



HEMADRI CEMENTS LIMITED

Admin. Office: No 3, Veerasamy Street, III Floor, West Mambalam, Chennai - 600033
CIN: L26942AP1981PLC002995

Date: 27.05.2024

To

BSE Limited
Corporate Relationship Department,
2nd Floor, New Trading Wing,
Rotunda Building, P.J. Towers,
Dalal Street, Mumbai-400001.

Dear Sir / Madam,

Scrip code: 502133; ISIN: INE07BK01011

Sub: Audited Financial Results for the Quarter and Year ended 31st March 2024.

Pursuant to Regulation 30 & 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform that the Board of Directors of the Company at its meeting held today i.e., 27th May 2024 has inter-alia approved the following:-

1. Pursuant to the recommendations of the Audit Committee, the Board of Directors has approved the Audited Financials Results as per Indian Accounting Standards (INDAS) for the Quarter and Financial Year ended 31st March 2024. (Copy enclosed herewith)
2. The Board took note of the Statutory Auditors' Report on the Audited Financials Results of the Company for the Quarter and Financial Year ended 31st March 2024. (Copy enclosed herewith)
3. Declaration with respect to Audit Report with unmodified opinion to the Audited financial results for the Financial Year ended 31st March 2024. (Copy enclosed herewith)

The Meeting of Board of Directors commenced at 3.00 P.M and concluded at 5.00 P.M today.

This is for your kind information and records.

Thanking You,
Yours faithfully

For **HEMADRI CEMENTS LIMITED**



KRISH NARAYANAN
COMPANY SECRETARY & COMPLIANCE OFFICER

Regd.Office & Factory: Vedari Village-521 457, Jaggaiahpet Mandal, Krishna District.,A.P.(India)
Phone: 08678- 284538

HEMADRI CEMENTS LIMITED

Address: Vedadri Village, Jaggaiahpetv Mandal, Krishna Dist (A.P) - 521 457

Statement of Audited Financial Results for the Quarter & Financial Year ended 31-03-2024 pursuant to Regulation 33 of SEBI

CIN : L26942AP1981PLC002995

(Rs.in lakhs)

S.No.	Particulars	Three months' ended			Year Ended			
		Period Ending		31.3.2024	31.12.2023	31.3.2023	31.3.2024	31.3.2023
		UnAudited	UnAudited	UnAudited	Audited	Audited		
1	Revenue from Operations	1,436.22	1,498.47	1,917.28	5,585.93	6,837.24		
2	Other Operating Income	-	-	-	-	-		
3	Other Income	21.41	0.66	165.21	100.30	232.43		
	Total Income	1,457.63	1,499.13	2,082.49	5,686.23	7,069.67		
4	Expenses							
	a) Cost of Material consumed	268.84	349.65	407.50	1,258.01	1,674.46		
	b) Purchase of Stock-in-Trade	-	-	-	-	-		
	c) Changes in inventories of finished goods,work-in-progress and stock -in- trade	(167.90)	(365.25)	287.88	(346.71)	158.87		
	d) Power and Fuel	659.40	1,174.89	1,084.80	3,461.64	4,454.08		
	e) Employee benefits expenses	185.16	130.23	189.60	586.97	615.94		
	f) Finance costs	42.21	32.47	27.45	139.09	76.80		
	g) Depreciation and amortisation expense	47.88	46.77	51.56	188.19	194.74		
	h) Other Expenses	861.03	167.89	934.53	1,680.53	1,941.10		
	Total Expenses	1,896.62	1,536.65	2,983.32	6,967.72	9,115.99		
5	Profit Before Tax and Exceptional Items(3-4)	(438.99)	(37.52)	(900.83)	(1,281.49)	(2,046.32)		
6	Exceptional items							
7	Profit Before Tax (5-6)	(438.99)	(37.52)	(900.83)	(1,281.49)	(2,046.32)		
8	Tax Expense							
	Current Tax	-	-	-	-	-		
	MAT credit	-	-	-	-	-		
	Deferred Tax	(188.32)	-	(527.63)	(188.32)	(527.63)		
	Excess Provision reversed	-	-	10.53	-	10.53		
	Net Tax Expense / (Benefit)	(188.32)	-	(517.10)	(188.32)	(517.10)		
9	Net Profit / (Loss) for the period	(250.67)	(37.52)	(383.73)	(1,093.17)	(1,529.22)		
10	Other Comprehensive Income							
	(i) Items that will not be reclassified to Profit and Loss	(35.32)	-	(5.17)	(35.32)	(5.17)		
	ii) Income tax on above	(9.18)	-	(1.34)	(9.18)	(1.34)		
	Other Comprehensive Income	(26.14)	-	(3.83)	(26.14)	(3.83)		
11	Total Comprehensive Income (Comprising Profit and Other Comprehensive Income) (9+10)	(276.81)	(37.52)	(387.56)	(1,119.31)	(1,533.05)		
	PAID UP CAPITAL (66,70,000 nos's of equity share of Rs 10/- each)	667.00	667.00	667.00	667.00	667.00		
12	Earnings Per Share							
	(a) Basic Rs.	(3.76)	(0.56)	(5.75)	(16.39)	(22.93)		
	(b) Diluted Rs.	(3.76)	(0.56)	(5.75)	(16.39)	(22.93)		

Notes:

- The Company's business operations comprises of a single segment viz., cement and materials
- The Above Statement has been prepared to the extent applicable, in accordance with the Companies (Indian Accounting Standards) Rules, 2015 prescribed under Section 133 of the Companies Act, 2013 and Other recognised Accounting Practices and Policies adopted by the Company w.e.f 01.04.2018.
- The above Audited Results were reviewed by the Audit Committee and approved by the Board of Directors at their meeting held on 27-05-2024
- Previous period numbers have been regrouped wherever necessary.

For Hemadri Cements Limited



Dr. Sivasamy Raju
Director

DIN:06961330

Place : Chennai

Date : 27-05-2024

HEMADRI CEMENTS LIMITED
BALANCE SHEET AS AT 31st MARCH 2024
CIN : L26942AP1981PLC002995

Rupees in Lakhs unless otherwise stated

Particulars	Note No.	Figures as at the end of Current reporting period 31.03.2024	Figures as at the end of the previous reporting period 31.03.2023
ASSETS			
Non - current assets			
(a) Property, plant and equipment	3	1,200.47	1,355.17
(b) Capital work in progress	4	48.92	62.20
(c) Financial Assets			
(i) Investment	5	60.00	60.00
(ii) Other financial assets	6	288.62	291.41
(d) Deferred tax assets (net)	18	584.19	386.69
(e) Other non-current assets	7	-	726.27
Total Non-Current Assets		2,182.20	2,881.74
Current Assets			
(a) Inventories	8	1,264.99	1,247.42
(b) Financial Assets			
(i) Trade receivables	9	1,096.22	879.33
(ii) Cash and cash equivalents	10	34.90	28.09
(iii) Bank Balance other than (ii)	11	40.29	256.99
(iv) Other Financial Assets	12	27.59	30.83
(c) Current tax assets (Net)	24	4.05	7.14
(d) Other current assets	13	114.82	293.02
Total Current Assets		2,582.86	2,742.82
TOTAL ASSETS		4,765.06	5,624.56
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	14	667.00	667.00
(b) Other equity	15	1,635.78	2,755.08
Total Equity		2,302.78	3,422.08
Non - current liabilities			
(a) Financial liabilities			
(i) Borrowings	16	159.74	160.99
(b) Long term provisions	17	69.89	47.18
(c) Deferred tax liabilities (Net)	18	-	-
Total Non-Current Liabilities		229.63	208.17
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	19	976.37	993.41
(ii) Trade payables			
(a) Total outstanding dues to Micro enterprises and small enterprises	20	28.21	11.51
(b) Total outstanding dues of creditors other than Micro enterprises and small enterprises		551.59	406.89
(iii) Other financial Liabilities	21	147.78	160.53
(b) Other current liabilities	22	451.38	369.18
(c) Short term provisions	23	77.33	52.80
(d) Current tax Liability	24	-	-
Total Current Liabilities		2,232.65	1,994.31
TOTAL EQUITY AND LIABILITIES		4,765.06	5,624.56

HEMADRI CEMENTS LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31st MARCH 2024
CIN : L26942AP1981PLC002995

Rupees in Lakhs unless otherwise stated

Particulars	Note No.	figures as at the end of Current reporting period 31.03.2024	figures as at the end of the Previous reporting period 31.03.2023
I Revenue from Operations	25	5,585.93	6,837.24
II Other Income	26	100.31	232.43
III Total income (I + II)		5,686.23	7,069.67
IV Expenses			
Cost of materials consumed	27	1,258.02	1,674.46
Changes in inventories of finished goods, work in progress	28	(346.72)	158.87
Power & Fuel Charges	29	3,461.64	4,454.08
Employee benefits expense	30	586.97	615.94
Finance costs	31	139.10	76.80
Depreciation and amortization	32	188.19	194.74
Other expenses	33	1,680.53	1,941.11
Total Expenses (IV)		6,967.72	9,115.99
V Profit/(Loss) before exceptional and extraordinary items and tax (III-IV)		(1,281.49)	(2,046.32)
VI Exceptional Items		-	-
VII Profit/(Loss) before tax		(1,281.49)	(2,046.32)
VIII Tax expense:			
(1) Current tax		-	-
(2) MAT Credit		-	-
(3) Deferred tax	18	(188.32)	(527.63)
(4) Earlier tax adjustment		-	10.53
IX Profit/(Loss) for the period		(1,093.17)	(1,529.22)
X Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Remeasurement of defined benefit plan actuarial gains/(losses)		(35.32)	(5.17)
Less: Deffered tax expenses on above		(9.18)	(1.35)
		(26.13)	(3.83)
XI Total Comprehensive Income for the period (Comprising profit and other comprehensive income for the period)		(1,119.30)	(1,533.05)
XIII Earning per equity share: in Rupees			
(1) Basic	34	(16.39)	(22.93)
(2) Diluted		(16.39)	(22.93)

HEMADRI CEMENTS LIMITED
CASH FLOW STATEMENT FOR THE PERIOD ENDED 31st MARCH, 2024
CIN : L26942AP1981PLC002995

Rupees in Lakhs unless otherwise stated

Particulars	Figures as at the end of Current reporting period 31.03.2024		Figures as at the end of the previous reporting period 31.03.2023	
Cash flows from operating activities				
Total Income for the Period (PBT)		(1,281.49)		(2,046.32)
Adjustments for:				
- Other Comprehensive Income	(35.32)		(5.17)	
- Depreciation and amortization expense	188.19		194.74	
- Interest income	(22.17)		(37.48)	
- Provision no longer required withdrawn	-		(46.29)	
- Provision for doubtful advance	726.27		520.00	
- Profit on sale of Property, Plant & Equipment	(1.35)			
- Bank Guarantee commission paid and Interest Exp	139.10		76.80	
		994.71		702.59
		(286.78)		(1,343.73)
<i>Changes in</i>				
- Decrease/(Increase) In Trade Receivables	(216.89)		(41.11)	
- Decrease/(Increase) In Inventory	(17.57)		78.62	
- Decrease/(Increase) In Other Financial Asset(s) & bank deposits	219.94		593.32	
- Decrease/(Increase) In Other current Asset(s)	178.21		2.15	
- Decrease/(Increase) In Other non-current financial assets	2.79		(2.79)	
- Decrease/(Increase) In Other non-current asset	-		(0.13)	
(Decrease)/Increase In Long term Provisions	22.72		16.58	
(Decrease)/Increase In Trade Payables current	161.41		(254.80)	
(Decrease)/Increase In other current liabilities	82.20		(297.32)	
(Decrease)/Increase In Other financial liabilities current	(12.75)		(18.28)	
(Decrease)/Increase In Short Term provisions current	24.53		27.62	
Cash generated from operations		444.57		103.85
Income taxes (Paid) / Refund		3.09		100.20
Cash generated from / (used in) operations		160.88		(1,139.68)
Cash flows from investing activities				
Purchase of Property, Plant & Equipment		(20.60)		(53.05)
Sale of Propert, Plant & Equipment		1.75		
Interest received		22.17		37.48
Net cash generated from/(used in) investing activities [B]		3.32		(15.57)
Cash flows from financing activities				
Proceeds from / (repayment of) long term and short term borrowings		(18.29)		676.26
Bank Guarantee commission paid and Interest Exp		(139.10)		(76.80)
Proceeds from long term loans		-		-
Repayment of long term loans		-		-
Net cash used in financing activities		(157.39)		599.46
Increase /(Decrease) in cash and cash equivalents		6.81		(555.78)
Cash and cash equivalents at the beginning of the year		28.09		583.88
Cash and cash equivalents at the end of the year		34.90		28.09
Cash & Cash equivalents:				
Cash and cash equivalents consist of cash on hand and balances with banks, and investments in money market instruments. Cash				
Cash on hand		1.35		1.47
Balances with banks		33.55		26.62
Total cash and cash equivalents		34.90		28.09



INDEPENDENT AUDITOR'S REPORT
To the members of HEMADRI CEMENTS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of **HEMADRI CEMENTS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (including the statement of 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 (hereinafter referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 sec 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, 2024, its loss (financial performance including other comprehensive Income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Companies Act 2013 (SAs). 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 independence requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act 2013 and the Rules 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 audit opinion on the standalone financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in 'Emphasis of Matter' section, we have determined that there were no key audit matters to be communicated in our audit report.




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

The Company's Board of Directors and the Management are responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. When we read these reports if we conclude that there is material misstatement therein, we are required to communicate the matter with those charged with governance.

Responsibilities of the Management and those Charged with Governance for the Financial Statements

The Company's Board of Directors and the Management are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("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 / loss, changes in equity and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 financial statements, the Board of Directors and the Management are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors and the Management are 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 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 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 skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls 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 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 financial statements.

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



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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the financial year ended March 31, 2024 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (b) In our opinion, proper books of accounts 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, Statement of Profit and Loss, (including the statement of Other Comprehensive Income), the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act.
 - (e) On the basis of written representations received from the directors as on March 31, 2024, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024, 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 B" to this report.
 - (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 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 does not have any pending litigations which would impact its financial position to the financial statements.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2024.
- iv. (a) The management has represented, to the best of its knowledge and belief, that no funds (which are material either individually or in aggregate), other than those disclosed in note 7 to the financial statements, 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, to the best of its knowledge and belief, that no funds (which are material either individually or in aggregate), other than those disclosed in note 22 to the financial statements, 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.
- iv. The Company did not propose, declare or pay dividends during the year ended 31 March 2024.
- v. Based on our examination, the Company has used an accounting software "PACT" for maintaining its books of accounts which does not have a feature of recording audit trail (edit log) facility and consequently we are unable to comment on audit trail requirements of the said software as envisaged under Rule 11(g). As mentioned in note 44 to the financial statements, the Company is in the process of migrating to a new accounting software which will contain the necessary controls and documentation regarding the audit trail.


As proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable from 01 April 2023, reporting under rule Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 on



preservation of audit trail as per the statutory requirements for record retention is not applicable for the financial year ended March 31, 2024.

for **S B S B AND ASSOCIATES**
Chartered Accountants
(Firm Regn. No. 012192S)




D. Sharath Kumar
Partner
M.No: 024568

Place: Chennai
Date: 27-05-2024

UDIN 24024568BKCZGS4425



Annexure A to the Independent Auditor's report of even date to the members of HEMADRI CEMENTS LIMITED, on the financial statements for the year ended 31 March 2024

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

Based on the audit procedures performed for the purpose of reporting a true and fair view of the financial statements of the Company and taking into consideration the information and explanations given to us and the books of accounts and other records examined by us, in the normal course of audit, and to the best of our knowledge, 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.

(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 at regular intervals so to cover all the assets which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no material discrepancies were noticed on such verification
 - (c) the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), disclosed in the financial statements included under property, plant and equipment are held in the name of the Company.
 - (d) the Company has not revalued any of its property, plant and equipment and intangible assets during the year.
 - (e) no proceedings have been initiated during the year or are pending against the Company as at 31 March 2024 for holding any benami property under the Benami Transactions (Prohibitions) Act, 1988 (as amended in 2016) and rules made thereunder
- ii. (a) the Company has a program of physical verification of inventory at regular intervals which, in our opinion, is reasonable having regard to the size of the Company and the nature of its inventory. According to the information and explanations given to us, no material discrepancies were noticed on such verification.

(b) the Company has availed working capital facilities in excess of INR 5 crores from banks / financial institutions on the basis of security of current assets and the quarterly returns / statements filed by the Company with the bank are in agreement with the books of accounts.
- iii. The Company has not made investments or provided guarantee or security or granted loans or advances, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or any other parties, during the year and hence reporting under clause 3(iii) of the Order is not applicable.



- iv. the Company has complied with the provisions of section 185 and 186 of the Act, in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. the Company has not accepted any deposits from the public and hence the directives issued by RBI and the provisions of section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015. Hence, reporting under clause 3(vi) of the Order is not applicable.
- vi. We have broadly reviewed the books of accounts and records maintained by the company pursuant to the Rules made by the Central Government for the maintenance of Cost Records under section 148(1) of the Companies Act, 2013 and we are of the opinion that prima facie, the prescribed accounts and records have been made and maintained.
- vii. in respect of statutory dues:
- (a) the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and service tax, duty of customs, cess and other material statutory dues applicable to it with the appropriate authorities though there has been a slight delay in a few cases. There were no undisputed amounts payable which were outstanding as on 31 March 2024 for a period of more than six months from the date on which they became payable.
- (b) the Company does not have disputed statutory dues referred to in sub-clause (a) above and hence reporting under clause 3(vii)(b) of the Order is not applicable.
- 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.
- ix.
- (a) the Company has not defaulted during the year in repayment of dues to any lender during the year.
- (b) the Company has not been declared a willful defaulter by any bank of financial institution or government or any government authority
- (c) as per the information and explanations provided to us, the term loans were applied for the purpose for which the loans were obtained.
- (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 funds from any entity or person on account of or to meet the obligations of its subsidiaries / joint ventures / associates.
- (f) the Company has not raised loans during the year on the pledge of securities held in its subsidiaries / joint ventures / associate companies and hence reporting under clause 3(viii) is not applicable.



- 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) is not applicable.
- (b) 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 fraud on the Company has been noticed or reporting during the year
- (b) no reporting 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 date of this report.
- (c) as informed by the Company, there were no whistle-blower complaints received during the year.
- xii. the Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable.
- xiii. In our opinion, the Company is in compliance with sections 177 and 188 of the Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable accounting standards.
- xiv. (a) in our opinion and based on our examination, 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 of the Company issued during the year and till date.
- xv. the Company has not entered into any non-cash transactions its directors or persons connected with its directors and hence provisions of section 192 of the Act are not applicable to the Company.
- xvi. in our opinion, the Company is not required to registered under section 45-IA of the Reserve Bank of India Act, 1934 and hence reporting under clause 3(xvi) and its sub-clauses of the Order is not applicable.
- xvii. the Company has incurred cash losses of Rs.1104.03 Lakhs during the financial year covered by our audit, and incurred a cash loss of 1331.59 incurred 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 ongoing projects as defined under sub-section (5) of section 135 of the Act and hence reporting under clause 3(xx)(a) of the Order is not applicable
- (b) there are no unspent amount as defined under sub-section (5) of section 135 of the Act and hence reporting under clause 3(xx)(b) of the Order is not applicable

for **S B S B AND ASSOCIATES**

Chartered Accountants
(Firm Regn. No. 012192S)



A handwritten signature in black ink, appearing to read "D. Sharath Kumar".

D. Sharath Kumar
Partner

M.No: 024568

UDIN:24024568BKCZGS4425

Place: Chennai
Date: 27-05-2024

ANNEXURE “B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2(f) under ‘Report on Other Legal and Regulatory Requirements’ section of our report to the Members of HEMADRI CEMENTS LIMITED of even date)

Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Subsection 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of HEMADRI CEMENTS LIMITED (“the Company”) as of March 31, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Board of Directors of the Company 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. 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, 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 internal financial controls over financial reporting of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India 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 authorizations of management and directors of the company; and

(3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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 March 31, 2024, 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 **S B S B AND ASSOCIATES**
Chartered Accountants
(Firm Regn. No. 012192S)

D. Sharath Kumar
Partner

M.No: 024568

UDIN: 24024568BKCZGS4425

Place: Chennai
Date: 27-05-2024



HEMADRI CEMENTS LIMITED

Admin. Office: No 3, Veerasamy Street, III Floor, West Mambalam, Chennai - 600033
CIN: L26942AP1981PLC002995

Date: 27.05.2024

To

BSE Limited
Corporate Relationship Department,
2nd Floor, New Trading Wing,
Rotunda Building, P.J. Towers,
Dalal Street, Mumbai- 400001.

Dear Sir / Madam,

Scrip code: 502133; ISIN: INE07BK01011

Sub: Declaration with respect to Audit Report with unmodified opinion to the Audited Financial Results for the Financial Year ended 31st March 2024.

Pursuant to the regulation 33(3)(d) of SEBI (LODR) Regulations, 2015 we hereby declare that the Audit Report issued by M/s.SBSB and Associates, Statutory Auditors of the Company have expressed an **Unmodified Opinion** in their Audit Report on the Audited Financial Results of the Company for the Financial Year ended 31st March 2024.

This is for your kind information and records.

Thanking You,
Yours faithfully
For **HEMADRI CEMENTS LIMITED**


KRISH NARAYANAN
COMPANY SECRETARY & COMPLIANCE OFFICER



Regd.Office & Factory: Vedari Village-521 457, Jaggaiahpet Mandal, Krishna District.,A.P.(India)

Phone: 08678- 284538