20 : Other current liabilities

Particulars	As at March 31, 2022
Advances from customers	1,322
Statutory dues	1,896
<b>Total other current liabilities</b>	<b>3,218</b>

## Note - 21 : Current tax liabilities(net)

Particulars	As at March 31, 2022
Provision for income-tax (net of advance tax and TDS)	390
<b>Total current tax Liabilities(net)</b>	<b>390</b>

# Notes to Accounts

All amounts in INR Lakhs unless otherwise stated

## Note - 22 : Revenue from operations

Particulars	Year ended March 31, 2022
Sale of manufactured products	74,393
Sale of traded products	5,361
Other operating revenue	372
<b>Total revenue</b>	<b>80,126</b>

23.1: Disaggregated Revenue Disclosures are not applicable to the Group since the Group deals mainly in one product i.e., manufacturing and selling of Cement.

23.2: Trade Receivables and Contract Balances

- The Group classifies the right to consideration in exchange for deliverables as receivable.
- A receivable is a right to consideration that is unconditional upon passage of time. Trade receivables are presented net of impairment in the Balance Sheet.

23.3: Disclosures relating to pending performance obligations are not given since there are no pending obligations.

## Note - 23 : Other income

a) Other income

Particulars	Year ended March 31, 2022
Interest income on	
Bank deposits	53
Others	43
Profit on sale of property, plant and equipment	45
Interest income from financial assets at amortised cost	115
Government grants #	7
Others	47
<b>Total other income</b>	<b>310</b>

# Government grants relates to the capital subsidy and power subsidy received for investment in property, plant and equipment in subsidiary company. There are no unfulfilled conditions or other contingencies attached to these grants.

## Note - 24 : Cost of material consumed

Particulars	Year ended March 31, 2022
<b>Raw materials consumed:</b>	
i) Limestone	4,481
ii) Gypsum	1,146
iii) Fly ash	1,221
iv) Granulated slag	429
v) Laterite	514
vi) Clinker	887
<b>Total cost of material consumed</b>	<b>8,678</b>

## Note - 25 : Changes in inventories of finished goods, stock-in-trade and work-in-progress

Particulars	Year ended March 31, 2022
<b>Opening balance</b>	
Finished goods	111
Work-in-progress	580
<b>Total opening balance (A)</b>	<b>691</b>
<b>Inventories taken over pursuant to business combination</b>	
Finished goods	168
Work-in-progress	174
	<b>342</b>
<b>Closing balance</b>	
Finished goods	301
Work-in-progress	1,185
<b>Total closing balance (B)</b>	<b>1,486</b>
<b>Total Changes in inventories of finished goods, stock-in-trade and work-in-progress (A-B)</b>	<b>(453)</b>

# Notes to Accounts

All amounts in INR Lakhs unless otherwise stated

## Note - 26 : Employee benefits expense

Particulars	Year ended March 31, 2022
Salaries, wages and bonus	2,844
Contribution to provident and other funds	310
Gratuity	47
Compensated absences	(7)
Staff welfare expenses	131
Directors' remuneration	81
<b>Total employee benefits expense</b>	<b>3,406</b>

## Note - 27 : Finance costs

Particulars	Year ended March 31, 2022
Interest and finance charges on financial liabilities calculated using effective interest rate	226
Interest expense	
On Inter-corporate deposits	2,564
On term loans	29
On working capital loans	93
Others	4
Interest on shortfall in payment of advance tax	77
Loan Preclosure charges	1
Other Borrowing costs	7
<b>Total finance costs</b>	<b>3,001</b>

## Note - 28 : Depreciation and amortisation expense

Particulars	Year ended March 31, 2022
Depreciation of property, plant and equipment	5,519
Depreciation on investment property	1
Amortisation of intangible assets	223
Amortisation of Right-of-use assets	94
<b>Total depreciation and amortisation expense</b>	<b>5,837</b>

## Note - 29 : Power and fuel

Particulars	Year ended March 31, 2022
Power and fuel	30,548
<b>Total power and fuel expense</b>	<b>30,548</b>

## Note - 30 : Other expenses

Particulars	Year ended March 31, 2022
Consumption of stores and spares	1,950
Packing materials	2,753
Labour charges	351
<b>Repairs and maintenance</b>	
Repairs and maintenance - building	30
Repairs and maintenance - plant and machinery	498
Repairs and maintenance - others	107
Communication expenses	33
Rent	82
Rates and taxes	83
Travel and conveyance	186
Printing and stationery	9
Professional charges	224
Payment to Auditors	16
Insurance	159
Provision for doubtful debts	104
Selling and marketing expenses	498
Advertisement and sales promotion	36
Office maintenance	136
Misc. expenses	262
Corporate social responsibility expenses (refer note 41 (b))	177
Fixed Assets written off	123
Others	388
<b>Total other expenses</b>	<b>8,205</b>

# Notes to Accounts

All amounts in INR Lakhs unless otherwise stated



## Details of payments to auditors

Particulars	Year ended March 31, 2022
<b>Payment to auditors</b>	
<b>As auditors:</b>	
Statutory Audit fee(including Quarterly Limited Review)	13
Tax audit fee	2
Others	1
<b>Total</b>	<b>16</b>

## Note - 31 : Income tax expense

Particulars	Year ended March 31, 2022
<b>(a) Income tax expense</b>	
<i>Current tax</i>	
Current tax on profits for the year	2,208
Adjustments for current tax of prior periods	97
<b>Total current tax expense</b>	<b>2,305</b>
<i>Deferred tax</i>	
Decrease/(increase) in deferred tax assets	166
(Decrease)/increase in deferred tax liabilities	(793)
<b>Total deferred tax expense/(benefit)</b>	<b>(627)</b>
<b>Income tax expense</b>	<b>1,678</b>

### (b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:

Particulars	Year ended March 31, 2022
Profit before income tax expense	5,877
Tax at the Indian tax rate of 25.168%	1,479
Reduction in Deferred Tax due to adoption of reduced corporate tax rate under section 115 BAA of Income Tax Act 1961	12
Tax credits for which no deferred income tax was recognised	84
Prior period tax expense	97
Other items	5
<b>Income tax expense</b>	<b>1,678</b>

## Note - 32 : Acquisition of Bhavya Cements Private Limited

Pursuant to a Share Purchase Agreement (SPA) dated 26th May, 2021 entered into between the Holding Company, the shareholders of Bhavya Cements Private Limited and Bhavya Cements Private Limited (BCPL), the Holding Company acquired 115,455,015 equity shares of BCPL at a price of Rs. 52.59 per equity share. Consequent to this acquisition, the company obtained a controlling stake of 82.51% in BCPL as at June 8, 2021 and has also appointed majority of the directors on the Board of BCPL with a purchase consideration of Rs 604.38 Crores.

The Holding Company has recorded this transaction in the consolidated financial statements as a business combination under IndAS 103. Accordingly, the identifiable assets and liabilities of BCPL as at June 8, 2021 have been recognised at fair values. The difference between the fair value of consideration and the fair value of identifiable net assets of BCPL has been recognised as Goodwill after recognising Non-controlling interest and deferred taxes on the fair value uplift on the assets and liabilities. The following table includes the details of the same:

Particulars	Fair value on date of acquisition
<b>Assets</b>	
Tangible assets	44,950
Intangible assets on acquisition	
'Bhavya' Brand	1,542
Mining License	6,810
Long term loans and advances	838
Other non-current assets	371
Inventories	1,492
Trade receivables	2,621
Cash and cash equivalents	756
Short term loans and advances	782
Other current assets	1,628
Indemnification assets	66
	<b>61,856</b>

# Notes to Accounts

All amounts in INR Lakhs unless otherwise stated

Particulars	Fair value on date of acquisition
<b>Liabilities</b>	
Long term borrowings	1,067
Other non-current liabilities	619
Long term provision	320
Trade payables	4,012
Other current liabilities	2,124
Short term provisions	389
Contingent liabilities	66
Deferred tax liabilities	9,005
	<b>17,602</b>
<b>Total identifiable net assets at fair value</b>	<b>44,254</b>
Non-controlling interest as a proportion of fair value of net assets acquired	(7,738)
Goodwill	23,922
<b>Fair value of consideration</b>	<b>60,438</b>

The above fair values have been considered based on a valuation report obtained from an independent valuation professional.

The goodwill of INR 23,922 lakhs comprises the value of expected synergies and extension of the holding company's business in expanded territories arising from the acquisition which is not separately recognised. Goodwill is allocated entirely to the cements business segment. None of the goodwill recognised is expected to be deductible for income tax purposes.

Contingent liabilities amounting to Rs. 66 lakhs has been recognised along with an indemnification asset of the same amount representing certain legal cases for which the Holding Company has an indemnification arrangement with the seller.

Non-controlling interest has been computed as a proportionate share of the fair value of the identifiable net assets acquired as a part of the consideration.

From the date of acquisition, BCPL has contributed INR 33,320 lakhs of revenue and INR 31,777 lakhs to the profit before tax from continuing operations of the Group. If the combination had taken place at the beginning of the year, revenue from combined continuing operations would have been INR 88,226 lakhs and the combined profit before tax from continuing operations for the Group would have been INR 8,514 lakhs.

The consideration of Rs. 60,718 lakhs (the fair value of which is Rs. 60,438 lakhs) was entirely paid by way of a bank payment except for deferred consideration fair value Rs.2,333 lakhs and there is no contingent consideration payable to the sellers of BCPL.

## Acquisition of additional stake in BCPL

After obtaining control over BCPL, the holding company has also acquired an additional stake of 11.18% in BCPL in two tranches at an aggregate consideration of Rs. 8,225.58 lakhs as a result of which the Company's equity interest in BCPL increased to 93.69%. For such additional stake, the difference between the consideration paid and the proportionate net identifiable assets of BCPL amounting to Rs. 3,228 lakhs has been debited to the Reserves and Surplus

## Buy back of shares by BCPL

In the month of February 2022, BCPL announced a buy-back scheme and consequently bought-back 76,06,000 equity shares at a total consideration of Rs. 3,999.99 lakhs and paid a buy-back tax amounting to Rs. 928.54 lakhs. As a result of such buy-back, the shareholding of the holding company in BCPL increased to 99.08%. Accordingly, the difference between consideration paid by the Group for such buy-back and the proportionate value of NCI acquired amounting to Rs. 2,465.31 lakhs has been debited to the Reserves and Surplus in accordance with the requirements of IndAS 110 on 'Consolidated Financial Statements'.

## Note - 33 : Impairment testing of goodwill

For impairment testing, goodwill acquired through the business combination has been allocated to the cements business. The total carrying amount of goodwill as at March 31, 2022 is Rs. 23,922 lakhs. The Group performed the annual impairment test of goodwill as at March 31, 2022. The recoverable amount of the cements business was determined based on a value in use calculation using cash flow projections from financial budgets approved by senior management covering a five-year period. The discount rate applied to the cash flow projections for impairment testing during the current year is 13.00%. The growth rate used to extrapolate the cash flows of the unit beyond the five-year period is 6.0%. The impairment test did not identify any impairment in the carrying value of goodwill as at March 31, 2022.

Key assumptions used for value in use calculations:

The calculation of value in use is most sensitive to the following assumptions:

- Gross margins - these are based on the averages achieved in the earlier years. These are increased over the budget period for anticipated efficiency. An increase of 10% in the revenues and costs has been considered for the next 5 years based on the business plans of the Company.

# Notes to Accounts

All amounts in INR Lakhs unless otherwise stated

- b) Discount rates - Discount rates represent the current market assessment of the risks specific to each CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation is based on the specific circumstances of the Group and is derived from its weighted average cost of capital (WACC). The WACC takes into account both debt and equity.
- c) Growth rates used to extrapolate cash flows beyond the forecast period - These are based on published industry research and management's estimates.

The value in use computations are sensitive to variance in the above key assumptions. 1.0% movement in any one of the above key assumptions keeping the other assumptions constant is not resulting in any impairment of goodwill.

## Note - 34 : Fair value measurements

### Financial instruments by category

Particulars	As at Mar 31 2022		
	FVTPL	FVOCI	Amortised cost
<b>Financial assets</b>			
Trade receivables	-	-	6,256
Cash and cash equivalents	-	-	1,262
Bank Balances other than cash and cash equivalents	-	-	96
Loans	-	-	-
Other financial assets	-	-	2,144
<b>Total financial assets</b>	-	-	<b>9,758</b>
<b>Financial liabilities</b>			
Borrowings	-	-	49,680
Lease Liability	-	-	409
Trade payables	-	-	5,358
Others	-	-	9,157
<b>Total financial liabilities</b>	-	-	<b>64,604</b>

### (i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) 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 group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

#### Assets and liabilities which are measured at amortised cost for which fair values are disclosed

As at Mar 31 2022	Notes	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>					
Other financial assets	4	-	-	2,144	2,144
Trade receivables				6,256	6,256
Cash and cash equivalents				1,262	1,262
Bank Balances other than cash and cash equivalents				96	96
<b>Total financial assets</b>		-	-	<b>9,758</b>	<b>9,758</b>
<b>Financial Liabilities</b>					
Borrowings	18	-	-	49,680	49,680
Lease Liabilities	42			409	409
Trade payables	19	-	-	5,358	5,358
Others	15	-	-	9,157	9,157
<b>Total financial liabilities</b>		-	-	<b>64,604</b>	<b>64,604</b>

**Level 1:** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on 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, contingent consideration and indemnification asset included in level 3.

There are no transfers between levels 1 and 2 during the year. The group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as at the end of the reporting period.

# Notes to Accounts

All amounts in INR Lakhs unless otherwise stated

## (ii) Valuation processes

### Fair value of financial assets and liabilities measured at amortised cost

Particulars	As at Mar 31 2022	
	Carrying amount	Fair value
<b>Financial assets</b>		
Loans	-	-
Other Financial Assets	2,144	2,144
<b>Total financial assets</b>	<b>2,144</b>	<b>2,144</b>
<b>Financial Liabilities</b>		
Borrowings	49,680	49,680
Lease Liability	409	409
<b>Total financial liabilities</b>	<b>50,089</b>	<b>50,089</b>

The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other current financial liabilities are considered to be the same as their fair values, due to their short-term nature.

The fair values of non-current borrowings are based on discounted cash flows using a current borrowing rate. They are classified as level 2 fair values in the fair value hierarchy since significant inputs required to fair value an instrument are observable. Since there are no changes in the borrowing rate contracted with the bank, thus the fair value is equal to the amortised cost.

For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

## Note - 35 : Financial risk management

The group's activities expose it to credit risk, liquidity risk and market risk.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, financial assets measured at amortised cost.	Ageing analysis Credit ratings	Diversification of bank deposits, credit limits and letters of credit
Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
Market risk - foreign exchange	Recognised financial liabilities not denominated in Indian Rupee (INR)	Sensitivity analysis	Availability of committed credit lines and borrowing facilities
Market risk - interest rate	Long-term and Short-term borrowings at variable interest rates.	Sensitivity analysis	Availability of committed credit lines and borrowing facilities

The group's risk management is carried out by the treasury team under policies approved by the board of directors. The treasury identifies, evaluates and hedges financial risks in close co-operation with the group's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity.

### (A) Credit risk

Credit risk arises from cash and cash equivalents, deposits with banks and credit exposures to customers including outstanding receivables with dealers and advances given to vendors.

#### (i) Credit risk management

Credit risk is managed on a wholistic basis. For banks and financial institutions, only high rated banks/institutions are accepted.

For other financial assets, the group assesses and manages credit risk based on external credit rating system. The finance department under the guidance of the board, assess the credit rating system. Credit rating is performed for each class of financial instruments with different characteristics. The group assigns the following credit ratings to each class of financial assets based on the assumptions, inputs and factors specific to the class of financial assets.

VL 1 : High-quality assets, negligible credit risk

VL 2 : Quality assets, low credit risk

VL 3 : Standard assets, moderate credit risk

VL 4 : Substandard assets, relatively high credit risk

VL 5 : Low quality assets, very high credit risk

VL 6 : Doubtful assets, credit-impaired

# Notes to Accounts



All amounts in INR Lakhs unless otherwise stated

The group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period. To assess whether there is a significant increase in credit risk The group compares the risk of a default occurring on the asset as at the reporting date with the risk of default as at the date of initial recognition. It considers available reasonable and supportive forwarding-looking information. Especially the following indicators are included -

- Internal credit rating assessment
- External credit rating (as far as available)
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the borrower's ability to meet its obligations
- Macroeconomic information (such as regulatory changes, market interest rate or growth rates) is incorporated as part of the internal rating model.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payments are more than 30 days past due.

A default on a financial asset is when the counterparty fails to make contractual payments within 60 days of when they fall due. This definition of default is determined by considering the business environment in which entity operates and other macro-economic factors.

## (ii) Provision for expected credit losses

The group provides for expected credit loss based on the following:

Internal rating	Category	Description of Category	Basis of recognition of expected credit loss provision	
			Loans and security deposits	Trade receivables
VL 1	High-quality assets, negligible credit risk	Assets where the counter-party has strong capacity to meet the obligations and where risk of default is negligible or nil	12-month expected credit losses	Life-time expected credit losses (simplified approach)
VL 2	Quality assets, low credit risk	Assets where there is low risk of default and where the counter-party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past		
VL 3	Standard assets, moderate credit risk	Assets where the probability of default is considered moderate, counter-party where the capacity to meet the obligations is not strong		
VL 4	Substandard assets, relatively high credit risk	Assets where there has been a significant increase in credit risk since initial recognition. Assets where the payments are more than 30 days past due	Life-time expected credit losses	
VL 5	Low quality assets, very high credit risk	Assets where there is a high probability of default. In general, assets where contractual payments are more than 60 days past due are categorised as low quality assets. Also includes assets where the credit risk of counter-party has increased significantly though payments may not be more than 60 days past due		
VL 6	Doubtful assets, credit-impaired	Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the group. The group categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 120 days past due. Where loans or receivables have been written off, the group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.	Assets being written off	

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# Notes to Accounts

All amounts in INR Lakhs unless otherwise stated

Year ended 31 March 2022:

(a) Expected credit loss for loans and security deposits

Particulars		Asset group	Internal credit rating	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	Loans and Security deposits	VL 1	104	0%	-	104

(b) Expected credit loss for trade receivables under simplified approach:

Ageing	0 to 180	181 to 365	366 to 730	> 731	Total
Gross carrying amount	5,224	614	404	287	6,529
Expected loss rate	0.50%	5.00%	10.00%	50.00%	
Expected credit losses (Loss allowance provision)	26	31	40	143	240
Provision carried in books #	39	39	42	153	273
<b>Carrying amount of trade receivables (net of impairment)</b>	<b>5,185</b>	<b>575</b>	<b>362</b>	<b>134</b>	<b>6,256</b>

(iii) Reconciliation of loss allowance provision- Loans and deposits

There are no loss allowance provision created for the loans and deposits.

(iv) Reconciliation of loss allowance provision – Trade receivables

Loss allowance on 1 April 2021	<b>98</b>
Add: Loss allowance on account of Business combination (refer note 32)	<b>70</b>
Changes in loss allowance	104
<b>Loss allowance on 31 March 2022</b>	<b>272</b>

(B) Liquidity risk

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. The funding sources of the group include short-term working capital loans from banks.

(i) Financing arrangements

The group had access to the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at March 31 2022
<b>Floating rate</b>	
- Expiring within one year (bank overdraft)	5,300
- 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.

(ii) Maturities of financial liabilities

The tables below analyse the group's financial liabilities into relevant maturity groupings based on their contractual maturities for non-derivative liabilities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities:

Particulars	Less than 3 months	3 months to 6 months	6 months to 1 year	Between 1 and 2 years	Between 2 and 5 years	Total
<b>31 March 2022</b>						
<b>Non-derivatives</b>						
Borrowings	375	375	11,430	13,000	24,500	49,680
Lease Liability	25	25	49	108	203	410
Trade payables	5,335	2	1	1	22	5,361
Other financial liabilities	5,847	72	3,237	-	-	9,156
<b>Total non-derivative liabilities</b>	<b>11,582</b>	<b>474</b>	<b>14,717</b>	<b>13,109</b>	<b>24,725</b>	<b>64,607</b>

# Notes to Accounts

All amounts in INR Lakhs unless otherwise stated



## (C) Market risk

### (i) Foreign currency risk

The group is not exposed to foreign exchange risk arising from foreign currency transactions during the year. Foreign exchange risk arises from recognised liabilities denominated in a currency that is not the group's functional currency (INR).

#### a) Foreign currency exposure

The group's exposure to foreign currency risk at the end of the current and previous reporting period is NIL.

### (ii) Interest rate risk

The group's main interest rate risk arises from borrowings with variable rates, which expose the group to cash flow interest rate risk.

The group's fixed rate borrowings are carried at amortised cost. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

The group has not taken any interest rate swaps to convert the floating rate borrowings to fixed rate loans. The group monitors the movement in the interest rates and uses the prepayment option to repay the borrowings at the time when the interest rates are unfavorable. The assessment of viability of using the pre-payment option shall be evaluated by the finance team.

#### a) Interest rate risk exposure

The exposure of the group's borrowing to interest rate changes at the end of the reporting period are as follows:

Particulars	As at March 31, 2022
Variable rate borrowings	1,680
Fixed rate borrowings	48,000
<b>Total</b>	<b>49,680</b>

#### b) Sensitivity

Profit or loss is sensitive to higher/lower interest expense from borrowings as a result of changes in interest rates.

Particulars	Impact on Profit after tax
	As at March 31 2022
Interest rates – increase by 70 basis points *	11.76
Interest rates – decrease by 70 basis points*	(11.76)

\* Holding all other variables constant

## Note - 36 : Capital management

### (a) Risk management

For the purpose of capital management, capital includes issued equity capital attributable to the Holding Company.

The Group's objectives when managing capital are to;

- Safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- Maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, The group monitors capital on the basis of the following gearing ratio:

Net debt (total borrowings net of cash and cash equivalents) divided by Total 'equity' (as shown in the balance sheet).

Particulars	As at March 31, 2022
Net debt	61,230
Total equity	31,832
<b>Net debt to equity ratio</b>	<b>1.92</b>

#### (i) Loan covenants

In order to achieve this overall objective, the company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period. No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2022.

# Notes to Accounts

All amounts in INR Lakhs unless otherwise stated

## (b) Dividends

Particulars	As at March 31, 2022
<b>(i) Equity shares</b>	
Final dividend for the year ended March 31, 2021 of INR 5 per fully paid share	1,264
<b>(i) Dividends not recognised at the end of the reporting period</b>	
Directors have recommended the payment of a dividend of INR 3 (PY INR 5) per fully paid equity share. This proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.	759

## Note - 37 : Segment information

### (a) Description of segments and principal activities

The Group has following business segments, which are its reportable segments during the year. These segments offer different products and services, and/or managed separately because they require different technology and production processes. Operating segment disclosures are constant with the information provided to and reviewed by the chief operating decision maker.

Reportable segment	Product/ Services
Cement	Manufacturing and trading of cement
Power plant	Generation of power

Particulars	Year ended March 31, 2022		
	Cement	Power	Total
<b>Segment revenue</b>	79,867	5,438	85,305
Less : Inter segment revenue		(5,179)	(5,179)
<b>Total revenue from operations</b>	79,867	259	80,126
Segment result (Profit before tax and interest) from each segment	8,293	585	8,878
Less : Interest			(3,001)
Total Profit before tax			5,877
<b>Capital employed (Segment assets - segment liabilities)</b>	<b>As at March 31 2022</b>		
Segment assets	104,138	7,522	111,660
Segment liabilities	79,386	109	79,495

### (b) Major Customers in Cement Segment

15% of Group Revenue is coming from 15 customers in cement segment.

## Note - 38 : Related party transactions

The related party relationships is as identified by the company and relied upon by the auditor.

### (a) Parent entities

The Group is controlled by following entity:

Name of entity	Ownership interest held by the Ultimate Holding Company		
	Place of Incorporation	Registered Address	As at March 31, 2022
Chettinad Cement Corporation Private Limited - Ultimate Holding Company	India	"Chettinad Towers", No. 603, Anna Salai, Chennai, Tamil Nadu - 600 006, India	75%

### (b) Fellow Subsidiaries of Holding Company

Name of entity	Ownership interest held by the Ultimate Holding Company		
	Place of Incorporation	Registered Address	As at March 31, 2022
Chettinad Power Corporation Private Limited	India	"Chettinad Towers", No. 603, Anna Salai, Chennai, Tamil Nadu - 600 006, India	100%
Grand Paper & Boards Private Limited	India	No.37, Old Mahabalipuram Road, Kazhipattur Village, Padur Post, Kanchipuram, Tamil Nadu - 603 103, India	100%
Belaire Apartments Private Limited	India	Plot No.18, Block No.1 Rajmahal Vilas, 2nd Stage Bengaluru, Karnataka - 560 094, India	100%
Grand Lanka Exim (Private) Ltd.	Srilanka	No.354 Hamilton Canal Rod, Dickovita, Hendala, Wattala, Sri Lanka	98%

# Notes to Accounts

All amounts in INR Lakhs unless otherwise stated

(c) **Associate Company**

The Group does not have any associate Company in the current financial year.

(d) **Joint ventures in which the entity is a joint venturer**

The Group does not have any joint venture.

(e) **Key management personnel(KMP) of the reporting entity and Parent of the reporting entity**

Mr. M A M R Muthiah, Managing Director of Ultimate Holding Company

Mr. N. Venkat Raju, Managing Director of Group

(f) **Key management personnel compensation**

Particulars	As at March 31, 2022
Short-term employee benefits	79
Post-employment benefits*	4
<b>Total compensation</b>	<b>83</b>

\* This does not include gratuity based on actuarial valuation as this is done for the company as a whole

(g) **Related Parties**

**Entities controlled or jointly controlled by a person identified ( e ) above :**

Chettinad Morimura Semiconductor Material Private Limited

Chettinad Inland Water Transport Services Private Limited

Chennai Computer and Software Services Private Limited

Chettinad Realtors Private Limited

Chettinad Lignite Transport Services Private Limited

(h) **Transactions with related parties**

The following transactions occurred with related parties:

Particulars	As at March 31, 2022
<b>Ultimate Holding Company</b>	
Purchase of goods	5,410
Sale of goods	9
Rent Paid	1
Rent received	1
Dividend Paid	948
ICD Interest Paid/Accrued	2,564
ICD Received	46,000
ICD Repaid	2,500

(i) **Outstanding balances arising from sales/purchases of goods and services**

Particulars	As at March 31, 2022
<b>Ultimate Holding Company</b>	
Payable against purchase of goods	540
Inter Corporate Deposit (Principal and Interest payable)	45,008

## Note - 39 : Contingent liabilities and contingent assets

(a) **Contingent liabilities**

	As at March 31, 2022
<b>Claims against the Company not acknowledged as debts</b>	
Income tax related	328
Excise related *	180
Customs related **	130
Entry tax	32
Others	138
<b>Total</b>	<b>808</b>

\*Does not include penalty amount of INR 180.32 Lakhs

\*\*Does not include penalty amount of INR 103.70 Lakhs

# Notes to Accounts

All amounts in INR Lakhs unless otherwise stated

During the year, Holding Company has received a notice from Superintendent of Engineer, Southern Power Distribution Company of Telangana Limited, Suryapet purporting to claim and demand Rs.16,71,96,831/- (Rupees Sixteen Crore Seventy one lakh Ninety six thousand Eight hundred and thirty one) towards difference in wheeling charges and interest thereon pursuant to the judgment dated 29.11.2019 of the Hon'ble Supreme court. Company has approached to Hon'ble High court of Telangana State, Hyderabad and filed the writ petition on the ground that the demand raised is unauthorized and legally untenable as the Company was not party to any wheeling agreement entered into with transmission/distribution Licensee. The Hon'ble High Court of Telangana has granted stay order to the said demand.

## (b) Contingent assets

The Group does not have any contingent assets as at March 31, 2022.

## Note - 40 : Commitments

### Capital commitments (net of capital advances)

Capital expenditure contracted for at the end of the reporting period but not recognised as liabilities is as follows:

Particulars	As at March 31, 2022
<b>Estimated amount of contracts remaining to be executed on capital account and not provided for</b>	
Property, plant and equipment	386
<b>Total</b>	<b>386</b>

## Note - 41 : Other Disclosure

### (a) Dues to Micro and Small Enterprises

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 are provided as under, to the extent the Company has received intimation from the 'Suppliers' regarding their status under the Act.

Particulars	As at March 31, 2022
i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year	-
Principal amount due to micro and small enterprises	-
Interest due on above	-
ii) Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period	0.04
iii) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-
iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	-
v) 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 enterprises for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-

### (b) Corporate Social Responsibility (CSR)

Section 135(5) of the Companies Act, 2013 stipulates that the group needs to spend two per cent of the average net profits made during the three immediately preceding financial years in pursuance of its Corporate Social Responsibility (CSR) Policy.

The Group has spent INR 177 lakhs during financial year 2021-22 towards CSR activities

Particulars	As at March 31, 2022
a) Gross amount required to be spent by the Company during the year	174
b) Amount approved by the Board to be spent during the year	177
c) Amount of expenditure incurred on :	
i) Construction/acquisition of any asset	-
ii) On purposes other than (i) above	177
d) Shortfall at the year end	-
e) Total previous shortfall	-
f) Reason for shortfall	NA
g) Nature of CSR activities under Sec 135 read with Schedule VII of Companies Act, 2013	Promoting Education, Rural Development, Health Care, Hygiene & Sanitation
h) Details of related party transactions in relation to CSR expenditure	NA

# Notes to Accounts

All amounts in INR Lakhs unless otherwise stated



## Note - 42 : Leases

Disclosures as per Ind AS 116:

The weighted average incremental borrowing rate applied to lease liabilities is 9% in the case of holding company and 7% for Subsidiary

Particulars	Right of use (ROU)- Building
Opening Balance as on 1 <sup>st</sup> April 2021	254
Add: On account of business combination (refer note 32)	5
Add: Additions	214
Less: Deletions	10
Less: Depreciation	94
Closing Balance as on 31 <sup>st</sup> March 2022	369

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.

The following is the break-up of current and non-current lease liabilities as at March 31, 2022:

Particulars	Year Ended 31st March 2022
Current Lease Liability	97
Non Current Lease Liability	312
<b>Total</b>	<b>409</b>

The following is the movement in lease liabilities during the year ended March 31, 2022:

Particulars	Year Ended 31st March 2022
Balance at the beginning	280
Add: On account of business combination (refer note 32)	10
Additions	214
Finance Cost accrued during the period	28
Less: Deletion	16
Less: Payment of lease liabilities	107
Balance at the end	409

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2022 on an undiscounted basis:

Particulars	Year Ended 31st March 2022
Less than one year	127
One to five years	344
More than five years	-
<b>Total</b>	<b>471</b>

## Note - 43 : Earnings per share

(a) Basic earnings per share

Particulars	As at March 31, 2022
Basic earnings per share attributable to the equity holders of the Company in Rupees	16.38

(b) Diluted earnings per share

Particulars	As at March 31, 2022
Diluted earnings per share attributable to the equity holders of the Company in Rupees	16.38

(c) Reconciliations of earnings and number of shares used in calculating earnings per share

Particulars	As at March 31, 2022
<i>Basic/Diluted earnings per share</i>	
Profit attributable to equity holders of the company used in calculating basic/diluted earnings per share	4,142
Weighted average number of Equity Shares outstanding during the period (In Number)	25,285,696
Profit attributable to equity holders of the company used in calculating basic/diluted earnings per share	4,142

# Notes to Accounts

All amounts in INR Lakhs unless otherwise stated

## Note - 44 : Assets pledged as security

The carrying amount of assets pledged as security for current and non-current borrowings are:

Particulars	As at March 31, 2022
<b>Current</b>	
<b>Financial assets</b>	
<i>First charge</i>	
Trade receivables	6,259
Cash and cash equivalents	913
Bank Balances other than cash and cash equivalents	9
Others	286
<b>Non-financial assets</b>	-
<i>First charge</i>	-
Inventories	2,816
Other current assets	3,760
<b>Total current assets pledged as security</b>	<b>14,043</b>
<b>Non-Current</b>	
<i>First charge</i>	
Plant and machinery	5,850
Furniture and fixtures	-
Office equipment	-
Vehicles	-
<b>Total non-current assets pledged as security</b>	<b>5,850</b>
<b>Total assets pledged as security</b>	<b>19,893</b>

## Note - 45 : Events occurring after the reporting period

No events were noted after the reporting period which require an adjustment nor disclosure as provided under Ind AS 10.

## Note - 46 : Additional statutory information in respect of components of the Group

Name of the entity	As at and for year ended 31 March 2022							
	Net Assets i.e total assets less total liabilities		Share in profit / (loss)		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated profit / (loss)	Amount	As % of consolidated OCI	Amount	As % of total comprehensive income	Amount
Parent- Anjani Portland Cement Limited	115%	36,870	83%	3,497	40%	6	83%	3,503
Subsidiary								
Bhavya Cements Private Limited	51%	16,291	56%	2,365	62%	9	56%	2,374
Total		53,161		5,862		15		5,877
Less: Consolidation adjustments	-65%	(20,996)	-40%	(1,662)	2%	0	-39%	(1,663)
<b>Net amount</b>	<b>100%</b>	<b>32,165</b>	<b>100%</b>	<b>4,199</b>	<b>104%</b>	<b>15</b>	<b>100%</b>	<b>4,214</b>

## Note - 47 : Impact of Covid-19

The Group has considered the possible effects that may result from the pandemic relating to Covid-19 in the preparation of these consolidated financial statements including the recoverability of carrying amounts of financial and non-financial assets. In developing the assumptions relating to the possible future uncertainties in the global economic conditions because of this pandemic, the Group has, at the date of approval of these financial statements, used internal and external sources of information including credit reports and related information and economic forecasts and expects that the carrying amount of these assets will be recovered. The impact of Covid-19 on the Group's financial statements may differ from that estimated as at the date of approval of these consolidated financial statements.

## Note - 48 : Note on “Code on Security, 2020”

The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the Group towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Group will assess the impact and its evaluation once the subject rules are notified and will give appropriate impact in its financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

## Note - 49 :

Previous Year comparatives and ratio analysis are not presented as consolidation is applicable for the first time.

The accompanying notes form an integral part of financial statements

As per our report of even date

**For Ramanatham & Rao**  
Chartered Accountants  
FR No : S-2934

**C. Kameshwar Rao**  
Partner  
Membership No : 024363

Place : Hyderabad  
Date : 12th May, 2022

For and on behalf of the Board

**N Venkat Raju**  
Managing Director  
(DIN: 08672963)

**S. B. Nirmalatha**  
Director  
(DIN: 03092392)

**M. L. Kumavat**  
Chief Financial Officer

Place : Chennai  
Date : 12th May, 2022

**V. Valliammai**  
Director  
(DIN: 01197421)

**V Palaniappan**  
Director  
(DIN: 00645994)

**Subhanarayan Muduli**  
Company Secretary  
M. No.A 41513

**A Subramanian**  
Director  
(DIN: 06693209)

**R M Palanippa**  
Director  
(DIN: 00143198)

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## Anjani Portland Cement Limited

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